

Norwest Energy NL

Level 2, 30 Richardson Street
West Perth, WA 6005
P: +61 8 9227 3240
E: info@norwestenergy.com.au
www.norwestenergy.com.au



10 January 2023

Market Announcements Office
Australian Securities Exchange Limited
Level 40
Central Park
152-158 St George's Terrace
PERTH
WA 6000

Dear Sir/Madam

Target's Statement – Off-market takeover bid by Mineral Resources Limited

In accordance with item 14 of section 633(1) of the *Corporations Act 2001* (Cth) (**Corporations Act**), **attached** is a copy of the Target's Statement dated 10 January 2023 (**Target's Statement**) prepared by Norwest Energy NL ACN 078 301 505 (ASX:NWE) (**Norwest**) in relation to the off-market takeover bid by Mineral Resources Limited ACN 118 549 910 (**MinRes**) under Chapter 6 of the Corporations Act for all of the fully paid ordinary shares in Norwest which MinRes does not already own.

The Target's Statement is being lodged today with the Australian Securities and Investments Commission and served on MinRes.

If Norwest shareholders have any queries regarding the MinRes takeover offer, they can contact the Norwest shareholder information helpline on 1300 916 770 (inside Australia) or +61 (3) 9415 4265 (outside Australia) between 8.30 am and 5.00 pm (AEDT) Monday to Friday.

This announcement has been approved and authorised for release by the board of Norwest.

Yours faithfully,

A handwritten signature in black ink, appearing to read 'Iain Smith', is written over a light blue horizontal line.

Iain Smith
Managing Director
Norwest Energy NL

For personal use only



TARGET'S STATEMENT

ISSUED BY
NORWEST ENERGY NL
ACN 078 301 505

This Target's Statement is issued in relation to the off-market takeover bid by Mineral Resources Limited to purchase all of the ordinary fully paid shares it does not already own in Norwest Energy NL.

Your Directors unanimously recommend that you

REJECT the Offer

To reject the Offer, DO NOTHING

For personal use only



EUROZ HARTLEYS

Financial Advisor

CORRS
CHAMBERS
WESTGARTH

Legal Advisor

THIS IS AN IMPORTANT DOCUMENT AND REQUIRES YOUR IMMEDIATE ATTENTION.

If you are in any doubt about how to deal with this document, you should contact your broker, financial adviser or legal adviser immediately.

Key dates

Announcement of Offer	16 December 2022
Date of Bidder's Statement	16 December 2022
Date of this Target's Statement	10 January 2023
Offer opens	3 January 2023
Offer closes (unless extended or withdrawn)*	7.00 pm (Sydney time) on 6 February 2023

*This date is subject to change. Please see **section 4.2** of this Target's Statement for further details regarding the Offer Period.

Important notices

Nature of this document

This document is a Target's Statement issued by Norwest Energy NL (ACN 078 301 505) (**Norwest**) under Part 6.5 Division 3 of the Corporations Act in response to the Bidder's Statement and the Offer.

A copy of this Target's Statement was lodged with ASIC and given to ASX on 10 January 2023. Neither ASIC, ASX nor any of their respective officers, take any responsibility for the content of this Target's Statement.

Defined terms

A number of defined terms are used in this Target's Statement. Unless the contrary intention appears, the context requires otherwise or words are defined in **section 9** of this Target's Statement, words and phrases in this Target's Statement have the same meaning and interpretation as in the Corporations Act.

No account of personal circumstances

This Target's Statement does not take into account your individual objectives, financial situation or particular needs. It does not contain personal advice. Your Directors encourage you to seek independent financial and taxation advice before making a decision as to whether or not to accept the Offer.

Disclaimer as to forward looking statements

Some of the statements appearing in this Target's Statement may be in the nature of forward looking statements. You should be aware that such statements are only predictions and are subject to inherent risks and uncertainties. Actual events or results may differ materially from the events or results expressed or implied in any forward looking statement. You are cautioned not to place undue reliance on any forward looking statement. The forward looking statements in this Target's Statement reflect views held only as at the date of this Target's Statement.

Disclaimer as to information

The information on Mineral Resources Limited (ACN 118 549 910) (**MinRes**) contained in this Target's Statement has been obtained from publicly available sources,

including the Bidder's Statement lodged by MinRes. None of the information contained in this Target's Statement relating to MinRes has been verified by Norwest or its Directors for the purposes of this Target's Statement. Accordingly, and to the extent permitted by law, Norwest makes no representation or warranty (either express or implied) as to the accuracy or completeness of this information.

Foreign jurisdictions

The release, publication or distribution of this Target's Statement in jurisdictions other than Australia may be restricted by law or regulation in such other jurisdictions and persons who come into possession of it should seek advice on and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable laws or regulations.

This Target's Statement has been prepared in accordance with Australian law and the information contained in this Target's Statement may not be the same as that which would have been disclosed if this Target's Statement had been prepared in accordance with the laws and regulations outside Australia.

Privacy

Norwest has collected your information from the Norwest register of Shareholders (including name, contact details and shareholding details) for the purpose of providing you with this Target's Statement.

Your information may be disclosed on a confidential basis to external service providers (such as Norwest's share registry and print and mail service providers) and may be required to be disclosed to regulators (such as ASIC and ASX). If you would like to obtain details of the information held about you by Norwest, please contact Computershare Investor Services Pty Limited (Norwest's share registry) on 1300 850 505 (within Australia) or +61 (8) 9415 4000 (outside Australia).

Enquiries

If you have any further queries in relation to the Offer, you can contact Norwest's shareholder information helpline on 1300 916 770 (inside Australia) or +61 (3) 9415 4265 (outside Australia) between 8.30 am and 5.00 pm (AEDT) Monday to Friday.

Key reasons why you should REJECT the Offer

- 1 The unsolicited Offer does not appropriately value Norwest's Perth Basin assets and has been opportunistically timed prior to the full extent of the Lockyer discovery becoming known

Refer to **section 1.1**
- 2 MinRes is seeking to secure control of Norwest and its Perth Basin assets without paying an appropriate premium for control

Refer to **section 1.2**
- 3 By accepting the Offer and becoming a MinRes shareholder, Shareholders reduce their exposure to the Lockyer project and adjacent exploration upside, while increasing their exposure to the risks associated with MinRes' other businesses and commodities

Refer to **section 1.3**
- 4 As a stand-alone ASX-listed entity, Norwest provides investors with one of the few available opportunities to acquire meaningful exposure to what are expected to be compelling Perth Basin gas economics

Refer to **section 1.4**
- 5 If you accept the Offer, you may be unable to accept a superior proposal if one emerges

Refer to **section 1.5**
- 6 The tax outcomes of accepting the Offer may be disadvantageous to you, particularly if the requirements to obtain scrip-for-scrip rollover relief are not satisfied

Refer to **section 1.6**

To **REJECT** the Offer,
simply **DO NOTHING** and **TAKE NO ACTION**
in relation to all documents sent to you by MinRes

You should read this Target's Statement in its entirety for further information on the reasons why the Directors unanimously recommend that Shareholders should **REJECT** the Offer.

Contents

Chairman's Letter to Shareholders	1
1 Why you should REJECT the Offer	3
2 Frequently asked questions	10
3 Directors' recommendations and intentions	16
4 Key features of the Offer	18
5 Information about Norwest	20
6 Information about MinRes	26
7 Risk factors	27
8 Additional information	34
9 Glossary and interpretation	38
10 Authorisation	41
Annexure — ASX Announcements	42
Corporate Directory	43

WHAT YOU NEED TO DO

To REJECT the Offer, simply DO NOTHING

You should read this Target's Statement which contains the Directors' unanimous recommendation to **REJECT** the Offer and provides reasons for this recommendation.

If you have any further queries in relation to the Offer, you can contact Norwest's shareholder information helpline on 1300 916 770 (inside Australia) or +61 (3) 9415 4265 (outside Australia) between 8.30 am and 5.00 pm (AEDT) Monday to Friday, or you can speak to your financial or other professional adviser.

Chairman's Letter to Shareholders

Dear Fellow Shareholder,

In September 2021 your company, Norwest Energy NL (**Norwest**), announced a significant gas discovery at the Lockyer Deep-1 exploration well in the northern Perth Basin, situated in the Mid-West region of Western Australia.

Since that time, well testing operations at Lockyer Deep-1 have demonstrated exceptional well deliverability, excellent reservoir quality and high quality gas composition across a 25-meter interval of the Kingia Sandstone reservoir, with the highest flow rate achieved in the Perth Basin Permian gas play to date.

The next 12 months promise to be an exciting time with further drilling about to commence on the greater Lockyer structure and a 3D seismic survey in progress to confirm the size of the discovery, which has the potential to cover an area of more than 100 km².

It is therefore not surprising that Mineral Resources Limited (**MinRes**), the parent entity of our joint venture partner Energy Resources Limited, has made an unsolicited off-market scrip-for-scrip takeover offer to acquire all of your ordinary fully paid shares in Norwest (**Norwest Shares**). MinRes is offering one ordinary fully paid share in MinRes for every 1,367 Norwest Shares held (**Offer**). The Offer is currently scheduled to close prior to commencement of drilling of the first well in the two well back-to-back drilling campaign, and prior to the results of the 3D seismic program becoming available.

Having given it careful consideration, your Directors unanimously recommend that you REJECT the Offer.

Our reasons for recommending that you **REJECT** the Offer are discussed in more detail in **section 1** of this Target's Statement, but are summarised as follows:

- the unsolicited Offer does not appropriately value Norwest's Perth Basin assets and has been opportunistically timed prior to the full extent of the Lockyer discovery becoming known;
- MinRes is seeking to secure control of Norwest and its Perth Basin assets without paying an appropriate premium for control;
- by accepting the Offer and becoming a MinRes shareholder, Shareholders reduce their exposure to the Lockyer project and adjacent exploration upside, while increasing their exposure to the risks associated with MinRes' other businesses and commodities;
- as a stand-alone ASX-listed entity, Norwest provides investors with one of the few available opportunities to acquire meaningful exposure to what are expected to be compelling Perth Basin gas economics;
- if you accept the Offer, you may be unable to accept a superior proposal if one emerges; and
- the tax outcomes of accepting the Offer may be disadvantageous to you, particularly if the requirements to obtain scrip-for-scrip rollover relief are not satisfied.

Each Director intends to **REJECT** the Offer in relation to any Norwest Shares they own or control.

WHAT SHOULD YOU DO?

To **REJECT** the Offer, simply **DO NOTHING**.

However, you should read this Target's Statement and the Bidder's Statement carefully, and in their entirety, as they will assist you in making an informed decision in respect to the Offer. If you are in any doubt as to what you should do, I encourage you to seek advice from independent and appropriately licensed financial, legal, taxation and other professional advisers before making your decision in relation to your Norwest Shares.

If you have any further queries in relation to the Offer, you can contact Norwest's shareholder information helpline on 1300 916 770 (inside Australia) or +61 (3) 9415 4265 (outside Australia) between 8.30 am and 5.00 pm (AEDT) Monday to Friday.

On behalf of the Board, I thank you in anticipation of your continuing support.



Ernest Myers
Chairman

For personal use only

1 Why you should **REJECT** the Offer

The Directors have considered the advantages and disadvantages of the Offer and unanimously recommend that you **REJECT** the Offer.

The reasons for this recommendation are set out below.

As at the date of this Target's Statement, each Director currently intends to **REJECT** the Offer in relation to any Norwest Shares they own or control.

The Directors acknowledge that there may be risks associated with not accepting the Offer, as highlighted in **section 7.3** of this Target's Statement, and that each Shareholder's risk profile, investment strategy, tax position and financial circumstances are different. If in any doubt as to what to do, Shareholders should obtain financial advice from their broker or financial adviser on the Offer and taxation advice on the effect of accepting the Offer.

1.1 **The unsolicited Offer does not appropriately value Norwest's Perth Basin assets and has been opportunistically timed prior to the full extent of the Lockyer discovery becoming known**

The drilling of the Lockyer Deep-1 well in September 2021, and subsequent well testing operations, confirmed a significant Permian gas/condensate discovery with exceptional well deliverability, reservoir quality and gas composition across a 25-metre interval of the Kingia Sandstone reservoir, with the highest flow rate achieved in the Perth Basin Permian gas play to date and one of the highest rates seen anywhere onshore Australia.

MinRes, being the parent entity of the operator of the project, has a unique and detailed insight into the potential of the Lockyer gas/condensate discovery which has the potential to be one of Australia's largest onshore gas fields.

Your Directors believe that the Offer by MinRes has been opportunistically timed prior to commencement of a high-impact two well drilling campaign, and while a 3D seismic survey is in progress, for which the results will not become available for some time. The drilling program aims to confirm the presence of gas across the greater Lockyer structure (which has the potential to cover an area of more than 100 km²), and to inform resource definition as well as future development planning.

Success during this program has the potential to be transformative for both the ultimate size of the Lockyer resource, and for Shareholders.

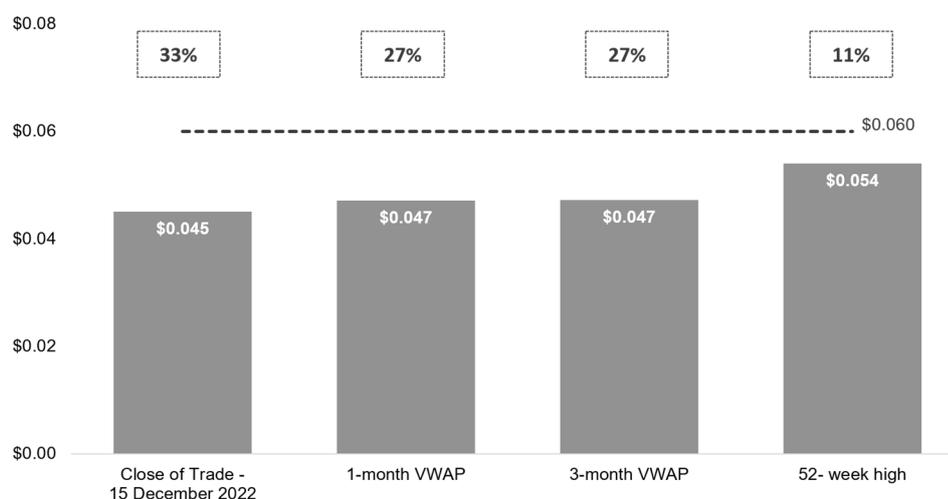
Furthermore, your Directors believe that Norwest's Perth Basin exploration permits have significant follow-on exploration potential, with only one of eight defined Permian leads within Norwest's portfolio having been tested so far. Of particular focus for Norwest is Lead E which your Directors believe has the potential to be of a similar scale to Lockyer. Importantly, a number of these leads were upgraded by the 2022 Ringneck 2D seismic survey, with the current Rococo 3D seismic survey expected to provide an improved sub-surface view of the greater Lockyer structure and adjacent leads for future exploration drilling.

If you accept the Offer, you will significantly dilute your exposure to Norwest's Perth Basin portfolio and the potential future success from Norwest's assets.

1.2 **MinRes is seeking to secure control of Norwest and its Perth Basin assets without paying an appropriate premium for control**

Your Directors believe that the Offer does not provide an appropriate control premium to Shareholders, relative to recent comparable transactions.

Based on the closing price of MinRes shares on ASX on 15 December 2022 of A\$82.00, the Offer represented a range of premia as depicted in the chart below:



Source: IRESS Limited

Note: The implied Offer value has been calculated using the Offer Consideration of one MinRes Share for every 1,367 Norwest Shares held

As the Offer Consideration comprises MinRes Shares, the implied value of the Offer fluctuates with movements in the price of MinRes Shares. As at the Last Practicable Date, the implied value of the Offer (based on the closing price of MinRes Shares of \$83.54 on 6 January 2023) is \$0.061 per Norwest Share.

The initial premium implied by the Offer is well below the control premiums paid in respect to the only other two takeover offers of ASX-listed companies with exposure to Perth Basin Permian gas discoveries that have occurred in the last five years.

In particular, your Directors note that:

- as at the date of this Target's Statement, fellow ASX-listed Perth Basin focussed Warrego Energy Limited (**Warrego**) (which holds a 50% interest in EP 469 including the West Erregulla gas project) is subject to competing takeover offers from Hancock Energy (PB) Pty Ltd (**Hancock**) and Strike Energy Limited (**Strike**), with the conditional cash consideration currently being offered by Hancock representing a 112% premium to the closing price of Warrego shares on 9 November 2022 (being the last trading day prior to Warrego announcing receipt of a non-binding indicative proposal from Strike); and
- in late 2017/early 2018, AWE Limited (**AWE**), which held a 50% interest in the Waitsia gas project in the northern Perth Basin and was the operator of that project, was the subject of competing proposals from China Energy Reserve & Chemical Group Australia Pty Ltd (**CERCG**) and MinRes before being successfully acquired by way of a recommended off-market takeover by Mitsui & Co. Ltd. for cash consideration that represented a 74.3% premium to the closing price of AWE shares on 29 November 2017 (being the last trading day prior to the disclosure by AWE that CERCG had approached AWE with an indicative proposal to acquire AWE).

Further, your Directors believe that MinRes may be able to derive unique value from consolidating ownership of the EP 368 and EP 426 permits given that:

- Consolidation of these projects by MinRes would ensure that it can make decisions in regards to the development of the Lockyer project in its absolute discretion and for its sole benefit. Currently, the joint operating agreements applicable to the EP 368 and EP 426 joint ventures provide Norwest with a high degree of protection and control as a result of:
 - the "65% and minimum two parties" voting threshold required for the majority of decisions under the applicable joint operating agreements; and

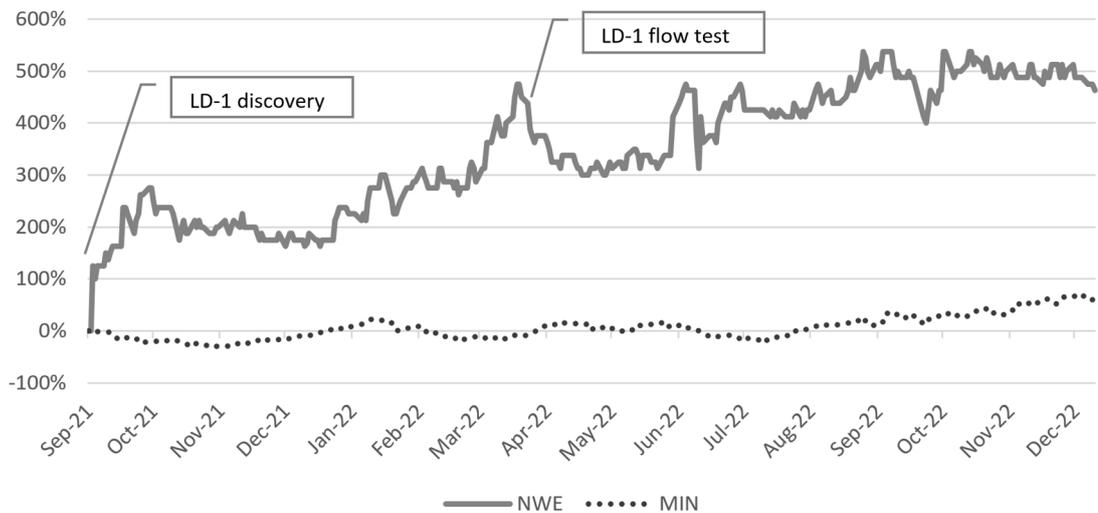
- the fact that to progress towards production, the joint venture parties must unanimously agree the establishment of a production venture and may also need to agree each party's share of net equity gas via a unitisation process (noting that the Lockyer discovery may extend across two permits with different equity interest percentages).
- MinRes is an end-user of gas in its other business units such that the Directors believe that MinRes stands to benefit considerably if it is able to consolidate ownership of Norwest's assets and secure full control of project development and gas marketing against a backdrop of increasing Western Australian domestic gas prices, the possibility for gas export as LNG, and the creation of new downstream industries.

1.3 By accepting the Offer and becoming a MinRes shareholder, Shareholders would reduce their exposure to the Lockyer project and adjacent exploration upside, while increasing their exposure to the risks associated with MinRes' other businesses and commodities

Shareholders should be aware that the implied value of the Offer is dependent on the price of MinRes Shares and will fluctuate over time.

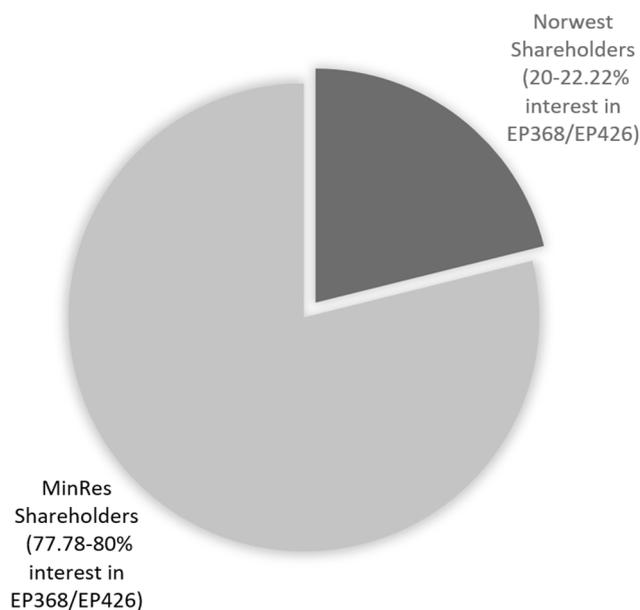
In addition to its Perth Basin energy interests, MinRes is a crushing contractor, pit-to-port mining services provider, hard rock lithium producer, iron ore producer and the largest holder of onshore gas acreage in the Carnarvon Basin. Accordingly, the price of MinRes Shares is impacted by the performance of other parts of MinRes' business.

The chart below¹ shows the relative performance between Norwest Shares and MinRes Shares in response to significant developments associated with the Lockyer project since its discovery in September 2021:



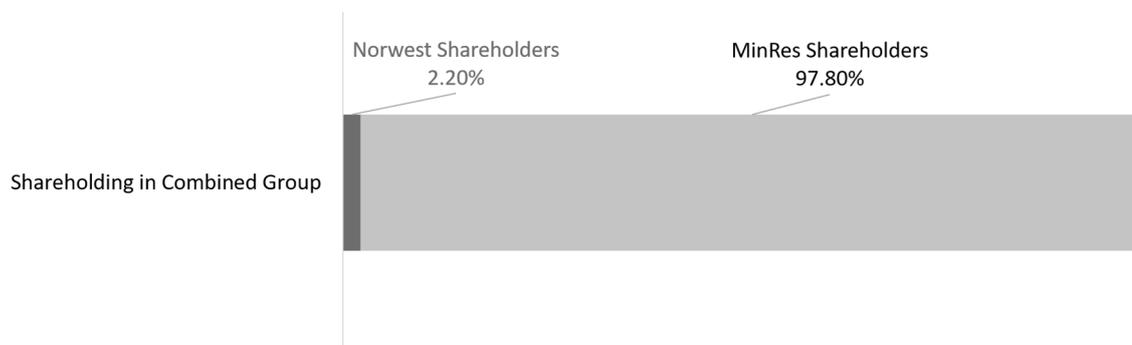
¹ The chart represents the rebased share prices of both Norwest and MinRes from 6 September 2021 to 15 December 2022.

Norwest's Shareholders currently have exposure to a 20.00% project level interest in the EP 368 permit and a 22.22% project level interest in the EP 426 permit as illustrated below:



Note: As at the Last Practicable Date, MinRes holds circa.19.9% of the Norwest Shares on issue.

If the Offer results in MinRes acquiring all of the Norwest Shares, then as illustrated below, Norwest's Shareholders (excluding MinRes) will hold only approximately 2.2% of MinRes such that their exposure to Lockyer and Norwest's other Perth Basin exploration potential will be significantly diluted.



Note: Excludes the Norwest Shares in which MinRes has a Relevant Interest in as at the date of the Bidder's Statement. Assumes all Norwest Options and Norwest Performance Rights either vest or are exercised and accepted into the Offer.

As such, whilst MinRes shareholders retain some exposure to the potential of Lockyer and the exploration potential associated with EP 368 and EP 426 generally, the impact of further success at Lockyer and across EP 368 and EP 426 on the price of MinRes Shares may be materially less accretive than it would otherwise be expected to be for a Shareholder.

However, your Directors also acknowledge that future success at Lockyer and across EP 368 and EP 426 is not guaranteed, and that the impact of any negative results from the upcoming drilling campaign and the 3D seismic program are likely to be greater for Shareholders than for holders of MinRes Shares.

For personal use only

1.4 **As a stand-alone ASX-listed entity, Norwest provides investors with one of the few available opportunities to acquire meaningful exposure to what are expected to be compelling Perth Basin gas economics**

The Perth Basin Permian gas play is tightly held across a combination of joint ventures formed by only a small number of companies.

The ability of investors to acquire exposure to the significant potential of the Perth Basin has dwindled in recent years with a number of the Perth Basin focused ASX-listed companies being the subject of corporate activity.

In particular:

- as at the date of this Target's Statement, fellow ASX-listed Perth Basin focused Warrego Energy Ltd (which holds a 50% interest in EP 469 including the West Erregulla gas project) is the subject of competing proposals from Strike Energy Ltd and Hancock Energy (PB) Pty Ltd, with Beach Energy Ltd having recently withdrawn its competing proposal; and
- in 2018, ASX-listed AWE Limited (which held a 50% interest in the Waitsia gas project in the northern Perth Basin and was the operator of that project) was the subject of competing proposals from China Energy Reserve & Chemical Group Australia Pty Ltd and MinRes in 2018, before being successfully acquired by Mitsui & Co. Ltd.

Your Directors believe that this corporate activity highlights the significant economic potential of gas produced from the Perth Basin to service domestic markets (including the Western Australian mining industry) as well as the possibility of export via the North West Shelf LNG facility in Karratha.

Norwest's Perth Basin portfolio is highly leveraged to, and is expected to benefit from, the strong tailwinds in the energy sector. Pricing in the Western Australian domestic gas market has been increasing against a backdrop of an impending market shortfall. Additionally, netback LNG spot pricing has been strong in recent times, with natural gas being widely regarded as a cleaner fuel to support the transition to renewables.

The results of the well testing operations completed during March 2022 reinforce the commitment of the Directors to appraisal of the Lockyer gas project with the aim of achieving greater value for Shareholders in the longer term.

The joint venture is preparing for an approximate \$95 million capital expenditure programme across the EP 368 and EP 426 permits during FY23 and FY24, comprising up to four wells (commencing in February 2023) and a large 3D seismic survey (currently in progress). With no debt and \$20.5 million in cash (31 December 2022, unaudited), the Board considers Norwest to be well positioned financially in respect to its net share (20% – 20.22%) of this FY23/FY24 programme.

1.5 **If you accept the Offer, you may be unable to accept a superior proposal if one emerges**

Accepting the Offer may deny you the benefit of any subsequent superior proposal by another party, should one emerge during the Offer Period, unless you become entitled to withdraw your acceptance or the Offer lapses (see **section 4.3(b)** of this Target's Statement).

By accepting the Offer, you will also give up your right to trade your Norwest Shares whilst the Offer remains open unless you become entitled to withdraw your acceptance or the Offer lapses.

Shareholders should however be aware that the Directors have not received a superior proposal since the announcement of MinRes' intention to make the Offer.

1.6 **The tax outcomes of accepting the Offer may be disadvantageous to you**

If you accept the Offer, there is potential for a tax liability in the event scrip-for-scrip roll-over relief is not available.

As outlined in section 9.3(b) of the Bidder's Statement: If MinRes does not become the owner of 80% or more of the voting shares in Norwest Shares as a result of the Offer, eligible Shareholders who accepted the Offer will be **unable to obtain scrip for scrip rollover relief** for the Offer Consideration.

This means that Australian tax resident Shareholders for income tax purposes who hold their Norwest Shares on capital account, and who would make a capital gain on disposal of their Norwest Shares, will be unable to opt to disregard that gain. A general summary of the tax consequences to Norwest Shareholders as a result of accepting the Offer is set out in **section 8.5** of this Target's Statement.

In addition, Foreign Shareholders may be subject to the tax consequences in their jurisdiction if they accept the Offer.

Shareholders should not rely upon the taxation considerations in these overviews as being advice on their own affairs. The Directors encourage Shareholders to consult with their own independent taxation advisers regarding the taxation implications of accepting the Offer given their own particular circumstances.

1.7 Other considerations

Although the Directors unanimously recommend that you **REJECT** the Offer, there may be a number of reasons why you may wish to accept the Offer.

A summary of some of those reasons are as follows:

- you may disagree with the unanimous recommendation of the Directors;
- you may consider that the benefits of accepting the Offer outweigh the risks associated with remaining an investor in Norwest, including:
 - the risks associated with continuing to fund Norwest's continued participation in the EP 368 and EP 426 joint ventures;
 - the risk that MinRes seeks to exert its voting power in Norwest to influence, and depending upon the extent to which the Offer is successful, potentially control, the composition of the Norwest Board;
 - the risk that the unsolicited Offer, and the respective conduct of each of Norwest and MinRes in relation to the Offer, may damage the working relationship between Norwest and MinRes to the detriment of the development of Norwest's Perth Basin portfolio;
- you may consider that, by accepting the Offer, you will no longer be exposed, to the same degree, to the risks associated with being an investor in Norwest Shares, including:
 - the possibility that the results of the drilling of the Lockyer-2 and North Erregulla Deep-1 wells and seismic campaigns are below expectations;
 - commercial, financial, regulatory, environmental, health and safety or litigation risks associated with Norwest's Perth Basin portfolio; and
 - general risks associated with the share market and any impact on the trading price of Norwest Shares,although you will continue to have some (reduced) exposure to these risks if you choose to hold the MinRes Shares which you receive from accepting the Offer;
- the Offer is the only takeover offer presently available for your Norwest Shares and represents a liquidity opportunity for you to sell your Norwest Shares; and
- you may consider that the price of Norwest Shares may decline in the absence of the Offer.

This summary is not exhaustive and you should have regard to your own personal investment objectives and financial circumstances, and should consult your professional advisers, before deciding whether or not to accept the Offer.

For further details regarding the effect of accepting the Offer, see **sections 4.3** and **4.4** of this Target's Statement.

For personal use only

2 Frequently asked questions

This section answers some commonly asked questions about the Offer. It is not intended to address all relevant issues for Shareholders. This section should be read together with all other parts of this Target's Statement.

Question	Answer
1 What is this Target's Statement?	<p>This Target's Statement has been prepared by Norwest and provides Norwest's response to the Bidder's Statement and the Offer, including the recommendation of your Directors to REJECT the Offer, the reasons for such recommendation and other information that is material to your decision as to how to respond to the Offer.</p>
2 What is the Bidder's Statement?	<p>The Bidder's Statement was prepared by Mineral Resources Limited (MinRes). The Bidder's Statement describes the terms of the Offer for your Norwest Shares and other information that MinRes considers relevant to your decision as to whether or not to accept the Offer.</p> <p>A copy of the Bidder's Statement is available on the MinRes website (www.mineralresources.com.au) or from the ASX website (www.asx.com.au).</p>
3 Who is making the Offer?	<p>The Offer is being made by MinRes.</p> <p>Refer to section 6 of this Target's Statement and section 2 of the Bidder's Statement for further information on MinRes.</p>
4 What is the Offer?	<p>MinRes is offering one MinRes Share for every 1,367 Norwest Shares held by you, conditional on no Prescribed Occurrences (being the events described in sections 652C(1) and 652C(2) of the Corporations Act, which includes events that alter Norwest's capital structure such as capital reductions, buy-backs, share splits and share consolidations).</p> <p>MinRes has stated that you may only accept the Offer for all (and not just part or some) of your Norwest Shares.</p> <p>You should however be aware that if you would only receive a Small Parcel of MinRes Shares as a result of accepting the Offer (which is essentially your MinRes Shares having a total value of less than \$500), you will not receive MinRes Shares. Instead, the MinRes Shares to which you would have otherwise been entitled will be issued to a sale nominee approved by ASIC who will then sell those shares on ASX and then provide you with the net sale proceeds.</p> <p>Refer to section 12 of the Bidder's Statement for further terms of the Offer.</p>
5 Does MinRes already have an interest in Norwest Shares?	<p>As at the Last Practicable Date, based on substantial shareholder notices lodged with ASX and registry data, MinRes is the registered holder of 1,334,809,008 Norwest Shares which represents approximately 19.9% of the total number of Norwest Shares on issue.</p>
6 What are the Directors recommending?	<p>The Directors unanimously recommend that you REJECT the Offer for the reasons explained in section 1 of this Target's Statement.</p> <p>To follow the Directors' recommendation that you REJECT the Offer, you should DO NOTHING.</p> <p>If there is a change to this recommendation or any material development in relation to the Offer, your Directors will inform you.</p>

Question	Answer
7 What do the Directors intend to do with their Norwest Shares?	<p>As at the date of this Target's Statement, each Director intends to REJECT the Offer in relation to any Norwest Shares they own or control.</p> <p>Refer to section 8 of this Target's Statement for further details on the Directors' interests in Norwest securities.</p>
8 What choices do I have as a Shareholder?	<p>As a Shareholder, you have the following choices in respect of your Norwest Shares:</p> <ul style="list-style-type: none"> • REJECT the Offer if you agree with the Directors' unanimous recommendation to REJECT the Offer, in which case you should simply DO NOTHING; • sell some or all of your Norwest Shares on-market (unless you have already accepted the Offer); or • accept the Offer. <p>If you are in any doubt as to what to do, the Directors recommend that you consult with your investment, financial, taxation or other professional adviser.</p> <p>Refer to section 3.3 of this Target's Statement for further details.</p>
9 Has an Independent Expert's Report been prepared?	<p>No. An Independent Expert's Report is only required to be included in a Target's Statement in certain circumstances, including where the bidder's voting power in the target is 30% or more, or if a director of the target company is a bidder or a director of the bidder company. This requirement does not apply to the Offer. In deciding not to engage an independent expert to assess the merits of the Offer, your Directors considered a range of factors, including:</p> <ul style="list-style-type: none"> • the fact that the results of the forthcoming Lockyer-2 and North Erregulla Deep-1 drilling programme and the Rococo 3D seismic survey, which are due later in 2023, are anticipated to have a material impact on the value of Norwest Shares; • that MinRes is listed on ASX with an informed and liquid market for its shares; and • your Directors' understanding of the potential value of the Lockyer project and adjacent exploration leads. <p>The Board reserves the right to obtain an Independent Expert's Report should circumstances change in the future.</p>
10 Does the Offer extend to Norwest Options or Norwest Performance Rights?	<p>No, the Offer does not extend to Norwest Options or Norwest Performance Rights currently on issue. However, the Offer extends to any Norwest Shares issued upon the exercise of Norwest Options or the vesting of Norwest Performance Rights during the period from the Register Date to the end of the Offer Period.</p> <p>The impact of the Offer on Norwest Options and Norwest Performance Rights is set out in section 4.6 of this Target's Statement. As at the Last Practicable Date, there are 316,000,000 Norwest Options on issue and 30,000,000 Norwest Performance Rights on issue.</p> <p>Refer to section 12.1 of the Bidder's Statement for more information.</p>
11 What if I am a Foreign Shareholder?	<p>Generally, if you are a Foreign Shareholder you will be entitled to accept the Offer, however you will not be entitled to receive MinRes Shares as a result of the acceptance. Instead, the MinRes Shares to which you would have otherwise been entitled will be issued to a sale nominee approved by ASIC who will then sell those MinRes Shares on ASX and then provide you with the net sale proceeds. Refer to sections 11.4, 12.2(b) and 12.8 of the Bidder's Statement for further information.</p>

For personal use only

Question	Answer
12 Why should I REJECT the Offer?	<p>Your Directors have unanimously recommended that you should REJECT the Offer because:</p> <ul style="list-style-type: none"> the unsolicited Offer does not appropriately value Norwest's Perth Basin assets and has been opportunistically timed prior to the full extent of the Lockyer discovery becoming known; MinRes is seeking to secure control of Norwest and its Perth Basin assets without paying an appropriate premium for control; by accepting the Offer and becoming a MinRes shareholder, Shareholders reduce their exposure to the Lockyer project and adjacent exploration upside, while increasing their exposure to the risks associated with MinRes' other businesses and commodities; as a stand-alone ASX-listed entity, Norwest provides investors with one of the few available opportunities to acquire meaningful exposure to what are expected to be compelling Perth Basin gas economics; if you accept the Offer, you may be unable to accept a superior proposal if one emerges; and the tax outcomes of accepting the offer may be disadvantageous to you. <p>Refer to section 1 of this Target's Statement for further details.</p>
13 How do I REJECT the Offer?	<p>To REJECT the Offer, simply DO NOTHING.</p> <p>If you wish to REJECT the Offer, do not respond to any calls or correspondence from or made on behalf of MinRes.</p>
14 What are the risks of accepting or rejecting the Offer?	<p>A non-exhaustive list of the key risks in accepting or rejecting the Offer are set out in section 7 of this Target's Statement.</p>
15 What are the consequences of accepting the Offer now?	<p>If you accept the Offer, then unless you are able to subsequently withdraw your acceptance, you will:</p> <ul style="list-style-type: none"> no longer have the same level of exposure to Norwest's assets and operations; not be able to sell your Norwest Shares on-market; not be unable to accept any competing offer that emerges; and give up your right to otherwise deal with your Norwest Shares. <p>Refer to sections 4.3 and 7.2 of this Target's Statement for further details.</p>
16 If I accept the Offer now, can I withdraw my acceptance?	<p>If you accept the Offer whilst it remains subject to defeating conditions, you will only be able to withdraw your acceptance in limited circumstances. Refer to section 4.3 of this Target's Statement.</p> <p>If you accept the Offer (and have not withdrawn your acceptance) and the Offer subsequently becomes unconditional or if the Offer is unconditional at the time you accept, then you will be legally bound to sell those Norwest Shares and you cannot later withdraw your acceptance.</p>
17 How do I accept the Offer?	<p>You should follow the instructions in the Bidder's Statement if you wish to accept the Offer.</p>

Question	Answer
18 When do I have to decide? How long will the Offer remain open?	<p>If you wish to accept the Offer, you need to do so before its scheduled closing date. MinRes has stated that its Offer is scheduled to close at 7.00 pm (Sydney time) on 6 February 2023, unless it is extended or withdrawn.</p> <p>Refer to section 4.2 of this Target's Statement for details of the circumstances in which the Offer Period can be extended or withdrawn.</p>
19 Can I accept the Offer for part of my shareholding?	<p>No. You cannot accept the Offer for part of your shareholding. You may only accept the Offer for all of the Norwest Shares held by you.</p>
20 What happens if I accept the Offer now and the Offer Consideration is increased?	<p>If you accept the Offer and the Offer Consideration is subsequently increased, you will receive the increased price for your Norwest Shares.</p> <p>Refer to section 4.4 of this Target's Statement for further details.</p>
21 What if there is a competing offer?	<p>If a competing offer for Norwest emerges, Shareholders will be informed through an announcement to ASX. If there is a competing offer, the Directors will carefully consider the merits of such offer and advise Shareholders of whether the competing offer affects their recommendation in this Target's Statement.</p> <p>If you have already accepted the Offer at the time any competing offer emerges, you will be unable to accept the competing offer unless you are able to withdraw your acceptance (refer to section 4.3 of this Target's Statement for further details about the ability to withdraw an acceptance of the Offer). As at the date of this Target's Statement, the Directors are not aware of any competing offer that is available to be accepted by Shareholders.</p>
22 Can MinRes withdraw the Offer?	<p>MinRes can only withdraw the Offer in limited circumstances. These are described in section 4.2(b) of this Target's Statement.</p>
23 What happens if the Condition is not satisfied or waived?	<p>As set out above, the Offer is conditional on there being no Prescribed Occurrences (being the events described in sections 652C(1) and 652C(2) of the Corporations Act, which includes events that alter Norwest's capital structure such as capital reductions, buy-backs, share splits and share consolidations). If, by not later than three Business Days after the end of the Offer Period, this Condition has not been satisfied or waived and MinRes has not declared the Offer (or it has not become) free from the Condition, all contracts resulting from the acceptance of the Offer will be automatically void. If this occurs, you will not receive the Offer Consideration and you will be free to deal with your Norwest Shares (even if you have accepted the Offer).</p>
24 Can I be forced to sell my Norwest Shares?	<p>You cannot be forced to sell your Norwest Shares unless MinRes and its associates acquire a Relevant Interest in at least 90% of all Norwest Shares, in which case MinRes will be entitled to compulsorily acquire the remaining Norwest Shares under the Corporations Act. Refer to sections 4.5 and 7.4 of this Target's Statement for further details.</p> <p>Refer to section 8.3 of the Bidder's Statement for further information about MinRes' intentions to compulsorily acquire Norwest Shares.</p>
25 During the Offer Period, can I sell my Norwest Shares on ASX?	<p>Yes. During the Offer Period, you may sell your Norwest Shares on ASX to third parties, provided that you have not accepted the Offer.</p>

Question	Answer
26 What are MinRes' intentions?	Refer to section 6.5 of this Target's Statement and section 8 of the Bidder's Statement for further information about MinRes' intentions.
27 Can I buy Norwest Shares during the Offer Period?	Yes. Notwithstanding the Offer, you can still continue to buy Norwest Shares as you normally would through ASX during the Offer Period.
28 What if I reject the Offer but MinRes obtains more than 50% but less than 90% of Norwest Shares?	If MinRes holds a Relevant Interest in Norwest securities of between 50% and 90%, then you may be exposed to the risk of being a minority Shareholder. Some of these risks are described in section 7.4 of this Target's Statement. Refer to section 8.4 of the Bidder's Statement for further information.
29 What if I reject the Offer but MinRes obtains 90% or more of Norwest Shares?	If MinRes holds a Relevant Interest in Norwest securities of 90% or more, then MinRes (subject to various legal requirements) is likely to be able to compulsorily acquire the remaining Norwest Shares (held by Shareholders who did not accept the Offer). If this occurs, you will receive the same consideration as if you had accepted the Offer. Refer to section 7.4 of this Target's Statement and section 8.3 of the Bidder's Statement for further information.
30 What are the tax implications of accepting the Offer?	<p>A general outline of the Australian income tax and goods and services tax consequences for Shareholders who either accept the Offer or whose Norwest Shares are compulsorily acquired in accordance with Part 6A.1 of the Corporations Act is set out in section 10 of the Bidder's Statement.</p> <p>You should not rely on that outline as advice on your own affairs. It does not deal with the position of all Shareholders. It also does not take into account the particular circumstances of each Shareholder. You should therefore seek your own professional financial and taxation advice before making a decision as to whether or not to accept the Offer for your Norwest Shares.</p>
31 If I accept the Offer, when will I receive MinRes Shares?	<p>Generally, MinRes will provide the Offer Consideration due to you under the Offer on or before the earlier of:</p> <ul style="list-style-type: none"> • one month after the Offer is accepted, or if the Offer is subject to a defeating condition when you accept, within one month after the Offer becomes unconditional; and • 21 days after the end of the Offer Period. <p>Refer to section 12.7 of the Bidder's Statement for further details on when you will be provided the Offer Consideration.</p>
32 Do I pay brokerage or stamp duty if I accept?	<p>You will not pay stamp duty on the disposal of your Norwest Shares should you accept the Offer.</p> <p>If your Norwest Shares are held on Norwest's issuer sponsored sub-register in your name and you deliver them directly to MinRes, you will not incur any brokerage in connection with your acceptance of the Offer.</p> <p>If your Norwest Shares are registered in a CHESS Holding, or if you are a beneficial owner whose Norwest Shares are registered in the name of a broker, bank, custodian or other nominee, you should ask your Controlling Participant (usually your broker) or that nominee whether it will charge any transaction fees or service charges in connection with acceptance of the Offer.</p>

Question**Answer**

33 What happens if I do nothing?

You will remain a Shareholder.

However, MinRes has stated that if it acquires 90% or more of Norwest Shares and becomes entitled to compulsorily acquire all Norwest Shares, it intends to do so. Refer to **section 4.5** of this Target's Statement for more details.

If MinRes acquires more than 50% but less than 90% of Norwest Shares, you will become a minority Shareholder in Norwest. The implications of this are described in **section 7.4** of this Target's Statement.

34 Is there a number that I can call if I have further queries in relation to the Offer?

If you have any further queries in relation to the Offer, you can contact Norwest's shareholder information helpline on 1300 916 770 (inside Australia) or +61 (3) 9415 4265 (outside Australia) between 8.30 am and 5.00 pm (AEDT) Monday to Friday, or you can speak to your financial or other professional adviser.

3 Directors' recommendations and intentions

3.1 Directors

As at the date of this Target's Statement, the Directors are as follows:

- Mr Ernest Anthony Myers – Non-Executive Chairman;
- Mr Iain Peter Smith – Managing Director;
- Mr Bruce Frederick William Clement – Non-Executive Director.

3.2 Directors' recommendation

The Directors unanimously recommend that you **REJECT** the Offer.

The reasons for the Directors' recommendation are set out in **section 1** of this Target's Statement.

As at the date of this Target's Statement, each Director intends to **REJECT** the Offer in relation to any Norwest Shares they own or control. Details of the Relevant Interests of each Director are set out in **section 8.1** of this Target's Statement.

3.3 Your choices as a Shareholder

As a Shareholder, you have three options currently available to you. These options are set out below.

Before making any decision in relation to your Norwest Shares, you should note that:

- your Directors unanimously recommend that you **REJECT** the Offer;
- each Director intends to **REJECT** the Offer in relation to any Norwest Shares they own or control; and
- the Directors encourage you to read the whole of this Target's Statement and the Bidder's Statement and consider your personal risk profile, investment strategy, tax position and financial circumstances. If you are in any doubt as to what to do, you should obtain financial advice from your broker or financial adviser on the Offer and taxation advice on the effect of accepting the Offer.

(a) **REJECT the Offer and DO NOTHING**

If you do not wish to accept the Offer or sell your Norwest Shares on-market, you can choose to **DO NOTHING**. This is the recommendation of your Directors.

If you choose to **REJECT** the Offer, do not take any action in relation to documents sent to you by MinRes.

By doing nothing you will continue to remain a Shareholder. Shareholders should note that if MinRes acquires 90% of Norwest Shares during or at the end of the Offer Period, MinRes will be entitled to compulsorily acquire the Norwest Shares it does not already own (refer to **section 4.5** of this Target's Statement for more details). Shareholders should also note that there are risks associated with remaining a Shareholder (see **section 7.3** of this Target's Statement for more details).

(b) **Sell your Norwest Shares on-market**

Shareholders remain free to sell their Norwest Shares on ASX for the market price at the time (unless you have previously accepted the Offer). The latest price for Norwest Shares may be obtained from the ASX website www.asx.com.au.

Shareholders who sell their Norwest Shares on-market may be liable for capital gains tax and may incur a brokerage charge. Shareholders who wish to sell their Norwest Shares on-market should contact their broker for information on how to effect that sale.

(c) Accept the Offer

Although the Directors unanimously recommend that Shareholders **REJECT** the Offer, Shareholders should consider their individual circumstances in determining whether or not to accept the Offer. Some of the reasons why you may consider accepting the Offer include:

- you may disagree with the unanimous recommendation of the Directors;
- you may consider that the benefits of accepting the Offer outweigh the risks associated with remaining an investor in Norwest, including:
 - the risks associated with continuing to fund Norwest's continued participation in the EP 368 and EP 426 joint ventures;
 - the risk that MinRes seeks to exert its voting power in Norwest to influence, and depending upon the extent to which the Offer is successful, potentially control, the composition of the Norwest Board; and
 - the risk that the unsolicited Offer, and the respective conduct of each of Norwest and MinRes in relation to the Offer, may damage the working relationship between Norwest and MinRes to the detriment of the development of Norwest's Perth Basin portfolio;
- you may consider that, by accepting the Offer, you will no longer be exposed, to the same degree, to the risks associated with being an investor in Norwest Shares, including:
 - the possibility that the results of the drilling campaign for the Lockyer-2 and North Erregulla Deep-1 wells are below expectations;
 - commercial, regulatory, environmental, health and safety or litigation risks; and
 - general risks associated with the share market and any impact on the trading price of Norwest Shares,although you will continue to have some exposure to these risks if you choose to hold the MinRes Shares which you receive from accepting the Offer;
- the Offer is the only takeover offer presently available for your Norwest Shares and represents a liquidity opportunity for you to sell your Norwest Shares; and
- you may consider that the price of Norwest Shares may decline in the absence of the Offer.

Refer to **section 7** of this Target's Statement for further details of risks relating to Norwest, its business and assets as well as the general risks associated with an investment in securities markets.

If you decide to accept the Offer, your acceptance must be received before the close of the Offer Period at 7.00 pm (Sydney time) on 6 February 2023 unless the Offer Period is extended in accordance with the Corporations Act.

A general outline of the Australian income tax and goods and services tax consequences for Shareholders who accept the Offer is set out in section 10 of the Bidder's Statement.

4 Key features of the Offer

4.1 The Offer

MinRes is offering to acquire all of your Norwest Shares. The consideration being offered by MinRes for your Norwest Shares is one MinRes Share for every 1,367 Norwest Shares you hold. The Offer is conditional only upon there being no Prescribed Occurrences, being the events described in sections 652C(1) and 652C(2) of the Corporations Act.

4.2 Offer Period

Unless the Offer is extended or withdrawn, it is open for acceptance from 3 January 2023 until 7.00 pm (Sydney time) on 6 February 2023.

(a) Extension of Offer Period

MinRes has reserved the right, exercisable in its sole discretion, to extend the Offer Period in accordance with the Corporations Act.

As the Offer is subject to a defeating condition (being the Prescribed Occurrences condition), MinRes is required to give notice by 27 January 2023 regarding whether it intends to extend the Offer Period.

However, if the Offer becomes unconditional, MinRes is able to extend the period during which its Offer is open for acceptance at any time before the end of the Offer Period.

There will also be an automatic extension of the Offer Period if, within the last seven days of the Offer Period, either of the following events occur:

- the Offer is varied to improve the Offer Consideration; or
- MinRes' voting power in Norwest increases to more than 50%.

If either of the above two events occurs, the Offer Period will be automatically extended so that it ends 14 days after the event occurs.

(b) Withdrawal of Offer

MinRes may not withdraw the Offer if you have already accepted it. Before you accept the Offer, MinRes may withdraw the Offer with the written consent of ASIC and subject to the conditions (if any) specified in such consent.

4.3 Effect of acceptance

(a) Consequences of accepting Offer

Once you have accepted the Offer and the Offer has become unconditional, you will be unable to revoke your acceptance. If you have accepted the Offer but it has not yet become unconditional, you will only be able to withdraw your Norwest Shares from the Offer in limited circumstances. Refer to **section 4.3(b)** of this Target's Statement.

The effect of acceptance of the Offer is set out in section 7 of the Bidder's Statement. Shareholders should read that section in full to understand the effect that acceptance will have on their ability to exercise the rights attaching to their Norwest Shares and the representations and warranties they give by accepting the Offer.

Full details of when you will be provided the Offer Consideration are set out in section 12.7 of the Bidder's Statement.

(b) Consequences of accepting Offer once the Offer becomes unconditional

If you have accepted the Offer, you will neither be able to revoke your acceptance nor withdraw your Norwest Shares from the Offer or otherwise dispose of your Norwest Shares, except if:

- by the end of the Offer Period, the Condition has not been fulfilled or freed in which case, the Offer will automatically terminate and your Norwest Shares will be returned to you; or

- the Offer Period is postponed for more than one month and the obligations of MinRes to deliver the Offer Consideration are postponed for more than one month and, at the time, the Offer is subject to the Condition, in which case, you may be able to withdraw your acceptance and your Norwest Shares in accordance with section 650E of the Corporations Act. However, a notice will be sent to you at the time explaining your rights in this regard.

4.4 Effect on Shareholders who have already accepted the Offer of an improvement of the Offer Consideration

If MinRes improves the Offer Consideration, all Shareholders, whether or not they have accepted the Offer before that improvement of the Offer Consideration, will be entitled to the benefit of that improved Offer Consideration should they accept the Offer.

Shareholders should be aware that if they sell their Norwest Shares on-market and MinRes increases the Offer Consideration, they will not receive any additional consideration arising from such an increase in the Offer Consideration.

If you have already accepted the Offer and a competing offer emerges, you will be unable to accept into the competing offer unless you have a right to withdraw your acceptance of the Offer (see **section 4.3(b)** of this Target's Statement). As at the date of this Target's Statement, the Directors are not aware of any competing offer that is available to be accepted by Shareholders.

Refer to **section 7.2** of this Target's Statement for further details on the risks of accepting the Offer now.

4.5 Compulsory acquisition

(a) Compulsory acquisition of Norwest Shares following takeover

MinRes has indicated in section 8.3 of the Bidder's Statement that, if it becomes entitled to do so, it intends to compulsorily acquire any outstanding Norwest Shares.

MinRes will be entitled to compulsorily acquire any Norwest Shares in respect of which it has not received an acceptance of the Offer on the same terms as the Offer if, during or at the end of the Offer Period, MinRes and its associates have a Relevant Interest in at least 90% of the Norwest Shares.

If this threshold is met, MinRes will have one month after the end of the Offer Period within which to give compulsory acquisition notices to Shareholders who have not accepted the Offer. Shareholders have statutory rights to challenge the compulsory acquisition, but a successful challenge will require the relevant Shareholder to establish to the satisfaction of a court that the terms of the Offer do not represent 'fair value' for their Norwest Shares.

(b) Later compulsory acquisition of Norwest Shares by 90% holder

Even if MinRes does not satisfy the compulsory acquisition threshold referred to in **section 4.5(a)** of this Target's Statement, it is possible that MinRes will, at some time after the end of the Offer Period, become the beneficial holder of 90% or more of the Norwest Shares. MinRes would then have rights to compulsorily acquire Norwest Shares not owned by it within six months of becoming the beneficial holder of at least 90% of Norwest Shares. MinRes' offered consideration for compulsory acquisition under this procedure would have to be considered in a report of an independent expert.

4.6 Effect of the Offer on Norwest Options and Norwest Performance Rights

The Offer extends to Norwest Shares that are issued on the exercise of Norwest Options or the vesting of Norwest Performance Rights during the period from the Register Date to the end of the Offer Period. Refer to **section 5.4** of this Target's Statement for details of the Norwest Options and Norwest Performance Rights on issue.

5 Information about Norwest

5.1 Overview of Norwest

Norwest is an Australian incorporated, ASX-listed (ASX:NWE) company focused on exploration for hydrocarbon resources in the Perth Basin, Western Australia.

Norwest is a 'disclosing entity' for the purposes of the Corporations Act and is therefore subject to regular reporting obligations under the Corporations Act and the ASX Listing Rules.

5.2 Norwest's principal activities

(a) Exploration Permits EP 368 and EP 426

Norwest has interests in petroleum exploration permits EP 368 and EP 426 which encompass an area of some 1,725 km² within the highly prospective northern Perth Basin, in close proximity to a number of significant Permian gas discoveries at Waitsia, West Erregulla and Beharra Springs Deep.

Norwest holds a 20% working interest in EP 368 and a 22.22% working interest in EP 426 (both held via wholly-owned subsidiary Westranch Holdings Pty Ltd). Energy Resources Ltd (**EnRes**, a wholly-owned subsidiary of MinRes), holds the remaining 80% and 77.78% respective interests in the permits, and is the operator of both joint ventures.

Lockyer Permian Gas Discovery

In September 2021 the joint venture drilled the Lockyer Deep-1 gas discovery well in EP 368, resulting in a significant conventional gas discovery that exceeded pre-drill expectations.

In March 2022 the Lockyer Deep-1 gas discovery well was production-tested with a six-day test program to determine well deliverability, reservoir quality and gas composition across a 25 metre interval of the Kingia Sandstone reservoir. A maximum sustained flow rate of 102 MMscf/d was achieved, with a maximum instantaneous gas flow rate of 117 MMscf/d; one of the highest rates recorded onshore in Australia.

The production test confirmed high quality gas with 87.5% methane, 3.9% CO₂ and low H₂S. Associated condensate was produced throughout the test, with an estimated CGR (Condensate-Gas Ratio) of 3.2 barrels per MMscf gas offering significant value upside. Subsequent analysis of test data confirmed that the testing objectives were met, with a high-quality dataset recorded. Key insights from this analysis include an estimated absolute open flow rate for Lockyer Deep-1 (i.e. unconstrained by tubing) of 190 MMscf/d, and an estimated 70 Bcf to 110 Bcf gas-in-place connected to the Lockyer Deep-1 well within the well test maximum radius-of-investigation (representing an area of approximately 3 km²).

With gas pay potentially present across an area of approximately 102 km², subject to successful appraisal, the greater Lockyer structure is anticipated to host a very large gas field, with resources that may exceed Norwest's pre-drill high case estimate of prospective resources (1.12 Tcf gas, gross recoverable)² by a significant margin.

The upcoming back-to-back two well drilling program at Lockyer-2 and North Erregulla Deep-1, scheduled to commence in February 2023, is designed to confirm the presence of gas across the greater Lockyer structure.

² For further details, see Norwest's ASX announcement dated 28 October 2019. Norwest confirms that it is not aware of any new information or data that materially affects the information included in that announcement and that all the material assumptions and technical parameters underpinning those prospective resources continue to apply and have not materially changed.

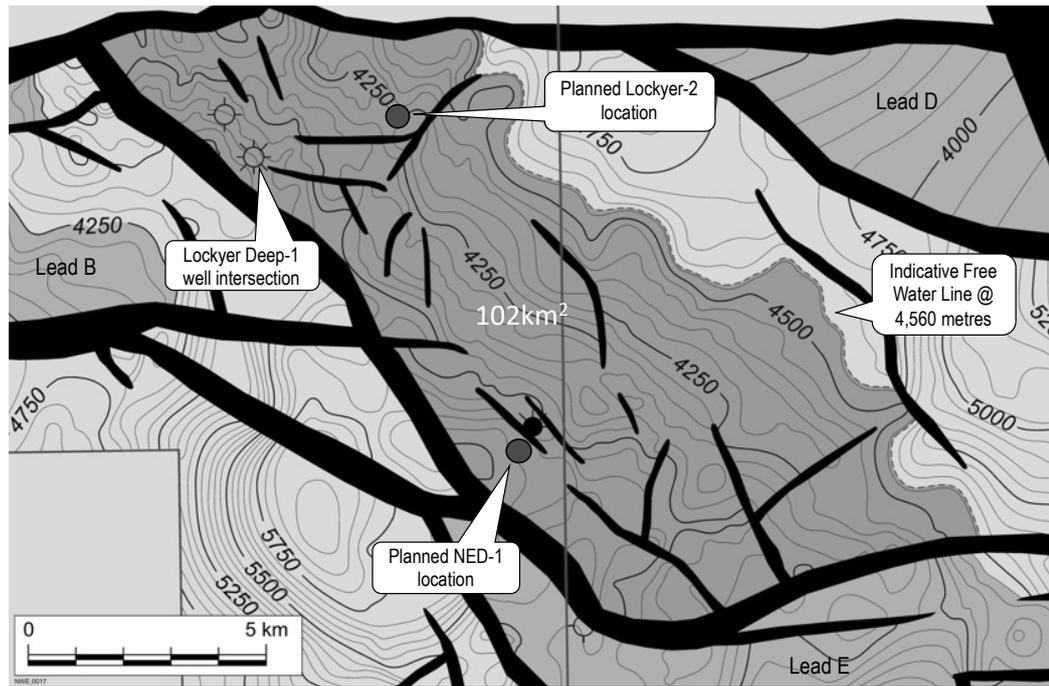


Figure 1. Top Kingia Fm Depth Structure Map, Greater Lockyer Structure

Permian Exploration Potential

Norwest's Perth Basin portfolio has significant follow-on exploration potential, with only one structure having been tested so far out of eight defined Permian leads.

Of particular focus is Lead E which has the potential to be of a similar scale to the Lockyer discovery. In March 2022, the joint venture completed the Ringneck 2D seismic survey, with the successful acquisition of 148 line kms of seismic data. The new data complements the existing 2D seismic dataset across the joint venture, and the updated interpretation reveals a series of faulted structural highs that are located immediately northeast of the West Erregulla gas field and that abut the southern end of the greater Lockyer Deep/North Erregulla Deep structure.

In December 2022, the joint venture commenced acquisition of the Rococo 3D Seismic survey. The 385 km² Rococo survey is designed to provide a high resolution and high quality subsurface view of the greater Lockyer structure, providing valuable insight into the detailed subsurface form of the Lockyer gas discovery to guide late-stage appraisal drilling, resource definition, reservoir modelling and development planning. The survey will also improve structural definition of exploration Leads A, B, and E, all of which are potential candidates for future exploration drilling.

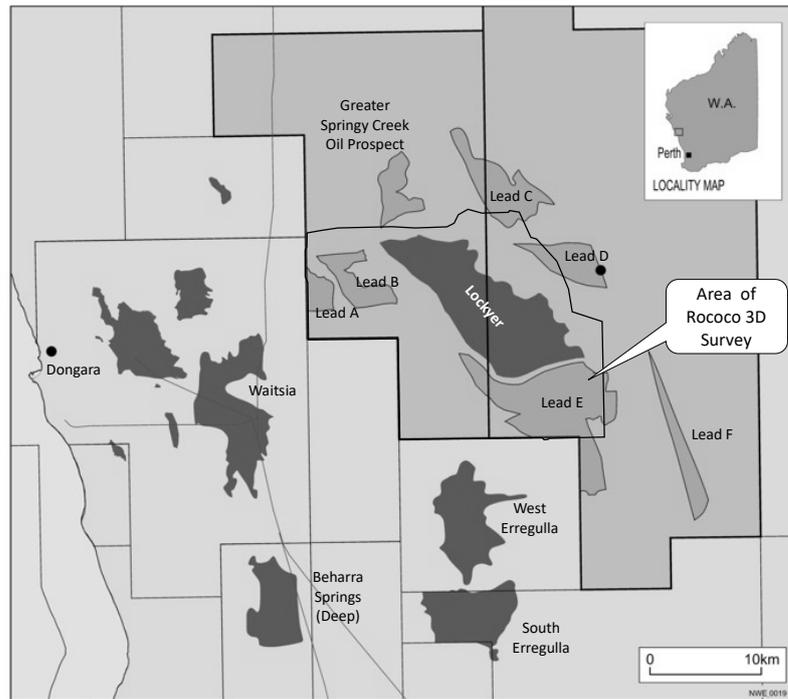


Figure 2. Exploration leads within Norwest's Perth Basin Portfolio

(b) Pilbara Clean Fuels Pty Ltd

Norwest holds a 20% interest in Pilbara Clean Fuels Pty Ltd, an early-stage project development company formed to progress the development of clean fuels production opportunities in Port Hedland, Western Australia.

Pilbara Clean Fuels Pty Ltd is progressing a development concept for a new, low carbon footprint LNG plant to be located in Port Hedland. The principal purpose of the plant will be the conversion of pipeline natural gas to LNG, with the LNG to be marketed as marine bunker fuel for bulk iron ore carriers operating out of Port Hedland. A key feature of the concept is an electrified plant.

5.3 Historical financial information

The following historical financial information for Norwest is extracted from the 2022 Annual Financial Report.

The financial information has been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board and the Corporations Act. The financial information also complies with International Financial Reporting Standards as issued by the International Accounting Standards Board.

The financial information presented below does not represent complete financial statements and should therefore be read in conjunction with the full financial statements for the year ended 30 June 2022, including the description of accounting policies contained in those financial statements and the notes to those financial statements. Where appropriate, adjustments may have been made to headings and classifications of historical data to provide a consistent basis of presentation.

In the interval between the release of the 2022 Annual Financial Report and the date of this Target's Statement, no item, transaction or event of a material and unusual nature has arisen that is likely, in the opinion of the Directors, to significantly affect the operations of Norwest, the results of those operations, or the state of affairs of Norwest, in future financial years other than as disclosed in this Target's Statement and the 2022 Annual Financial Report and subsequent filings with ASX.

	30 June 2022	30 June 2021
	\$	\$
Current assets		
Cash and cash equivalents	22,807,806	3,524,952
Trade and other receivables	22,221	204,161
Total current assets	22,830,027	3,729,113
Non-current assets		
Property, plant and equipment	384	2,008
Exploration and evaluation expenditure	6,171,672	1,394,382
Other assets	235,010	81,188
Total non-current assets	6,407,066	1,477,578
Total assets	29,237,093	5,206,691
Current liabilities		
Trade and other payables	1,301,786	499,863
Provision for annual leave	10,853	7,134
Provision for long service leave	5,945	13,287
Other liabilities	73,029	91,440
Total current liabilities	1,391,613	611,724
Non-current liabilities		
Provision for restoration	47,500	11,180
Other liabilities	161,981	-
Total non-current liabilities	209,481	11,180
Total liabilities	1,601,094	622,904
Net assets	27,635,999	4,583,785
Equity		
Contributed equity	90,678,455	65,822,236
Reserves	509,899	320,000
Accumulated losses	(63,552,345)	(61,558,451)
Total equity	27,635,999	4,583,785

The full financial statements are contained in the 2022 Annual Financial Report, which is available on the ASX website at www.asx.com.au and in the "Investor Centre" section of Norwest's website at www.norwestenergy.com.au.

5.4 Capital structure

As at the Last Practicable Date, the issued capital of Norwest consisted of 6,713,571,592 Norwest Shares, 316,000,000 Norwest Options and 30,000,000 Norwest Performance Rights

as follows:

Norwest Options	Exercise Price	Expiry Date
30,000,000	\$0.0089	30 June 2024
10,000,000	\$0.0107	30 June 2024
30,000,000	\$0.0089	30 June 2025
10,000,000	\$0.0107	30 June 2025
191,000,000	\$0.0341	19 October 2025
35,000,000	\$0.0089	30 June 2026
10,000,000	\$0.0107	30 June 2026

The Norwest Performance Rights have been granted with the following conditions:

- 10,000,000 Norwest Performance Rights vest upon achieving an independently verified 2C contingent resource that exceeds 1.6Tcf recoverable gas (inc. condensate equivalent) for the Lockyer Deep gas discovery;
- 10,000,000 Norwest Performance Rights vest on achieving a 30-day VWAP of the Norwest Share price of equal to or greater than 5.5 cents per Norwest Share; and
- 10,000,000 Norwest Performance Rights vest upon achieving a 30-day VWAP of the Norwest Share price of equal to or greater than 7.0 cents per Norwest Share.

All Norwest Performance Rights expire five years after their issue and vest immediately should the Offer be declared unconditional and MinRes is successful in acquiring sufficient Norwest Shares in order to control the composition of the Norwest Board.

Refer to **section 4.6** of this Target's Statement for details of the effect of the Offer on the Norwest Options and Norwest Performance Rights.

5.5 Substantial Shareholders

As at the Last Practicable Date, based on substantial shareholder notices lodged with the ASX and registry data, the substantial shareholders of Norwest were:

Shareholder	Number of Norwest Shares	% of issued capital
Mineral Resources Limited	1,334,809,008	19.9%

5.6 Information about the Directors

A summary of the Board as at the date of this Target's Statement is set out below.

Ernest Myers – Independent Non-Executive Chairman

Mr Myers became a Director of Norwest on 28 November 2018. Mr Myers, an accountant by profession, has held senior management and executive roles within a number of ASX listed companies. During his career he has been instrumental in the capital raisings and financial management of these companies. With skills and knowledge gained from vast experiences in corporate, exploration and operational areas, Mr Myers has played a key role in maintaining Norwest's financial stability. Mr Myers is also the Chairman of Pancontinental Energy NL.

Iain Smith – Managing Director

Mr Smith joined Norwest on 2 April 2019. Mr Smith is a petroleum geoscientist with 33 years' broad experience of the upstream oil and gas industry, both internationally and in Australia. His early career saw him work offshore in the UK North Sea, before joining Premier Oil as a New Ventures Explorationist. Thereafter, Mr Smith spent seven years in the geoscience services sector, before joining Woodside Energy in a commercial role. At Woodside he worked within the Exploration & New Ventures group, and subsequently the Browse LNG project, with responsibilities including commercial analysis and asset divestment. In 2008 Mr Smith joined private exploration company Neon Energy, as Commercial Manager, and was responsible for the subsequent merger with ASX-listed Salinas Energy. He managed the commercial and investor relations aspects of the company's activities in Southeast Asia and California, including the high profile farm-out of Neon's two offshore Vietnam projects. In 2016 Mr Smith joined Pilot Energy as Managing Director, overseeing an aggressive new ventures campaign that resulted in the low-cost acquisition of six exploration permits within Western Australia, including within the onshore and offshore Perth Basin.

Bruce Clement – Non-Executive Director

Mr Clement became a Director on 18 December 2019. Mr Clement has 42 years' oil and gas industry experience having held engineering, senior management, and board positions with a variety of companies including ExxonMobil, Ampolex, Roc Oil, AWE and Santos. He has extensive experience and knowledge of the Perth Basin, previously managing development of the Cliff Head oil field for Roc Oil and, more recently, overseeing the discovery of the Waitsia gas field as Managing Director of AWE. Mr Clement is a non-executive director of Horizon Oil Limited.

5.7 Continuous disclosure

Norwest is a disclosing entity under the Corporations Act and subject to regular reporting and disclosure obligations. Specifically, as an ASX-listed company, Norwest is subject to the ASX Listing Rules which require continuous disclosure of any information Norwest has that a reasonable person would expect to have a material or significant effect on the price or value of Norwest Shares.

Copies of announcements made by Norwest may be obtained from the ASX website at www.asx.com.au and Norwest's website at www.norwestenergy.com.au.

In addition, Norwest will make copies of the following documents available for inspection at Norwest's registered office at Level 2, 30 Richardson Street, West Perth, Western Australia (between 9.00 am and 5.00 pm Monday to Friday):

- its annual financial report for the period ending 30 June 2022;
- its half-year report for the half-year ended 31 December 2021;
- its constitution; and
- any document lodged by Norwest with ASX between the lodgement of its 2022 Annual Financial Report on 21 October 2022 and the date of this Target's Statement. A list of these documents is included in the **annexure**.

A copy of these documents may be requested to be provided free of charge by contacting the Norwest Company Secretary between 9.00 am and 5.00 pm (Perth time) Monday to Friday on +61 (8) 9227 3240.

Copies of documents lodged with ASIC in relation to Norwest may be obtained from, or inspected at, an ASIC office.

6 Information about MinRes

6.1 Disclaimer

The information set out in this section of the Target's Statement in relation to MinRes has been prepared by Norwest using publicly available information (principally the Bidder's Statement) and has not been independently verified. Accordingly, and subject to the Corporations Act, Norwest and its Directors and advisers do not make any representation or warranty, express or implied, as to the accuracy or completeness of such information and take no responsibility for the contents of the Bidder's Statement. Further information on MinRes can be found in section 2 of the Bidder's Statement.

6.2 Overview of MinRes

MinRes is a diversified mining, and mining services company, with a portfolio of iron ore and lithium commodity operations across Western Australia. MinRes' wholly-owned subsidiary, EnRes, is party to the EP 368 and EP 426 joint ventures. EnRes holds an 80% interest in EP 368 and a 77.78% interest in EP 426, and is the operator of the joint ventures.

Further information on MinRes can be found in section 2 of the Bidder's Statement.

6.3 MinRes' interest in Norwest securities

Based on substantial shareholder notices lodged with ASX and registry data, as at the Last Practicable Date, MinRes has a Relevant Interest in 1,334,809,008 Norwest Shares or 19.9% of Norwest's total issued capital.

6.4 MinRes' funding arrangements related to the Offer

Section 6 of the Bidder's Statement summarises how MinRes intends to fund the Offer Consideration.

In summary, the Bidder's Statement specifies that there are no constraints on MinRes' ability to issue the maximum number of MinRes Shares required to be issued under the Offer.

The maximum number of MinRes Shares that would be issued under the Offer is approximately 4,187,829 MinRes Shares³ (representing approximately 2.2% of the total number of MinRes Shares that would be on issue if all of these MinRes Shares were issued).

6.5 MinRes' intentions in respect of Norwest

Section 8 of the Bidder's Statement sets out MinRes' intentions in respect of the future business and operations of Norwest (assuming that the Offer results in MinRes acquiring Norwest Shares).

In particular, it is noted that MinRes has disclosed in its Bidder's Statement that it intends to undertake a strategic review of Norwest's assets and operations, consolidate 100% ownership of the EP 368 and EP 426 permit interests (if successful with the Offer), and continue to invest in development and exploration of the permits.

Shareholders should carefully consider these intentions when deciding whether to accept the Offer (noting that these are statements of current intention only and may change).

³ Excludes the Norwest Shares in which MinRes has a Relevant Interest as at the date of the Bidder's Statement. Assumes all Norwest Options and Norwest Performance Rights either vest or are exercised and accepted into the Offer.

7 Risk factors

7.1 Disclaimer

The price of Norwest Shares and the future performance of Norwest are influenced by a range of factors and risks, many of which are beyond the control of Norwest. This section provides a non-exhaustive summary of key risks and uncertainties pertaining to the Offer, as well as risks associated with an investment in Norwest, those inherent in the oil and gas sector which are common to both Norwest and MinRes separately or as a combined entity, and other general risks. Such investment risks may materially affect the future exploration and operating and financial performance of Norwest and the value of Norwest Shares.

This **section 7** does not take into account the investment objectives, financial circumstances, taxation position or particular needs of individual Shareholders and is not exhaustive. Prior to deciding whether or not to accept the Offer, Shareholders should carefully consider the risk factors in this **section 7** and the Bidder's Statement and seek independent professional advice.

7.2 Risks associated with accepting the Offer now

(a) You will no longer have the same level of exposure to Norwest's assets and operations

If you accept the Offer and the Offer is or becomes unconditional, you will no longer be a shareholder in Norwest.

This will mean that you will not participate in any potential upside associated with Norwest's Perth Basin portfolio to the same extent that you would if you remained a shareholder in Norwest, including any increase in the Norwest Share price or any benefits that may ultimately be realised by Norwest. It will also mean that you will become a MinRes shareholder such that you will become exposed to the performance of MinRes' other interests (in addition to its Perth Basin interests). The price of MinRes Shares issued as Offer Consideration may be impacted by the future performance of the other parts of MinRes' business. Shareholders should refer to section 9.2 of the Bidder's Statement for information on the specific risks of an investment in MinRes.

You will also cease to have a right to influence the future direction of Norwest through your voting rights as a Shareholder.

(b) You will not be able to sell your Norwest Shares on-market

If you accept the Offer, you will no longer be able to trade your Norwest Shares on market. There is a possibility that the Norwest Share price may exceed the Offer Consideration during part of the Offer Period. Refer to **section 4.3** of this Target's Statement in relation to the effect of accepting the Offer. Refer to **section 7.5** of this Target's Statement in relation to receiving scrip only consideration which is not based on a specified market value for the Offer.

(c) You will be unable to accept any competing offer that emerges

If you have already accepted the Offer and a competing offer emerges, you will be unable to accept the competing offer unless you are able to withdraw your acceptance (refer to **section 4.3** of this Target's Statement for further details about the ability to withdraw an acceptance of the Offer).

As at the date of this Target's Statement, the Directors are not aware of any competing offer that is available to be accepted by Shareholders. If a competing offer arises, the Directors will carefully consider the merits of such offer and advise Shareholders of whether the competing offer affects their recommendation in this Target's Statement.

(d) You will give up your right to otherwise deal with your Norwest Shares

If you accept the Offer, you may be unable to revoke your acceptance, the contract resulting from your acceptance will be binding on you and you may be unable to withdraw your Norwest Shares from the Offer or otherwise deal with your Norwest Shares. Refer to **section 4.3** of this Target's Statement in relation to the effect of accepting the Offer.

7.3 Risks associated with rejecting the Offer and continuing as a Shareholder

In considering whether to accept the Offer, Shareholders should be aware of the risks relating to Norwest, its business and assets as well as the general risks associated with an investment in securities markets. These risks include those specific to the industry in which Norwest operates and general economic conditions which may affect the future operating and financial performance of Norwest. Set out below in **section 7.6** of this Target's Statement is a summary of some, but not all, of the more material risks Norwest believes may impact it and its prospects.

7.4 Risks specific to certain Offer outcomes

MinRes meets 90% compulsory acquisition threshold

MinRes has indicated that if, as a result of the takeover bid, it and its associates obtain a Relevant Interest in 90% or more of the Norwest Shares, MinRes intends to proceed with a compulsory acquisition of the outstanding Norwest Shares. If such compulsory acquisition occurs, Shareholders who have their Norwest Shares compulsorily acquired will not receive the Offer Consideration until after the compulsory acquisition notices are dispatched to them. The time at which the Offer Consideration is issued may also impact upon any entitlement to receive dividends paid to the holders of MinRes Shares.

Refer to **section 4.5** of this Target's Statement for further information.

MinRes obtains controlling interest in Norwest

If MinRes acquires more than 50% of the Norwest Shares on issue, it will be able to control the outcome of ordinary resolutions of Norwest Shareholders (including resolutions relating to the composition of Norwest's Board). Further, given historical levels of voting at general meetings by Shareholders, it is possible that MinRes may practically be able to determine the outcome of ordinary resolutions put to Shareholders (including resolutions relating to the appointment and removal of directors) even if it holds less than 50% of the Norwest Shares on issue.

If control of Norwest passes to MinRes, but MinRes does not meet the conditions to proceed to a compulsory acquisition of the remaining Norwest Shares, the remaining Shareholders (who have not accepted the Offer) will become minority shareholders in Norwest. If this occurs, there may be additional factors that need to be considered, alongside the Directors' recommendation. These factors may include:

- **Direction of the company:** The remaining Shareholders (other than MinRes) will be in a minority position in a company with a large controlling shareholder whose objectives for Norwest may differ from their own.
- **Illiquidity:** The number of Norwest Shares traded on ASX could be significantly reduced. The number will depend on the percentage of Norwest Shares obtained by MinRes. Norwest Shares not accepted in the Offer could become an illiquid and infrequently traded share and as such, the ASX market price may no longer be a reliable indicator of value. Additionally, it may be unlikely that a subsequent takeover bid for Norwest will emerge at a later time from a third party.
- **Control of Board:** MinRes may be in a position to cast the majority of votes at a general meeting of Norwest. This would enable MinRes to control the composition of the Board and senior management, determine Norwest's future dividend policy and control the strategic direction of the businesses of Norwest and its subsidiaries. MinRes has stated, in section 8.4 of the Bidder's Statement, that where Norwest becomes a controlled entity of MinRes (but not a wholly-owned controlled entity), MinRes intends to seek to replace some of the members of the Board so that nominees of MinRes constitute at least a majority of the members of the Board.
- **Removal from ASX official list:** MinRes has stated, in section 8.4(c) of the Bidder's Statement, that it intends to seek to have Norwest removed from the official list of the ASX. MinRes' ability to do so will depend on various factors, including the usual conditions imposed by ASX in the context of a successful takeover bid. In such

context, ASX may not require security holder approval prior to removing Norwest from the official list of ASX where:

- MinRes controls at least 75% of the Norwest Shares but has not met the conditions to proceed to a compulsory acquisition of the remaining Norwest Shares;
- the number of Shareholders (other than MinRes and its Related Bodies Corporate) having holdings with a value of at least \$500 is fewer than 150;
- MinRes foreshadows its intention to remove Norwest from the official list of the ASX, which it has done in section 8.4(c) of the Bidder's Statement;
- the Offer remains open for at least two weeks following MinRes having attained control of at least 75% of the Norwest Shares; and
- MinRes applies for removal from the official list of ASX no later than one month after the close of the Offer.

If this occurred, ASX is likely to require Norwest to provide notice to Shareholders (other than MinRes) advising of the nominated time and date at which Norwest will be removed from the official list of ASX. If this occurs, Norwest Shares will not be able to be bought or sold on ASX.

- **MinRes' ability to pass special resolutions:** If MinRes acquires 75% or more of Norwest Shares it will be able to pass a special resolution of Norwest. This will enable MinRes to, among other things, change Norwest's constitution.
- **Further acquisitions of Norwest Shares:** MinRes has indicated that it may attempt to acquire additional Norwest Shares as permitted under the Corporations Act, including, for example, pursuant to the "3% creep in 6 months" rule in item 9 of section 611 of the Corporations Act.

CGT Rollover Relief

As there is no minimum acceptance condition to the Offer, MinRes may not acquire the number of Norwest Shares sufficient to bring its total interest in Norwest to at least 80% of Norwest Shares (on a fully diluted basis). In this case, scrip-for-scrip CGT rollover relief may not be available to Shareholders.

MinRes does not obtain a controlling interest in Norwest

If Norwest does not become a controlled entity of MinRes, MinRes has indicated that it does not intend to proceed with its intentions set out in sections 8.3 or 8.4 of the Bidder's Statement.

You should also read section 8 of the Bidder's Statement which describes MinRes' intentions in more detail in respect of the various Offer outcomes.

7.5 Risks specific to the Offer

Issue of MinRes Shares as the Offer Consideration

Shareholders are being offered a specified number of MinRes Shares (being one MinRes Share for every 1,367 Norwest Shares held), rather than cash or a number of MinRes Shares with a specified market value.

As a result, the value of the Offer will fluctuate depending upon the market value of the MinRes Shares.

For example, the implied value of the Offer (based on the closing price of MinRes Shares of \$82.00 on 15 December 2022, being the last trading day before the Offer was announced to ASX) was \$0.06 per Norwest Share. Since that time, the price of MinRes Shares has increased such that the implied value of the Offer as at the Last Practicable Date (based on the closing price of MinRes Shares of \$83.54 on 6 January 2023) was \$0.061 per Norwest Share.

MinRes Shares have traded in the range of \$42.75 to \$92.44 in the last 52 weeks and closed at \$83.54 on the Last Practicable Date.

Shareholders should be aware that if they accept the Offer, then the Offer Consideration may only be issued up to the earlier of:

- one month after this Offer is accepted, or if the Offer is subject to a defeating condition when you accept, within one month after the Offer becomes unconditional; and
- 21 days after the end of the Offer Period,

such that there will be a delay in being able to realise a certain cash value should Shareholders wish to sell some or all of those MinRes Shares (and the value of those MinRes Shares may continue to fluctuate over this period).

Integration risks

There are risks that any integration between the businesses of MinRes and Norwest may take longer than expected and that anticipated efficiencies and benefits of that integration may be less than envisaged. These risks include possible differences in the management culture, inability to achieve synergy benefits and cost savings, and the potential loss of key personnel.

7.6 Risks specific to an investment in Norwest

Geological/exploration and appraisal

The future operating and financial performance of Norwest may be influenced by the ability of Norwest to successfully appraise and explore for hydrocarbons that are commercially viable. Such activity is subject to geological and technical risks and uncertainties.

In particular, the success of the upcoming two well drilling campaign at Lockyer-2 and North Erregulla Deep-1 is not guaranteed. There is a risk that the results of that program may not confirm that gas is present within the Kingia Fm reservoir across the greater Lockyer structure and down to the interpreted Freewater Line at 4,560 m TVDSS. There is also a risk that future exploration drilling of the Permian leads within Norwest's portfolio may not be successful. Such outcomes may materially, negatively impact Norwest's future prospects.

There can be no guarantee that Norwest will, through its activities, successfully define reserves and contingent resources to support continued investment, development and future production.

Contractual risk

Norwest is reliant to a certain extent on the cooperation and compliance of parties to the agreements to which it is a party. In particular, Norwest is a party to two joint venture agreements with EnRes (a wholly-owned subsidiary of MinRes) and the ability of Norwest to achieve its objectives will depend on the performance by each of the parties of their respective obligations under these agreements. MinRes is a much larger company than Norwest and has access to significantly more resources with which to progress its activities, including in regards to the Perth Basin.

The Offer was not solicited by Norwest and there is a risk that the conduct of each of MinRes and Norwest in relation to the Offer has the potential to damage the working relationship between Norwest and EnRes in respect of the joint ventures. In the event of dispute, there can be no guarantee that seeking enforcement of or compensation under such agreements will provide an efficient or satisfactory outcome.

Financing risk

Norwest's capital requirements depend on numerous factors. Norwest will require further financing as the Lockyer gas project progresses through exploration/appraisal to development. There can be no assurance that Norwest will be able to raise that finance on acceptable terms or in a timely manner. Any future equity financing will dilute shareholdings and debt financing, if available, may involve restrictions on financing and operating activities. If Norwest is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations, and scale back its activities and/or divest of some or all of its interests, as the case may be.

Reliance on key personnel

The success of Norwest in part will depend on the ability of the Directors, management team and other executive personnel (employed by Norwest or its business partners) to develop Norwest's project portfolio and enhance project value. Should one or more of the key personnel cease to be involved, for whatever reason, then the capability of Norwest may be impaired pending a suitable replacement being identified and retained by Norwest or its business partners.

7.7 Risks specific to an investment in MinRes

Refer to section 9.2 of the Bidder's Statement for information on the specific risks of an investment in MinRes.

7.8 Risks inherent in the oil and gas industry

Exploration and appraisal

Exploration, and to a lesser degree appraisal, are speculative activities with a risk of discovery of hydrocarbons in commercial quantities and an associated risk of development. If Norwest is unsuccessful in identifying and developing additional resources that are commercially viable, this may have a material adverse effect on Norwest's state of affairs.

There are a variety of physical risks associated with operating in the hydrocarbon industry. Exploration activity may be adversely influenced by a number of different factors including, amongst other things, new subsurface geological and geophysical data, drilling results including the presence, prevalence and composition of hydrocarbons, force majeure circumstances, drilling cost overruns for unforeseen subsurface operating conditions or unplanned events or equipment difficulties, changes to resource estimates, lack of availability of drill rigs, seismic vessels and other integral exploration equipment and services. The occurrence of any of these events could result in significant losses to Norwest that may have a material adverse effect on Norwest's financial position.

Development and production

If Norwest achieves continued operational success that leads to a decision to develop production operations, the development and ongoing production from such operations may be adversely affected by various factors, including variation in the volume of estimated hydrocarbon reserves; failure to achieve predicted well production flow rates; operational and technical difficulties encountered in production; difficulties in commissioning and operating plant and equipment; mechanical failure or plant breakdown; unanticipated reservoir problems which may affect field production performance; adverse weather conditions; industrial and environmental accidents; and industrial disputes and unexpected shortages or increases in the costs of consumables, spare parts, plant and equipment.

Drilling activities

Drilling operations are high-risk and subject to hazards including unexpected geological conditions, infrastructure failure and other incidents, or conditions which could result in damage to plant or equipment or harm to people or the environment. Although Norwest intends to take adequate precautions to minimise risks associated with drilling activities, there can be no guarantee that Norwest will not experience one or more material incidents in the context of drilling activities which may have an adverse impact on the operating and financial performance of Norwest, including costs associated with control of well operations, recovery of plant and equipment, and environmental rectification and compensation, along with delays or other impacts on anticipated results.

Access to infrastructure

In order to access markets for the sale of Norwest's production, Norwest will rely on access to infrastructure on commercially acceptable terms. There can be no guarantee that Norwest will be able to maintain or obtain access to relevant infrastructure on commercially acceptable terms. A failure to obtain or maintain access to relevant infrastructure, or an event which results in a significant interruption to access such infrastructure due to unforeseen circumstances, will have an adverse effect on the operating and financial performance of Norwest.

Commodity price and exchange rate volatility

If Norwest achieves exploration success leading to commercial hydrocarbon production, the revenue it will derive through the sale of hydrocarbons exposes the potential income of Norwest to commodity price and exchange rate risks. Commodity prices fluctuate and are affected by many factors affecting their demand and supply beyond Norwest's control. Such factors include global industrial production levels and economic sentiment, inflation and interest rates, industrial disputes, wars and other military activity, technological advancements, forward selling activities, government environmental policies, infrastructure investment, weather conditions and general exploration success.

Furthermore, international prices of some commodities (e.g. crude oil and LNG) are denominated in United States dollars, whereas the income and expenditure of Norwest are, and will be, taken into account in Australian currency, exposing Norwest to the fluctuations and volatility of the rate of exchange between the United States dollar and the Australian dollar as determined in international markets.

Native title

Many countries, such as Australia, have native title, community title/empowerment, or heritage legislation and/or regulations. These rules impose certain requirements on oil and gas companies who undertake or plan to undertake various exploration, development or drilling activities. The risks associated with the rules are generally associated with the imposition of various uncertainties as to timetables and costs. No assurance can be given that Norwest will be able to explore or conduct drilling activities within acceptable timeframes or on terms acceptable to it.

Permits and licences

Norwest is a party to joint venture operating agreements with MinRes to jointly explore and appraise its exploration permits EP 368 and EP 426. There is a risk that Norwest does not have or might lose any or all of those permits or licences required for the operation of the projects, or that Norwest will not comply with the ongoing requirements imposed under those permits or licences. There is also a risk that the permits and licences required, or the conditions imposed on Norwest under them, will change from time to time. Norwest's ongoing compliance costs may increase as a result. Any of the above may adversely affect Norwest's financial performance.

7.9 General risks

Macro-economic risks

General economic conditions, movements in interest and inflation rates and currency exchange rates may have an adverse effect on Norwest's exploration, development and production activities, as well as on its ability to fund those activities.

The West Australian domestic gas market and the international LNG market are subject to fluctuations in demand, supply, and consequently price. There are risks of a reduction to the level of demand for Norwest's products, attributable to (for example) changes in energy consumption preferences and the effect of the local and global economies on demand. If this occurs, it may result in reduced revenues with a consequent effect on Norwest's financial position.

Share market conditions may affect the value of Norwest's quoted securities regardless of Norwest's operating performance. The market price of the securities may fall as well as rise due to various factors such as general economic outlook, interest rates and inflation rates, currency fluctuations, changes in investor sentiment, the demand for, and supply of, capital and terrorism or other hostilities.

Government, regulatory and policy

Norwest operates in a highly regulated environment and there is a risk that various laws and government policy applicable to Norwest's Perth Basin portfolio (including laws in relation to exploration, development and production activities, taxes, land access and the environment, employee relations etc) may change. Changes in government policy and/or law (both State and Federal) may materially impact on Norwest's rights, obligations and commercial arrangements.

Environment and climate change

Norwest operations inherently present certain risks to the environment. Norwest is not able to predict the effect of additional environmental laws and regulations which may be legislated in the future. Further, there can be no guarantee that new laws, regulations or enforcement policies will not impede Norwest's proposed activities and/or result in additional costs to the business.

Norwest recognises that the impacts of climate change may affect its operations and the markets into which Norwest intends to sell its products. Direct risks include those arising from increased severe weather events and indirect risks arise from various governmental and market responses to the challenges that climate change poses during the transition to a lower emissions future. These risks may impact demand for Norwest's products, the cost to produce those products, Norwest's social licence, and the attractiveness of Norwest to both the investment and financing communities.

Litigation

From time to time, Norwest may be involved in disputes and litigation relating to the conduct of its business. The risk of litigation is a risk that may incur costs in making payments to settle claims or in complying with any court order (which may not be covered adequately, if at all, by insurance). Any material dispute or litigation could adversely affect the financial position and the financial performance of Norwest.

Cyber security risks

The integrity, availability and reliability of data within Norwest's information technology systems may be subject to intentional or unintentional disruption. Given the increasing level of sophistication and scope for potential cyber-attacks, these attacks may lead to significant breaches of security that could jeopardise the sensitive information and financial transactions of Norwest (from a cyber perspective) and property and environmental damage (from a physical perspective). This risk may be elevated as a result of the COVID-19 pandemic and the increase in remote working by Norwest's staff and contractors.

Insurance coverage

Norwest maintains appropriate policies of insurance that are consistent with those customarily carried by similar organisations in the energy sector. Any future increase in the cost of such insurance policies, or an inability to fully replace, renew or claim against insurance policies could adversely affect Norwest's business, financial position and operational results. Additionally, there is no assurance that Norwest's insurance coverage will be sufficient to compensate it against all losses it may suffer as a result of an incident affecting its assets. There are certain types of risks that are not covered by insurance because they are either uninsurable or not economically insurable, including acts of war, acts of terrorism, civil unrest and business disruption caused by outbreaks of disease (including the COVID-19 pandemic). If such events were to occur, Norwest may have to bear the costs of any uninsured risk or uninsured amount and this could have a material adverse effect on Norwest's business, financial position and operational results.

COVID-19

COVID-19 has caused significant volatility and uncertainty in local and global markets. Norwest has maintained its response to the COVID-19 pandemic in line with its focus on prioritising the safety and welfare of its employees, suppliers and the community within which it operates. Minor operational delays were experienced during the drilling and testing of the Lockyer Deep-1 exploration well, and the acquisition of the Ringneck 2D seismic survey. Norwest's share price may be adversely affected in the short to medium term by the economic uncertainty caused by COVID-19. Norwest continues to monitor ongoing potential COVID-19-related threats to the business and to consider appropriate preventative actions and responses.

8 Additional information

8.1 Interests and dealings in Norwest securities

(a) Interests in Norwest securities

As at the Last Practicable Date, the Directors have the following Relevant Interests in Norwest securities:

Director	Number of Norwest Shares (%)	Number of Norwest Options	Number of Norwest Performance Rights
Ernest Myers	6,731,602 (0.10)%	15,000,000 Norwest Options exercisable at \$0.0107, with 5,000,000 Norwest Options expiring on 30 June 2024, 5,000,000 Norwest Options expiring on 30 June 2025 and 5,000,000 Norwest Options expiring on 30 June 2026 40,000,000 Norwest Options (indirectly held through Pinegold Enterprises Pty Ltd) exercisable at \$0.0341 and expiring on 19 October 2025	Nil
Iain Smith	7,337,662 (0.10)%	90,000,000 Norwest Options exercisable at \$0.0089, with 30,000,000 Norwest Options expiring on 30 June 2024, 30,000,000 Norwest Options expiring on 30 June 2025 and 30,000,000 Norwest Options expiring on 30 June 2026 70,000,000 Norwest Options exercisable at \$0.0341 and expiring on 19 October 2025	30,000,000 Norwest Performance Rights with a nil exercise price and expiring 5 years from the grant date of the Norwest Performance Rights
Bruce Clement	Nil	15,000,000 Norwest Options exercisable at \$0.0107, with 5,000,000 Norwest Options expiring on 30 June 2024, 5,000,000 Norwest Options expiring on 30 June 2025 and 5,000,000 Norwest Options expiring on 30 June 2026 40,000,000 Norwest Options exercisable at \$0.0341 and expiring on 19 October 2025	Nil

(b) Dealings in Norwest securities

No Director has acquired or disposed of a Relevant Interest in any securities of Norwest in the four-month period ending on the Last Practicable Date.

8.2 Interests and dealings in securities of MinRes

As at the Last Practicable Date, none of Norwest, its associates or any of its Directors had a Relevant Interest in the securities of MinRes or any Related Body Corporate of MinRes.

Neither Norwest, its associates nor any of the Directors have acquired or disposed of a Relevant Interest in any securities of MinRes or any Related Body Corporate of MinRes in the four-month period ending on the date immediately before the date of this Target's Statement.

8.3 Director benefits and agreements

(a) Benefits in connection with retirement from office

No person has been or will be given any benefit (other than a benefit which can be given without member approval under the Corporations Act) in connection with the retirement of that person, or someone else, from a board or managerial office of Norwest or Related Body Corporate of Norwest, as a result of the Offer.

(b) Agreements connected with or conditional on the Offer

There are no agreements made between any Director and any other person in connection with, or conditional upon, the outcome of the Offer other than in their capacity as a holder of Norwest Shares.

(c) Benefits from MinRes

None of the Directors have agreed to receive, or are entitled to receive, any benefit from MinRes which is conditional on, or is related to, the Offer, other than in their capacity as holders of Norwest Shares.

(d) Interests of Directors in contracts with MinRes

None of the Directors have any interest in any contract entered into by MinRes.

8.4 Transaction costs

The Offer will result in Norwest incurring transaction costs that would not otherwise have arisen (including, without limitation, fees of external professional advisers to Norwest and costs associated with this Target's Statement) which, on the assumption that the Offer is not varied, are currently not expected to exceed approximately \$10 million in aggregate.

8.5 Taxation consequences of accepting the Offer

The taxation consequences of accepting the Offer depend on a number of factors and will vary depending on your particular circumstances. A general description of the Australian income tax and goods and services tax consequences for Shareholders who either accept the Offer or whose Norwest Shares are compulsorily acquired in accordance with Part 6A.1 of the Corporations Act are set out in section 10 of the Bidder's Statement.

You should carefully read and consider the taxation consequences of accepting the Offer. The outline provided in the Bidder's Statement is of a general nature only and you should seek your own specific professional advice as to the taxation implications applicable to your circumstances. Norwest, its Directors and advisers take no responsibility for the contents of the Bidder's Statement.

8.6 Consents

The following persons have given and have not, before the date of issue of this Target's Statement, withdrawn their consent to:

- be named in this Target's Statement in the form and context in which they are named;
- the inclusion of their respective reports or statements noted next to their names and the references to those reports or statements in the form and context in which they are included in this Target's Statement; and
- the inclusion of other statements in this Target's Statement that are based on or referable to statements made in those reports or statements, or that are based on or referable to other statements made by those persons in the form and context in which they are included.

Name	Named as	Reports or Statement
Each Director	a Director	The inclusion of statements made by them
Computershare Investor Services Pty Limited	Norwest Share Registry	N/A
Euroz Hartleys Limited	Financial Adviser	N/A
Corrs Chambers Westgarth	Legal Adviser	N/A

Each of the above persons:

- does not make, or purport to make, any statement in this Target's Statement other than those statements referred to above and as consented to by it; and
- to the maximum extent permitted by law, expressly disclaims and takes no responsibility for any part of this Target's Statement other than as described in this section with its consent.

As permitted by ASIC Class Order 13/521, this Target's Statement contains statements that are made, or based on statements made, in documents lodged with ASIC or ASX (in compliance with the ASX Listing Rules), in particular, the Bidder's Statement. Pursuant to that Class Order, the consent of persons to whom such statements are attributed is not required for the inclusion of those statements in this Target's Statement. Any Shareholder who would like to receive a copy of any of the documents (or parts of the documents) that contain the statement which have been included pursuant to ASIC Class Order 13/521 may obtain a copy (free of charge) during the Offer Period by contacting Norwest's Company Secretary between 9.00 am and 5.00 pm (Perth time) Monday to Friday on +61 (8) 9227 3240. The copy will be provided within 2 Business Days of the request.

In addition, as permitted by ASIC Corporations (Consents to Statements) Instrument 2016/72 (**Corporations Instrument 2016/72**), this Target's Statement may include or be accompanied by certain statements:

- fairly representing a statement by an official person; or
- from a public official document or published book, journal or comparable publication.

Pursuant to Corporations Instrument 2016/72, the consent of persons to whom such statements are attributed is not required for inclusion of those statements in this Target's Statement.

8.7 No other material information

This Target's Statement is required to include all the information that Shareholders and their professional advisers would reasonably require to make an informed assessment whether to accept the Offer, but:

- only to the extent to which it is reasonable for investors and their professional advisers to expect to find this information in this Target's Statement; and
- only if the information is known to any Director.

Your Directors are of the opinion that the information that Shareholders and their professional advisers would reasonably require to make an informed assessment whether to accept the Offer is the information contained in:

- the Bidder's Statement (to the extent that the information is not inconsistent or superseded by information in this Target's Statement);
- Norwest's annual reports and releases to ASX before the date of this Target's Statement;

- the documents lodged by Norwest with ASIC before the date of this Target's Statement; and
- this Target's Statement, including the annexure to this Target's Statement.

Your Directors have assumed, for the purposes of preparing this Target's Statement, that the information in the Bidder's Statement is accurate. However, your Directors do not take any responsibility for the contents of the Bidder's Statement and are not to be taken as endorsing, in any way, any or all statements contained in it.

In deciding what information should be included in this Target's Statement, your Directors have had regard to:

- the nature of the Norwest Shares (being fully paid ordinary shares);
- the matters that Shareholders may reasonably be expected to know;
- the fact that certain matters may reasonably be expected to be known to Shareholders' professional advisers; and
- the time available to Norwest to prepare this Target's Statement.

9 Glossary and interpretation

9.1 Glossary

In this Target's Statement, defined terms have the meanings set out below:

Term	Meaning
2022 Annual Financial Report	the annual financial report for Norwest for the year ended 30 June 2022
ASIC	the Australian Securities and Investments Commission
ASX	ASX Limited or the Australian Securities Exchange, as appropriate
ASX Listing Rules	the listing rules of ASX
ASX Settlement	ASX Settlement Pty Limited
ASX Settlement Rules	the operating rules of the settlement facility provided by ASX Settlement
Bidder's Statement	the bidder's statement issued by MinRes dated 16 December 2022
Board	the board of Directors of Norwest
Business Day	day on which banks are open for business in Perth, Western Australia, excluding a Saturday, Sunday or public holiday
CHESS Holding	a holding of Shares which is registered on Norwest's Share register being a register administered by ASX Settlement and which records uncertificated holdings of shares
Condition	the condition to the Offer as set out in section 12.9 of the Bidder's Statement, being in relation to no Prescribed Occurrences
Controlling Participant	has the meaning set out in the ASX Settlement Rules
Corporations Act	the <i>Corporations Act 2001</i> (Cth) (as modified or varied by ASIC)
Director	a director of Norwest
EnRes	Energy Resources Ltd ACN 009 475 423, a wholly-owned subsidiary of MinRes
EP 368	the exploration permit EP 368 in the Shire of Mingenew
EP 426	the exploration permit EP 426 in the Shire of Mingenew

Term	Meaning
Foreign Shareholder	a Shareholder whose address shown in the register of members of Norwest at 5.00 pm (AWST) on the Register Date is a place outside of Australia and its external territories and New Zealand unless MinRes otherwise determines (in its absolute discretion) after being satisfied that it is not unlawful, not unduly onerous and not unduly impracticable to make the Offer to a Shareholder in the relevant jurisdiction and to issue MinRes Shares to such a Shareholder on acceptance of the Offer, and that it is not unlawful for such a Shareholder to accept the Offer in such circumstances in the relevant jurisdiction
Last Practicable Date	6 January 2023, being the last practicable date prior to lodgement of this Target's Statement
LNG	liquefied natural gas
MinRes	Mineral Resources Limited ACN 118 549 910
MinRes Share	a fully paid ordinary share in the capital of MinRes
MMscf/d	million standard cubic feet per day
Norwest	Norwest Energy NL ACN 078 301 505
Norwest Option	an option to subscribe or acquire a Norwest Share as described in section 5.4 of this Target's Statement
Norwest Performance Rights	the performance rights exercisable into Norwest Shares on issue as at the date of this Target's Statement, as described in section 5.4 of this Target's Statement
Norwest Share	a fully paid ordinary share in the capital of Norwest
Offer	the offer by MinRes to purchase Norwest Shares, the terms of which are contained in section 12 of the Bidder's Statement
Offer Consideration	the consideration which Shareholders will receive if the Offer becomes or is declared unconditional
Offer Period	the period during which the Offer will remain open for acceptance in accordance with section 12.3 of the Bidder's Statement
Prescribed Occurrences	the events described in sections 652C(1) and 652C(2) of the Corporations Act
Register Date	7.00 pm (Sydney time) on 19 December 2022
Related Body Corporate	has the meaning given to that term in the Corporations Act
Relevant Interest	has the meaning given in sections 608 and 609 of the Corporations Act
Shareholder	a holder of one or more Norwest Shares

Term	Meaning
Small Parcel	a parcel of MinRes Shares having a value of less than \$500 based on the highest closing price of MinRes Shares on ASX during the period from the date of the Bidder's Statement until the earlier of the end of the Offer Period and five ASX trading days before the first day on which MinRes must provide the Offer Consideration
Target's Statement	this document (including the annexure), being the statement of Norwest under Part 6.5 Division 3 of the Corporations Act
VWAP	volume weighted average price

9.2 Interpretation

In this Target's Statement:

- other words and phrases have the same meaning (if any) given to them in the Corporations Act;
- words of any gender include all genders;
- words importing the singular include the plural and vice versa;
- an expression importing a person includes any company, partnership, joint venture, association, corporation or other body corporate and vice versa;
- a reference to a section, clause, annexure and schedule is a reference to a section of, clause of and an annexure and schedule to this Target's Statement as relevant, unless otherwise stated;
- a reference to any legislation includes all delegated legislation made under it and amendments, consolidations, replacements or re-enactments of any of them;
- headings and bold type are for convenience only and do not affect the interpretation of this Target's Statement;
- a reference to time is a reference to Perth, Western Australia time, unless otherwise stated; and
- a reference to \$, A\$ or AUD is a reference to the lawful currency of Australia.

10 Authorisation

This Target's Statement has been approved by a resolution passed by your Directors. Each of your Directors voted in favour of that resolution.

10 January 2023

Signed for and on behalf of Norwest:



.....
Mr Iain Smith
Managing Director

Annexure — ASX Announcements

The following announcements have been made to ASX concerning Norwest between the release of its annual financial report for the period ending 30 June 2022 on 30 September 2022 and 6 January 2023 (being the Last Practicable Date).

Date	Announcement
06/10/2022	Ringneck Seismic Confirms Significant New Gas Lead
21/10/2022	Appendix 4G
21/10/2022	Notice of Annual General Meeting/Proxy Form
21/10/2022	Annual Report to shareholders
24/10/2022	Quarterly Activities/Appendix 5B Cash Flow Report
15/11/2022	Investor Webinar
22/11/2022	Presentation to the AGM November 2022
22/11/2022	Results of Annual General Meeting
23/11/2022	Adoption of New Constitution
06/12/2022	Commencement of Rococo 3D Seismic Survey
16/12/2022	Directors' Statement re Takeover
16/12/2022	Notice of Change of Interest of Substantial Holder from MIN
20/12/2022	Norwest Energy Reiterates TAKE NO ACTION

Corporate Directory

Board of Directors

- Ernest Anthony Myers – Non-Executive Chairman
- Iain Peter Smith – Managing Director
- Bruce Frederick William Clement – Non-Executive Director

Company Secretary

Jo-Ann Long

Registered Office

Level 2, 30 Richardson Street
West Perth, Western Australia 6005

Share Registry

Computershare Investor Services Pty Limited
Level 11, 172 St Georges Terrace
Perth, Western Australia 6000

For personal use only

For personal use only