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XANADU-1 WELL DRILLING HAS COMMENCED

Norwest Energy NL ('Norwest'), the Operator of Permit TP/15, is pleased to advise that the Xanadu-1 conventional oil exploration well commenced drilling operations at 15:00 hours (3:00 PM) AWST on 4 September 2017.

In an excellent start to the program, site works and a smooth rig mobilisation accelerated the spud date from the original forecast by approximately 11 days.



Figure 1. Energdrill Rig-3 on location at Xanadu, 2nd September 2017.

The Xanadu-1 well will be drilled to a planned maximum total depth of approximately 1863 MDRT and is forecast to take approximately 23 days in total to complete. The well is being drilled from onshore to offshore using a deviated well profile, with the target located beneath shallow water, approximately 1.3km from the coastline.

The Xanadu-1 well is targeting the Xanadu prospect, with an unrisks recoverable resource of 160 million barrels of conventional oil (refer to NWE ASX Announcement 29/10/14). The Xanadu-1 well primary target is the Permian Dongara Sandstone, with secondary targets in the Irwin River Coal Measures and the High Cliff Sandstone. The structure is considered to be one of the largest untested oil prospects in the Basin, with this same play resulting in four oilfield discoveries in the vicinity, namely Cliff Head, Hovea, Eremia and Jingemia.

Norwest will provide regular updates to the market throughout the campaign.

Norwest CEO Shelley Robertson commented: *“I am thrilled that we have now spudded the Xanadu-1 well. The accelerated commencement of drilling is due to our dedicated and experienced technical team from Aztech Well Completions, and the equally experienced Enerdrill Rig-3 crew. This is the same combination that recently completed the highly successful Waitsia-3 and Waitsia-4 drilling program for AWE. Along with our JV partners, we are very pleased that drilling has now commenced, and look forward to successful results over the coming few weeks”.*

TP/15 is located in the offshore northern Perth Basin, approximately 250km north of Perth. The permit occupies the 3 nautical mile wide state territorial waters of Western Australia, adjacent to the township of Port Denison, and covers an area of 645km².

The Joint Venture partners in TP/15 are:

Norwest (via subsidiary) (Operator)	25%
Triangle (Global) Energy Ltd (via subsidiary) (ASX: TEG)	30%
Whitebark Energy Ltd (via subsidiary) (ASX: WBE)	15%
3C Group IC Limited (via subsidiaries)	30%