

NORWEST MINERALS LIMITED

ABN: 72 622 979 275

Annual Report for the year ended 30 June 2019

NORWEST MINERALS LIMITED

30 June 2019

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Norwest Minerals Ltd

Company Directory

DIRECTORS:

Mr Michael D. Tilley
Mr Ching Hong Loong
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Mr Charles Schaus

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NWM

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Chairman's letter

Dear Shareholders,

Welcome to Norwest Minerals Limited's first Annual Report. It has certainly been an eventful time for the Company since we listed on the ASX in November 2018, and the Board is looking forward to future success as we roll out our exploration program across our projects.

Highlights for Financial Year 2019 included:

- As mentioned we successfully listed on the ASX in November 2018 raising \$6.6 million and in the process acquiring various projects from Australian Mines Limited, which remains our largest shareholder;
- Commencing exploration fieldwork across our projects included diamond, reverse circulation and aircore drilling along with surface sampling and geophysical surveying;
- Becoming the first company allowed access to drill into the large North Dovers iron-oxide-copper-gold (**IOGC**) target located at Arunta West in central Australia following its identification by BHP 20 years ago; and
- Identifying, assessing and successfully negotiating the purchase of the historical Bulgera Gold project located within the Murchison gold belt of Western Australian.

Following the end of the Financial Year, we commenced a 1 for 3 Entitlement Offer at \$0.15 per share to raise \$3.14 million to fund the North Dovers exploration work and a resource expansion drill program at Bulgera.

Arunta West/North Dovers

This exciting project is located in Western Australia, 600 kilometres west of Alice Springs near the Western Australian /Northern Territory boarder. Project area of 1,700km² with major geophysical & geologic features typical of those hosting iron-oxide-copper-gold (IOGC) mineralisation systems.

The area is becoming known as the next major Australian copper province with ground along the Arunta belt being rapidly accumulated by companies such as the Independence Group (ASX:IGO) and their JV partners.

Results from the three diamond holes drilled in May have been very encouraging with the Company commencing a 12,000-metre reverse circulation (RC) follow-up drill programme to fully test the 4 x 8 km anomaly.

Bulgera

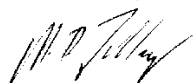
The Bulgera Gold Project is 200 kilometres north of Meekatharra, within easy trucking distance to the nearby Plutonic Gold operation and within 10 kilometres of Norwest's Marymia project tenements.

The Bulgera project was last mined in 2004 for near surface gold ore which was haul to and processed at the nearby Plutonic gold plant. Bulgera's extensive historic exploration, development and mining database shows multiple gold lodes extending below the shallow open cut pits and along the 5-kilometre strike of the sheared greenstone package. Significant tonnages of remnant gold are delineated by several resource models constructed in 2003-04 by previous owners Barrick Australia. Development RC drilling and exploration aircore drilling is scheduled to commence prior to the end of 2019 calendar year or as soon as all statutory fieldwork applications and agreements are finalised.

Our aim is to fast-track operations so that the project produces cash flow as soon as practicable to take advantage of historically high gold prices.

I want to take this opportunity to thank our CEO Charles Schaus for his work during the year. The Board is optimistic about our Company's future and we look forward to working with Charles for the benefit of shareholders in delivering success to you.

Yours faithfully



Michael D. Tilley
Chairman

Review of Operations

Norwest Minerals Limited (“Norwest” or “the Company”) (Australia ASX: NWM) is pleased to present its Annual Activities Report for the year ending 30 June 2019.

Norwest listed on the Australian Stock Exchange 29 November 2018 following its \$6.6 million initial public offering (IPO) which comprised the allocation of 33 million 20 cent shares.

Norwest currently has seven projects, all located in Western Australia (figure 1). Since listing on the ASX, Norwest has been very active in the field exploring for gold, copper and other base metals. Exploration fieldwork included diamond, reverse circulation and aircore drilling along with surface sampling and geophysical surveying for a total exploration expenditure of more than \$2.2 million¹.

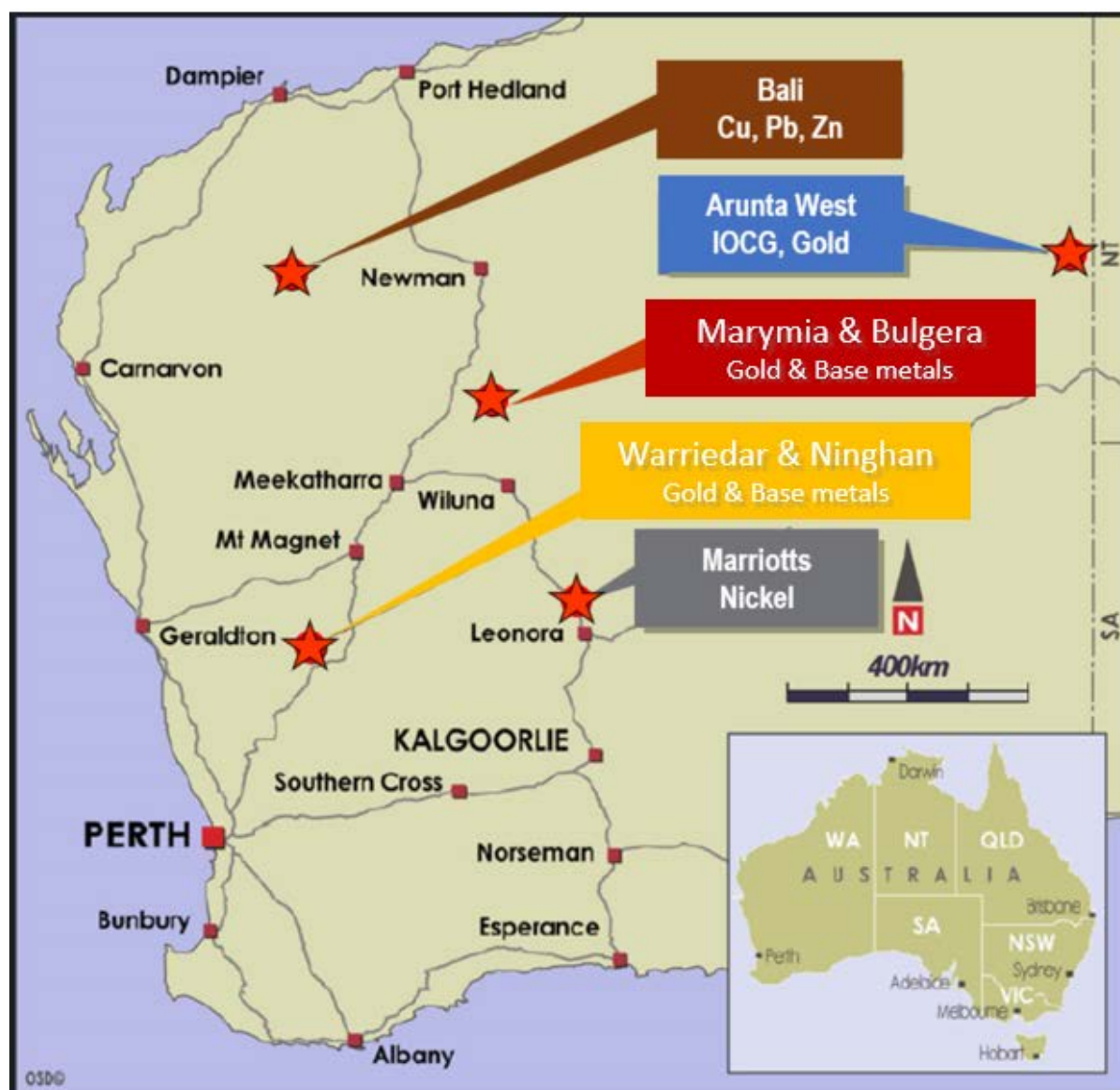


Figure 1 - Map of Western Australia showing location of exploration projects held by Norwest Minerals.

¹ Please refer to the Company's quarterly reports for JORC 2012 reporting tables of exploration information details.

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Norwest Minerals is the first company allowed access to drill into the large North Dovers iron-oxide-copper-gold (**IOGC**) target following its identification by BHP 20 years ago. Results from the three diamond holes drilled in May have been very encouraging with the Company commencing a 12,000-metre reverse circulation (RC) follow-up drill programme to fully test the 4 x 8 km anomaly. Norwest has also increased its ground position by the 85% acquisition of a 250 square kilometre tenement located immediately south of the North Dovers prospect.

In March, a first pass RC drilling programme at Norwest's Marymia / Jenkins prospect intersected relatively wide zones of near surface anomalous zinc and lead mineralisation trending along a 1.2-kilometre strike. The Company has planned an extensive infill aircore drilling programme to test the area for economic zinc & lead mineralisation. The drilling is scheduled to commence early next calendar year.

RC drilling, surface sampling and ground magnetics were completed at Norwest's Warriedar Project. Gold mineralisation was intersected at the Mount Laws prospect from near-surface to over 150 metres deep along a strike of over 200 metres. At the nearby Ninghan tenements, aircore drilling and soil sampling highlighted several gold targets to be followed up with RC drilling.

At the Bali copper project, the Company undertook a project-wide airborne electromagnetic (EM) geophysical survey designed to highlight conductors representing potential primary copper mineralisation that may be located within the project area². Processing of the data to date, failed to reveal strong, discrete EM anomalies that present as walk-up drill targets. Further ground survey work and geological interpretation is being considered.

Recently Norwest identified, assessed and successfully negotiated the purchase of the historical Bulgera Gold project located within 10 kilometres of the Company's Marymia project tenements. The Bulgera project was last mined in 2004 for near surface gold ore which was haul to and processed at the nearby Plutonic gold plant. Bulgera's extensive historic exploration, development and mining database shows multiple gold lodes extending below the shallow open cut pits and along the 5-kilometre strike of the sheared greenstone package³. Significant tonnages of remnant gold are delineated by several resource models constructed in 2003-04 by previous owners Barrick Australia. Remodelling of the known Bulgera gold mineralisation is currently underway with the aim of reporting those remnant gold resources that comply with JORC 2012 standards. Development RC drilling and exploration aircore drilling is scheduled to commence prior to the end of 2019 calendar year or as soon as all statutory fieldwork applications and agreements are finalised.

THE ARUNTA WEST IOCG PROJECT (Norwest 51% earning 80%- Jervios Mining 49%)

The Arunta West Project is located in Western Australia, 600 kilometres west of Alice Springs.

The area is becoming known as the next major Australian copper province with ground along the Arunta belt being rapidly accumulated by companies such as the Independence Group (ASX:IGO) and their JV partners.

The primary target at Arunta West project is the North Dovers prospect defined by a 4 x 8-kilometre long coincident magnetic-gravity anomaly and associated with geological features in the area analogous to world class iron-oxide-copper-gold (**IOCG**) deposits such as those hosting Olympic Dam and Ernest Henry⁴.

² Norwest Minerals Limited Quarterly Report for period ending 31 December 2018

³ Accelerate Resources Limited Prospectus lodged with ASIC 30 November 2017

⁴ Ashburton Minerals Limited, Mt Webb Project Annual Report, 2010

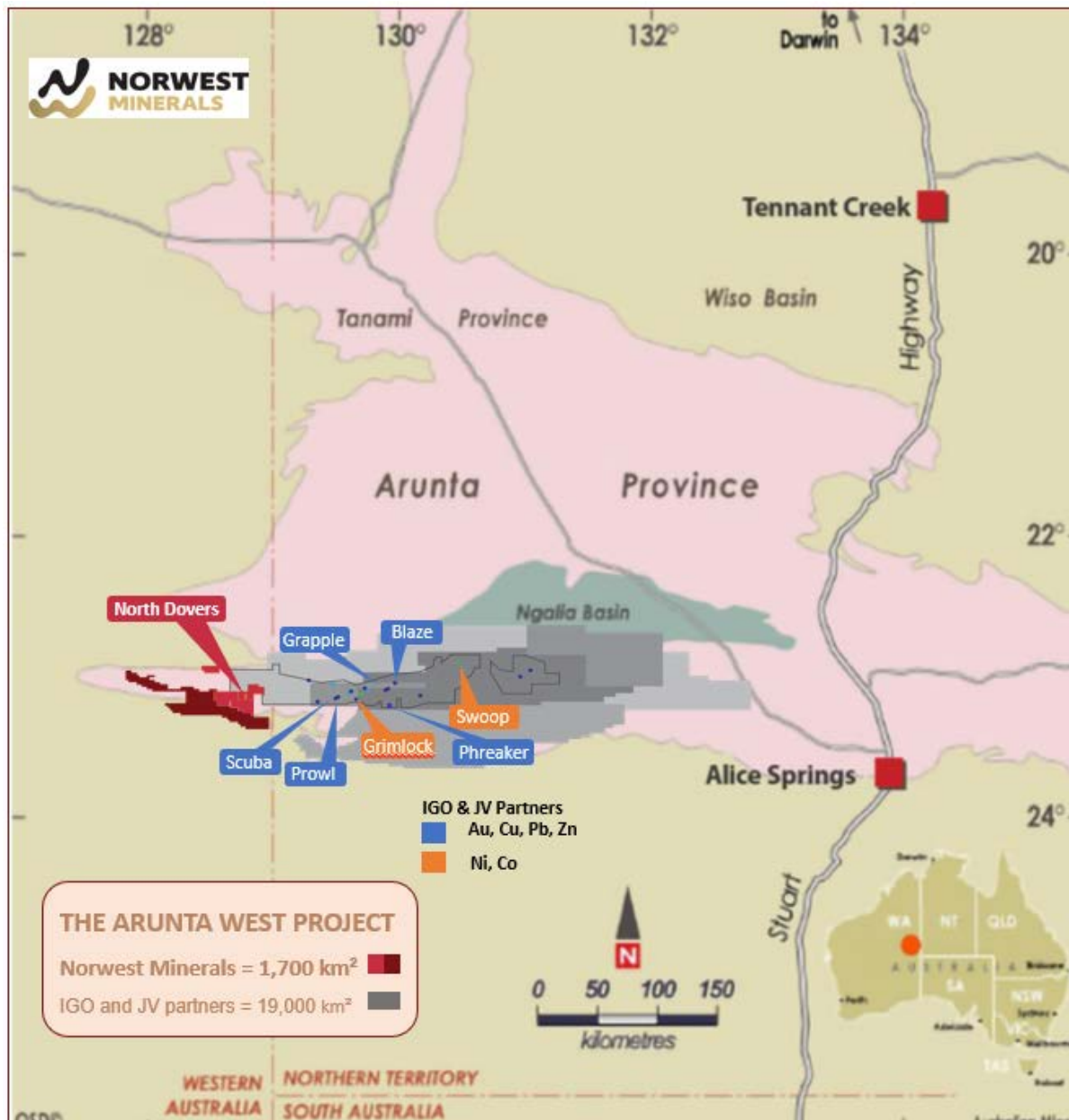


Figure 2 – The Arunta West project is strategically located west along strike of Independence Group's large Lake MacKay project hosting a number of new copper (Cu), gold (Au), lead (Pb), zinc (Zn) and nickel (Ni)-cobalt (Co) prospect discoveries.

North Dovers was identified by BHP in 1999 as the area's primary **IOCG** target but due to strict access regulations at the time no exploration drilling was completed. The commencement of diamond drilling in May of this year has established Norwest as the first company to drill into this very large **IOCG** target since its identification 20 years ago.

Norwest completed a 3-hole diamond drilling program at the North Dovers prospect where it successfully intersected thick sequences of favourable **IOCG** geology and alteration plus minor occurrences of chalcopyrite (primary copper mineralization), pyrite (iron sulphide) and sphalerite (primary zinc mineralization)⁵.

⁵ ASX Announcement NWM 18 June 2019: "Drilling reaffirms Arunta West Project's iron-oxide-copper-gold (IOCG) potential"

The Company established that the Proterozoic basement at North Dovers occurs relatively close to surface thus allowing future exploration drilling for an **IOCG** system to be conducted using cost effective reverse circulation (RC) rigs. Norwest has commenced an extensive RC drill programme in September totalling 12,000 metres of drilling, which is designed to test the majority of the 4 x 8-kilometre long North Dovers anomaly.

Based on the encouraging results from the diamond drilling programme at North Dovers (discussed below), Norwest increased its ground position with the acquisition of a 250km² tenement strategically located immediately south of the North Dovers anomaly increasing the Company's total Arunta West ground holding to 1,700km².

Diamond Drilling of the North Dovers IOCG Anomaly

At Arunta West, three diamond holes totalling 1,524 metres were drilled into the North Dovers **IOCG** target. The HQ and NQ drill core shows encouraging signs of **IOCG** potential including hematite altered granite located adjacent to highly magnetic diorite units plus minor amounts of chalcopyrite (primary copper mineralisation), sphalerite (primary zinc mineralisation), and pyrite (iron sulphide). Drill hole collar locations summarized in Table 1.

The Proterozoic basement was encountered near surface with holes NDD1901 and NDD1902 collared into a unit of magnetic diorite prior to intersecting hematite altered granites up to 80 metres wide and ending in a syenogranite. Early structural data indicates the units dip moderately to steeply south⁶.

Two main sedimentary sub-units were also encountered including: 1) a graphitic shale (NDD1902) with abundant pyrite and minor chalcopyrite and 2) a quartzite (metasandstone/siltstone) interbedded with patchy hematite alteration.



Figure 3 – Hematite alteration in granitic rock

⁶ Norwest Minerals internal report. Apex Geological Consultant 30 May 2019: Summary of North Dovers Project, Mizen, D.



Figure 4 – Graphitic shale – pyrite and chalcopyrite present

The diamond core was been transported from site to Perth (via Alice Springs) where, it was cut and sampled. Half of the core was delivered to the Department of Mines, Industry Regulation and Safety as per the State Government's Exploration Incentive Scheme⁷. Thus far the Department has contributed \$130,000 toward the North Dovers diamond drilling with approximately \$20,000 to be paid when all the half-core is delivered⁸. The half-core retained by Norwest was be cut again with ¼ core sent in for multi-element assaying and the other ¼ core held for reference. Assay results were not available at the time this report was written.

With the Proterozoic bedrock close to surface, Norwest is confident the North Dovers area can be effectively drilled using RC drill rigs. This will allow greater drill coverage across the North Dovers target zone with considerable cost and time savings.

Norwest has commenced a 12,000 metre RC drilling program to test the North Dovers anomaly on a 1000 by 500 metre grid pattern.

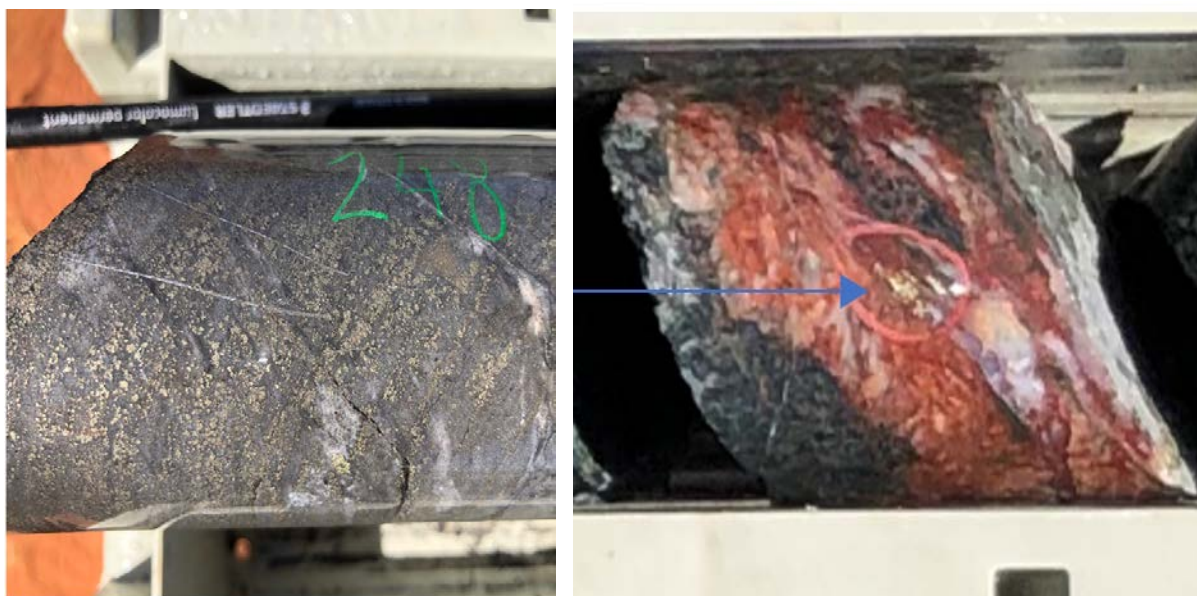


Figure 5 – left photo is graphitic shale with pyrite (5%) and chalcopyrite / primary copper mineralization (1%) and right photo is pyrite / chalcopyrite hematite altered vein

⁷ http://www.dmp.wa.gov.au/Documents/Geological-Survey/R14_Successful_List.pdf

⁸ The incentive scheme agreement pays up to \$200,000 drill costs for a single \$400,000 hole or up to \$150,000 for multiple holes costing \$300,000.

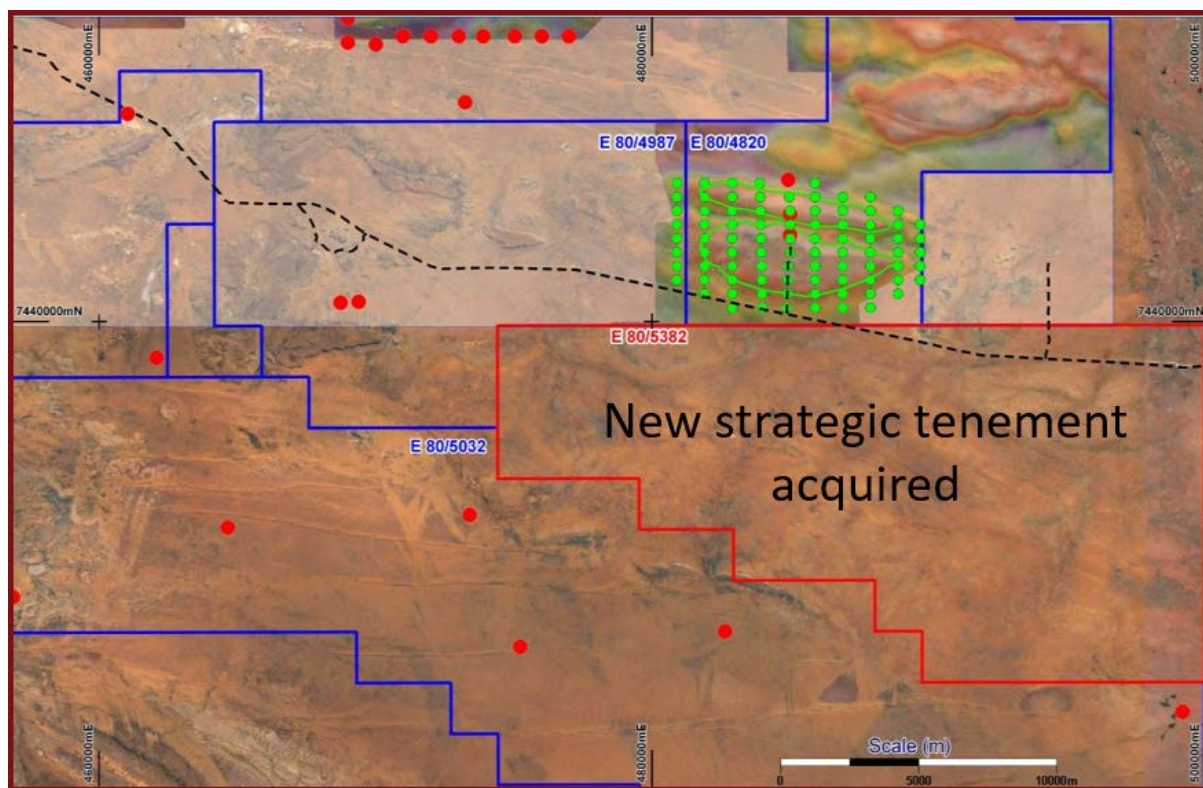


Figure 6 – Norwest's proposed RC drill coverage over the North Dovers target anomaly (shown as green circles in this image) and the new strategic tenement located immediately to the south (outlined in red).

The Arunta West project is a joint venture with Jervois Mining Limited (ASX:JRV 49%) (ASX:NWM 51%-manager, earning 80%), and takes in three tenements covering 345 km² of the prospective Lake Mackay district of Western Australia. Norwest also holds 100% interest in two tenements adjoining the Arunta West JV area covering an additional 1,100 square kilometres. Norwest has recently acquired 85% of a 250km² tenement located immediately south of the North Dovers anomaly as displayed in figure 6 above.

Table 1 - Diamond Drilling Hole Location Details
Arunta West – North Dovers Prospect
(Assays pending)

Hole Id	Type	Easting (GDA94z52)	Northing (GDA94z52)	Elevation (m)	Maximum Depth (m)	Dip (°)	Azimuth (°)
NDVRC01	Water bore	484933	7445116	450	110	-90	0
NDD1901	Diamond	485001	7443092	466	695	-80	180
NDD1902	Diamond	485008	7443115	466	624.4	-55	360
NDD1903	Diamond	484996	7443887	460	204.4	-80	360

MARYMIA PROJECT (NWM 81% - Riedel/Audax 19%)

The Marymia Project is located approximately 900 kilometres north of Perth within the Archean Marymia Inlier. The project is situated 40 kilometres east of the Plutonic Gold Mine, 20 kilometres southeast of the Marymia gold camp, and 55 kilometres northeast of Sandfire Resources NL's DeGrussa copper mine (Figure x).

During the year, exploration at the Marymia Project employed reverse circulation (RC) drilling to test two high-priority targets being the Jenkins Volcanogenic Massive Sulphide (VMS) soil anomaly and the Dixon North Magnetic Anomaly (gold).

Jenkins Prospect RC Drilling

The Jenkins VMS RC drilling returned several significant intersections with anomalous +0.1% lead (Pb) and zinc (Zn) results. The drilling intersected the Juderina and Johnsons shale sequence which are intruded by an ultramafic. The ultramafic has a chlorite schist upper component, a Talc Chlorite phase and a Peridotite phase.

The drilling tested the hangingwall and footwall Juderina and Johnsons shale positions, as well as the ultramafic unit with the sequence appearing to dip to the north at around 60 degrees.

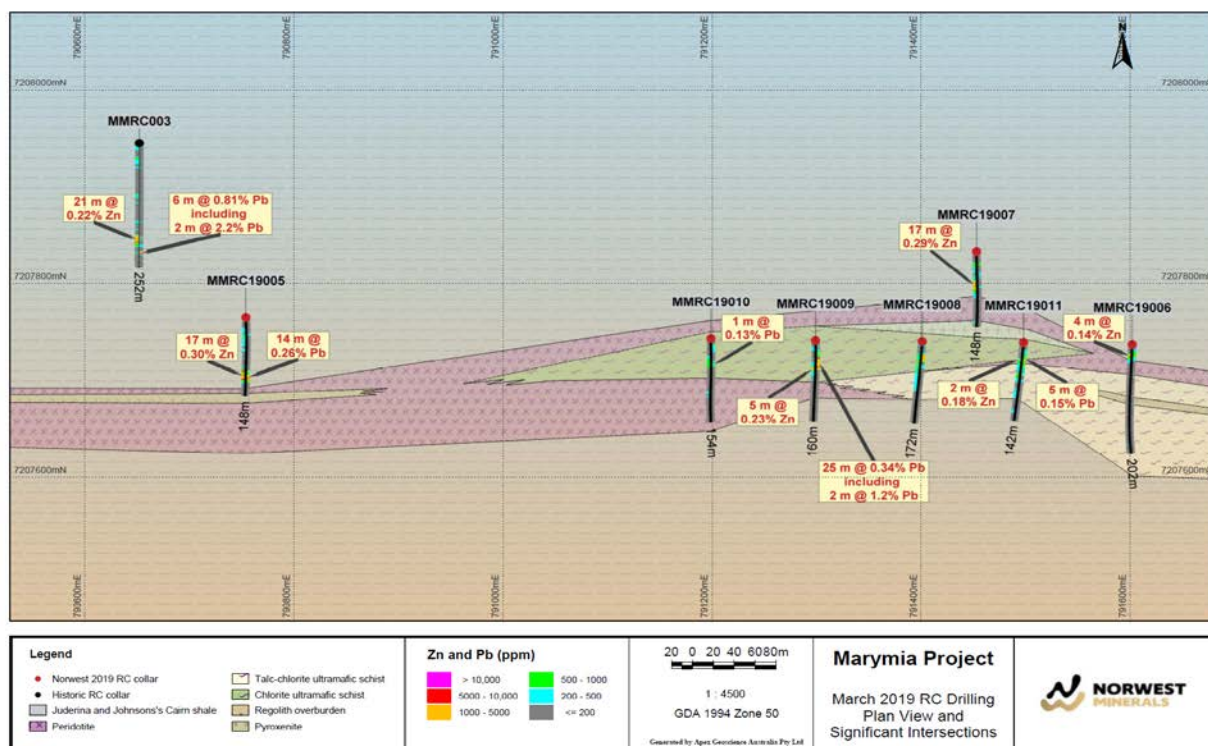


Figure 7 – Plan view showing surface projections of Jenkins zinc (Zn) – lead (Pb) intersection

The mineralisation zone is in the hangingwall position of the Juderina and Johnsons shale (MMRC19007, MMRC19005 and Australian Mines Ltd hole MMRC003). This mineralisation is primarily Zinc rich with intersections including 3m @ 0.55% Zinc in MMRC19005 and 9m @ 0.28% Zinc in MMRC19007⁹. Below the zinc mineralisation there appears to be a zone of lead mineralisation in the ultramafic which includes intersections of 25m @ 0.34% lead in

⁹ Norwest Minerals internal report. Apex Geological Consultant April 2019: Summary of reverse circulation drilling at Marymia Project – Jenkins prospect, Mizen, D.

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MMRC19009 (inc. 2m @ 1.2% lead)¹⁰. The continuity of the anomalous zinc/lead mineralisation extends over 1km along strike. Follow-up aircore drilling of the zinc/lead anomaly is being planned to test for economic level of mineralisation along strike and at depth.

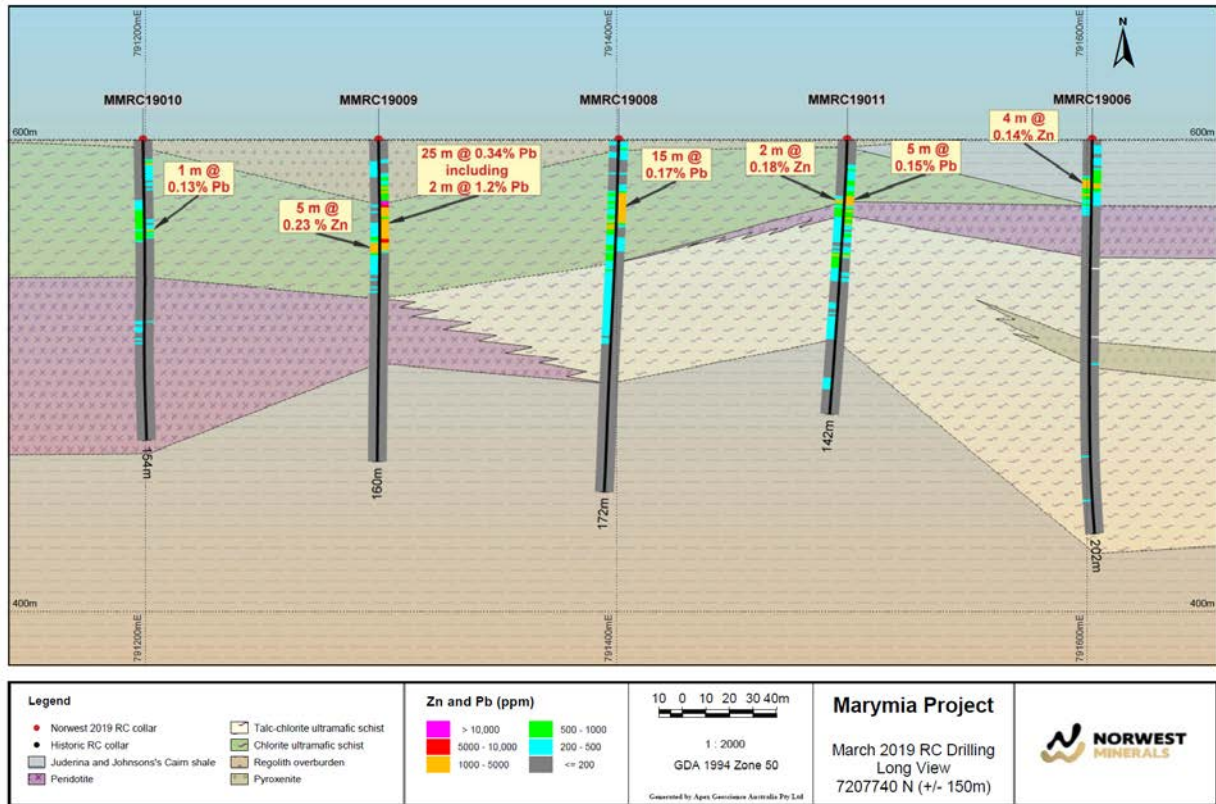


Figure 8 – Long section showing Jenkins zinc (Zn) – lead (Pb) intersections

**Table 2 - Reverse Circulation Drilling Summary
Significant intersections (>0.1% Zn & Pb)
Marymia Project - Jenkins Prospect**

Hole Id.	Easting (GDA94z50)	Northing (GDA94z50)	Elev (m)	Max. Depth (m)	Dip (Deg)	Azim (Deg)	From Depth (m)	To Depth (m)	Width (m)	Zn (%)	Pb (%)
MMRC19005	790754	7207765	600.4	148	-60	180	104	107	3	0.55	
							104	106			0.28
							109	121	12	0.27	
							110	121	11		0.31
							123	124	1		
MMRC19006	791602	7207737	600.3	202	-60	180	20	24	4	0.14	
							22	24	2		0.15
							27	28	1	0.14	

¹⁰ Norwest Minerals internal report. Apex Geological Consultant April 2019: Summary of reverse circulation drilling at Marymia Project – Jenkins prospect, Mizen, D.

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MMRC19007	791450	7207833	600.2	148	-60	180	25	26	1	0.31	0.13
							59	68	9	0.28	
							69	76	7	0.34	
MMRC19008	791401	7207740	600.14	172	-60	180	26	41	15		0.17
							40	41	1	0.11	
							42	44	2	0.14	
MMRC19009	791299	7207741	600.1	160	-55	180	24	25	1		0.12
							26	27	1		0.10
							31	39	8		0.52
							31	33	2		1.20
							40	57	17		0.26
							52	57	5	0.23	
MMRC19010	79119900	7207743	600.0	154	-55	180	12	13	1		0.10
							46	47	1		0.13
MMRC19011	791500	7207740	600.2	142	-55	180	29	34	5		0.15
							31	33	2	0.18	
							36	37	1		0.10
							40	41	1		0.12
							43	44	1		0.10
							59	60	1	0.12	0.12

Dixon North RC drill results

Dixon North is a 400 metre by 200 metre magnetic anomaly located within the same geological setting and less than 1 kilometre north of the aircore drilling conducted at the Dixon gold zone in mid-2018. Dixon North has a similar magnetic intensity as the Dixon prospect and is potentially coincident with the mineralised mafic-felsic volcanoclastic contact mapped from 2018 air-core work progressing north from Dixon. Due to the thick transported cover in the area, Norwest drilled 4 holes utilising an RC drill rig to test this anomaly (Figure 9).

The RC drilling was designed to penetrate the Proterozoic cover and test the contact between the hanging wall magnetic dolerite and non-magnetic footwall volcanoclastic rocks or basalt where gold mineralisation was intercepted at Dixon in 2018.

All holes intercepted this contact target with the exception of the first RC hole which penetrated a 30 metres quartz-rich, highly altered clay shear zone within a felsic unit before ending in basalt. The hole did not intersect the magnetic dolerite target.

The 4 RC hole drilling programme was completed for a total of 729 metres. No significant gold assay results were reported.

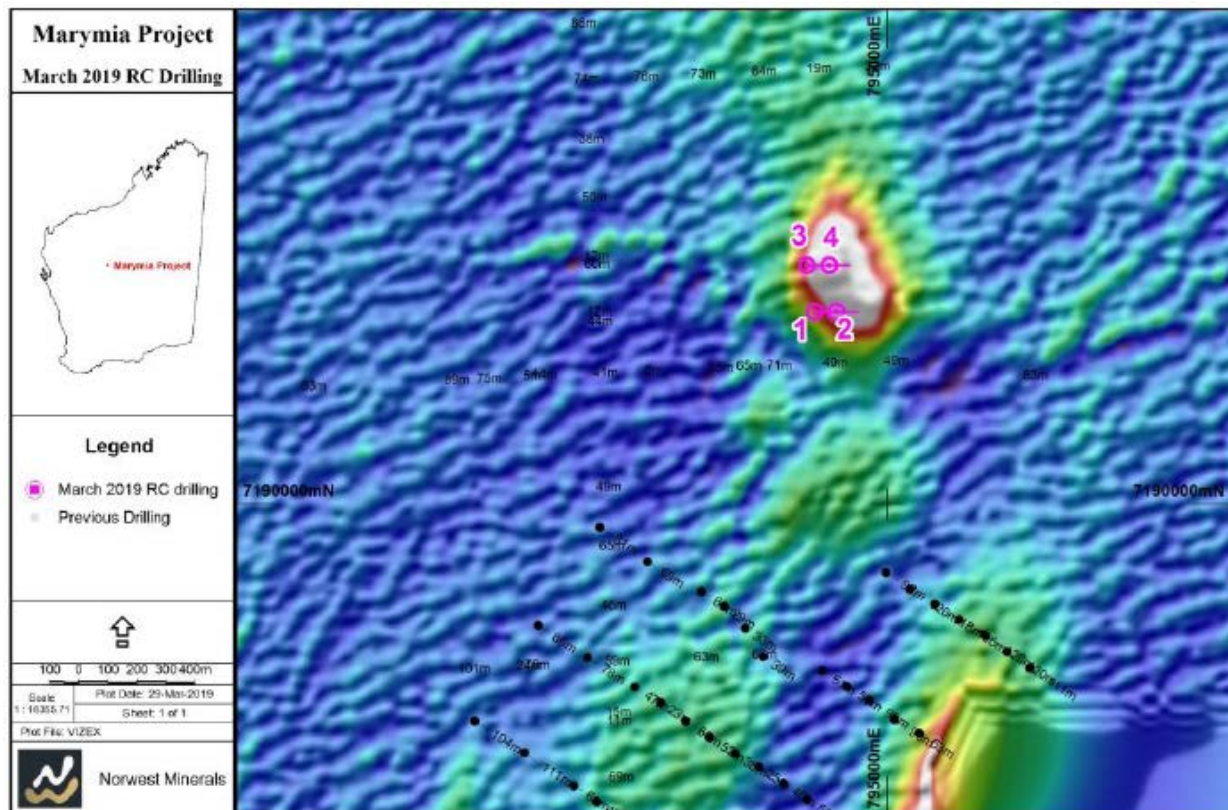


Figure 9: Location of the 4 RC holes drilled into the Dixon North magnetic anomaly.

WARRIEDAR GOLD PROJECT (100%)

The Warriedar Gold Project is located 125 kilometres southwest of Mount Magnet in Western Australia. A number of drill-ready targets were tested by RC drilling in November 2018 and again during March 2019 including the project's historic Reid's Ridge Gold Mine and the Mount Laws 1.5-kilometre mineralised trend.

In total 25 RC holes were completed for 2,304 metres with all gold assay results received by early June 2019.

In late November 2018 the Company also undertook soil sampling and a ground magnetic survey at Warriedar.

Mount Laws Exploration

RC drilling at Mount Laws targeted untested gold mineralisation downdip of intercepts encountered in historical RAB and RC drilling. The RC drilling also tested below old gold workings and anomalous gold zones along the 1.5-kilometre Mount Laws gold trend where a number of high-grade gold results including rock chips assaying up to 28.6 grams per tonne gold were collected in early 2018 during surface sampling and mapping work¹¹.

¹¹ ASX Announcement by Australian Mines Limited – IPO prospect Norwest zeros in on high-grade copper and gold targets at Warriedar and Bali, 02 August 2018

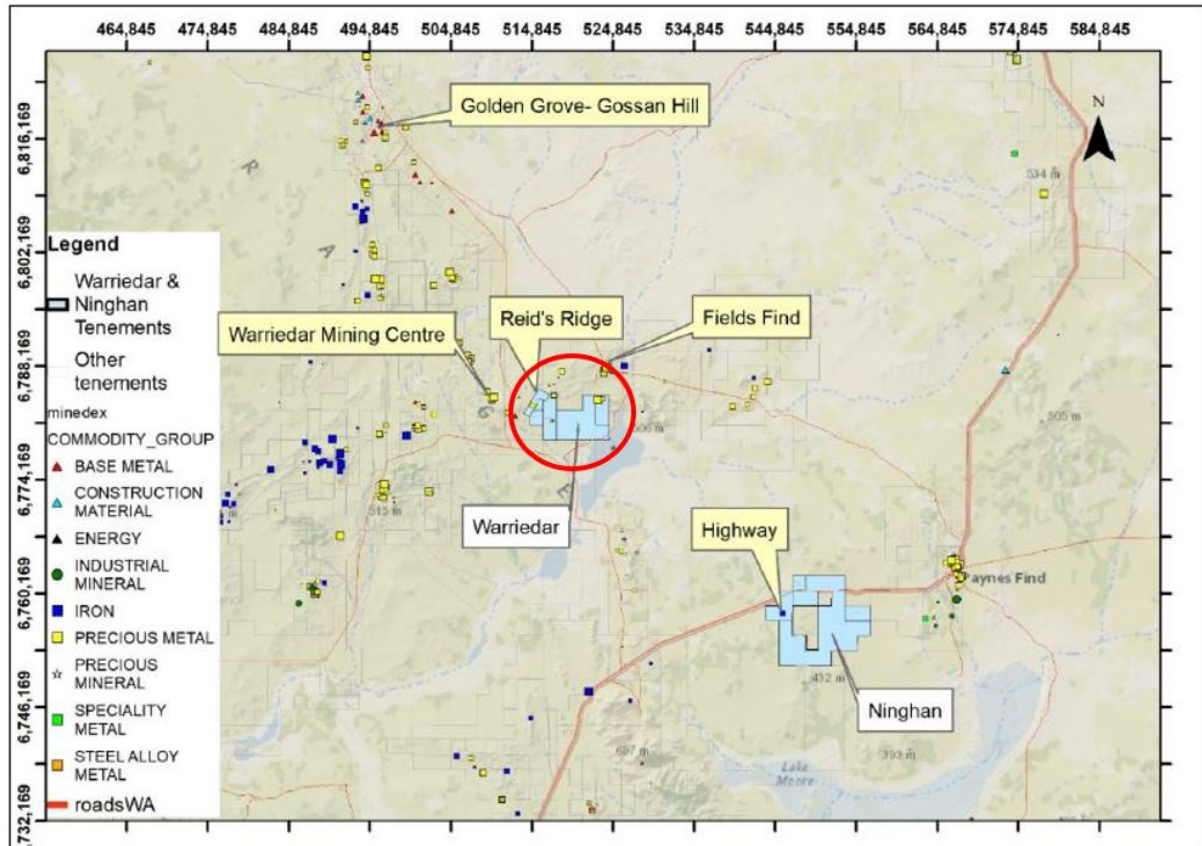


Figure 10: Location of Warriedar project tenements near Paynes Find, WA.

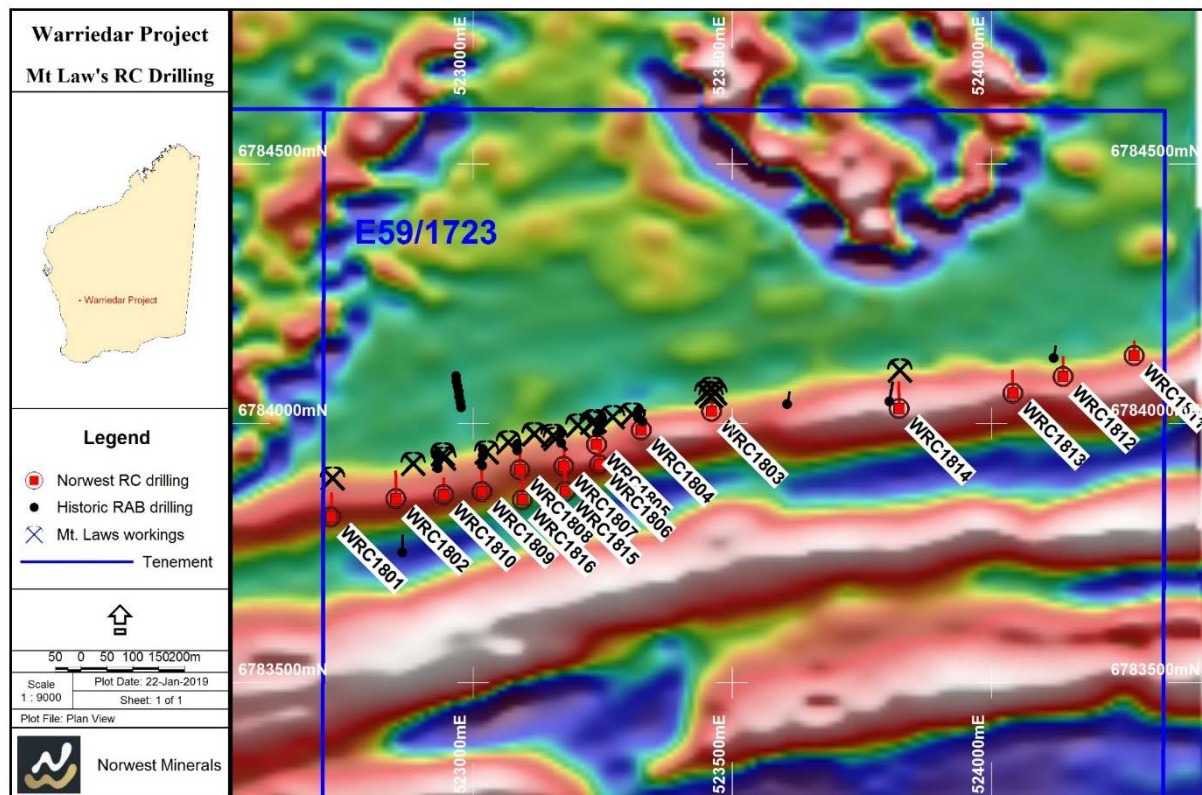


Figure 11: November 2018 - Mount Laws RC drill hole collar locations relative to old workings.

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The November 2018 Mt. Laws RC drilling program comprised 16 drill holes for 1,320 metres. Drilling was completed on 13 drill traverses that were spaced between 80 to 360 metres apart. Holes ranged in depths from 51 to 117 metres. Collar locations are shown in Figure 11 above and significant intersections are shown in Table 4. Key intercepts include:

- 4m @ 3.48 g/t gold from 75m (in hole WRC1816)
- 2m @ 3.32 g/t gold from 87m (in hole WRC1815)
- 2m @ 3.09 g/t gold from 49m (in hole WRC1807)

Drilling intersected a sequence of Banded Iron Formation (BIF) within a dolerite and basaltic mafic sequence. Mineralisation is associated with a BIF and dolerite/basalt contact with trace amounts quartz veining and pyrite. Drill hole observations indicate that the BIF unit pinches out at depth, however the mineralisation continues down dip and is hosted wholly in a fine-grained dolerite. The mineralisation ranges in thickness from 1 to 4 metres and is open at depth.

The March 2019 RC drill programme comprised 9-holes for 984 metres targeting gold mineralisation at several of the Warriedar prospects which included Mount Laws, Lang's Find and Reid's Ridge¹². The gold assay results were received early in the June 2019 period and are discussed below.

Mineralisation at Mount Laws is associated with a contact between a thin BIF unit and the surrounding dolerite. At depth the coeval stratigraphy of the BIF unit is a black graphitic shale. The contact between the BIF unit and the dolerite hosts quartz veining and minor amounts of sulphides.

Drilling underneath intercepts from the 2018 RC drilling at Mount Laws intersected the mineralised unit which is located at the upper contact of the graphitic shale with the encompassing dolerite. The mineralized intersections are of a similar width, or slightly thinner than the 2018 intercepts. The best intersection from 2019 drilling at Mount Laws was 3m @ 2.77 g/t gold from 121m in hole WRC1905. All Mount Laws significant intercepts reported in Table 4.

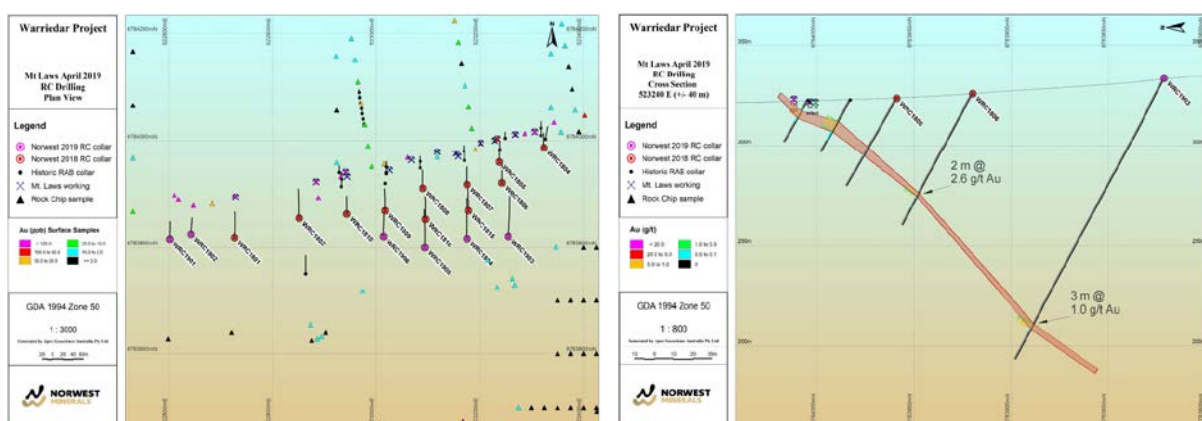


Figure 12: Plan of Mount Laws RC collars and cross section 523240E showing RC Hole WRC 1903.

¹² ASX Announcement NWM 26 April 2019: Quarterly Activities Report period ending 31 March 2019

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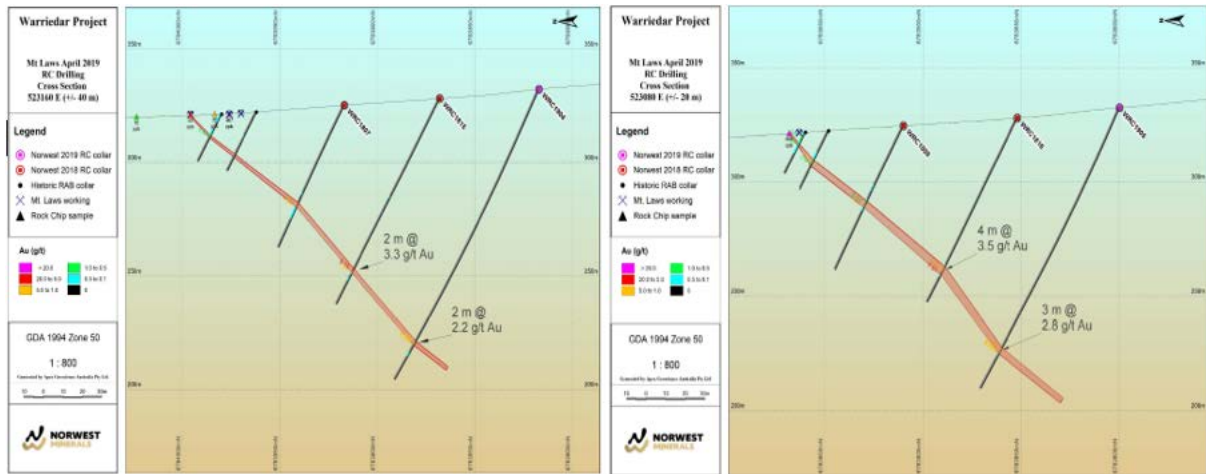


Figure 13: Mount Laws cross sections 523160E and 523080 showing RC holes WRC 1904 & 1905.

A long-section view of the Mount Laws mineralization reveals a shallow west-dipping plunge along the plane of mineralization with potentially open areas at depth. This long section interpretation utilizes historic drill data available for the Mount Laws mineralization and incorporates the recent drilling completed by Norwest in 2018 and 2019¹³.

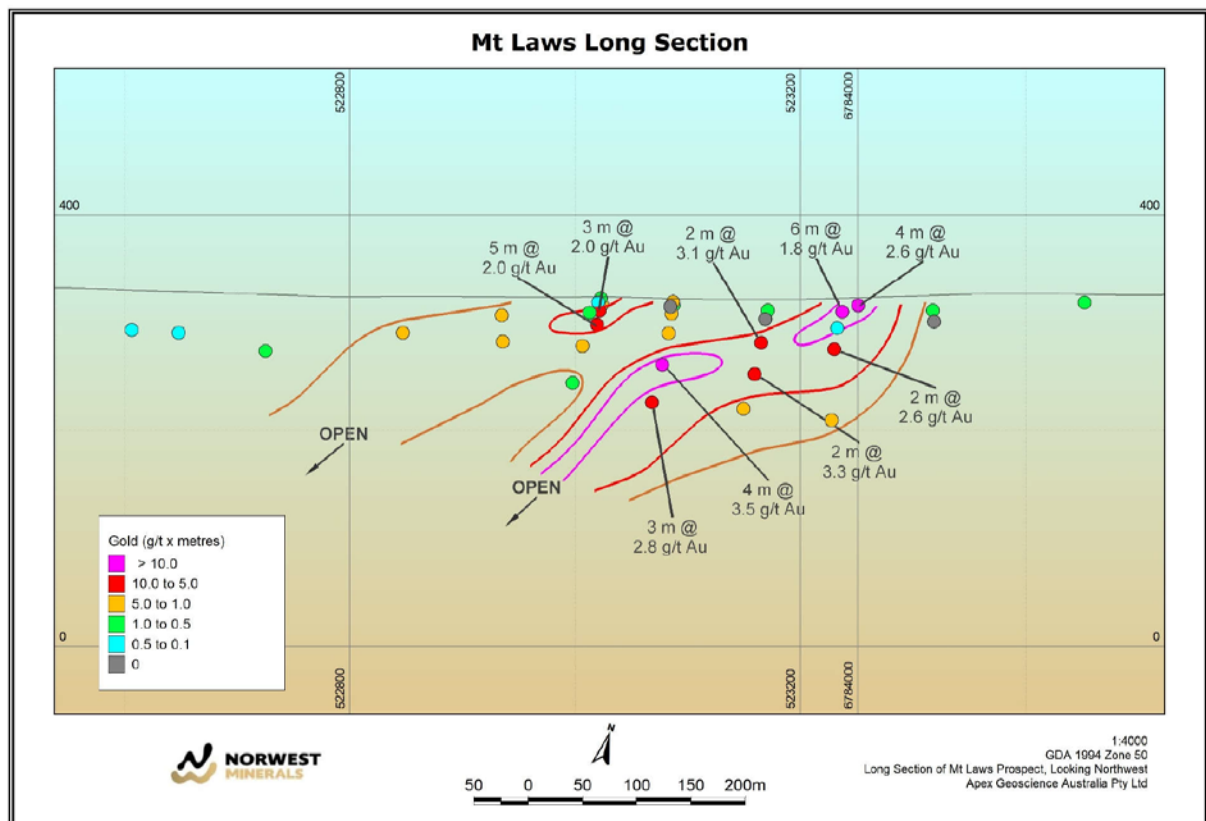


Figure 14 – Long section showing Mount Laws drill intercepts and mineralization gram-metre contours

Additional drilling at Mount Laws included two holes to the west of the main Mount Laws area. These holes tested along-strike extensions to mineralization, as potentially indicated by

¹³ Historical intersections shown in Norwest Minerals Limited Prospectus lodged with ASIC 18 September 2018. Intersections drilled by Norwest in late November 2018 in ASX Announcement NWM 30 January 2019: "Positive Results from Drilling and Surface Sampling at Warriedar and Ninghan Gold Projects"

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anomalous rock chips from 2018 surface sampling programs. No significant assays were encountered.

Reid's Ridge North Drilling

Historical review of data in the area of the Reid's Ridge revealed a surface sample anomaly with no follow-up drilling located to the northwest of Reid's Ridge. Ground reconnaissance and surface sampling on the site during the December 2018 field program confirmed the anomalous gold values in quartz veins within a massive granodiorite. Drill holes were planned based on the orientation of historic trenches and workings at the site.

The drill holes at the Reid's Ridge north soil anomaly returned multiple thin zones of mineralization inconsistently located in quartz veins, in the granodiorite, or in thin units of potentially dolerite dykes. The holes additionally encountered minor base metal anomalism in conjunction with gold anomalism (2 m @ 0.31% zinc in hole WRC1909; 1 m @ 0.29% copper in hole WRC1908). Significant intersections, >0.5 g/t gold, are reported in Appendix I, Table 3.

Lang's Find Drilling

One drill hole at Lang's Find (WRC1907) to test for possible down dip extension of mineralization from surface sampling. The hole encountered several zones of quartz veining, including one within the expected BIF unit with moderate sulphide mineralization. Assays from this hole returned no significant intersections (> 0.5 g/t gold).

**Table 3 - Significant Intercepts > 0.5g/t gold
Warriedar RC Drilling**

Hole Id.	Prospect	Easting (GDA94z50)	Northing (GDA94z50)	Elev (m)	Max. Depth (m)	Dip (Deg)	Azim (Deg)	From Depth (m)	To Depth (m)	Width (m)	Au (ppm)
WRC1801	Mount Laws	522726	6783819	327.7	99	-60	0	61	62	1	0.62
WRC1802	Mount Laws	522851	6783854	325.1	117	-60	0	39	40	1	4.52
WRC1803	Mount Laws	523460	6784023	327.9	99	-55	0	11	12	1	0.78
WRC1804	Mount Laws	523324	6783987	326.3	57	-60	0	No significant Results.			
WRC1805	Mount Laws	523238	6783959	323.7	51	-60	0	No significant Results.			
WRC1806	Mount Laws	523243	6783920	326.1	75	-60	0	57	59	2	2.59
WRC1807	Mount Laws	523175	6783917	325.2	71	-60	0	49	51	2	3.09
WRC1808	Mount Laws	523090	6783910	324.6	72	-60	0	38	41	3	1.18
WRC1809	Mount Laws	523017	6783868	326.7	84	-60	0	55	57	2	0.66
WRC1810	Mount Laws	522943	6783862	326.4	69	-60	0	50	51	1	1.10
WRC1811	Mount Laws	524275	6784130	321.7	61	-60	0	17	18	1	0.63
WRC1812	Mount Laws	524138	6784090	325.9	81	-60	0	No significant Results.			
WRC1813	Mount Laws	524041	6784058	330	93	-60	0	61	62	1	0.58
WRC1814	Mount Laws	523822	6784028	329.7	93	-55	0	No significant Results.			

Norwest Minerals Ltd

WRC1815	Mount Laws	523178	6783868	328.2	105	-60	0	87	89	2	3.32
WRC1816	Mount Laws	523095	6783852	328	93	-60	0	75	79	4	3.48
WRC1901	Mount Laws	522601	6783816	330.0	64	-60	0	No significant			
WRC1902	Mount Laws	522642	6783825	328.8	64	-60	5	No significant			
WRC1903	Mount Laws	523255	6783821	333.7	160	-62	0	140	143	3	1.02
WRC1904	Mount Laws	523175	6783817	332.3	148	-62	0	128	130	2	2.21
WRC1905	Mount Laws	523094	6783800	332.5	142	-63	0	121	124	3	2.77
WRC1906	Mount Laws	523014	6783821	329.8	112	-61	0	No significant			
WRC1907	Lang's Find	516745	6781825	341.6	94	-55	40	No significant			
WRC1908	Reids Ridge	514921	6783919	355.4	100	-60	245	18	19	1	1.00
"	Reids Ridge							41	42	1	0.65
"	Reids Ridge							53	54	1	3.21
WRC1909	Reids Ridge	514976	6783800	354.8	100	-60	245	49	50	1	1.52
"	Reids Ridge							58	59	1	0.90
"	Reids Ridge							73	74	1	2.74
"	Reids Ridge							78	80	2	0.99

Surface Sampling and Ground Magnetics – November 2018

Surface geochemistry programmes were completed across several prospects at Warriedar to highlight potential gold and/or base metal anomalies for drill targeting. Soil grids tested extensions to several prospects including Mt Laws, Lang's Find, Golden Eagle and Reid's Ridge. A total of 1,344 soil samples, 25 rock chip samples and 8 grab samples were collected from the various target localities. Sampling was completed on several 100 x 100 m and 50 x 100 metre grids, and one 450 x 100 metre grid. Samples were submitted to Genalysis (Intertek) in Perth for multi-element analysis. Several gold anomalies have been identified that warrant follow-up (Figure 5). Two rock chip samples were collected from the Lang's Find line of workings grading 4.08 g/t gold and a 12.96 g/t gold.

A 50 metre line spaced north-south oriented ground magnetic survey constituting 164 line-kilometres has been completed over tenements M59/755, E59/1696, E59/2104 and P59/2070. The new magnetic data was combined with existing high-resolution aeromagnetic imagery to the immediate east to highlight geophysical features extending west across the full Warriedar tenement package. Data was collected using a Geometrics 858-1 CV magnetometer and Garmin GPSMAP62s with a Geometrics G857 Memory-Mag Proton procession Magnetometer Garmin 450 Oregon GPS base station. Figure 6 shows the final magnetic imagery. The magnetic survey has clearly identified the Reid's Ridge/Commodore fault, which will enable Norwest to better refine drill targeting in this area.

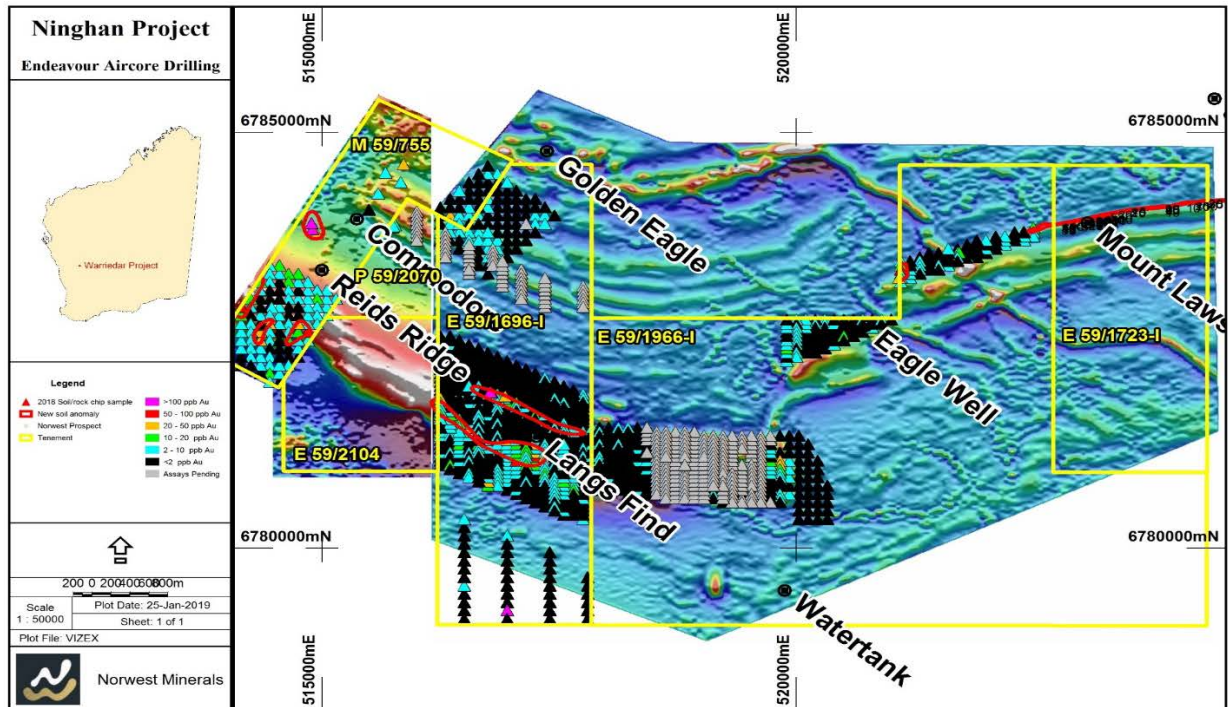


Figure 15: Warriedar surface sampling programme carried out November-December 2018

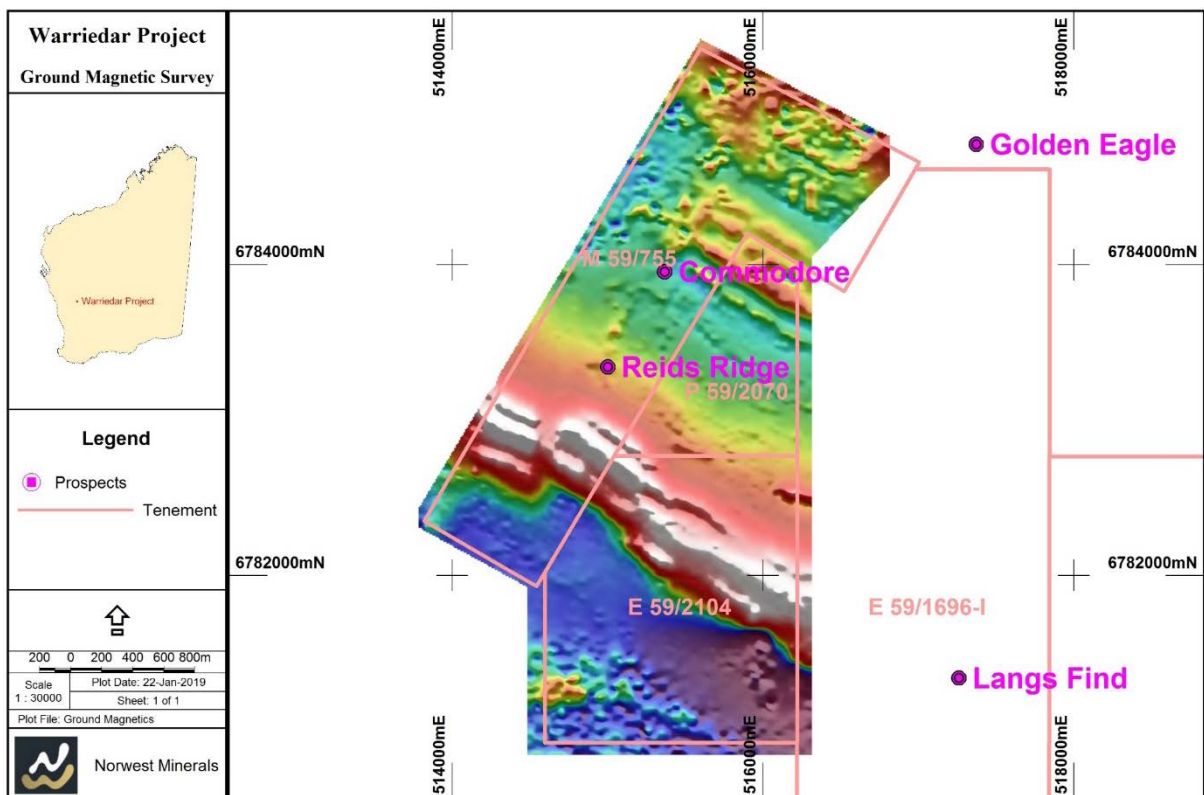


Figure 16: New ground magnetics along the western Warriedar project tenements highlighting the Reid's Ridge/Commodore fault.

NINGHAN PROJECT GOLD and BASE METALS PROJECT (100%)

The Ninghan project, consisting of four tenements, was acquired together with Norwest's 100% purchase of the Warriedar project tenements. The Ninghan tenements are prospective for gold and base metals and are located approximately 40 kms southeast of the Warriedar package and 20 kilometres west of the former Gold Rush settlement of Paynes Find.

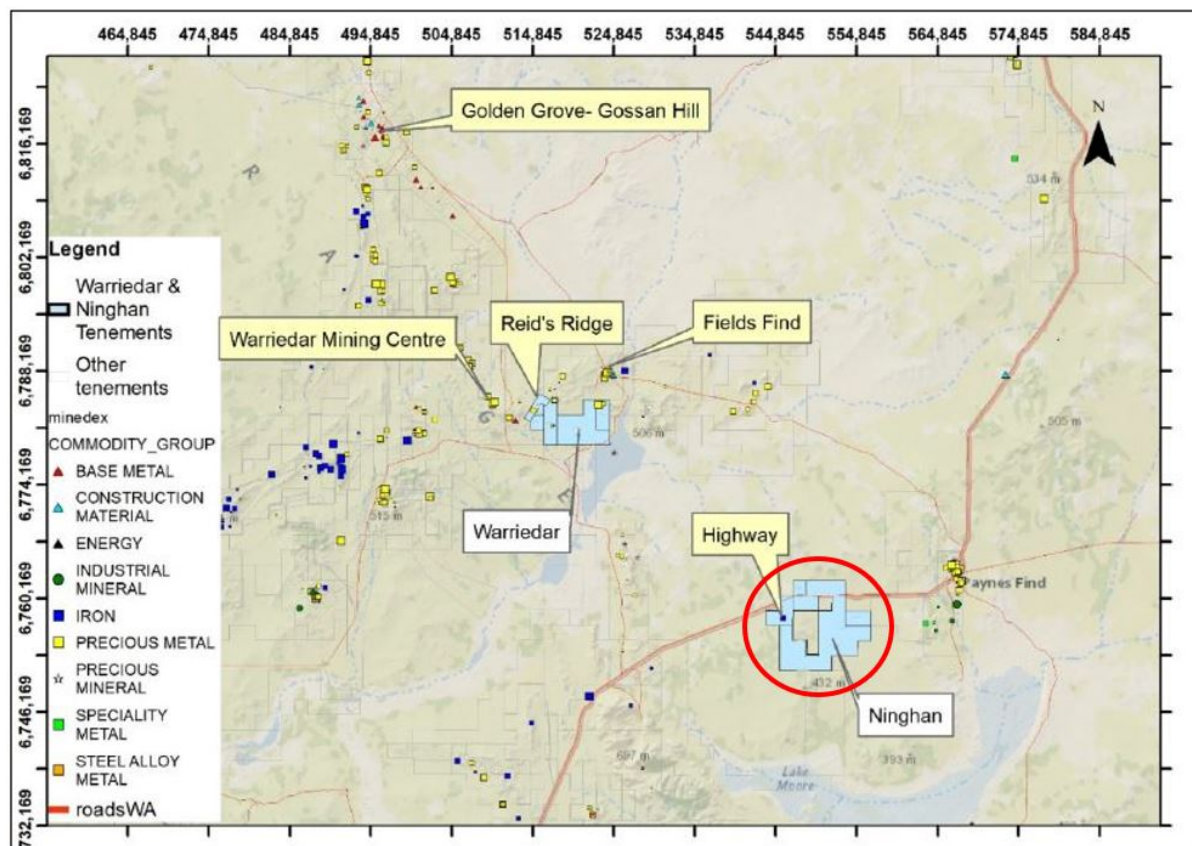


Figure 17: Location of Ninghan project tenements near Paynes Find, WA.

Desktop studies revealed the Ninghan tenements were lightly drill tested for gold and base metals mineralisation with most past exploration focused on the Endeavour Shear (E59/2080). Historical rotary air blast (RAB) drilling at the Endeavour prospect defined supergene enrichment up to 40m thick containing mostly low-grade gold mineralisation with one intercept of 3m @ 1.95g/t gold in the northernmost hole. Past soils and RC drilling (20 holes) at the Highway prospect (E59/1692) identified anomalous mineralisation in hole HWR017 of 1m @ 7,500 ppm Nickel, 1,250 ppm Copper, 448 ppm Cobalt.

Aircore Drilling

The Ninghan aircore drilling programme, undertaken in December 2018, targeted the Endeavour and Highway prospects. Drilling along the Endeavour Shear was focused on defining the extent of mineralization to the north-east. Drilling at the Highway prospect was designed to identifying potential gold and base metal mineralization in the northern extent of the folded mafic/ultramafic volcanics which contribute to a magnetic high in the area.

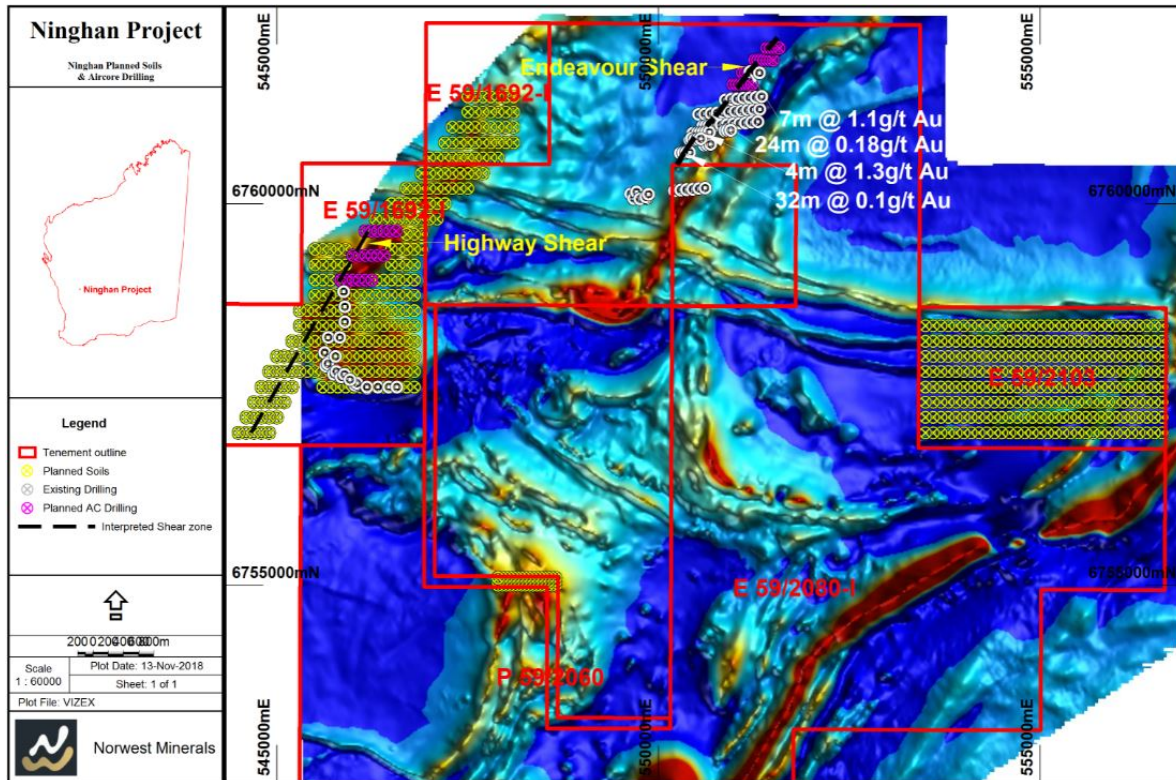


Figure 18 – Ninghan tenements showing location of Endeavour and Highway prospects, historical drilling with planned aircore and soils programmes (now complete).

Fifty holes were drilled for a total of 1,786 metres and 459 samples were collected. All holes were oriented -60° towards the west and drilled to blade refusal. The 4 metre composite samples were submitted to Genalysis Perth for ICPMS 33 element analysis.

The Endeavour drilling verified and infilled anomalous gold mineralisation observed over the 900 metres of strike (Figure 17, 18 and Table 5). These results are from infill 200 metre drill lines. After initial challenges drilling through the near surface silcrete +/- ferricrete horizons drilling intersected intensely sheared talc chlorite schist. Single metre re-sampling of the mineralised 4 metre composite samples were later collected and assayed.

All significant intercepts > 0.1 grams per tonne gold are shown in Table 4 below.

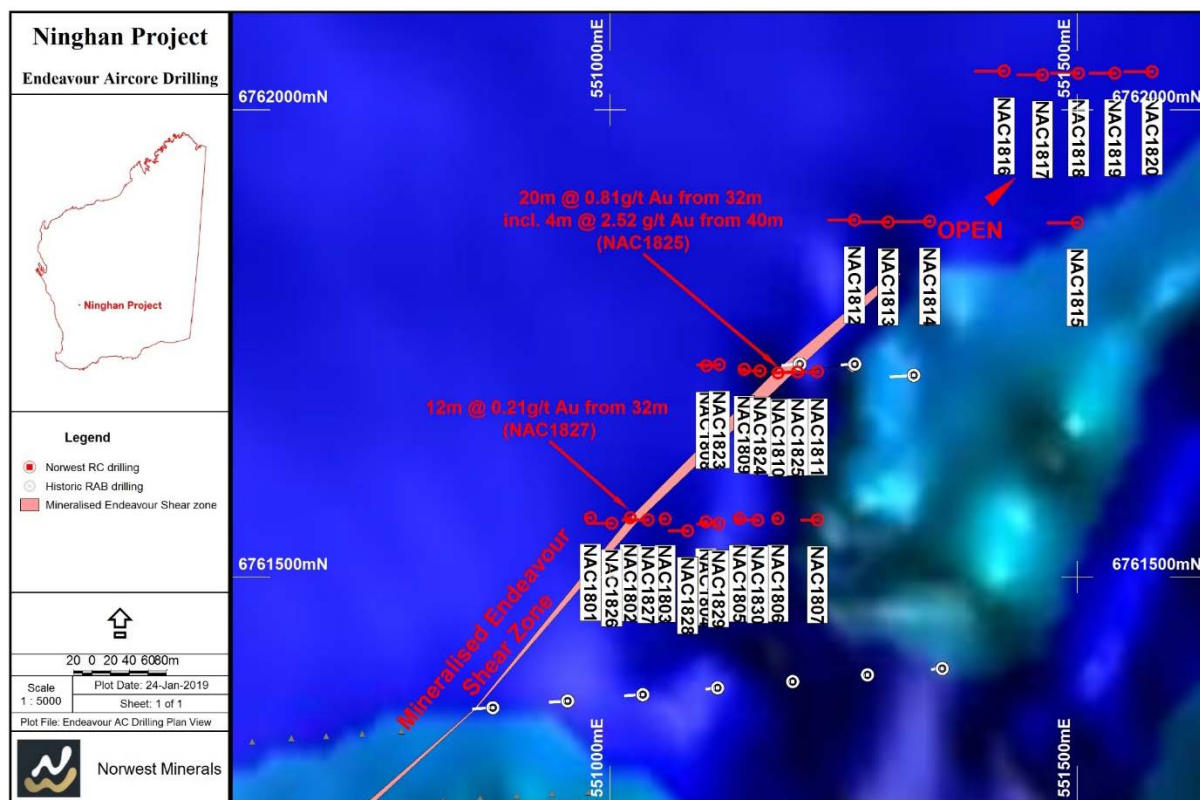


Figure 19 – Recent infill aircore drilling along the Endeavour shear.

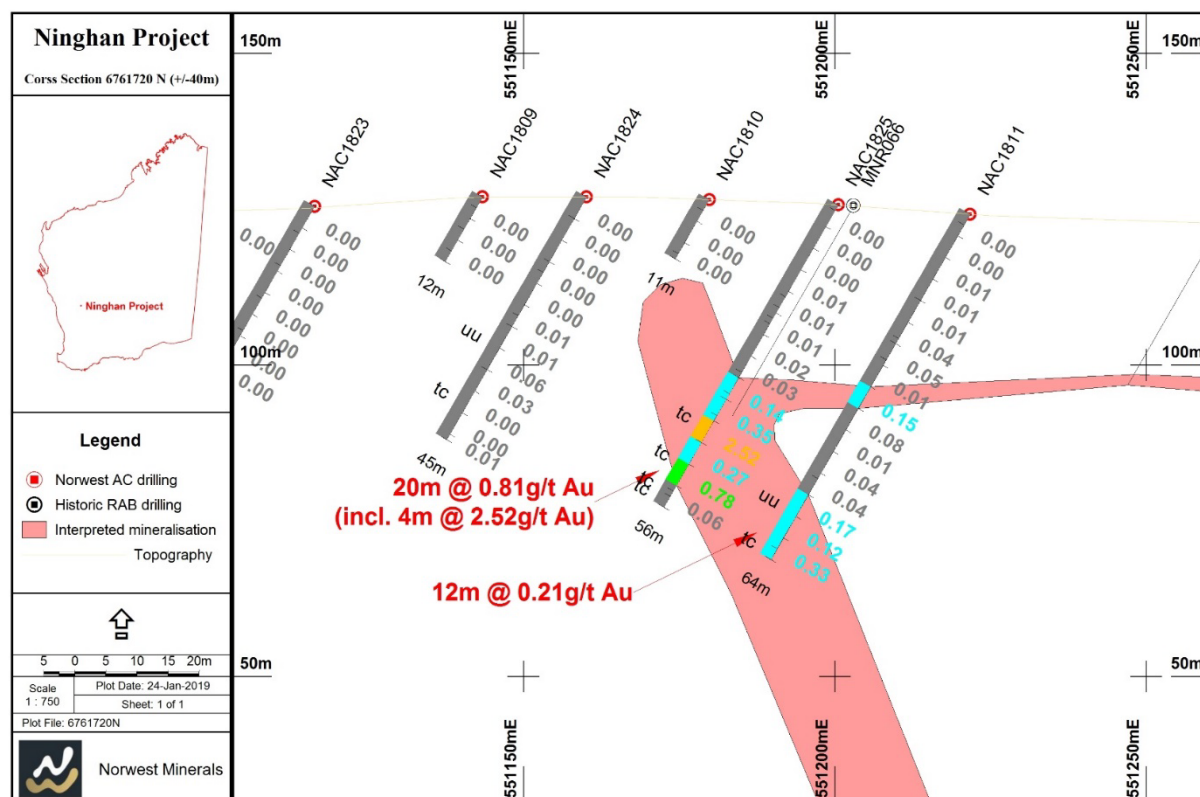


Figure 20 – Aircore drill section 6761720N at Endeavour prospect.

**Table 4 - Endeavour Prospect AC Drilling – Significant Assay Results
(1 metre composite resamples of the 4 metre composites assays > 0.1 g/t gold)**

Hole Id.	Easting (GDA94z50)	Northing (GDA94z50)	Elev (m)	Max. Depth (m)	Dip (Deg)	Az (Deg)	From Depth (m)	To Depth (m)	Width (m)	Au (ppm)
NAC1811	551222	6761720	124	64	-60	270	35	36	1	0.31
NAC1811	"	"					53	56	3	0.43
NAC1811	"	"					57	59	2	0.20
NAC1811	"	"					62	64	2	0.50
NAC1825	551201	6761719	126	56	-60	270	33	34	1	0.37
NAC1825	"	"					35	36	1	0.10
NAC1825	"	"					36	38	2	0.34
NAC1825	"	"					39	43	4	1.15
NAC1825	"	"					44	45	1	0.25
NAC1825	"	"					48	50	2	0.54
NAC1827	551040	6761561	122	56	-60	270	20	24	4	0.18
NAC1827	"	"					25	28	3	0.22
NAC1827	"	"					29	30	1	0.81
NAC1827	"	"					35	37	2	0.43
NAC1827	"	"					38	39	1	0.26
NAC1827	"	"					41	42	1	0.20
NAC1827	"	"					43	44	1	0.53
NAC1828	551083	6761550	122	42	-60	270	37	38	1	0.93
NAC1829	551116	6761557	123	47	-60	270	33	34	1	0.20

Surface sampling

Soil sampling at Ninghan was designed to extend geochemical surface coverage along the Highway prospect and broadly target mineralisation across tenements E59/2103 and P59/2060.

A total of 549 soil samples were collected over several 50m x 50m and 200m x 100m grids. Samples were submitted to Genalysis in Perth for 33 multi-element analysis highlight potential gold and/or base metals anomalism.

The soil sampling grid over the Highway prospect returned multiple samples with slightly elevated gold values, which define several low-level anomalies. The highest of these returned samples was 9 ppb gold. Exploratory surface sampling at the tenements E 59/2103 and P 59/2060 returned sparse anomalous samples up to 27 ppb gold. No definable gold or other elemental anomalies were identified from these preliminary soil grids

BALI PROJECT (100%)

Norwest completed a high-resolution airborne electromagnetic and magnetic survey across the Company's 100%-owned Bali Copper Project in Western Australia¹⁴. This survey was designed to pin point the location of any primary copper mineralisation that may be present within the project area.

The Bali Project, which is located approximately 75 kilometres west of Paraburdoo in Western Australia, hosts the *Bali shear* being a major faulted zone proven to host copper, lead, zinc and silver mineralisation¹⁵.

To date, five zones of mineralisation have been identified along the shear within Norwest's Bali project area. These zones of mineralisation have only been lightly drill tested to date with the majority of holes testing only the top 30 metres¹⁶. Positive results from the historic drilling include^{17,18}:

- 9 metres @ 2.14% Copper & 9.8 g/t silver (Drill hole CL4)
- 3 metres @ 3.75% Copper & 18.3 g/t silver from 5 metres downhole (Drill hole CL1A)
- 6 metres @ 7.17% Copper & 27.3 g/t silver from 17 metres downhole (Drill hole CL1A).

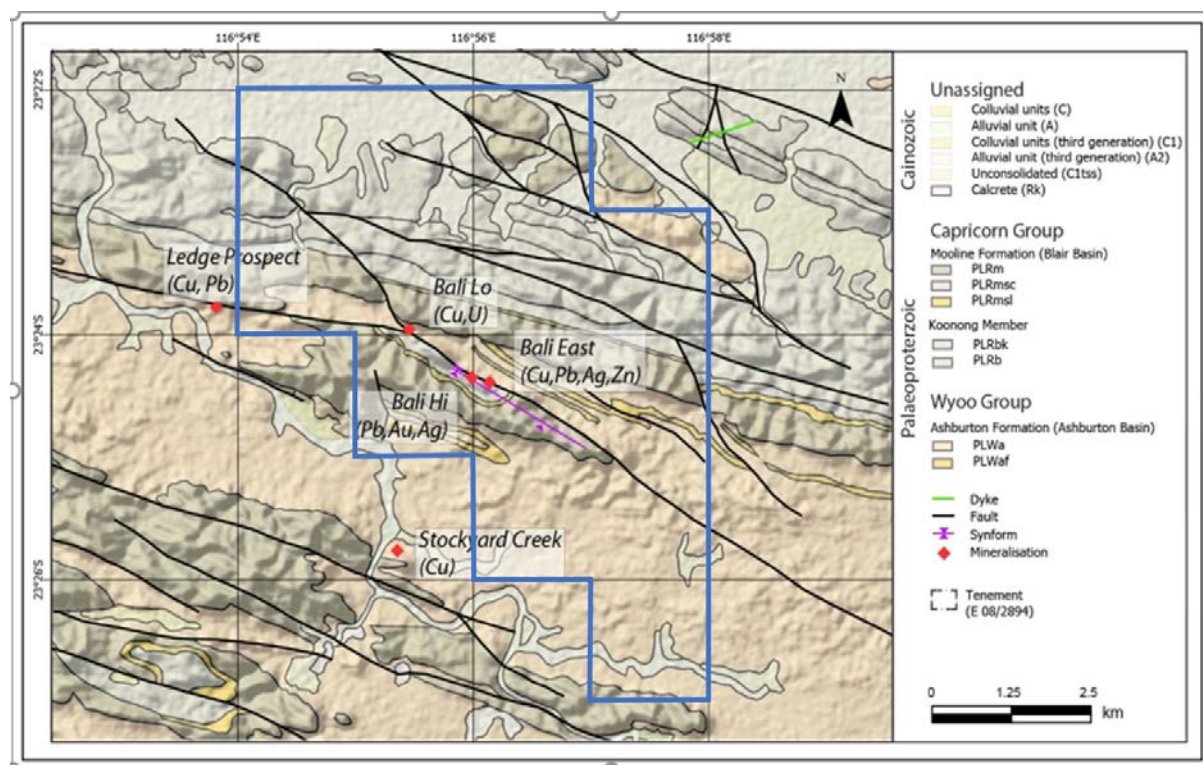


Figure 21: Map showing Bali Shear Zone at contact between the Ashburton Formation and Capricorn Group.

¹⁴ On 31 December 2017 TasEx Geological Services Pty Ltd granted Norwest an exclusive option to purchase its 100% interest in E08/2894 (The Bali Project). On 14 December 2018 Norwest notified TasEx it was exercising the Option and would complete the sale and purchase of the Bali project by the payment of \$175,000

¹⁵ Norwest Minerals Limited Prospectus, Independent Geologist's Report, Section 3.3.1

¹⁶ For reference, 100 metre deep drill holes were required by Sandfire Resources to discover their DeGrussa Copper deposit in 2009 (see Sandfire Resources announced dated 18 May 2009)

¹⁷ WAMEX Report a100405, Artemis Resources Ltd, Bali Hi Project, Final Surrender Report 2013.

¹⁸ ASX Announcement by AUJ, 02 August 2018: IPO prospect Norwest zeros in on high-grade copper and gold targets at Warriedar and Bali

Norwest Minerals Ltd

The airborne electromagnetic (AEM) and magnetic survey was conducted across the entire Bali Project tenement area and came less than a month after the Company's successful listing on the ASX.

The AEM and magnetic data was collected using the latest Xcite airborne system, developed by New Resolution Geophysics Australia's (NRG). The specifications of this survey included a line spacing of 100 metres, flown on a north-south grid pattern to maximise resolution of any primary base metal mineralisation that may be present with the shear system. Based on these specifications, NRG indicate that the Xcite system could detect copper mineralisation at the Bali Project from surface to a depth of at least 300 metres.

The survey data was processed and assessed by Perth based Southern Geoscience Consultants.



Figure 22: The Xcite airborne electromagnetic and magnetic system collects high-resolution geophysical data for targeting Bali sulphide mineralisation.

Results

The high-resolution airborne electromagnetic (AEM) and magnetic survey totalled 441 line-kilometres which covered the entire Bali Project. The survey was designed to highlight conductors representing potential primary copper mineralisation that may be present within the project area¹⁹.

Processing of the data to date, does not reveal strong, discrete EM anomalies that present as walk-up drill targets. Strike-extensive structures that host the known copper mineralisation are evident in both the EM (as an IP effect) and magnetic datasets. Overall, however the Bali mineralisation doesn't have a conductive AEM response. Drill targeting will be driven by the known geology and drilling at this stage, with the geophysics to map out the host structures.

Future exploration work is recommended to include:

¹⁹ Norwest Minerals Limited Quarterly Report for period ending 31 December 2018

1. a structural and lithological interpretation of the magnetic and EM data to build a project-wide framework to develop a set of targets based on integrating the interpretation results with all available geological data.
2. Characterise the physical properties of the known mineralisation to more accurately assess what geophysical methods may directly detect mineralisation. Ideally this is done on fresh drill core and hand samples if suitable.
3. Ground geophysical surveys which will require careful considered given the difficult access and terrain.
4. Test Down Hole EM could be carried out if drilling proceeds, to assess potential mineralization in closer proximity.

Previous Surface Mapping and Sampling Programme at the Bali Project

The exploration programme completed at the Bali Project in early 2018 included mapping along the 8-kilometre Bali Shear Zone and the collection of 87 rock chip samples from Bali Hi, Bali Lo and Bali East prospects.

Along the surface, the potential for high-grade copper mineralisation was evidenced by visual copper associated with gossans. Assaying of the rock chips was completed in July 2018, with 33 samples reporting more than 5% copper, 17 samples returning an impressive 10% copper or greater and a best recorded sample assaying at 36.8% copper. The copper grades of all 87 rock chip samples averaged 6.3%.²⁰

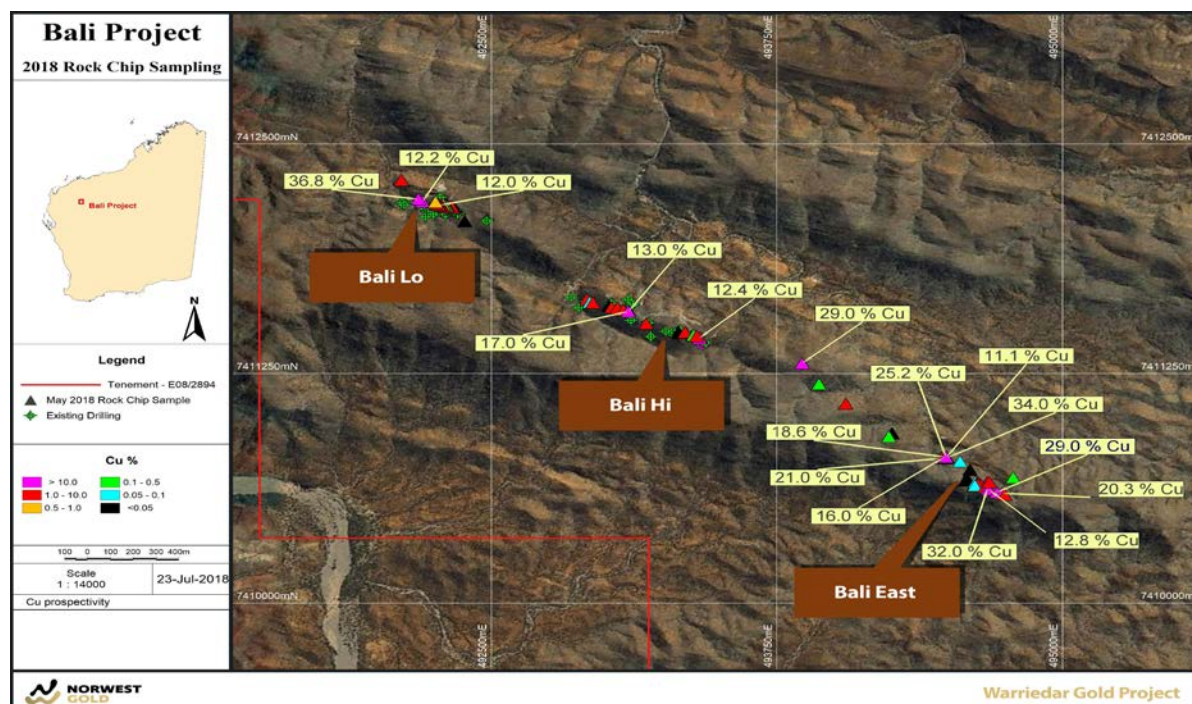


Figure 23: Map displaying rock chip sample locations and copper grades from fieldwork conducted by Norwest earlier this year.

²⁰ ASX Announcement by AUZ, 02 August 2018: IPO prospect Norwest zeros in on high-grade copper and gold targets at Warriedar and Bali

THE BULGERA GOLD PROJECT (100%)

On 9 July 2019 Norwest Minerals announced the 100% acquisition of the Bulgera Gold Project (“Bulgera”) located 200 kilometres north of Meekatharra with an existing haul road to the Plutonic Gold operation²¹.

Bulgera’s historic exploration, development and mining database shows multiple gold lodes extending below the shallow open cut pits and along the 5-kilometre strike of the sheared greenstone package²².

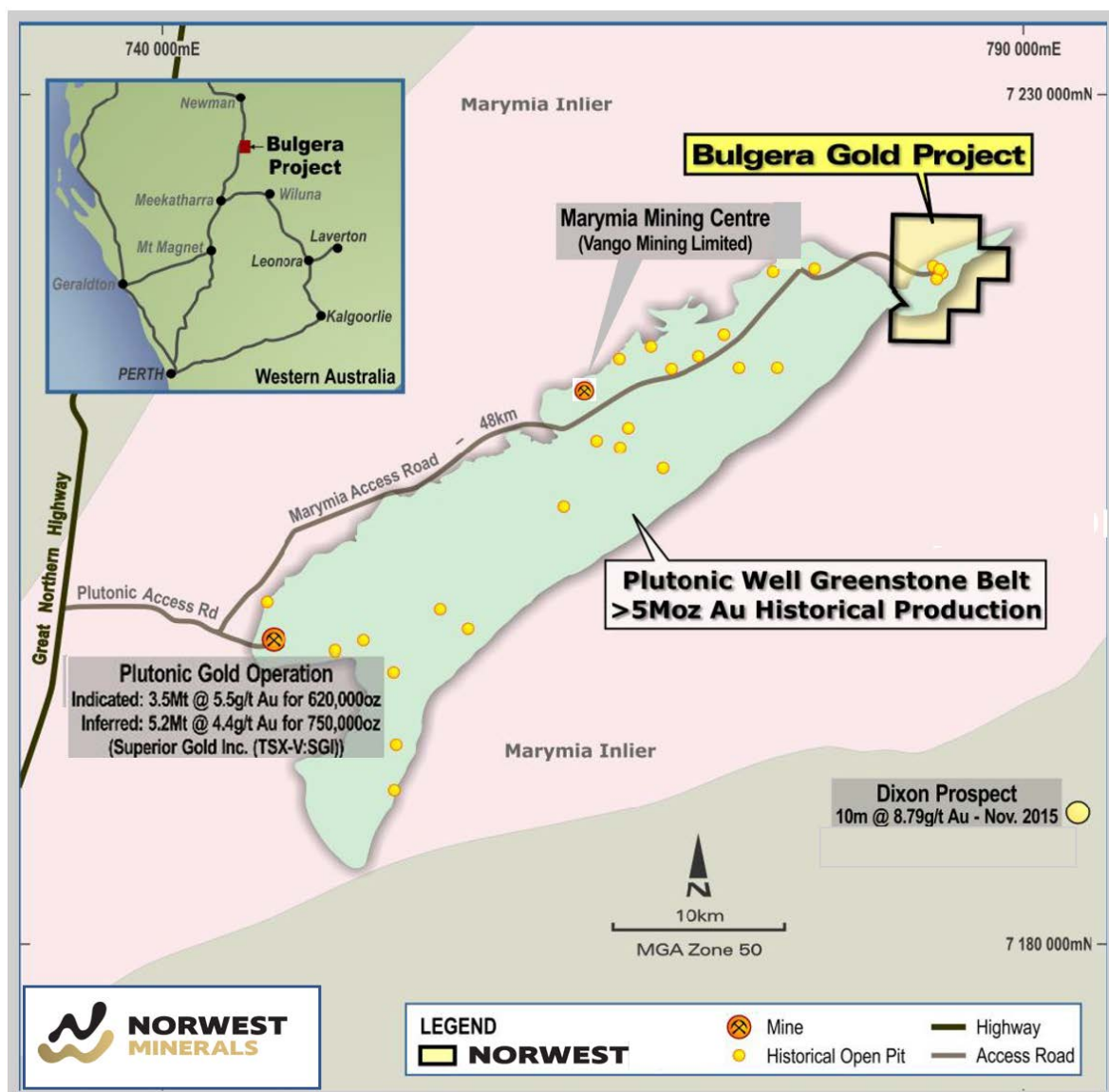


Figure 24 – Bulgera Gold Project location comprises two tenements with a combined area of 36.8km².

Historical mining at Bulgera totals 441,000 tonnes grading 1.65g/t gold producing 23,400 ounces of gold²³. Extraction, haulage and processing occurred when gold was selling at or below A\$570 per ounce. With the gold price now exceeding A\$2,000 per ounce of gold Norwest believes further resource definition and exploration work at Bulgera will add significant value to this asset.

²¹ ASX Announcement NWM 9 July 2019: Acquires advanced WA Gold Project

²² Accelerate Resources Limited Prospectus lodged with ASIC 30 November 2017

²³ Accelerate Resources Limited Prospectus lodged with ASIC 30 November 2017

Norwest Minerals Ltd

The Bulgera Gold Project location is endowed with infrastructure including the large Plutonic Gold Mine operating nearby, 2 x gas-fired power stations, overhead transmission power lines, bore fields, airstrip and camp facilities.

A programme of works has been approved by the DMIRS for RC drilling along strike and below the small open cuts at Bulgera with work to commence as soon as the statutory approvals are in place.

Background²⁴

The Bulgera Project comprises two granted exploration licences, E52/3316 and E52/3276, covering 36.8km² over the northeast end of the Plutonic Well Greenstone Belt, 200 kilometres northeast of Meekatharra.

The project is located 20 kilometres northeast of the Marymia mining centre and 48 kilometres via road from the operating Plutonic gold mine which has produced over 5 million ounces of gold since 1990. The Plutonic mine was recently purchased by Toronto listed Superior Gold Inc. (TSX-V:SGI).



Figure 25 – Shallow open cut mining up until 2004 from Bulgera Gold project (Venus pit backfilled).

The project contains four shallow open pits that have undergone two phases of mining between 1996 and 1998 and again between 2003 and 2004. Mining of the four pits Bulgera, Mercuri, Venus and Price produced a reported 440,799 tonnes of ore @ 1.65 g/t gold for 23,398 ounces of gold. The ore was treated at the Marymia mining centre during the first phase and the Plutonic

²⁴ All information included in the 'Background' section of this report was extracted from the Accelerate Resource Limited Prospectus lodged with ASIC 30 November 2017

processing facility during the second phase. Vango Mining Ltd (ASX: VAN) is in the process of re-developing the K2 underground mine at the Marymia mining centre.

Bulgera is located at the north eastern end of the Plutonic Well Greenstone Belt, which is approximately 50 kilometres long and 10 kilometres wide and hosts the numerous Plutonic and Marymia gold deposits. The greenstone belt comprises mafic and ultramafic volcanic rocks, fine to coarse clastic sediments, and felsic to intermediate volcanic rocks, which generally dip to the north west at shallow to locally steep dips. Multiple suites of felsic to intermediate porphyries intrude the greenstone sequence and swarms of dolerite dykes locally crosscut the strata.

The Bulgera deposit consists of a shallow dipping sequence of amphibolites with narrow intercalated layers of ultramafic schist and metasediment. Gold mineralisation has been developed mainly in the amphibolites. Whereas at Mercuri a similarly dipping sequence of interlayered felsic volcanics, mafic volcanics, mafic sediments and minor felsic sediments is underlain by an ultramafic unit.

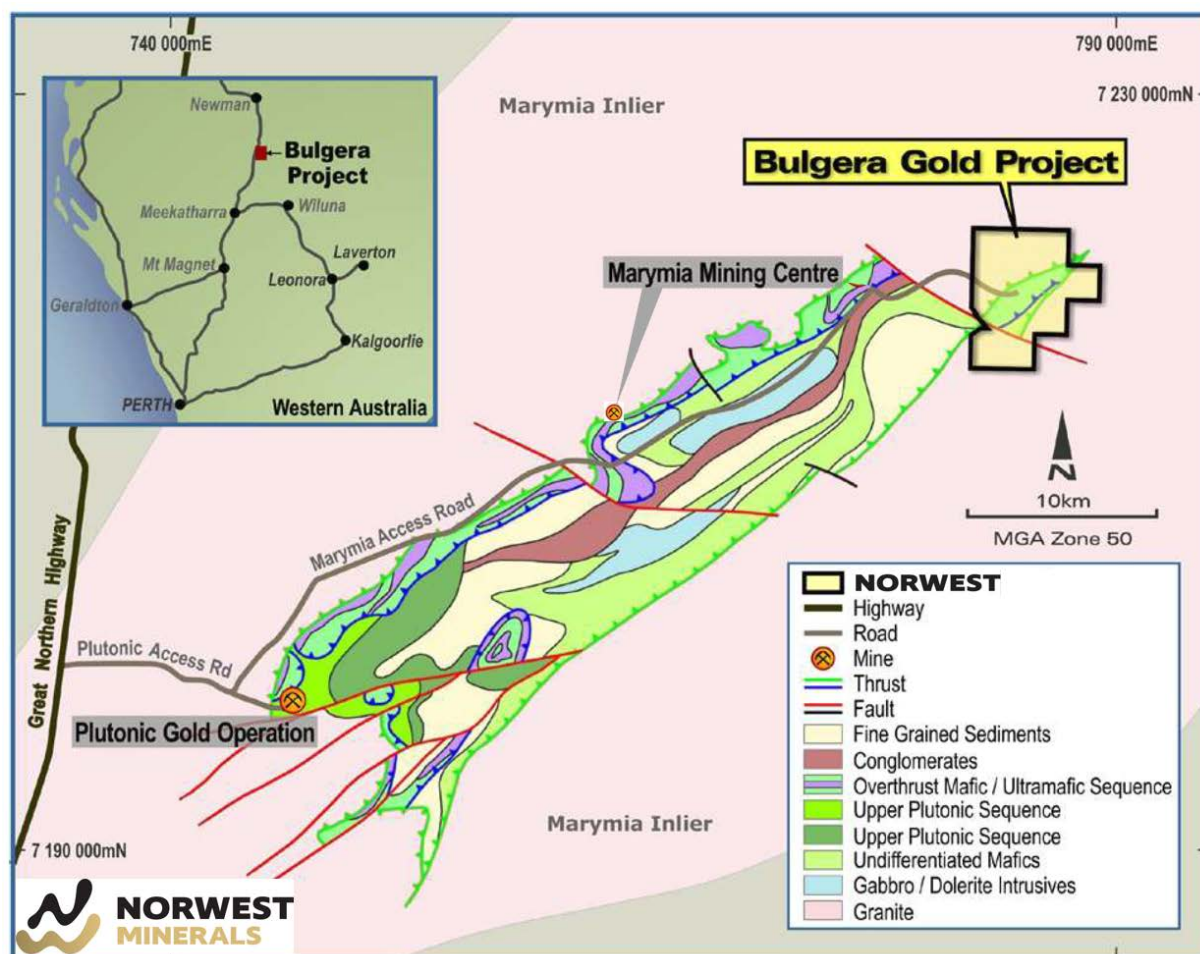


Figure 26 – Greenstone geology of the Plutonic Well belt

The gold mineralisation at both Mercuri and Bulgera deposits occurs within a broad shear zone which is about 45 metres thick. The shear zone contains multiple lodes which can be up to 140 metres long down dip. The gold mineralisation is associated with silica-biotite alteration of the host rock, and occurs in quartz veins.

Exploration Potential and Planned Work

The fieldwork to be undertaken by Norwest will comprise RC drilling of the strike and depth extensions of the Mercuri and Bulgera pits, and regional targets along the western Bulgera trend. In short, Norwest will be targeting extensions to existing well-defined mined structures, and subsequently applying the understanding from known structures to regional targets. The figures below show the Bulgera targets and the interpreted potential extensions that will underpin the development of Norwest's gold exploration/expansion going forward²⁵.

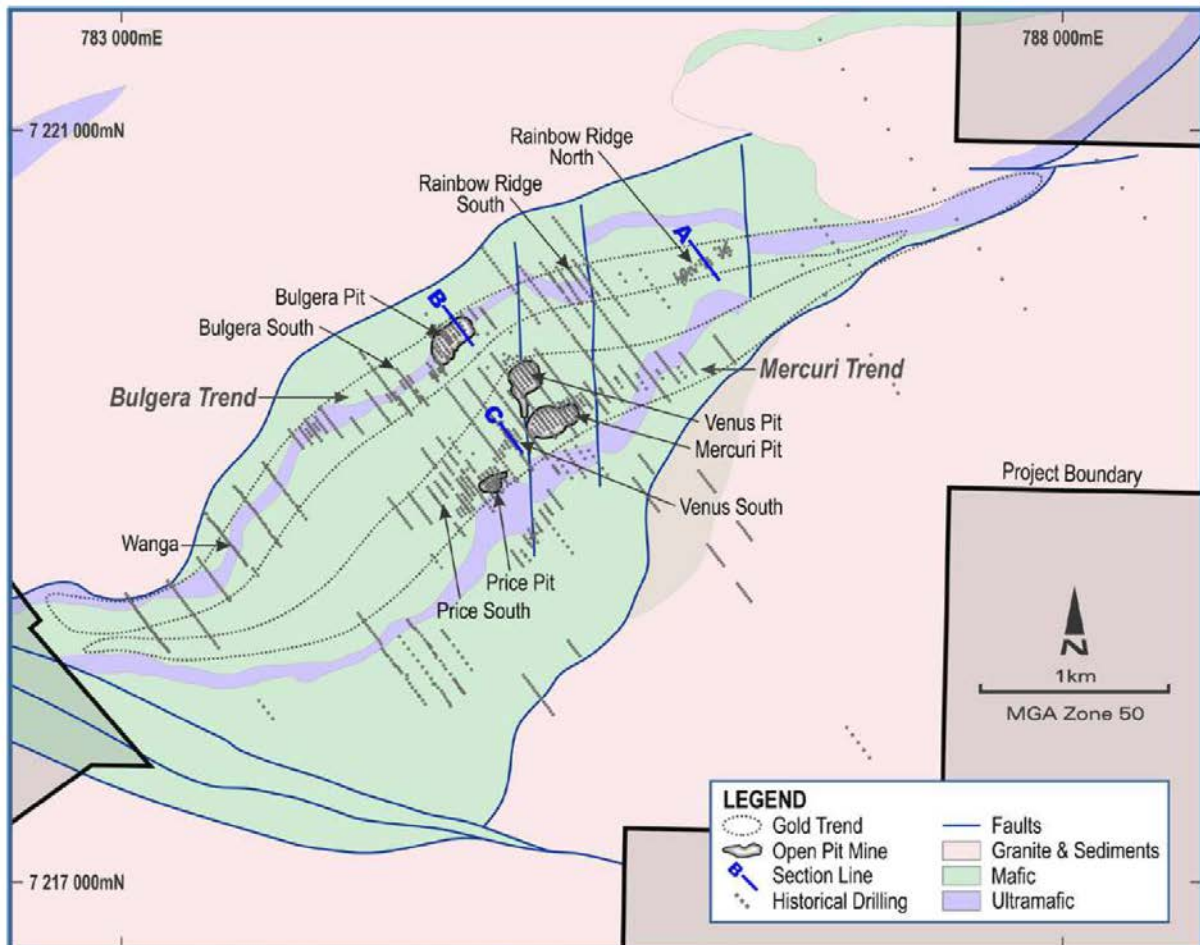


Figure 27 – Plan of Bulgera target area

²⁵ Accelerate Resources Limited Prospectus lodged with ASIC 30 November 2017

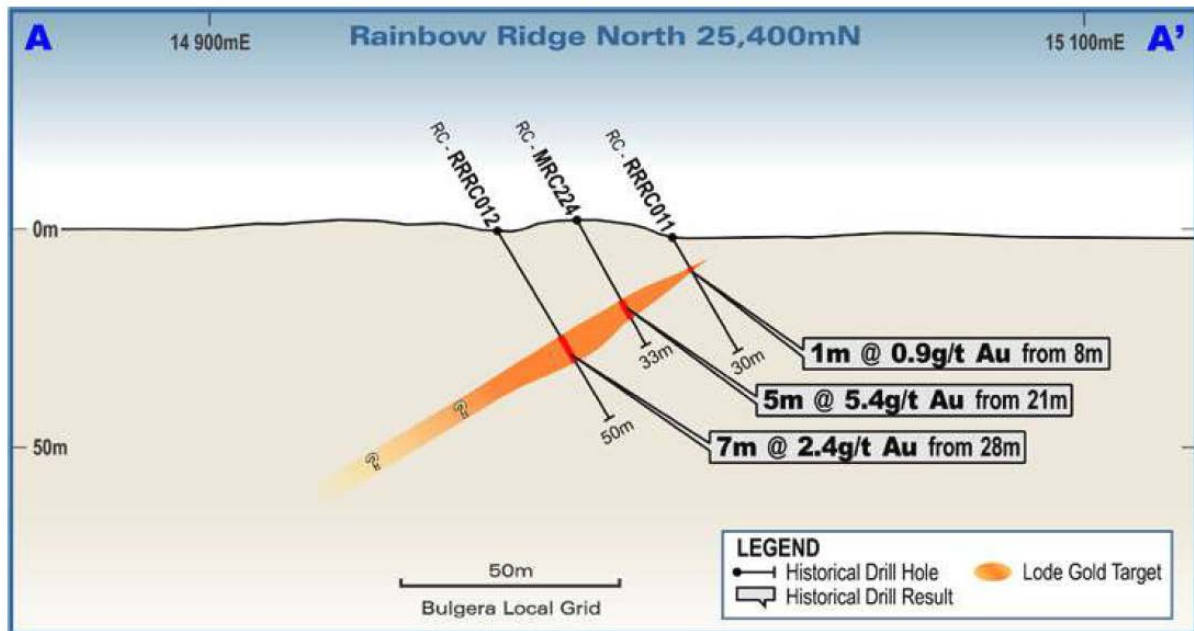


Figure 28 – Bulgera gold project target cross section A (see plan figure 27)

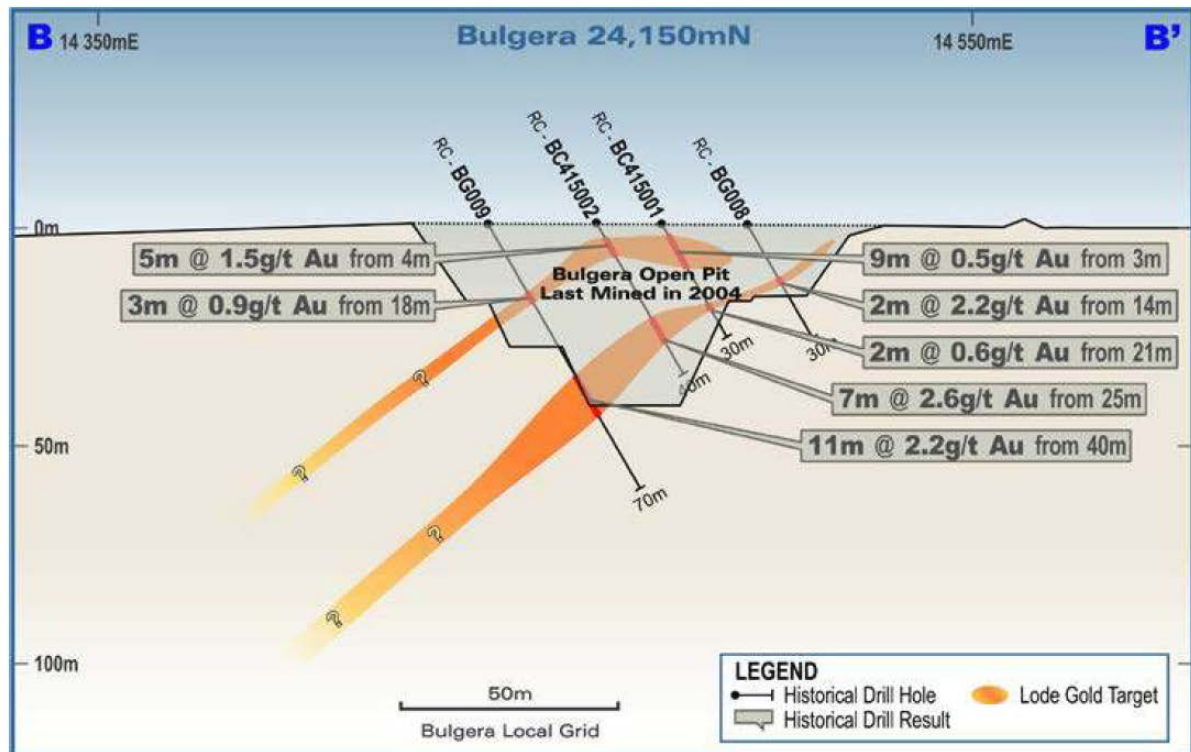


Figure 29 – Bulgera gold project target cross section B (see plan figure 27)

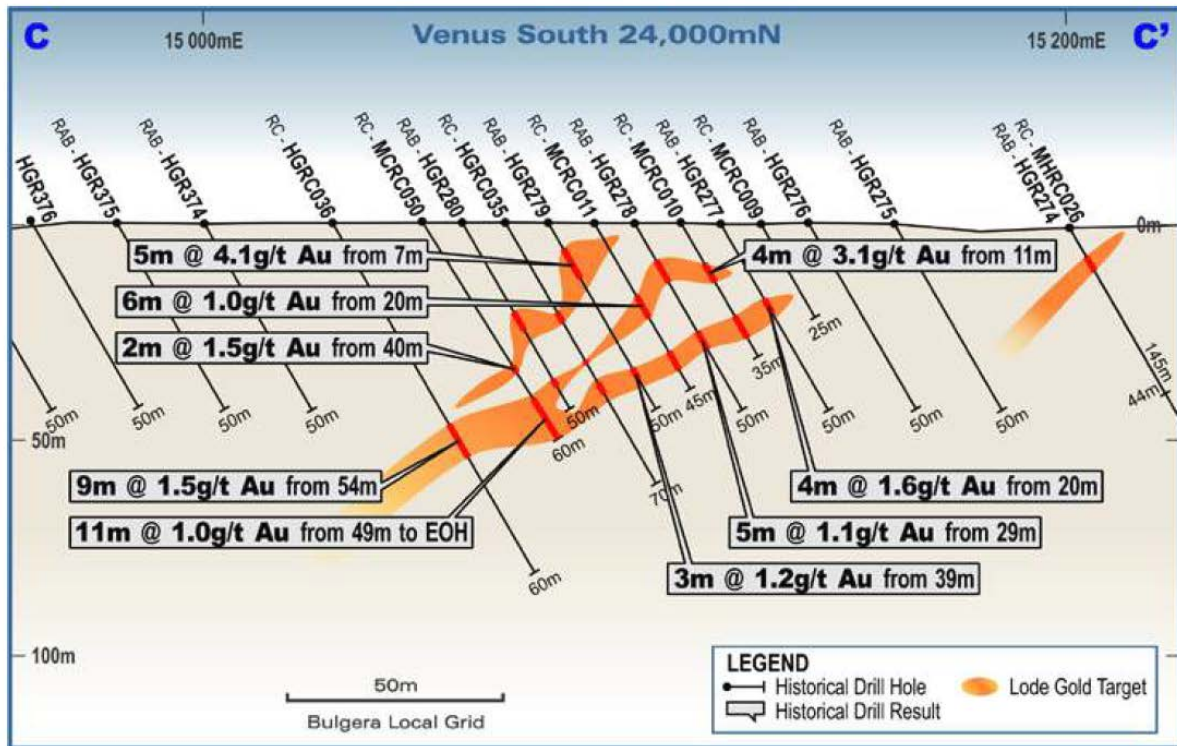


Figure 30 – Bulgera gold project target cross section C (see plan figure 27)

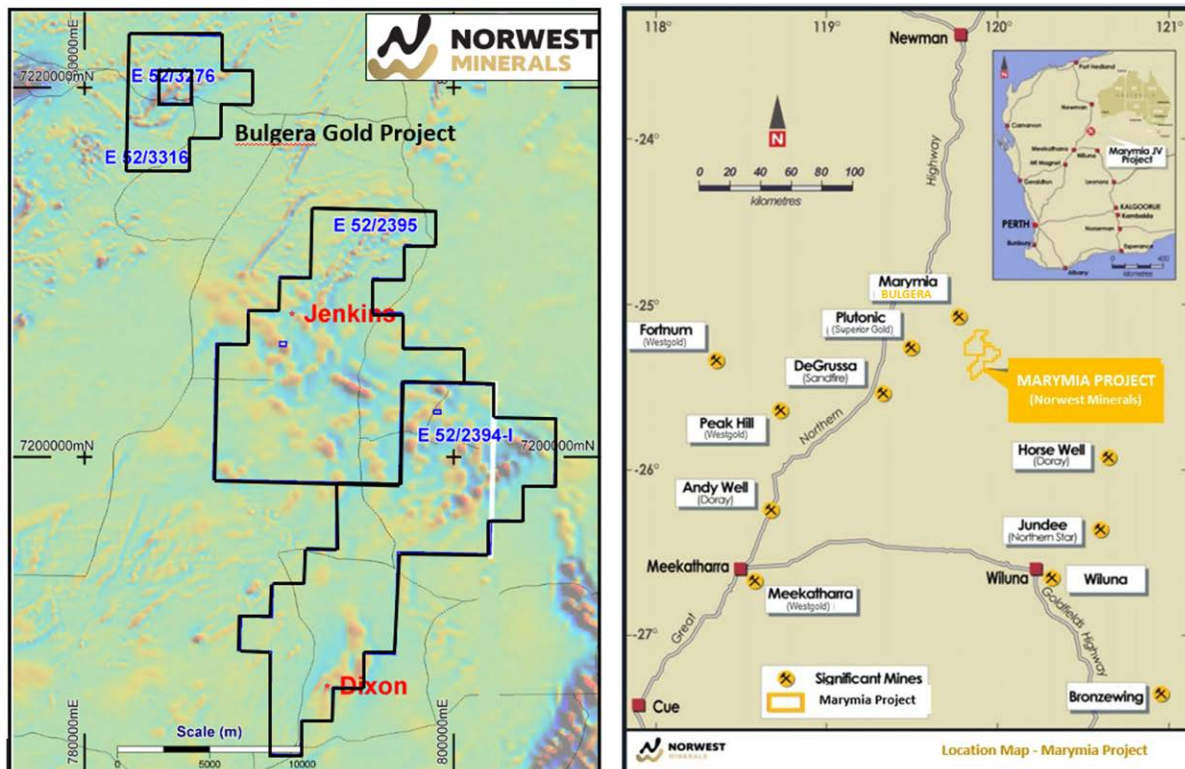


Figure 31 – Map showing locations of Norwest's Marymia and Bulgera projects and tenements.

The Bulgera gold project is located within 10 kms of Norwest's Marymia project tenements which include the Jenkins and Dixon prospects. This provides the option to combine exploration programmes and benefit from the associated time/cost savings on rig and personnel use, mobilisation, accommodation and materials transport.

Norwest Minerals Ltd

The Bulgera Gold Project Purchase Agreement

Norwest has paid the vendor, Accelerate Resources Limited, AUD\$220,000 cash (inclusive of GST) for a 100% interest in the Bulgera Gold project.

A 1% Net Smelter Return Royalty is payable to Gibb River Diamonds Limited (formerly POZ Minerals Limited)

MARRIOTTS PROJECT (100%)

No work has been completed on the Marriotts nickel project during the 2018-19 financial year. Remodelling of the nickel resource is scheduled for the second half of 2019 calendar year.

**Norwest Minerals Ltd
Directors' Report
Year Ended 30 June 2019**

Directors' Report

The Directors present their report on Norwest Minerals Ltd ('the Company' or 'Norwest') at the end of, or during, the year ended 30 June 2019.

Directors and key personnel

The names of the directors and key personnel who held office during or since the end of the year are:

Michael D. Tilley, Chairman

BA(Accountancy), FCA, FAICD

Appointment date: 7 September 2018

Mr. Tilley is the Chairman and a founding director of Terrain Capital Limited. He has worked in the accounting and finance industries for more than 40 years and he has a broad range of senior advisory and project management experience in all facets of corporate finance. He is or has previously served as director of Yarra Valley Water Limited, a member of Vision Super Pty Ltd and the Industry Fund Management Pty Ltd Investor Advisory Board. He also served on the boards of a number of exploration and mining companies during his long career and was a director of North Queensland Metals from 2006 – 2010. He is currently a non-executive director of Kogi Iron Limited, an ASX-listed company with the intent to build a cast steel plant on the Agbaja Plateau in Kogi State, Nigeria.

Special responsibilities- Nil

Other directorship in the past three years:

Company	Date appointed	Date ceased
Kogi Iron Limited	Aug 2016	7 May 2019
ALT Financial Group Ltd	Sep 2018	NA
Terrain Capital Limited	2000	NA

Interest in shares and options:

437,000 options exercisable at \$0.20 vesting on 28/11/2018 and expiring on 7/9/2023, granted 7 Sep 2018
437,000 options exercisable at \$0.25 vesting on 28/11/2019 and expiring on 7/9/2023, granted 7 Sep 2018
50,000 ordinary shares

Charles Schaus, Chief Executive Officer

BSc (Geology)

Appointment date: 25 June 2018

Mr. Schaus is a geologist and has been a director of a number of companies. He has significant corporate and technical experience in the metals and mining industry. He has held key technical positions in WA mining companies, including Newmont Mining Corporation, Newcrest Mining Limited, Eagle Mining Limited and also consulted in Ghana for 18 months. In 2003, Charles founded Aurox Resources Limited, and was its managing director. In 2010, he successfully merged Aurox Resources Limited with Atlas Iron Limited in a scheme of arrangement valuing Aurox at over \$130 million. He spent the following 5 years as Chairman of Plymouth Minerals Limited (now Infinity Lithium Corporation Ltd).

Special responsibilities- Nil

Other directorship in the past three years:

Company	Date appointed	Date ceased
NA	NA	NA

Interest in shares and options:

1,010,000 options exercisable at \$0.20 vesting on 28/11/2018 and expiring on 7/9/2023, granted on 7 Sep 2018
1,010,000 options exercisable at \$0.25 vesting on 28/11/2019 and expiring on 7/9/2023, granted on 7 Sep 2018
20,000 ordinary shares

**Norwest Minerals Ltd
Directors' Report
Year Ended 30 June 2019**

Benjamin Bell, Non-Executive Director

BSc, MMET, MBA

Appointment date: 21 November 2017

Benjamin Bell has more than 20 years' experience as a geologist and geophysicist in the minerals industry. Mr Bell joined the Australian Mines Limited as Chief Executive Officer on 8 November 2011 and was subsequently appointed as Managing Director in January 2012. Previously Mr Bell was CEO of Ausgold Limited and has held senior exploration roles to other ASX-listed gold and base metal explorers.

Special responsibilities- Nil

Directorship in the past three years:

Company	Date appointed	Date ceased
Australian Mines Ltd	November 2011	NA

Interest in shares and options:

50,000 ordinary shares

Ching Hong Loong, Non-Executive Director

Appointment date: 7 September 2018

Mr. Loong is presently the Group General Manager of Selangor Dredging Berhad, a property development company listed on the Kuala Lumpur Stock Exchange. He currently holds directorship in subsidiary and associated companies of Selangor Dredging Berhad and Fortress Minerals Limited, a company listed on the Catalist Board of the Singapore Stock Exchange. He is a member of the Malaysian Institute of Accountants and a Fellow Member of the Association of Certified Chartered Accountants, United Kingdom.

Special responsibilities- Nil

Interest in shares and options:

312,500 options exercisable at \$0.20 vesting on 28/11/2018 and expiring on 7/9/2023, granted on 7 Sep 2018

312,500 options exercisable at \$0.25 vesting on 28/11/2019 and expiring on 7/9/2023, granted on 7 Sep 2018

5,000,000 ordinary shares

Kok Hou Leong, Non-Executive Director

BEng

Appointment date: 7 September 2018

Mr. Leong graduated from the University of Arkansas Fayetteville with a Bachelor Degree in Civil Engineering in 2000. Soon after his graduation, he joined the Intergreen Group of Companies in Malaysia. Presently, he is the managing director of the Intergreen Group. The Intergreen Group is a leading supplier of steel-related products, services and solutions in Malaysia. Its products are sourced from all over the world, ranging from ferrous and non-ferrous scraps, iron ore, ferro alloys, coke, anthracite, refractories, primary and secondary steel products, raw materials for steel making and equipment for metallurgical industries. Intergreen Group's business network covers the ASEAN, South Asia, North Asia, Middle East, Africa, Asia Pacific, North America and the European Union regions.

Special responsibilities- Nil

Interest in shares and options:

312,500 options exercisable at \$0.20 vesting on 28/11/2018 and expiring on 7/9/2023, granted on 7 Sep 2018

312,500 options exercisable at \$0.25 vesting on 28/11/2019 and expiring on 7/9/2023, granted on 7 Sep 2018

5,000,000 ordinary shares

**Norwest Minerals Ltd
Directors' Report
Year Ended 30 June 2019**

Yew Fei Chee, Non-Executive Director

Appointment date: 1 August 2018

Mr. Chee has extensive experience in the iron ore mining industry in Malaysia. He has undertaken various iron ore mining and processing projects since the early 2010's and have built up his reputation and portfolio in the industry in Malaysia.

Presently he is the controlling shareholder, director and CEO of Fortress Minerals Limited, which is listed on the Catalist Board of the Singapore Stock Exchange. Fortress Minerals Limited is currently mining high grade iron ore concentrate from its Bukit Besi Mine in Terengganu, Malaysia marketed both in domestic and international markets.

Special responsibilities- Nil

Interest in shares and options:

312,500 options exercisable at \$0.20 vesting on 28/11/2018 and expiring on 7/9/2023, granted on 7 Sep 2018

312,500 options exercisable at \$0.25 vesting on 28/11/2019 and expiring on 7/9/2023, granted on 7 Sep 2018

5,000,000 ordinary shares

Dominic Marinelli, Non-Executive Director

MBA, BEng, PGD Sc

Appointment date: 21 November 2017

Resigned: 7 September 2018

Dominic Marinelli has over 20 years' corporate fundraising and mergers and acquisitions experience covering a wide range of industries including resources and other emerging technologies.

Mr Marinelli is a Director of Australian Mines Limited and Terrain Capital Limited in Australia and of unlisted explorer West Africa Coal Pty Ltd. He holds an MBA from the Melbourne Business School, a degree in Electrical and Computer Systems Engineering from Monash University and a diploma in Nanotechnology from Leeds University.

Special responsibilities- Nil

Michael Elias, Non-Executive Director

BSc(Hons), FAusIMM, CPGeo

Appointment date: 20 July 2018

Resigned: 7 September 2018

Michael Elias has more than 35 years of extensive, international experience in all aspects of nickel resource development in both laterites and sulphides, from project generation and evaluation, exploration planning and management, development studies, open cut and underground mine geology, resource/reserve estimation, and resource economics. He has been a Principal Consultant with mining consultancy CSA Global Pty Ltd since 2001.

He previously held the positions of Chief Geologist – WA Nickel Operations and Chief Geologist – Nickel Resource Development at WMC Resources Ltd and was a director of Silver Swan Group Ltd until his resignation on 19 November 2012. He is currently a director of Australian Stock Exchange listed Australian Mines Limited. Mr Elias holds a Bachelor of Science (Honours) in Geology from the University of Melbourne and is a Fellow of the Australasian Institute of Mining and Metallurgy.

Special responsibilities- Nil

Michael Ramsden, Non-Executive Director

BEC, LLB, FFIN

Appointment date: 21 November 2017

Resigned: 7 September 2018

Michael Ramsden is a lawyer with more than 30 years' experience as a corporate advisor. He has been involved with all forms of finance, including money markets, futures trading, lease finance, trade finance and foreign exchange.

Mr Ramsden is the Managing Director of Terrain Capital Limited in Australia, and has previously worked for international companies including CIBC Australia, JP Morgan and Scandinavian Pacific Investments Limited. He is also Honorary Treasurer and Director of the Victoria Racing Club Ltd, Chairman of Australian Mines Limited, Chairman of Cremorne Capital Ltd, Chairman of African Mahogany Australia Pty Ltd, and formerly Chairman of Terrain Australia Ltd and Director of D&D Tolhurst Ltd.

Special responsibilities- Nil

**Norwest Minerals Ltd
Directors' Report
Year Ended 30 June 2019**

Information of Company Secretary

Oliver Carton

Appointment date: 1 January 2018

Oliver is a qualified lawyer with over 30 years' experience in a variety of corporate roles. He is currently a director or company secretary of a number of listed, unlisted and not for profit entities such as the Melbourne Symphony Orchestra and Norwest Minerals Limited. He currently runs his own consulting business and was previously a Director of the Chartered Accounting firm KPMG. Prior to that, he was a senior legal officer with ASIC.

Directors' Meetings

The number of Directors' meetings and number of meetings attended by each of the Directors of the Company during the financial year is as follows:

Director	Held	Attended
Mr Michael D. Tilley	4	4
Mr Benjamin Bell	4	4
Mr Ching Hong Loong	4	3
Mr Kok Hou Leong	4	4
Mr Yew Fei Chee	4	4
Mr Dominic Marinelli	-	-
Mr Michael Elias	-	-
Mr Michael Ramsden	-	-

Principal activities

During the year the principal continuing activities of the Company were engaging in the business of seeking to exploit and mine natural resources.

The Company acquired various Western Australian tenements from third parties and its then parent company, Australian Mines Limited during the year.

Operating results

The net loss for the year ended 30 June 2019 after providing for income tax rounded to the nearest dollar is \$2,143,238 (2018: \$86,887).

Earnings per share

The basic loss per share for the year ended 30 June 2019 was 4.61 cents per share (2018: 869 dollars per share).

Likely developments and expected results of operations

The Company expects to maintain the present status and level of operations.

Significant changes in the state of affairs

During the year the company raised \$1 million by way of a \$0.5 million seed investment in shares and \$0.5 million convertible note. The Company has also issued 33 million shares at an offer price of \$0.20 each to raise \$6.6 million before costs through an Initial Public Offering (IPO) and successfully listed on the ASX on 29th November 2018.

Dividends paid or recommended

No dividends were paid during the year ended 30 June 2019 and no recommendation is made as to payments of future dividends.

**Norwest Minerals Ltd
Directors' Report
Year Ended 30 June 2019**

Matters subsequent to the end of the financial year

On 9 July 2019, the Company announced the purchase of 100% owned Bulgera Gold Project located in the +5 million ounce Plutonic Well Greenstone Belt of Western Australia.

Subsequently, the Company has announced a pro rata non-renounceable rights issue to Eligible Shareholders on the basis of one New Share for every three Shares held on the Record Date at \$0.15 per New Share to raise up to \$3.144 million before costs (Rights Issue).

The Record Date is 7.00pm AWST on 2 September 2019. Directors have advised that they will take up their rights under the Rights Issue as shareholders, and further, a director and the CEO have agreed to partly underwrite the Rights Issue. The Rights Issue will be conducted without a prospectus and by way of a Letter of Offer lodged with ASX. Capitalised terms in this announcement are as defined in that Letter of Offer.

The purpose of the capital raising is to fund activities concerning the Arunta West iron-oxide copper-gold (IOCG) Project and Bulgera Gold Project.

Other than the above, no matters or circumstances have arisen since 30 June 2019 that have significantly affected, or may significantly affect:

- (a) The Company's operations in future financial years, or
- (b) The results of those operations in future financial years, or
- (c) The Company's state of affairs in future financial years.

Corporate Governance Report

The Company's Corporate Governance Statement under Listing Rule 4.10.3 can be viewed at www.norwestminerals.com.au/corporate-governance

REMUNERATION REPORT – AUDITED

The directors present the Company's 2019 remuneration report outlining key aspects of our remuneration policy and framework, and remuneration awarded this year.

The report includes the following:

- a. Key management personnel covered in this report
- b. Overview of remuneration policies
- c. Principals of compensation
- d. Directors and executive officers' remuneration
- e. Terms of equity settled share-based payment transactions
- f. Equity instruments held by key management personnel
- g. Remuneration consultants
- h. Other key management personnel transactions

a) Key management covered in this report

Non-executive directors and officer

Michael D. Tilley (non-executive chairman)

Benjamin Bell (non-executive director)

Charles Schaus (CEO)

Ching Hong Loong (non-executive director)

Kok Hou Leong (non-executive director)

Yew Fei Chee (non-executive director)

Dominic Marinelli (non-executive director) (Resigned 7 September 2018)

Michael Elias (non-executive director) (Resigned 7 September 2018)

Michael Ramsden (non-executive director) (Resigned 7 September 2018)

**Norwest Minerals Ltd
Directors' Report
Year Ended 30 June 2019**

b) Overview of remuneration policies

The board remuneration policy is to ensure that remuneration properly reflects the relevant person's duties and responsibilities, and that the remuneration is competitive in attracting, retaining and motivating people of the highest quality. The Board believes that the best way to achieve this objective is to provide Executives with a remuneration package that reflects the person's responsibilities, duties and personal performance. An employee option scheme for key Executives is in place. The remuneration of Non-Executive Directors is determined by the Board as a whole having regard to the level of fees paid to Non-Executive Directors by other companies of similar size in the mining industry. The Board does not have a Remuneration and Nomination Committee. Given the scale of the Company's operations, it is anticipated that the full Board will be able to continue adequately discharge the functions of a Remuneration and Nomination Committee for the short to medium term. The Board will consider establishing a Remuneration and Nomination Committee when the size and complexity of the Company's operations and management warrant it. Therefore, the full Board is responsible for assessing performance against Key Performance Indicators (KPI) and determining Short Term Incentives (STI) and Long-Term Incentives (LTI) to be paid.

c) Principles of compensation

Remuneration of directors and executives is also referred to as compensation throughout this report. Compensation levels for key management personnel, and for relevant key management personnel of the Company, are competitively set to attract and retain appropriately qualified and experienced directors and executives.

Fixed Compensation

Fixed compensation consists of base compensation as well as employer contributions to superannuation funds. Compensation levels are reviewed annually by the Board through a process that considers individual and overall performance of the Company.

Service Based Compensation

The Company has a service-based compensation scheme to issue equities subject to various KPI's being achieved and subject to Shareholders Approval. No performance-based compensation was paid this year, or in the prior year.

Short term Incentive Bonus

The company has no scheme to pay discretionary bonuses based on short term performance.

Long Term Incentive Equities

During the year, the directors and CEO have participated in the Long-term service based incentive plan. The director's plan and the executive's plan are divided into 2 tranches and subject to service period vesting conditions.

The fair value of the options was estimated at the date of grant using the Binomial model. Refer to Note 13 for further details.

Consequences of Performance on Shareholder Wealth

In considering the Company's performance and benefits for shareholder wealth, the Board takes into account profitability and share price movements when setting the total amount of any bonuses. No performance bonuses were paid in the current financial year. The Company was listed on the ASX on 29th November 2018.

Executive Service Agreement

The Company has entered into an executive employment agreement with its chief executive officer, Mr. Charles Schaus. Under the executive employment agreement:

- (a) Mr. Schaus is entitled to receive a base salary of \$250,000 per annum, inclusive of superannuation and benefits provided;
- (b) Mr. Schaus is entitled to participate in the Company's long-term incentive plan. A nominated entity of Mr Schaus has been issued 1,010,000 Tranche 1 Options and 1,010,000 Tranche 2 Options;
- (c) Mr. Schaus or the Company may terminate Mr Schaus' employment with three months' notice. The Company may terminate Mr. Schaus' employment for cause with one month's written notice and immediately on the occurrence of certain breaches specified in the executive employment agreement;
- (d) Mr. Schaus is subject to non-compete and non-solicit obligations for up to 9 months following termination of his employment with the Company.

Non-Executive Directors

Total remuneration for all Non-Executive Directors is not to exceed an amount set by the Company in General Meeting, which will be set at the forthcoming Annual General Meeting, excluding options and other share-based incentives which are approved separately at a general meeting. Non-executive Directors' fees are set with reference to fees paid to other Non-Executive Directors of comparable companies and are presently \$50,000 inclusive of superannuation per annum for Mr Benjamin Bell. The Non-Executive Chairman and other Non-Executive Directors did not receive a fee during the year. Directors' fees cover all main board activities. Additionally, the directors have participated in Norwest Minerals Limited Long-term incentive plan and received an allotment of unlisted options as detailed in Note

Norwest Minerals Ltd
Directors' Report
Year Ended 30 June 2019

13.

d) Directors' and executive officer's remuneration

Details of the nature and amount of each major element of the remuneration of each Director of the Company and other key management personnel of the Company are shown on the following table.

		SHORT TERM		POST EMPLOYMENT	SHARE-BASED PAYMENTS	TOTAL \$	Proportion of remuneration performance based	Value of share-based payments as a proportion of remuneration
Non-Executive		Non-Exec Directors' Fees \$	Executive Salaries \$	Superannuation Contribution \$	Options Issued \$		%	%
Mr Bell	2019	37,291	-	3,543	-	40,834	0	0
Mr Leong	2019	-	-	-	63,419	63,419	0	100
Mr Loong	2019	-	-	-	63,419	63,419	0	100
Mr Tilley	2019	-	-	-	88,686	88,686	0	100
Mr Chee	2019	-	-	-	63,419	63,419	0	100
Executive								
Mr Schaus	2019	-	233,145	20,881	204,971	458,997	0	45
Total		37,291	233,145	24,424	483,914	778,774	0	

No remuneration paid to Directors and other key management personnel of the Company in financial year ended 30 June 2018.

e) Terms of equity settled share-based payment transactions

The details of the vesting plan are set out below. The fair values of all granted equities are included in remuneration over the vesting period.

The fair value of the options was calculated using the Binomial option pricing model per the table below. The value of the options has been expensed on a proportionate basis for each period from grant date to vesting date.

	Grant Date	Vesting Date	Expiry Date	Exercise Price (\$)	Value per option (\$)	Share Options 30 June 2019 (Unit)	Condition	Share price on grant date (\$)	Volatility	Risk free rate	Vested and exercisable as at 30 June 2019
T1	7 September 2018	29 November 2018	6 September 2023	0.20	0.131	2,384,500	Service period	0.20	95%	2.17%	2,384,500
T2	7 September 2018	29 November 2019	6 September 2023	0.25	0.123	2,384,500	Service period	0.20	95%	2.17%	-

Options issued to Directors' and Key Management Personnel

Name	Tranche 1 Options Issued	Tranche 2 Options Issued	Total
Charles Schaus	1,010,000	1,010,000	2,020,000
Michael D. Tilley	437,000	437,000	874,000
Yew Fei Chee	312,500	312,500	625,000
Ching Hong Loong	312,500	312,500	625,000
Kok Hou Leong	312,500	312,500	625,000

**Norwest Minerals Ltd
Directors' Report
Year Ended 30 June 2019**

f) Equity instruments held by key management personnel

Movement in shares

The movement during the reporting period in the number of ordinary shares held directly, indirectly or beneficially, by each key management person, including their related parties, is as follows:

	Held at 1 July 2018	Purchases	Sales	Held at 30 June 2019
Benjamin Bell	-	50,000	-	50,000
Charles Schaus	-	20,000	-	20,000
Michael D. Tilley	-	50,000	-	50,000
Yew Fei Chee	-	5,000,000	-	5,000,000
Ching Hong Loong	-	5,000,000	-	5,000,000
Kok Hou Leong	-	5,000,000	-	5,000,000

Movement in unlisted options

The movement during the reporting period in the number of unlisted options held directly, indirectly or beneficially, by each key management person, including their related parties, is as follows:

	Held at 1 July 2018	Granted as compensation	Exercised	Held at 30 June 2019
Benjamin Bell	-	-	-	-
Charles Schaus	-	2,020,000	-	2,020,000
Michael D. Tilley	-	874,000	-	874,000
Yew Fei Chee	-	625,000	-	625,000
Ching Hong Loong	-	625,000	-	625,000
Kok Hou Leong	-	625,000	-	625,000

g) Remuneration consultants

The Company did not engage the service of remuneration consultants during the year.

h) Other key management personnel transactions

Director (s)	Transactions	30 June 2019	30 June 2018
		\$	\$
Michael D. Tilley	Michael D. Tilley is non-executive director of Terrain Capital Limited and Norwest. Advisory fees, corporate finance services, IPO services, placement of shares. Refer note (i)	564,574	-
Yew Fei Chee	YF Chee Holdings Sdn Bhd is a company controlled by Yew Fei Chee. Refer note (ii)	Refer note (ii)	-
Kok Hou Leong	Merit Grace Global Limited is a company controlled by Kok Hou Leong. Refer note (ii)	Refer note (ii)	-
Dominic Marinelli, Benjamin Bell, Michael Ramsden	Dominic Marinelli (resigned), Benjamin Bell, Michael Ramsden (resigned) are directors of both Norwest and Australian Mines Limited. Refer note (ii)	Refer note (ii)	-
Benjamin Bell	Benjamin Bell is entitled to director fee of \$50,000 per annum inclusive of superannuation.	40,834	

**Norwest Minerals Ltd
Directors' Report
Year Ended 30 June 2019**

- (i) The amount was paid to Terrain Capital Limited. Mr. Tilley is the non-executive chairman of Terrain Capital Limited but does not otherwise hold or control any equity interest in Terrain Capital Limited and received no benefit from the transaction. No amounts were owing to Terrain Capital Ltd at 30 June 2019. All transactions were made on normal commercial terms.
- (ii) In July 2018 Australian Mines Ltd.'s Western Australian gold and base metal exploration assets were transferred to its then subsidiary, Norwest Minerals Pty Ltd. Norwest completed an Initial Public Offering (IPO) to raise \$6.6 million by the end of November 2018. Seed funding of \$1 million was raised and cornerstone investment agreements was signed for an additional \$4 million. The balance of \$2.6 million was offered to the public with a priority offer to Australian Mines Ltd shareholders. Post-listing, Australian Mines Ltd retained a 28.6% interest in Norwest Minerals. All transactions were made on normal commercial terms.

Norwest and Australian Mines Ltd have entered into three separate agreements:

1. A Subscription and Convertible Note Agreement with CNG Global Ltd for \$1 million. These seed funds (\$500,000 relates to seed capital and \$500,000 relates to a convertible note described below) were utilised to pay anticipated costs associated with the IPO and refund Australian Mines certain costs and expenses already paid in relation to the IPO (including in relation to the transfer of assets to Norwest); and

One convertible note with face value of \$500,000 that converted into 6,800,000 shares in Norwest subsequent to CNG Global Ltd procured Cornerstone Investors ("Cornerstone Investors") to deposit a total of \$4 million in subscription moneys in the IPO under Cornerstone Agreements as described in paragraph (2) below.

2. Two Cornerstone Agreements with YF Chee Holdings Sdn Bhd ('YFC') and Merit Grace Global Limited ('MGG'), under which YFC and MGG respectively deposited \$3 million and \$1 million to Norwest prior to the IPO to subscribe for shares at \$0.20 per share under the public offer.

All transactions above were made on normal commercial terms.

(i) Loans given to key management personnel

No loan made to directors and other key management personnel of the Company, including their close family members and entities related to them.

This is the end of the audited Remuneration Report.

Environmental regulation

The Company conducts mining and exploration activities on mineral tenements. The right to conduct these activities is granted, subject to environmental conditions and requirements and as such is governed by a range of environment legislation. As the Company is in the early exploration phase of its exploration projects, the Company is not yet subject to the public reporting requirements of the environmental legislation. The Company aims to ensure a high standard of environmental care is achieved and, as a minimum, to comply with relevant environmental regulations. To the best of the Directors knowledge, the Company has adequate systems in place to ensure compliance with the requirements of the applicable legislation and is not aware of any material breach of those requirements during the financial year and up to the date of the Directors Report.

Greenhouse gas emissions and energy

The Company complies with the Australian Government's National Greenhouse and Energy Reporting Act 2007 (Cth) and recognises its responsibility to actively improve energy use and minimise greenhouse gas emissions to reduce its contribution to climate change and impact on the environment.

Indemnification and Insurance of Officers and Auditors

During the year the Company has paid a premium in respect of a contract to insure the directors of the Company and the Company Secretary against liabilities incurred as such a director, secretary or executive officer to the extent permitted by the Corporations Act 2001. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium. The Company has not otherwise, during or since the financial year, indemnified or agreed to indemnify an officer or auditor of the Company or of any related body corporate against a liability incurred as such an officer or auditor.

**Norwest Minerals Ltd
Directors' Report
Year Ended 30 June 2019**

Proceedings on behalf of the company

No person has applied to the Court under Section 237 of the Corporations Act 2001('the Act') for leave to bring proceedings on behalf of the Company, or to intervene in any proceedings to which the Company is a party, for the purpose of taking responsibility on behalf of the Company for all or part of those proceedings.

No proceedings have been brought or intervened in on behalf of the Company with leave of the Court under Section 237 of the Act.

Non-audit services

The Company may decide to employ the auditor on assignments additional to their statutory audit duties where the auditor's expertise and experience with the company are important.

(a) Details of the amounts paid or payable to the auditor for non-audit services provided during the year are set out below.

The board of directors has considered the position and is satisfied that the provision of the non-audit services is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001.

The directors are satisfied that the provision of non-audit services by the auditor, as set out below, did not compromise the auditor independence requirements of the Corporations Act 2001 for the following reasons:

- all non-audit services have been reviewed by the Board to ensure they do not impact the impartiality and objectivity of the auditor
- none of the services undermine the general principles relating to auditor independence as set out in APES 110 Code of Ethics for Professional Accountants.

During the year the following fees were paid or payable for non-audit services provided by the auditor, its related practices and non-related audit firms:

Other services

	30 June 2019	30 June 2018
	\$	\$
BDO (WA) Pty Ltd – Services related to Initial Public Offering (IPO)	16,160	-
	<u>16,160</u>	<u>-</u>

Shares under option

(a) Unissued ordinary shares

Unissued ordinary shares of the Company under option at the date of this report are as follows:

	Grant Date	Vesting Date	Expiry Date	Exercise Price (\$)	Value per option (\$)	Share Options 30 June 2019 (Unit)	Condition	Share price on grant date (\$)	Volatility	Risk free rate	Vested and exercisable as at 30 June 2019
T1	7 September 2018	29 November 2018	6 September 2023	0.20	0.131	2,384,500	Service period	0.20	95%	2.17%	2,384,500
T2	7 September 2018	29 November 2019	6 September 2023	0.25	0.123	2,384,500	Service period	0.20	95%	2.17%	-

No option holder has any right under the options to participate in any other share issue of the company or any other entity.

All these options were options granted as remuneration to the directors and the key management personnel during the year.

(b) Shares issued on the exercise of options

No ordinary shares of the Company were issued during the year ended 30 June 2019 or since that date on the exercise of options granted under the Company's Long-term incentive plan.

**Norwest Minerals Ltd
Directors' Report
Year Ended 30 June 2019**

Auditor's Independence Declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on page 46.

This report is made in accordance with a resolution of directors.

A handwritten signature in black ink, appearing to read 'M. D. Tilley', is positioned above the printed name and title.

Michael D. Tilley,
Chairman
Melbourne
Date: 26 September 2019

DECLARATION OF INDEPENDENCE BY JARRAD PRUE TO THE DIRECTORS OF NORWEST MINERALS LIMITED

As lead auditor of Norwest Minerals Limited for the year ended 30 June 2019, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the audit; and
2. No contraventions of any applicable code of professional conduct in relation to the audit.



Jarrad Prue
Director

BDO Audit (WA) Pty Ltd
Perth, 26 September 2019

Norwest Minerals Ltd

Statement of Profit or Loss and Other Comprehensive Income For the year ended 30 June 2019

	Notes	30 June 2019 \$	30 June 2018 \$
Revenue			
Interest revenue calculated using effective interest rate method		54,219	-
Expenses			
Administration	3	1,315,670	86,887
Finance cost	11	876,000	-
Other expenses		5,787	-
Total expenses		<u>2,197,457</u>	<u>86,887</u>
Loss before income tax		<u>2,143,238</u>	<u>86,887</u>
Income tax benefit	4	-	-
Loss after income tax		<u>2,143,238</u>	<u>86,887</u>
Other comprehensive income, net of tax		-	-
Total comprehensive loss for the year Attributable to Members of Norwest Minerals Ltd		<u>2,143,238</u>	<u>86,887</u>
Loss per share			
Basic loss per share (dollars) Attributable to Members of Norwest Minerals Ltd	5	(0.0461)	(869)
Diluted loss per share (dollars) Attributable to Members of Norwest Minerals Ltd	5	(0.0461)	(869)

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

Norwest Minerals Ltd
Statement of Financial Position
As at 30 June 2019

	Notes	30 June 2019 \$	30 June 2018 \$
ASSETS			
Current assets			
Cash and cash equivalent	6	3,331,615	-
Other receivables	7	226,166	-
Other current assets		3,299	5,160
Total current assets		<u>3,561,080</u>	<u>5,160</u>
Non-current assets			
Exploration and evaluation assets	8	6,645,683	257,970
Plant and equipment	9	29,928	
Total non-current assets		<u>6,675,611</u>	<u>257,970</u>
Total assets		<u>10,236,691</u>	<u>263,130</u>
LIABILITIES			
Current liabilities			
Trade and other payables	10	450,117	349,917
Total current liabilities		<u>450,117</u>	<u>349,917</u>
Total liabilities		<u>450,117</u>	<u>349,917</u>
Net assets		<u>9,786,574</u>	<u>(86,787)</u>
EQUITY			
Contributed equity	12	11,532,784	100
Share based payment reserve		483,915	-
Accumulated losses		(2,230,125)	(86,887)
Total equity		<u>9,786,574</u>	<u>(86,787)</u>

The above statement of financial position should be read in conjunction with the accompanying notes.

Norwest Minerals Ltd
Statement of Changes in Equity
For the year ended 30 June 2019

	Contributed equity \$	Share based payment reserve \$	Retained earnings \$	Total equity \$
Balance at incorporation	-	-	-	-
Loss for the period	-	-	(86,887)	(86,887)
Transactions with owners in their capacity as owners				
Issue of share capital	100	-	-	100
Transaction costs from issue of shares	-	-	-	
Balance at 30 June 2018	100	-	(86,887)	(86,787)
	Contributed equity \$	Share based payment reserve \$	Retained earnings \$	Total equity \$
Balance at 1 July 2018	100	-	(86,887)	(86,787)
Loss for the year	-	-	(2,143,238)	(2,143,238)
Transactions with owners in their capacity as owners				
Issue of share capital	12,076,000	-	-	12,076,000
Transaction costs from issue of shares	(543,316)	-	-	(543,316)
Share-based payments (Note 13)	-	483,915	-	483,915
Balance at 30 June 2019	11,532,784	483,915	(2,230,125)	9,786,574

The above statement of changes in equity should be read in conjunction with the accompanying notes.

Norwest Minerals Ltd

Statement of Cash Flows For the year ended 30 June 2019

	Notes	30 June 2019 \$	30 June 2018 \$
Cash flows from operating activities			
Payments to suppliers and employees		(951,389)	-
Interest received		47,147	-
Net cash (outflow) inflow from operating activities	14	<u>(904,242)</u>	<u>-</u>
Cash flows from investing activities			
Payments for exploration & evaluation		(2,203,337)	-
Payments for plant and equipment		(31,668)	-
Payments for tenements		<u>(592,500)</u>	<u>-</u>
Net cash (outflow) inflow from investing activities		<u>(2,827,505)</u>	<u>-</u>
Cash flows from financing activities			
Proceeds from issues of ordinary shares		7,099,982	-
Proceeds from convertible note (Note 11)		500,000	-
Transaction costs related to issues of shares, convertible notes or options		<u>(536,620)</u>	<u>-</u>
Net cash inflow from financing activities		<u>7,063,362</u>	<u>-</u>
Net increase in cash and cash equivalents		3,331,615	-
Cash and cash equivalents at the beginning of the financial year		-	-
Cash and cash equivalents at the end of the financial year		<u>3,331,615</u>	<u>-</u>

The above statement of cash flows should be read in conjunction with the accompanying notes.

Norwest Minerals Ltd
Notes to the Financial Statements
For the year ended 30 June 2019

Notes to the Financial Statements

Note 1: Summary of significant accounting policies

The financial statements are general purpose financial statements which have been prepared in accordance with Australian Accounting Standards ('AASBs') adopted by the Australian Accounting Standards Board ('AASB') (including interpretations) and the Corporations Act 2001. The financial statements comply with International Financial Reporting Standards (IFRS) and interpretations adopted by the International Accounting Standards Board (IASB).

The following significant accounting policies have been adopted in the preparation and presentation of the financial report:

(a) Basis of preparation

Norwest Minerals Ltd ('the Company') is a for-profit entity for the purpose of preparing the financial report. This financial report has been prepared in accordance with the historical cost convention.

This report presents the financial information for the year ended 30 June 2019. Given the Company was incorporated on the 21 November 2017, the comparative figures represent the period from that date to 30 June 2018.

The functional currency of the Company is measured using the currency of the primary economic environment in which the entity operates. The financial statements are presented in Australian dollars, which is the entity's functional currency.

(b) Critical accounting estimates and judgements

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future period affected.

Management discussed with the Board the development, selection and disclosure of the Company's critical accounting policies and estimates and the application of these policies and estimates.

The estimates and judgements that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

(i) Impairment of exploration and evaluation assets

The ultimate recoupment of the value of exploration and evaluation assets is dependent of successful development and commercial exploitation, or alternatively, sale, of the underlying mineral exploration properties. The Company undertakes at least on an annual basis, a comprehensive review for indicators of impairment of those assets. Should an indicator of impairment exist, there is significant estimation and judgement in determining the inputs and assumptions used in determining the recoverable amounts.

The key issues that are considered in this review include:

- Recent drilling results and reserves and resources estimates;

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- Environmental issues that may impact the underlying tenements;
- The estimated market value of assets at the review date;
- Independent valuations of the underlying assets that may be available; and
- Fundamental economic factors such as the gold price, exchange rates and current and anticipated operating costs in the industry.

Information used in the review process is rigorously tested to externally available information as appropriate. In addition, an allocation of the costs of acquired mineral rights to individual projects is performed. This allocation process requires estimates and judgement as to the value of these projects acquired.

(ii) Share-based payments

The Company measures the cost of equity-settled transactions by reference to the fair value of the equity instruments at the date at which they are granted. Estimating fair value for share-based payment transactions requires determining the most appropriate valuation model, which is dependent on the terms and conditions of the grant. The estimate also requires making assumptions about the most appropriate inputs to the valuation model, including the expected life of the share option, volatility and dividend yield. The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in Note 13.

(iii) Income taxes

Judgement is required in assessing whether deferred tax assets are recognised in the statement of financial position. Deferred tax assets are recognised only when it is considered more likely than not that they will be recovered, which is dependent on the generation of sufficient future taxable profits. Assumptions about the generation of future taxable profits depend on management's estimates of future cash flows. Judgements are also required about the application of income tax legislation.

(c) Going concern

This report has been prepared on the going concern basis, which contemplates the continuity of normal business activity and the realisation of assets and settlement of liabilities in the normal course of business.

(d) Cash and cash equivalents

Cash and cash equivalents comprise of cash on hand, cash in banks and other short-term investments in money market instruments with original maturities of three months or less that are readily convertible to known amounts of cash which are subject to an insignificant risk of changes in value.

(e) Other receivables

Other receivables are recognised at amortised cost, less any allowance for expected credit losses.

(f) Exploration and evaluation assets

Exploration and evaluation costs, including the costs of acquiring licences, are capitalised as exploration and evaluation assets on an area of interest basis. Costs incurred before the Company has obtained the legal rights to explore an area are recognised in the Statement of Profit or Loss and Other Comprehensive Income.

Exploration and evaluation assets are only recognised if the rights of the area of interest are current and either:

- (i) the expenditures are expected to be recouped through successful development and exploitation of the area of interest; or
- (ii) activities in the area of interest have not at the reporting date, reached a stage which permits a reasonable assessment of the existence or other wise of economically recoverable reserves and active and significant operations in, or in relation to, the area of interest are continuing.

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Exploration and evaluation assets are assessed for impairment if sufficient data exists to determine technical feasibility and commercial viability, and facts and circumstances suggest that the carrying amount exceeds the recoverable amount. For the purposes of impairment testing, exploration and evaluation assets are allocated to cash-generating units to which the exploration activity relates.

Once the technical feasibility and commercial viability of the extraction of mineral resources in an area of interest are demonstrable, exploration and evaluation assets attributable to that area of interest are first tested for impairment and then reclassified from exploration and evaluation assets to mining property and development assets within property, plant and equipment.

(g) Property, plant and equipment

Plant and equipment is stated at cost, less accumulated depreciation and accumulated impairment losses.

The carrying amount of plant and equipment is reviewed annually to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the assets employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.

Depreciation is calculated over the useful lives to the Group of the assets, commencing from the time the asset is held ready for use, as follows:

Class	Depreciation method
Plant and equipment	Straight line basis over 3 years
Furniture and fittings	Straight line basis over 3 years
Office equipment	Straight line basis over 3 years

(h) Trade and other payables

Trade payables and other payables are carried at amortised cost. They represent liabilities for goods and services provided to the Company prior to the end of the financial year that are unpaid and arise when the Company becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts are unsecured and are usually paid within 30 days of recognition.

(i) Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the reporting date. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects the time value of money and the risks specific to the liability.

(j) Revenue recognition

Interest revenue

Revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest revenue over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

(k) Income tax

The income tax expense for the period is the tax payable on the current period's taxable income based

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on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

(l) Share-based payment transactions

The Company provides benefits to directors and employees in the form of share-based payment transactions, whereby services are rendered in exchange for shares or rights over shares ('equity-settled transactions'). The cost of these equity-settled transactions with directors and employees is measured by reference to the fair value at the date at which they are granted. The fair value is determined using an appropriate valuation model. No expense is recognised for awards that do not ultimately vest, except for equity-settled transactions for which vesting is conditional upon a market or non-vesting condition. These are treated as vesting irrespective of whether or not the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied. The cost of equity-settled transactions is recognised as expense, together with a corresponding increase in equity, over the period in which the performance and/or service conditions are fulfilled. If the terms of an equity-settled award are modified, as a minimum an expense is recognised as if the terms had not been modified. An additional expense is recognised for any modification that increases the total fair value of the share-based arrangement, or is otherwise beneficial to the recipient, as measured at the date of modification.

If an equity-settled award is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately. However, if a new award is substituted for the cancelled award and designated as a replacement award on the date that it is granted, the cancelled and new award are treated as if they were a modification of the original award, as described in the previous paragraph. The dilutive effect, if any, of outstanding options is reflected as additional share dilution in the computation of diluted loss per share.

(m) Earnings / loss per share

Basic earnings / loss per share is calculated as net profit or loss attributable to owners of the company, adjusted to exclude any costs of servicing equity (other than dividends), divided by the weighted average number of ordinary shares of the Company, adjusted for any bonus element.

Diluted loss per share is calculated as net profit or loss attributable to owners of the company, adjusted for:

- costs of servicing equity (other than dividends);
- the after-tax effect of dividends and interest associated with dilutive potential ordinary shares that have been recognised as expenses; and
- other non-discretionary changes in revenues or expenses during the period that would result from the dilution of potential ordinary shares, divided by the weighted average number of ordinary shares and dilutive potential ordinary shares, adjusted for any bonus element.

(n) Contributed equity

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown as a deduction, net of tax from the proceeds.

(o) New accounting standards and Interpretation

Adoption of new and amended accounting standards

A number of new or amended standards became applicable for the current reporting period and the Company had to change its accounting policies as a result of the adoption of the following standards:

- AASB 9 *Financial Instruments*; and
- AASB 15 *Revenue from Contracts with Customers*.

The impact of these standards, and the other new and amended standards adopted by the Company, has not had a material impact on the amounts presented in the Company's financial statements.

Impact of standards issued but not yet applied by the entity

AASB 16 Leases

The following standards, amendments to standards and interpretations have been identified as those which

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may impact the entity in the period of initial application. They have not been applied in preparing this financial report.

Reference	Title	Summary	Application date	Expected Impact
AASB 16	Leases	<p>AASB 16 eliminates the operating and finance lease classifications for lessees currently accounted for under AASB 117 Leases. It instead requires an entity to bring most leases onto its balance sheet in a similar way to how existing finance leases are treated under AASB 117. An entity will be required to recognise a lease liability and a right of use asset in its balance sheet for most leases.</p> <p>There are some optional exemptions for leases with a period of 12 months or less and for low value leases.</p> <p>Lessor accounting remains largely unchanged from AASB 117.</p>	Financial years beginning on or after 1 January 2019	No significant impact expected

(p) Financial instruments

Financial instruments issued by the Company comprise convertible notes that can be converted into a variable number of ordinary shares. Convertible notes issued by the Company include embedded derivatives (option to convert to variable number of shares in the Company) and are recognised as financial liabilities at fair value through profit or loss. On initial recognition, the fair value of the convertible note will equate to the proceeds received and subsequently the liability is measured at fair value at each reporting period until settlement. The fair value movements are recognised on the profit or loss as finance costs.

The convertible note derivative liability is removed from the Statement of Financial Position when the obligations specified in the Contract are discharged. This can occur at maturity date, when the convertible notes convert to equity. Convertible note derivative liabilities are classified as current or non-current based on the maturity date of the convertible note. The carrying amount of financial instruments approximate their fair value as they are short term.

(q) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the taxation authority. In this case it is recognised as part of the cost of acquisition of the asset or as part of the expense. Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the taxation authority is included with other receivables or payables in the balance sheet. Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the taxation authority, are presented as operating cash flows.

(r) Employee benefits

(i) Wages and salaries and annual leave

Liabilities for wages and salaries, including non-monetary benefits and annual leave expected to be settled within 12 months of the reporting date are recognised in other payables and accruals in respect of employee services up to the reporting date. They are measured at the amounts expected to be paid when the liabilities are settled.

(ii) Long service leave

The liability for long service leave is recognised in provisions and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date. Consideration is given to expected future wage and salary levels, probability of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on Australian Government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows. The liability for long service leave for which settlement within 12 months of

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the reporting date cannot be deferred is recognised in the current provision. The liability for long service leave for which settlement can be deferred beyond 12 months from the reporting date is recognised in the non-current provision.

Note 2: Financial Risk Management Objectives and Policies

The Company's principal financial instruments comprise cash and cash equivalents, receivables and payables.

The net fair values of the financial assets and liabilities at reporting date of the Company approximate the carrying amounts in the financial statements, except where specifically stated.

The Company manages its exposure to key financial risks, including interest rate, credit risk and liquidity risk in accordance with the Company's financial risk management policy. The objective of the policy is to support the delivery of the Company's financial targets whilst protecting future financial security.

The main risks arising from the Company's financial instruments are interest rate risk, credit risk and liquidity risk. The Company uses different methods to measure and manage different types of risks to which it is exposed. These include monitoring levels of exposure to interest rate and assessments of market forecasts for interest rate. Liquidity risk is monitored through the development of future rolling cash flow forecasts.

The Board reviews and agrees policies for managing each of these risks as summarised below.

Primary responsibility for identification and control of financial risks rests with the Board. The Board reviews and agrees policies for managing each of the risks identified below.

Risk exposures and responses

(a) Interest rate risk

The Company's exposure to market interest rates relates primarily to the Company's cash and short-term deposits.

At reporting date, the Company had the following financial assets exposed to Australian variable interest rate risk that are not designated in cash flow hedges:

	30 June 2019	30 June 2018
	\$	\$
Cash at bank	3,331,615	-

The following sensitivity analysis is based on the interest rate risk exposures in existence at the reporting date.

At reporting date, if interest rates had moved as illustrated in the table below, with all other variables held constant, post tax loss and equity would have been affected as follows:

	Post tax loss		Equity	
	Higher / (lower)		Higher / (lower)	
	30 June 2019	30 June 2018	30 June 2019	30 June 2018
	\$	\$	\$	\$
+0.5% (2018: +0.5%)	8,329	-	8,329	-
-0.5% (2018: -0.5%)	(8,329)	-	(8,329)	-

The movements are due to higher or lower interest revenue from cash balances. A sensitivity of 0.5% is considered reasonable given the current level of both short term and long term Australian Dollar interest rates.

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(b) Credit risk

Credit risk arises from the financial assets of the Company, which comprise cash and cash equivalents and other receivables. The Company's exposure to credit risk arises from potential default of the counter party, with a maximum exposure equal to the carrying amount of these instruments.

The Company does not hold any credit derivatives to offset its credit exposure. It holds its cash deposits with major banks with high credit ratings.

Cash at bank and short-term bank deposits

	30 June 2019	30 June 2018
	\$	\$
AA rated banks	3,331,615	-

(c) Liquidity risk

Liquidity risk is the risk that the Company may encounter difficulty in meeting its financial obligations. The Company's objective is to maintain adequate funding to meet its needs, currently represented by cash and short-term deposits sufficient to meet the Company's current cash requirements.

Maturity analysis for financial liabilities

	30 June 2019	30 June 2018
	\$	\$
Within one year	450,117	349,917
Between one and five years	-	-
	<u>450,117</u>	<u>349,917</u>

Contractual cash flows for financial liabilities are the same as carrying value.

Note 3: Expenses

	30 June 2019	30 June 2018
	\$	\$
Administration		
General and Administration costs	674,087	86,887
Personnel costs	157,668	-
Share based payment expense	483,915	-
	<u>1,315,670</u>	<u>86,887</u>

Note 4: Income tax

	30 June 2019	30 June 2018
	\$	\$
Current tax	-	-
	<u>-</u>	<u>-</u>

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The prima facie income tax expense on pre-tax accounting loss reconciles to the income tax expense in the financial statements as follows:

Accounting loss before tax	(2,143,238)	(86,887)
Tax at the Australian statutory income tax rate of 27.5% (2018: 27.5%)	(589,390)	(23,894)
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Share based payment expense	133,077	-
Finance Cost (non cash)	240,900	-
Tax losses not brought to account	215,413	23,894
Income tax benefit reported in the Statement of Comprehensive Income	<u>-</u>	<u>-</u>
Unrecognised deferred tax assets		
Carry forward tax losses	239,307	23,894
Gross deferred tax assets not recognised	<u>239,307</u>	<u>23,894</u>

The taxation benefits of tax losses and temporary differences not brought to account will only be obtained if:

- (a) Assessable income is derived of a nature and of amount sufficient to enable the benefit from the deductions to be realised;
- (b) Conditions for deductibility imposed by law are complied with; and
- (c) No changes in tax legislation adversely affect the realisation of the benefit from the deductions.

Note 5: Loss per share

	30 June 2019	30 June 2018
Basic loss per share:		
Loss after income tax attributable to the ordinary shareholders of the Company (dollars)	(2,143,238)	(86,887)
Basic loss per fully paid ordinary share (dollars)	(0.0461)	(869)
Weighted average number of ordinary shares used in the calculation of basic and diluted earnings per share	46,442,418	100

The calculation of basic loss per share was based on the operating loss attributable to ordinary shareholders and a weighted average number of ordinary shares outstanding during the year.

This calculation does not include instruments that could potentially dilute basic earnings per share in the future as these instruments are anti-dilutive, since their inclusion would reduce the loss per share.

Note 6: Cash and cash equivalent

	30 June 2019 \$	30 June 2018 \$
Cash at Bank	295,146	-
Short term deposits	3,036,469	-
	<u>3,331,615</u>	<u>-</u>

Note 7: Other receivables

	30 June 2019 \$	30 June 2018 \$
Other receivables	132,000	-
Interest receivables	7,072	-
GST paid	87,094	-
	<u>226,166</u>	<u>-</u>

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Note 8: Non-current assets – Exploration and evaluation assets

	30 June 2019 \$	30 June 2018 \$
Opening balance	257,970	-
Acquisition of assets	4,072,030	120,000
Expenditure incurred for period	2,315,683	137,970
Exploration costs carried forward	<u>6,645,683</u>	<u>257,970</u>

During the year, Norwest Minerals Ltd acquired several Western Australian tenements from Australian Mines Limited, for cash consideration of \$400,000 and the share split of 100 shares to 18,000,000 shares valued at \$3.6million. The tenements had a deemed fair value of \$4 million.

Note 9: Plant and Equipment

	30 June 2019 \$	30 June 2018 \$
Plant and equipment		
Cost	362	-
Accumulated depreciation	(49)	-
	<u>313</u>	-
Office equipment		
Cost	22,203	-
Accumulated depreciation	(3,011)	-
	<u>19,192</u>	-
Furniture and fittings		
Cost	12,058	-
Accumulated depreciation	(1,635)	-
	<u>10,423</u>	-
Total plant and equipment	<u>29,928</u>	-

Movements in the carrying amount of each class are set out below.

Plant and equipment		
Balance at the beginning of the year	-	-
Additions	362	-
Depreciation	(49)	-
Carrying amount at the end of the year	<u>313</u>	-
Office equipment		
Balance at the beginning of the year	-	-
Additions	22,203	-
Depreciation	(3,011)	-
Carrying amount at the end of the year	<u>19,192</u>	-
Furniture and fittings		
Balance at the beginning of the year	-	-
Additions	12,058	-
Depreciation	(1,635)	-
Carrying amount at the end of the year	<u>10,423</u>	-

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Note 10: Trade and Other Payables

	30 June 2019 \$	30 June 2018 \$
Current		
Trade payables	433,380	-
Other payables	16,737	349,917
	<u>450,117</u>	<u>349,917</u>

Trade creditor amounts represent liabilities for goods and services provided to the Company prior to the end of the financial year and which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

Note 11: Financial Instruments

On 25 July 2018, the Company recognised financial instruments of \$500,000 in relation to a convertible note. One convertible note with a face value of \$500,000 was converted into either 1 share in the Company or 6.88 million shares in the Company. On 7 September 2018, 6.88 million shares were issued on conversion of the note.

	30 June 2019 \$
Share issue from 6.88 million shares issued following conversion of note (Note 12)	1,376,000
Non cash finance cost (Note 14)	(876,000)
Net proceeds	<u>500,000</u>

Note 12: Contributed equity

	30 June 2019 \$	No. of shares	30 June 2018 \$	No. of shares
Fully paid ordinary shares	11,539,480	62,880,000	100	100
Reconciliation of contributed equity				
Balance at beginning of period	100	100	-	-
Share placement @ \$1.00	-	-	100	100
Shares issued during the period:	-	-	-	-
Share split (i)	3,600,000	17,999,900	-	-
Share issue	500,000	5,000,000	-	-
Share issue through conversion of convertible note (Note 11)	1,376,000	6,880,000	-	-
Share issue through IPO	6,600,000	33,000,000	-	-
Costs of capital raising	(543,316)	-	-	-
Balance at end of period	<u>11,532,784</u>	<u>62,880,000</u>	<u>100</u>	<u>100</u>

- (i) The Company subdivided its existing share capital of 100 ordinary shares of \$1 each into 18,000,000 ordinary shares. The total paid up capital remains the same at \$100 and following the split each share on issue in the Company will have a paid-up amount of less than \$0.01.

Terms and conditions of issued capital

Holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at shareholders' meetings. In the event of winding up of the Company, ordinary shareholders rank after all other shareholders and creditors and are fully entitled to any proceeds of liquidation.

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Nature and purpose of reserves

Share-based payment reserve

The share-based premium reserve is used to recognise the value of options, service rights and performance rights issued as share-based payments.

	30 June 2019	30 June 2018
	\$	\$
Share-based payment reserve	483,915	-

Capital management

When managing capital, management's objective is to ensure the entity continues as a going concern as well as to maintain optimal returns to shareholders and benefits for other stakeholders. Management also aims to maintain a capital structure that ensures the lowest cost of capital available to the entity. The Company under the direction of management may issue new shares to provide for future development activity. The Company currently has no debt other than trade and other payables.

Note 13: Share-Based Payments

On 7 September 2018 the Directors' and Key Management Personnel were invited to apply for options. The options are divided into 2 tranches and subject to service period vesting conditions. The options aim to recognise long-term performance by rewarding the Directors' and Key Management Personnel which will allow them to share in the growth in the value of the Company.

The Company recognises the share-based payments expense over the vesting period for any options granted.

	Number
Outstanding at 1 July 2018	-
Granted during the year	4,769,000
Outstanding as at 30 June 2019	4,769,000
Vested and exercisable as at 30 June 2019	2,384,500

The fair value of the options was calculated using the Binomial option pricing model per the table below. The value of the options has been expensed on a proportionate basis for each period from grant date to vesting date.

	Grant Date	Vesting Date	Expiry Date	Exercise Price (\$)	Value per option (\$)	Share Options 30 June 2019 (Unit)	Condition	Share price on grant date (\$)	Volatility	Risk free rate	Vested and exercisable as at 30 June 2019
T1	7 September 2018	29 November 2018	6 September 2023	0.20	0.131	2,384,500	Service period	0.20	95%	2.17%	2,384,500
T2	7 September 2018	29 November 2019	6 September 2023	0.25	0.123	2,384,500	Service period	0.20	95%	2.17%	-

Options issued to Directors' and Key Management Personnel

Name	Tranche 1 Options Issued	Tranche 2 Options Issued
Charles Schaus	1,010,000	1,010,000
Michael D. Tilley	437,000	437,000
Yew Fei Chee	312,500	312,500
Ching Hong Loong	312,500	312,500
Kok Hou Leong	312,500	312,500

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Note 14: Cash Flow Reconciliation

(a) Cash and cash equivalents

For the purposes of the statement of cash flows, cash and cash equivalents include cash at bank and deposits at call.

Reconciliation of operating loss after income tax to net cash used in operating activities

	30 June 2019	30 June 2018
	\$	\$
Operating loss after income tax	(2,143,238)	-
Adjusted for:		
Depreciation and amortisation as per profit or loss	4,695	-
Share-based payments	483,915	-
Non cash finance cost	876,000	-
Changes in operating assets and liabilities		
(Increase)/decrease in trade and other receivables	(139,072)	-
(Increase)/decrease in prepayments	1,860	-
Increase/(decrease) in trade and other payables	11,598	-
Net cash used in operating activities	(904,242)	-

(c) Non-cash investing and financing activities

During the year there were non-cash financing and investing activities as disclosed in Note 11.

Note 15: Related party transactions

The key management personnel compensation is as follows:

	30 June 2019	30 June 2018
	\$	\$
Short-term benefits	270,436	-
Post-employment benefits	24,424	-
Share-based payments (refer Note 14)	483,914	-
	<u>778,774</u>	<u>-</u>

Executive Service Agreement

The Company has entered into an executive employment agreement with its chief executive officer, Mr. Charles Schaus. Under the executive employment agreement:

(a) Mr. Schaus is entitled to receive a base salary of \$250,000 per annum, inclusive of superannuation and benefits provided;

(b) Mr. Schaus is entitled to participate in the Company's long-term incentive plan. A nominated entity of Mr Schaus has been issued 1,010,000 Tranche 1 Options and 1,010,000 Tranche 2 Options;

(c) Mr. Schaus or the Company may terminate Mr Schaus' employment with three months' notice. The Company may terminate Mr. Schaus' employment for cause with one month's written notice and immediately on the occurrence of certain breaches specified in the executive employment agreement;

(d) Mr. Schaus is subject to non-compete and non-solicit obligations for up to 9 months following termination of his employment with the Company.

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Other key management personnel transactions

		30 June 2019	30 June 2018
		\$	\$
Director (s)	Transactions		
Michael D. Tilley	Michael D. Tilley is non-executive director of Terrain Capital Limited and Norwest. Advisory fees, corporate finance services, IPO services, placement of shares. Refer note (i)	564,574	-
Yew Fei Chee	YF Chee Holdings Sdn Bhd is a company controlled by Yew Fei Chee. Refer note (ii)	Refer note (ii)	-
Kok Hou Leong	Merit Grace Global Limited is a company controlled by Kok Hou Leong. Refer note (ii)	Refer note (ii)	-
Dominic Marinelli, Benjamin Bell, Michael Ramsden	Dominic Marinelli (resigned), Benjamin Bell, Michael Ramsden (resigned) are directors of both Norwest and Australian Mines Limited. Refer note (ii)	Refer note (ii)	-
Benjamin Bell	Benjamin Bell is entitled to director fee of \$50,000 per annum inclusive of superannuation.	40,834	

- (i) The amount was paid to Terrain Capital Limited. Mr. Tilley is the non-executive chairman of Terrain Capital Limited but does not otherwise hold or control any equity interest in Terrain Capital Limited and received no benefit from the transaction. No amounts were owing to Terrain Capital Ltd at 31 December 2018. All transactions were made on normal commercial terms.
- (ii) In July 2018 Australian Mines Ltd.'s Western Australian gold and base metal exploration assets were transferred to its then subsidiary, Norwest Minerals Pty Ltd. Norwest completed an Initial Public Offering (IPO) to raise \$6.6 million by the end of November 2018. Seed funding of \$1 million was raised and cornerstone investment agreements was signed for an additional \$4 million. The balance of \$2.6 million was offered to the public with a priority offer to Australian Mines Ltd shareholders. Post-listing, Australian Mines Ltd retained a 28.6% interest in Norwest Minerals. All transactions were made on normal commercial terms.

Norwest and Australian Mines Ltd have entered into three separate agreements:

1. A Subscription and Convertible Note Agreement with CNG Global Ltd for \$1 million. These seed funds (\$500,000 relates to seed capital and \$500,000 relates to a convertible note described below) were utilised to pay anticipated costs associated with the IPO and refund Australian Mines certain costs and expenses already paid in relation to the IPO (including in relation to the transfer of assets to Norwest); and

One convertible note with face value of \$500,000 that converted into 6,800,000 shares in Norwest subsequent to CNG Global Ltd procured Cornerstone Investors ("Cornerstone Investors") to deposit a total of \$4 million in subscription moneys in the IPO under Cornerstone Agreements as described in paragraph (2) below.

2. Two Cornerstone Agreements with YF Chee Holdings Sdn Bhd ('YFC') and Merit Grace Global Limited ('MGG'), under which YFC and MGG respectively deposited \$3 million and \$1 million to Norwest prior to the IPO to subscribe for shares at \$0.20 per share under the public offer.

All transactions above were made on normal commercial terms.

Other related party transactions

The Company paid \$415,962 to Australian Mines Ltd of which \$400,000 relates to payment for the purchase of Australian Mines Ltd.'s Western Australian gold and base metal exploration assets and \$15,962 relates to repayment of loan. No amounts were owing to Australian Mines Ltd at 30 June 2019. All transactions were made on normal commercial terms.

Norwest Minerals Ltd
Notes to the Financial Statements
For the year ended 30 June 2019

Note 16: Auditor's Remuneration

The auditor of the Company is BDO (WA) Pty Ltd.

	30 June 2019	30 June 2018
	\$	\$
Amounts received or due and receivable:		
BDO Corporate Finance, BDO Tax and BDO Audit		
Audit and review of financial reports	26,823	-
Tax consulting	-	-
Other consulting work relates to Initial Public Offering (IPO)	16,160	-
	<u>42,983</u>	<u>-</u>

Note 17: Segment Reporting

The Company has only one reportable segment, which relates to the exploration activities.

Note 18: Events occurring after the reporting period

On 9 July 2019, the Company announced the purchase of 100% owned Bulgera Gold Project located in the +5 million ounce Plutonic Well Greenstone Belt of Western Australia.

Subsequently, the Company has announced a pro rata non-renounceable rights issue to Eligible Shareholders on the basis of one New Share for every three Shares held on the Record Date at \$0.15 per New Share to raise up to \$3.144 million before costs (Rights Issue).

The Record Date is 7.00pm AWST on 2 September 2019. Directors have advised that they will take up their rights under the Rights Issue as shareholders, and further, a director and the CEO have agreed to partly underwrite the Rights Issue.

The Rights Issue will be conducted without a prospectus and by way of a Letter of Offer lodged with the ASX. Capitalised terms in this announcement are as defined in that Letter of Offer.

The purpose of the capital raising is to fund activities concerning the Arunta West iron-oxide copper-gold (IOCG) Project and Bulgera Gold Project.

Except for the above, the directors are not aware of any other matters or circumstances that have arisen since the end of the year that significantly affected or may significantly affect the operation of the Company, the results of those operations, or the state of affairs of the Company in subsequent years.

Note 19: Commitments and Contingencies

There are no contingent liabilities or contingent assets of the Company at reporting date.

Other expenditure commitments

Expenditure commitments at 30 June 2019 but not recognised as liabilities are as follows:

	30 June 2019	30 June 2018
	\$	\$
Operating lease commitment		
Within one year	46,506	-
After one year but not more than five years	27,129	-
More than five years	-	-
	<u>73,635</u>	<u>-</u>

Norwest Minerals Ltd

Directors' declaration For the year ended 30 June 2019

In the opinion of the Directors of Norwest Minerals Limited ('the Company'):

(a) the financial statements and notes and the remuneration disclosures contained in the Remuneration report in the Directors' report, as set out in page 39, are in accordance with the Corporations Act 2001, including:

- (i) giving a true and fair view of the financial position of the Company as at 30 June 2019 and its performance, for the financial year ended on that date; and
- (ii) complying with Australian Accounting Standards (including the Australian accounting interpretations), the Corporations Regulations 2001 and other mandatory professional reporting requirements.

(b) the financial report also complies with International Reporting standards as disclosed in note 1(a).

(c) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable. The directors have been given the declaration required by Section 295A of the Corporations Act 2001 from the Chief Operating Officer for the financial year ended 30 June 2019.

Signed in accordance with a resolution of the directors made pursuant to s.303(5) of the *Corporations Act 2001*.



Michael D. Tilley,
Director

Melbourne
26 September 2019

INDEPENDENT AUDITOR'S REPORT

To the members of Norwest Minerals Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Norwest Minerals Limited (the Company), which comprises the statement of financial position as at 30 June 2019, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial report, including a summary of significant accounting policies, and the directors' declaration.

In our opinion the accompanying financial report of Norwest Minerals Limited, is in accordance with the Corporations Act 2001, including:

- (i) Giving a true and fair view of the Company's financial position as at 30 June 2019 and of its financial performance for the year ended on that date; and
- (ii) Complying with Australian Accounting Standards and the Corporations Regulations 2001.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the Financial Report section of our report. We are independent of the Company in accordance with the Corporations Act 2001 and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the Corporations Act 2001, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Accounting for Exploration and Evaluation Assets

Key audit matter	How the matter was addressed in our audit
<p>As disclosed in Note 8 to the Financial Report, the carrying value of capitalised exploration and evaluation expenditure represents a significant asset of the Company.</p> <p>Refer to Note 1(b) and Note 1(f) of the Financial Report for a description of the accounting policy and significant judgements applied to capitalised exploration and evaluation expenditure.</p> <p>In accordance with AASB 6 Exploration for and Evaluation of Mineral Resources (AASB 6), the recoverability of exploration and evaluation expenditure requires significant judgment by management in determining whether there are any facts or circumstances that exist to suggest that the carrying amount of this asset may exceed its recoverable amount. As a result, this is considered a key audit matter.</p>	<p>Our procedures included, but were not limited to:</p> <ul style="list-style-type: none"> • Obtaining a schedule of the areas of interest held by the Company and assessing whether the rights to tenure of those areas of interest remained current at balance date; • Considering the status of the ongoing exploration programmes in the respective areas of interest by holding discussions with management, and reviewing the Company's exploration budgets, ASX announcements and directors' minutes; • Considering whether any such areas of interest had reached a stage where a reasonable assessment of economically recoverable reserves existed; • Verifying, on a sample basis, exploration and evaluation expenditure capitalised during the year for compliance with the recognition and measurement criteria of AASB 6; • Considering whether any facts or circumstances existed to suggest impairment testing was required; and • Assessing the adequacy of the related disclosures in Note 1(b), Note 1(f) and Note 8 to the Financial Report.

Other information

The directors are responsible for the other information. The other information comprises the information in the Company's annual report for the year ended 30 June 2019, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website (<http://www.auasb.gov.au/Home.aspx>) at:

http://www.auasb.gov.au/auditors_responsibilities/ar2.pdf

This description forms part of our auditor's report.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 39 to 43 of the directors' report for the year ended 30 June 2019.

In our opinion, the Remuneration Report of Norwest Minerals Limited, for the year ended 30 June 2019, complies with section 300A of the Corporations Act 2001.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the Corporations Act 2001. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

BDO Audit (WA) Pty Ltd



Jarrad Prue

Director

Perth, 26 September 2019

ASX ADDITIONAL INFORMATION

Additional information as required by the Australian Securities Exchange Listing Rules and not disclosed elsewhere in this report is set out below. This information is current as at 20 September 2019.

Distribution of Quoted Securities

Ranges	No. of Holders of Ordinary Shares	No. of Ordinary Shares
1 - 1,000	7	870
1,001 - 5,000	28	87,894
5,001 - 10,000	223	2,203,249
10,001 – 100,000	51	1,520,899
100,000 and over	22	59,067,088
Total	331	62,880,000

There were 16 shareholders holding less than a marketable parcel of ordinary shares.

Quoted and Unquoted Equity Securities

Equity Security	Quoted	Unquoted
Ordinary Shares	62,880,000	Nil
Unlisted options TRANCHE 1 OPTIONS @ \$0.20 EXP 5YRS ESC 24M LIST	Nil	1,374,500
Unlisted options TRANCHE 2 OPTIONS @ \$0.25 EXP 5YRS ESC 24M LIST	Nil	1,374,500
Unlisted options TRANCHE 1 OPTIONS @ \$0.20 EXP 5YRS	Nil	1,010,000
Unlisted options TRANCHE 2 OPTIONS @ \$0.25 EXP 5YRS	Nil	1,010,000

Unlisted Options

Exercise Price	Expiry Date	No. of Options	No. of Holders
\$0.20	7 September 2023	2,384,500	5
\$0.25	7 September 2023	2,384,500	5

Twenty Largest Holders of Ordinary Shares

	Name	Shares Held	Percentage %
1	AUSTRALIAN MINES LIMITED	18,000,000	28.63%
2	CNG GLOBAL LTD	5,500,000	8.75%
3	CATHERINE CHEE	5,000,000	7.95%
3	YF CHEE HOLDINGS SDN BHD	5,000,000	7.95%

3	CHING HONG LOONG	5,000,000	7.95%
3	MERIT GRACE GLOBAL LIMITED	5,000,000	7.95%
4	MAY LEE YEOW	4,500,000	7.16%
5	CHENG ENG THE	3,000,000	4.77%
6	CITICORP NOMINEES PTY LIMITED	2,394,719	3.81%
7	KUN ANN THE	1,250,000	1.99%
8	LAGUNA STAR VENTURES LIMITED	1,196,620	1.90%
9	J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	738,333	1.17%
10	FONG WEE CHONG	500,000	0.80%
11	CHZE LOONG TAN	350,000	0.56%
11	BENG KEONG PANG	350,000	0.56%
12	ROGER LINDSAY MEDWAY	300,000	0.48%
13	ROGER MEDWAY & KAY HARDY <KAY HARDY SUPER FUND A/C>	215,452	0.34%
14	HOON SIONG ONG	180,000	0.29%
15	THUY THI THANH NGUYEN	163,145	0.26%
16	THONG HEE SOH	160,000	0.25%
17	KWE HEE TAN	150,000	0.24%
18	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	118,819	0.19%
19	WING SENG PONG	100,000	0.16%
19	PARK ROAD SF PTY LTD <PARK ROAD SUPER FUND A/C>	100,000	0.16%
19	HILROB INVESTMENTS PTY LTD <ROBERT & HILARY BUNN S/F A/C>	100,000	0.16%
20	MARK HECTOR TURNER	90,000	0.14%
	TOTAL	59,457,088	94.56%

Substantial Shareholders

Substantial shareholders who have notified the Company in accordance with section 671B of the Corporations Act 2001 are as follows:

Shareholder	No. of Shares	% Issued Capital
AUSTRALIAN MINES LIMITED	18,000,000	28.63%
CNG GLOBAL LTD	5,500,000	8.75%
YF CHEE HOLDINGS SDN BHD	5,000,000	7.95%
MERIT GRACE GLOBAL LIMITED	5,000,000	7.95%
CATHERINE CHEE	5,000,000	7.95%
CHING HONG LOONG	5,000,000	7.95%
MAY LEE YEOW	4,500,000	7.16%

Voting Rights

Ordinary shares carry one vote per share. There are no voting rights attached to the options in the Company.

Stock Exchange

The Company is listed on the Australian Securities Exchange and has been allocated the code “NWM”. The “Home Exchange” is Perth.

On-market Buy-back

There is no current on-market buy-back.

Other Information

Norwest Minerals Limited is incorporated and domiciled in Australia, and is publicly listed company limited by shares.