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22 November 2004

ASX Announcement

AC/P 32 Agreement with Arc Energy

Norwest is pleased to announce that agreement has been reached with Arc Energy which gives Arc the right to earn a 25% interest in AC/P 32 by funding 37.5% of the upcoming Magnolia oil exploration well, and a portion of seismic costs. It is anticipated that the well be drilled in February/March 2005 subject to rig scheduling. The Agreement is subject to the relevant authority granting a suspension of the current permit terms to a date sufficient to allow the drilling of the well. Norwest, as the Operator for the group, has applied for and is pursuing discussions with the Northern Territory Department of Business, Industry and Resource Development to gain this suspension.

AC/P32 is located in the Vulcan sub-basin of the coast of Western Australia, and is surrounded by existing oil and gas production and discoveries including Jabiru, Challis, Cassini, Skua, Swift and Montara. The Magnolia prospect is defined by 3D seismic with the potential to hold 80 to 100 million barrels of recoverable oil.

Joe Salomon
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