

ASX ANNOUNCEMENT AND MEDIA RELEASE

**19th October 2004
Notice of Meeting**

Norwest Energy NL

ACN 078 301 505

Information Memorandum

including

Notice of Meeting

Explanatory Statement

Proxy Form

To assist Shareholders in their consideration of resolutions to be put to the Annual General Meeting of Shareholders of the Company to be held at Australia Asia House, 275 Stirling Street, Perth, Western Australia on Friday 26 November 2004 at 9.30am.

Notice of Meeting

Notice is hereby given that the Annual General Meeting of Shareholders will be held at Australia Asia House, 275 Stirling Street, Perth on Friday 26 November 2004 at 9:30 am.

BUSINESS

Annual Financial Statements

To receive and consider the Annual Financial Statements, the Directors' Report and Auditor's Reports of the Company for the year ended 30 June 2004.

BY ORDINARY RESOLUTION

To consider, and if thought fit, to pass the following resolutions as ordinary resolutions:

1. Election of Director

To elect Mr Andrejs (Andrew) Karlis Svalbe, who retires by rotation in accordance with the Constitution and, being eligible, offers himself for re-election as a Director.

2. Election of Director

To elect Mr Peter Lawson Munachen, who, having been appointed since the last Annual General Meeting, retires in accordance with the Constitution and, being eligible, offers himself for re-election as a Director.

3. Election of Director

To elect Mr Jonathan (Joe) Arnold Salomon, who, having been appointed since the last Annual General Meeting, retires in accordance with the Constitution and, being eligible, offers himself for re-election as a Director.

4. Issue of Options to Directors

That, for the purposes of Rule 10.11 of the Listing Rules and section 208 of the Corporations Act and for all other purposes, the Company be authorised to issue free options to subscribe for Shares, within one month of the date of the meeting to the following Directors (or their Eligible Nominee) at an exercise price of 15 cents (\$0.15) each, the terms and conditions of which are set out in Section 2 of the Explanatory Statement which accompanies the Notice of Meeting:

Name of Director	Number of options
H D Kennedy	500,000
P L Munachen	750,000
A K Svalbe	750,000
J A Salomon	<u>500,000</u>
	<u>2,500,000</u>

Pursuant to the Listing Rules and the Corporations Act a director may not participate in an issue of securities unless prior approval is received from Shareholders.

In respect of the directors of the Company listed above, the following information is supplied for the purposes of Rule 10.13 of the Listing Rules and the Corporations Act:

- a) the total number of Options to be issued is 2,500,000, and the maximum number to be issued to each Director is set out above;
- b) each Option will be issued free;
- c) the exercise price of each Option will be 15 cents;
- d) the Options will expire on 25 November 2009.

5. Approval of Increase in total amount of Non-Executive Directors' Fees

"That the Company approve the increase in the total amount of directors' fees that may be received by the Company's non-executive directors from \$100,000 to \$200,000".

To consider, and if thought fit, to pass the following resolution as a special resolution:

6. New Constitution

To adopt as the Constitution of the Company the document tabled by the Chairman of the meeting with effect from the closure of the meeting.

Dated at Perth this 19th day of October 2004

By Order of the Board

E A Myers

Secretary

These notes form part of the Notice of Annual General Meeting. The notice of general meeting should be read in conjunction with the accompanying Explanatory Statement.

Defined words and phrases used in this Notice of Annual General Meeting are defined in section 3 of the accompanying Explanatory Statement.

The Company has determined that ordinary shares held as at 9.30am (WST) on 25 November 2004 will be taken, for the purposes of the general meeting, to be held by the persons who held them at that time. Accordingly, transactions registered after that time will be disregarded in determining entitlements to attend and vote at the meeting.

Under Rule 14.11 of the Listing Rules the Company will disregard any votes cast on resolutions 4 and 5 by the following persons:

RESOLUTION	PERSONS EXCLUDED FROM VOTING
Resolution 4	1.H.D.Kennedy, P.L.Munachen, J.A.Salomon and A.K. Svalbe. 2. Any person who is an associate of a person referred to in item 1 above
Resolution 5	1. H.D.Kennedy, P.L.Munachen, J.A.Salomon and A.K. Svalbe. 2.Any person who is an associate of a person referred to in item 1 above

However, the Company need not disregard a vote if:

it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or

it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

each member has a right to appoint a proxy;

the proxy need not be himself or herself be a member of the Company;

a member who is entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If no proportion or number is specified, then in accordance with section 249X(3) of the Corporations Act, each proxy may exercise half of the votes.

In accordance with section 250BA of the Corporations Act, the Company specifies the following information for the purposes of receipt of proxy appointments:

By mail and by hand during office hours.	288 Stirling Street, Perth, Western Australia 6000	By Facsimile:	+ 61 8 9227 3211
--	--	---------------	------------------

Each member entitled to vote at the general meeting has the right to appoint a proxy to attend and vote at the meeting on his behalf. The member may specify the way in which the proxy is to vote on each resolution or may allow the proxy to vote at his discretion. The instrument appointing the proxy must be received by the Company at the address specified above at least 48 hours before the time notified for the meeting (proxy forms can be lodged by facsimile). If signing under a power of attorney, the power of attorney must be deposited at the Company's registered office for inspection and return, when the proxy is lodged.

Bodies corporate

A body corporate may appoint an individual as its representative to exercise any of the powers the body may exercise at meetings of a company's shareholders. The appointment may be a standing one. Unless the appointment states otherwise, the representative may exercise all of the powers that the appointing body could exercise at a meeting or in voting on a resolution.

Explanatory Statement to Shareholders to Accompany Notice of Meeting

This Statement has been prepared for the information of Shareholders in Norwest Energy NL in connection with the resolutions to be put to members at the Annual General Meeting of the Company to be held on 26 November 2004 other than those relating to the ordinary business of receiving accounts.

Section 1: The Resolutions

Resolution 1. Re-election of Mr A K Svalbe as a Director

Mr Svalbe, BSc (Hons) Econ. Geol, is a Non-Executive Director and been a member of the Board since January 1998. He is 61 years of age and has been involved with a diverse range of exploration, development and production projects. Mr Svalbe is also a director of Pancontinental Oil & Gas NL.

Mr Svalbe is considered by the Board to be an independent Director.

The Directors of the Company recommend that Shareholders vote in favour of the re-election of Mr Svalbe. The Chairman intends to vote undirected proxies in favour of this resolution.

Resolution 2. Re-election of Mr P L Munachen as a Director

Mr Munachen, FCA, is an Executive Director and been a member of the Board since November 2003. He is 58 years of age and has had extensive corporate and finance experience. Mr Munachen is also a director of Pancontinental Oil & Gas NL, Sub-Sahara Resources NL, Newland Resources Limited and an alternate director on the board of Dragon Mining NL and New World Alloys Limited.

Mr Munachen is responsible for the corporate and finance functions of the Company.

The Directors of the Company recommend that Shareholders vote in favour of the re-election of Mr

Munachen. The Chairman intends to vote undirected proxies in favour of this resolution.

Resolution 3. Re-election of Mr J A Salomon as a Director

Mr Salomon, BSc, is the Chief Executive Officer of the Company and been a member of the Board since October 2004. He is 48 years of age and has over 20 years experience in both large and small exploration and production companies.

The Directors of the Company recommend that Shareholders vote in favour of the re-election of Mr Salomon. The Chairman intends to vote undirected proxies in favour of this resolution.

Resolution 4. Issue of Options to Directors

Shareholders are asked to approve the issue to Directors of options to acquire fully paid ordinary shares at an exercise price of 15 cents (\$0.15) each on the terms and conditions set out in Section 2 of this Explanatory Statement .

Rule 10.11 of the Listing Rules and section 208 of the Corporations Act prohibit the Company from issuing shares or options to Directors without the prior approval of Shareholders. As approval is being sought from Shareholders for the issue of shares pursuant to Listing Rule 10.11 approval is not also required pursuant to Listing Rule 7.1.

The Company acknowledges the issue of options to Non-executive Directors, Messrs Kennedy and Svalbe, is contrary to recommendation 9.3 of the ASX Principles of Good Corporate Governance and Best Practice Recommendations. However, the Board considers the grant of the Options pursuant to Resolution 4 to be reasonable in the circumstances given the Company's size and stage of development and the necessity to attract and retain the highest calibre of professionals to the role, whilst maintaining the Company's cash reserves.

The Options are to be issued to the Directors in recognition of their services to the Company and as an incentive for future performance. The Board is also mindful of the fact that Directors bear a great responsibility for the complex and demanding activities of the Company and the risks associated with those activities.

The 2,500,000 Options proposed to be issued will not be listed on the ASX and as such will not be tradeable.

The 2,500,000 Options may be converted to Shares by payment to the Company of 15 cents for each Option exercised and may not have a present value at the date of grant. The Options may acquire future value dependent upon the extent to which the value of Shares exceeds 15 cents during the term of the Options.

The Black-Scholes Option Pricing Model (BSOPM) for valuing options has been adopted assuming a market value of Shares of 6.7 cents (\$0.067) with a risk-free rate of 5.38% and volatility of 65%. The BSOPM is equal to approximately \$0.03 per Option or a value of to each individual Director over the five year term of the Options as follows:

Mr H D Kennedy	\$13,913
Mr PL Munachen	\$20,869

Mr AK Svalbe \$20,869

Mr JA Salomon \$13,913

If approval is granted for the issue of the options, the total remuneration package for each director is as follows:

Director	Base Fees	Superannuation	Value of Options	Total
Mr H D Kennedy	\$35,000	-	\$13,913	\$48,913
Mr P L Munachen	\$68,000	-	\$20,869	\$88,869
Mr A K Svalbe	\$20,000	\$1,800	\$20,869	\$42,669
Mr JA Salomon	\$220,000	-	\$13,913	\$233,913

The Company currently has 167,471,872 Shares on issue, together with 46,420,643 listed 31 December 2004 options. In addition there are on issue 2,850,000 Directors and 400,000 Staff Unlisted 28 November 2007 options exercisable at 20 cents each. There are also 1,000,000 options issued to the Chief Executive Officer; 500,000 exercisable at 10 cents each (\$0.10) and 500,000 exercisable at 15 cents each on or before 30 June 2008. These unlisted options have been issued to the Directors and Staff pursuant to previous shareholder approvals.

The total number of Options to be issued under resolution 4 is 2,500,000. If all these Options were to be exercised, this would represent approximately 1% of the issued capital of the Company (on an undiluted basis), assuming no other Shares were issued in the meantime.

The Company will incur no liabilities or costs in respect of the issue of the Options to Directors other than:

the cost of holding the Meeting, estimated at \$5,000 (which would be payable regardless of whether or not any Options are issued to Directors); and

the fees payable to ASX for quotation of the Shares issued on exercise of the Options. At current rates this is approximately \$2,165.

This is an ordinary resolution requiring a simple majority of Shareholders present and voting. The Chairman intends to vote undirected proxies in favour of this resolution.

Resolution 5. Approval of Increase in Non-Executive Directors' Fees

Under Listing Rule 10.17, the Company must not, without the approval of Shareholders, increase the total amount of directors' fees payable by it without the approval of Shareholders.

The maximum total amount of directors' fees was last approved by Shareholders at the Annual General Meeting held on 4 August 1997 and was set at \$100,000.

In accordance with good Corporate Governance and best practice recommendations, non-executive Directors do not receive retirement benefits other than statutory superannuation.

In order to ensure that the non-executive Director's remuneration is in keeping with other comparable listed corporations, and having regard to the fact that there may be a future need to appoint additional directors, it is proposed that the maximum that may be paid as Director's fees be increased from \$100,000 to \$200,000.

The Directors do not make any recommendation in respect of this resolution given the interest of the non-executive Directors in the resolution. The Chairman intends to vote undirected proxies in favour of this resolution.

Resolution 6. Adoption of a New Constitution

The proposed constitution updates and replaces the existing constitution for changes that have occurred to the Corporations Act and the Australian Stock Exchange listing Rules since the existing constitution was adopted in 1997.

A copy of the new constitution will be available for inspection at the Annual General Meeting. Shareholders may also:

- a) contact the Company to inspect the existing and proposed constitutions at the registered office of the Company during normal business hours; or
- b) request in writing that the Company send to them a copy of the existing constitution and the proposed constitution.

This is a special resolution requiring a seventy five percent (75%) majority of Shareholders present and voting. The Directors of the Company recommend that Shareholders vote in favour of this resolution. The Chairman intends to vote undirected proxies in favour of this resolution.

Section 2: Terms and Conditions of the Options

- c) No monies are payable for the issue of the Options.
- d) Each Option carries the right in favour of the Option holder to subscribe for one Share.
- e) Subject to the Listing Rules, Shares subscribed for on exercise of the Options are issued at the Exercise Price of 15 cents each and are payable in full on exercise of the Options.
- f) Unless otherwise approved by resolution of Shareholders the Options are exercisable as follows:
 - i. 50% may be converted to Shares after a period of six months has elapsed from the date of issue;
 - ii. 100% may be converted to Shares after a period of twelve months has elapsed from the date of issue;
- g) The Options issued must be exercised on or before 25 November 2009.
- h) Notwithstanding paragraph (d) an Option holder may exercise any of the Options during a Takeover Period.
- i) Subject to the Listing Rules, an Option holder may not sell, transfer, assign, give or otherwise dispose of, in equity or in law, the benefit of the Options, other than to an Eligible Nominee of that Option holder.
- j) The Options cannot be listed for official quotation on ASX nor on any other official stock exchange in any other country.

k) The Options are exercisable by the delivery to the Company of the Option exercise form appearing on the reverse of the option certificate stating the intention of the Option holder to exercise all or a specified number of the Options held by the Option holder accompanied by the option certificate and a cheque made payable to the Company for the Exercise Price for each of the Options to be exercised. An exercise of only some of the Options does not affect the rights of the Option holder to the balance of the Options held by the Option holder.

l) The Company must allot the resultant Shares and dispatch the holding statements within five business days of the exercise of the Options.

m) Shares allotted pursuant to an exercise of Options rank, from the date of allotment, equally with existing Shares of the Company in all respects.

n) The Company must within 3 business days of allotment make application to have Shares allotted pursuant to an exercise of the Options listed for official quotation by ASX and any other stock exchange on which the Shares are quoted from time to time.

o) There are no participating rights or entitlements inherent in the Options and holders are not entitled to participate in new issues of capital offered to shareholders during the currency of the Options. However, the Company will ensure that for the purposes of determining entitlements to any such issue, the record date will be at least 10 business days after the issue is announced. This will give Option holders the opportunity to exercise their Options prior to the date for determining entitlements to participate in any such issue.

p) There will be no change to the exercise price of the Option or the number of Shares over which the Option is exercisable in the event of the Company making a pro rata issue of Shares or other securities to the holders of Shares (other than a bonus issue).

q) If there is a bonus share issue (**Bonus Issue**) to the holders of Shares, the number of Shares over which the Options are exercisable will be increased by the number of Shares which the Option holder would have received if the Options had been exercised before the record date for the bonus issue (**Bonus Shares**). The Bonus Shares must be paid up by the Company out of the profits or reserves (as the case may be) in the same manner as was applied in the Bonus Issue and upon issue rank equally in all respects with the other shares of that class on issue at the date of issue of the Bonus Shares.

r) In the event of a re-organisation of the issued capital of the Company the Options must be re-organised in accordance with the Listing Rules.

Section 3: Glossary of Defined Terms

The following terms and abbreviations used in this Explanatory Statement and Notice of Meeting have the following meanings:

ASIC means the Australian Securities and Investments Commission.

ASX means Australian Stock Exchange Limited.

Board means the board of directors of the Company.

Business Day means a day on which trading takes place on the stock market of the ASX.

Company or Norwest means Norwest Energy NL (ABN 95 078 310 505).

Constitution means the Company's constitution.

Corporations Act means the Corporations Act 2001 (Cth).

Director means a director of the Company.

Dollar or \$ means Australian dollars unless otherwise indicated.

Eligible Nominee means a spouse of a Director, a body corporate in which a Director is beneficially entitled to not less than 50% of the issued voting share capital, or a trustee of a family trust established for the benefit of the family of the Director, in their capacity as trustee.

Listing Rules means the Official Listing Rules of the ASX.

Meeting means the annual general meeting held on 26 November 2004.

Options means the free 25 November 2009 options to be issued under resolution 4.

Participating Organisation has the meaning given to that term in the Listing Rules.

Share means an ordinary fully paid share in the Company.

Shareholder means the holder of one or more Shares.

Takeover Period, in relation to a takeover bid in respect of shares in the Company, means the period referred to in section 624 of the Corporations Act as extended under the Corporations Act, provided that where a takeover bid is publicly announced prior to the service of a Part A Statement on the Company in relation to that takeover bid, the Takeover Period is deemed to have commenced at the time of that announcement.

WST means Australian Western Standard Time

PROXY FORM

I
.....of.....

being a member of Norwest Energy NL hereby appoint

.....
of.....

or failing him

.....
of.....

or failing them, the Chairman of the meeting as my proxy to vote for me and on my behalf at the Annual General Meeting of the Company to be held on Friday 26 November 2004 and at any adjournment

thereof.

If no person is named above or if the person named does not attend the meeting or is not a legally effective choice the Chairman of the meeting will be my/our proxy to vote for me/us on my/our behalf at the meeting or any adjournment of the meeting. I/we understand that the Chairman intends to vote in favour of resolutions 1, 2, 3, 4, 5 and 6.

If you do not wish to direct your proxy how to vote, please place a mark in the box. By marking this box, you acknowledge that the Chairman may exercise your proxy even if he has an interest in the outcome of resolutions 4, 5 & 6 and votes cast by him other than as a proxy holder will be disregarded because of that interest.

I/we understand that if I/we have not directed my/our proxy how to vote, my/our proxy may vote or abstain from voting as he or she thinks fit.

RESOLUTIONS

		FOR		AGAINST		ABSTAIN
1	Election of Director - Mr A K Svalbe					
2	Election of Director - Mr P L Munachen					
3	Election of Director - Mr J A Salomon					
4	Issue of Options to Directors:					
(a)	Issue of Options to Mr H D Kennedy					
(b)	Issue of Options to Mr P L Munachen					
(c)	Issue of Options to Mr A K Svalbe					
(d)	Issue of Options to Mr J A Salomon					
5	Approval of Increase in total amount of Non-Executive Directors' Fees					
6	Adoption of the new Constitution					

Dated this.....day of.....2004

If the member is a company, it must affix its Common Seal or sign by a duly authorised officer.

Proxy forms (and power of attorney, if any, under which the proxy form is signed) must be:

sent by mail or delivered to 288 Stirling Street ,Perth, Western Australia, 6000 or

by fax to: +61 8 9227 3211

If the member is a company;

EXECUTED by

ACN

in accordance with section 127 of the Corporations Law

.....
Director/Company Secretary*	Director/Sole Director and Sole Company Secretary*
.....

.....
Name of Director/Company Secretary*	Name of Director/Sole Director and Sole Company Secretary*
(BLOCK LETTERS)	(BLOCK LETTERS)

*Delete whichever is not applicable

or

.....
Signature	(Insert capacity in which duly authorised officer is signing for a member which is a company)

If the member is an individual or joint holders:

.....
Signature	Signature

Instructions for appointment of proxy

1. A member entitled to attend and vote at the Meeting is entitled to appoint not more than 2 proxies to vote on the member's behalf.
2. Where 2 proxies are appointed and the appointment does not specify the proportion or number of the member's votes each proxy may exercise half of the member's voting rights.
3. A proxy need not be a member.
4. Proxy forms (and the power of attorney, if any, under which the proxy form is signed) must be received at 288 Stirling Street, Perth, Western Australia, fax number (08) 9227 3211 no later than 48 hours before the time fixed for holding the meeting.
5. Appointment of a proxy by a member being a natural person must be under the hand of the member or

of an attorney appointed in writing by the member.

6. Appointment of a proxy by a member being a body corporate must be under the common seal of the body corporate or under the hand of an attorney appointed in writing by the body corporate.

7. If signing under a power of attorney, the power of attorney must be deposited at the Company's registered office for inspection and return, when the proxy is lodged.

8. The proxy appointment may be a standing appointment for all general meetings until it is revoked.

As permitted by the Corporations Act, the Company has determined that all securities of the Company registered as at 24 hours before the time appointed for the meeting will be taken for purposes of the meeting, to be held by the persons who are the registered holders. Accordingly, transactions registered after that time will be disregarded in determining entitlements to attend and vote at the meeting.

Proxy forms (and power of attorney, if any, under which the proxy form is signed) must be:

sent by mail or delivered to 288 Stirling Street, Perth, Western Australia, 6000 or by fax to: +61 8 9227 3211