

ASX ANNOUNCEMENT AND MEDIA RELEASE

01 July 2004

Cancellation of Employee Options

Norwest Energy wishes to advise that pursuant to the terms of the Norwest Employee Option Plan ("EOP"), the Company has had to cancel 1,500,000 options which were issued to two former directors in 2002.

Under the terms of the EOP past eligible employees must exercise the options within six months of becoming a past eligible employee.

By order of the Board

EA Myers
Company Secretary