

ASX ANNOUNCEMENT AND MEDIA RELEASE

14th January 2004 Information Memorandum and Notice of Meeting

Please find attached a copy of the Information Memorandum including Notice of Meeting to be held on 20 February 2004.

For and on behalf of
Norwest Energy NL

Peter L Munachen
Company Secretary
14 January 2004

**Norwest Energy NL
ACN 078 301 505**

Information Memorandum

including

**Notice of Meeting
Explanatory Memorandum
Proxy Form**

To assist Shareholders in their consideration of resolution to be put to the General Meeting of shareholders of the Company to be held at The Montana Room, Acacia Hotel, 15 Robinson Avenue, Northbridge WA - On Friday 20 February 2004 at 11.00am.

This document is important and requires your immediate attention. You should read this document. If you are in doubt as to the action you should take in regard to this document or there is any matter you do not understand you should contact your professional advisers for advice

CORPORATE DIRECTORY

DIRECTORS	SOLICITORS
H D Kennedy	Mizen & Mizen
A I R Burgess (CEO)	69 Mount Street

P L Munachen	WEST PERTH WA 6005
ALTERNATE DIRECTOR A K Svalbe (for Mr H D Kennedy)	Babingtons 30 Ledger Road BALCATTWA WA 6021
SECRETARY P L Munachen REGISTERED & PRINCIPAL OFFICE 100 Stirling Street PERTH WA 6000 Telephone: (61 8 9228 8251) Facsimile: (61 8 9227 9079)	SHARE REGISTRY Computershare Investor Services Pty Ltd Level 2 Reserve Bank Building 45 St Georges Terrace PERTH WA 6000
ADDRESS FOR COMMUNICATIONS (Enquiries regarding shareholding should be directed to the Share Registry) PO Box 8260 Perth Business Centre PERTH WA 6849	AUSTRALIAN COMPANY NUMBER 078 301 505 AUSTRALIAN BUSINESS NUMBER 65 078 301 505
WEBSITE: http://www.norwestenergy.com.au Should you have any queries on the Company's activities, please contact Mr Ivan Burgess or in his absence, Mr Peter Munachen.	STOCK EXCHANGE LISTING Australian Stock Exchange Limited (Home Exchange – Perth) Codes: NWE (Shares) NWE OA (Options)

CONTENTS

Section 1.
Section 2.

Director's Letter
Notice of Meeting

Section 3.
Section 4.

Explanatory Memorandum
Proxy Form

14 January 2004

Dear Shareholder

Attached is the Notice of Meeting of members of Norwest Energy NL ("Norwest" or "Company") to be held on Friday 20 February 2004 in the Montana Room at the Acacia Hotel, 15 Robinson Avenue, Northbridge WA commencing at 11.00am.

The purpose of this meeting is to seek approval from shareholders to dispose of the Company's 5% interest in the Cliff Head offshore oil project to Itochu Oil Exploration Co Ltd or one of its subsidiaries for a consideration of \$8.1 million cash, together with a 2% overriding royalty ("ORR") on the interest being disposed, in the event that production from the project exceeds 28 million barrels of oil.

Your directors considered carefully the merits of retaining the interest in the project for the company to receive the benefits of the future cash flow. After analysing the alternate methods and costs of financing its share of development cash and taking to account the time delay before a positive cash flow would be achieved for the company (2006/7) the directors concluded that the opportunity to sell the interest at this time represented a significant return to the Company. Additionally a sale avoided the protracted and costly exercise of obtaining project finance as well as the dilutive effect on shareholders resulting from the Company having to issue a significant number of new shares to raise funds to meet some of the development costs and to continue to fund ongoing exploration and corporate obligations.

Funds derived from the sale will allow the Company to consider other petroleum production and exploration opportunities and to maintain its equity in the remainder of its portfolio of permit interests.

Accordingly each of your directors consider that the sale is of considerable benefit to the Company and recommends that shareholders vote in favour of the sale.

For and on behalf of
The Board

H D Kennedy

NOTICE OF GENERAL MEETING

NOTICE IS HEREBY GIVEN that a General Meeting of the shareholders of Norwest Energy NL ("Company") will be held at the Acacia Hotel, 15 Robinson Street, Northbridge, WA on Friday 20 February 2004 at 11.00am for the purpose of transacting the following business.

An Explanatory Memorandum containing information in relation to the following Resolution accompanies this Notice of General Meeting.

AGENDA

BUSINESS

Resolution 1 - Sale of Oil Exploration Interests

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

"That pursuant to Listing Rule 11.2 of the Listing Rules of Australian Stock Exchange Limited, the shareholders of the Company hereby approve the disposal by the Company of its 5% interest in the Cliff Head offshore oil project (ie its 5% participating interest in WA-286-P) to Itochu Oil Exploration Co. Ltd or one of that company's subsidiaries ("Itochu"), for consideration to the Company of: \$8,100,000 cash; and in the event of production from the project exceeding 28 million barrels of oil, then Norwest will be entitled to a 2% overriding royalty from Itochu's share (ie 5%) of production."

Dated at Perth this 14th day of January 2004

By order of the Board

Mr Peter Munachen
Director/Company Secretary

VOTING

The Company will disregard any votes cast on Resolution 1 by or on behalf of Itochu Oil Exploration Co. Ltd or an associate or associates of Itochu Oil Exploration Co. Ltd and any person who might obtain a benefit, except a benefit solely in the capacity of a security holder, if the Resolution is passed.

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 a proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides:

PROXIES

A proxy form is attached to the end of the Explanatory Statement.

In accordance with section 249L of the Corporations Act, members are advised that:

- each member has a right to appoint a proxy;
- the proxy need not 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.	100 Stirling Street, Perth, Western Australia 6000	By Facsimile:	+ 61 8 9227 9079
--	--	---------------	------------------

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.

INSTRUCTIONS FOR APPOINTMENT OF PROXY

1. A shareholder entitled to attend and vote is entitled to appoint no more than two proxies to attend and vote at this General Meeting as the shareholder's proxy. A proxy need not be a shareholder of the Company.
2. Where more than one proxy is appointed, each proxy must be appointed to represent a specific proportion of the shareholder's voting rights. If such appointment is not made then each proxy may exercise half of the shareholder's voting rights. Fractions shall be disregarded.
3. The proxy form must be signed personally by the shareholder or his attorney, duly authorised in writing. If a proxy is given by a corporation, the proxy must be executed under either the common seal of the corporation or under the hand of an officer of the Company or its duly authorised attorney. In the case of joint shareholders, this proxy must be signed by at least one of the joint shareholders, personally or by a duly authorised attorney.
4. If a proxy is executed by an attorney of a shareholder, then the original of the relevant power of attorney or a certified copy of the relevant power of attorney, if it has not already been noted by the Company, must accompany the proxy form.
5. To be effective, forms to appoint proxies must be received by the Company no later than 48 hours before the time appointed for the holding of this General Meeting that is by 11.00am WST on 18 February 2004 by post or facsimile to the respective addresses stipulated in this proxy form.
6. If the proxy form specifies a way in which the proxy is to vote on any of the resolutions stated above, then the following applies:
 - (a) the proxy need not vote on a show of hands, but if the proxy does so, the proxy must vote that way; and
 - (b) if the proxy has 2 or more appointments that specify different ways to vote on the resolution, the proxy must not vote on a show of hands; and
 - (c) if the proxy is Chairperson, the proxy must vote on a poll and must vote that way; and
 - (d) if the proxy is not the Chairperson, the proxy need not vote on a poll, but if the proxy does so, the proxy must vote that way.

If a proxy is also a shareholder, the proxy can cast any votes the proxy holds as a shareholder in any way that the proxy sees fit.

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 100 Stirling Street, Perth, Western Australia, 6000
or
by fax to: +61 8 9227 9079**

EXPLANATORY MEMORANDUM

This Explanatory Memorandum is intended to provide shareholders with sufficient information to assess the merits of the resolution contained in the accompanying Notice of General Meeting of the Company.

Resolution 1 : Sale of interest in Cliff Head Offshore Oil Project

It is proposed to dispose the Company's 5% interest in the Cliff Head offshore oil project (ie its 5% participating interest in WA-286-P) for a consideration of \$8.1 million in cash plus a 2% ORR interest on the 5% if total production exceeds 28 million barrels of oil. This sale represents an excellent result to the Company. The sale will allow the Company to concentrate on its other permit interests and consider new opportunities without the need to undertake major capital issues in the foreseeable future thereby avoiding the dilutive effect on shareholders. It has been decided that pursuant to Listing Rule 11.2 of the Listing Rules of Australian Stock Exchange Limited ("ASX") the Company seek approval from its shareholders for the sale of one of the Company's main oil exploration interests.

Description of Cliff Head Offshore Oil Project

Located in the Northern Perth Basin, WA-286-P contains the Cliff Head Oil Field. The permit has an areal extent of 14,500 square kilometres (3,583,000 acres) and is situated about 20 kilometres southwest of the producing Dongara Gas Field.

Discovered in late 2001, appraisal of the Cliff Head Oil Field commenced on the 6th January 2003. Cliff Head 3 intersected a 48 meter gross oil column of which at least 40% represents net oil pay. The deviated Cliff Head 3 core hole 1 production test flowed 3,000 barrels of oil per day through a 28/64 inch choke with an electrical submersible pump over a 27 metre interval 1,213-1,220m and 1,223-1,242m. Oil produced during the production test had an API gravity of 33.3 degree with a Gas:Oil ratio of 100 cubic feet per barrel.

Cliff Head 4 intersected a 30 metre gross oil column of which slightly more than 50% represents net pay. All wells drilled into the Cliff Head Oil Field intersected a common oil water contact.

WELLS DRILLED INTO THE CLIFF HEAD OIL FIELD

Well	Gross Oil Column	Net Reservoir
Cliff Head 1	5 metres	100%
Cliff Head 2	36 metres	60-65%
Cliff Head 3	48 metres	40%
Cliff Head 4	30 metres	50%

Tenders for the grant of a contract to carry out a front-end engineering and design ("FEED") study for the Cliff Head Oil Field, were issued on 25th August 2003. An in principle decision as to development of the Cliff Head Oil Field was taken in October 2003. The FEED study was commenced and is expected to take approximately four months to complete.

Preliminary calculations indicate that the Cliff Head Oil Field contains approximately 22 million barrels of oil (between 1 and 1.5 million barrels net to Norwest Energy). It is expected that the Cliff Head Oil Field will ultimately be declared commercial and, if this assumption is correct, a production licence will be applied for and the next round of drilling will be developmental. It is likely that production will commence at about 20,000 barrels per day (1,000 barrels net to the Company), with first production expected towards the end of the second quarter of 2006.

Current capital development costs are estimated at \$141 million and the project is expected to be cash positive by mid 2007, after the recovery of development costs. From 2007 through to 2015 the project after tax operating surplus is projected at approximately \$244 million – Norwest's share – approximately \$12.2 million

The operator has calculated a project NPV of \$86.9million based on information current in October 2003 valuing Norwest's 5% interest at \$4.3 million, compared to the consideration of \$8.1 million receivable from the proposed sale.

Background

Itochu Oil Exploration Co. Limited ("Itochu"), an unlisted public company controlled by ITOCHU Corporation was established in 1972 and is responsible for all of the hydrocarbon exploration, development and production activities within ITOCHU Corporation, its parent company. ITOCHU has entered into a Memorandum of Understanding (MOU) with Norwest's wholly owned subsidiary Westranch Holdings Pty Ltd ("Westranch") whereby Westranch has granted ITOCHU an exclusive right up to 16 February 2004 in which to complete and execute a Sale and Purchase Agreement for the interest ("SPA").

The Company's interest in the Cliff Head Offshore Oil Project is a 5% interest held by Westranch

Terms and Conditions of Proposed Sale Agreement

The material terms and conditions of the proposed SPA are as follows:

- The Company has reached agreement in principle to dispose of its 5% interest in the Cliff Head offshore oil project to ITOCHU or one of its subsidiaries for \$8.1million.
- The parties have also agreed that in the event of production from the project exceeding 28 million barrels of oil, then Norwest will be entitled to a 2% over riding royalty (ORR) from ITOCHU'S 5% share of production.

The sale will be subject to:

- The approval by Norwest's shareholders of Resolution 1 set out in the Notice of General Meeting accompanying this memorandum,
- the completion and execution of satisfactory documentation,
- final due diligence by Itochu; and,
- the obtaining of all necessary board, shareholder, joint venture and regulatory approvals and consents.

Upon execution of the SPA (which is contemplated to be during the latter half of January 2004), ITOCHU will pay a deposit of \$810,000 into an escrow account. Settlement of the transaction will occur when ITOCHU'S interest in the permit is registered which is expected

to be during April 2004. During the period up to settlement Westranch will continue to meet its share of project cash calls that will be reimbursed by ITOCHU at settlement.

Listing Rule 11.2

Listing Rule 11.2 provides that where a company proposes to dispose of its main undertaking, shareholder approval is required.

The sale consideration represents a significant percentage of the Company's net assets, accordingly, shareholder approval pursuant to Listing Rule 11.2 is sought.

Description of Other Oil Exploration Interests, continuing exploration programmes and proposed expenditures

In addition to the Cliff Head Offshore Oil Project the Company has the following oil exploration interests: -

PERMIT	EQUITY	BASIN	STATE	LOCATION
EP-413	1.278%	Perth Basin	Western Australia	Onshore
TP/15	10%*	Perth Basin	Western Australia	Offshore
WA-226-P	7.5%**	Perth Basin	Western Australia	Offshore
EP-368	10%	Perth Basin	Western Australia	Onshore
EP-364	10%	Carnarvon Basin	Western Australia	Offshore
EP-419	80%	Perth Basin	Western Australia	Onshore
AC/P32	65.39****	Ashmore- Cartier Territory	Northern Territory	Offshore
AC/P22	50%***	Ashmore-Cartier Territory	Northern Territory	Offshore

* Earning 10% by funding 20% of the cost of drilling the next well in this permit plus cost of testing if required. ITOCHU will be granted an option to acquire this interest.

** Sold an Option to Roc Oil

*** 50% reducing to 10% if an option is exercised and a well drilled

**** Reducing to 49% paying 41.85%

The anticipated exploration programme and expenditure through to the end of 2004 for each of the above permits requiring expenditure by Norwest is detailed below:

PERMIT	ACTIVITY	ESTIMATED EXPENDITURE \$	NWE %	NWE COST \$	NOTE
EP-413	Well	2,000,000	1.278	25,560	
TP/15	Well and testing	7,000,000	10.00	1,100,000	1.
EP-368	Seismic	700,000	10.00	70,000	
EP-364	Well and testing	7,000,000	10.00	1,400,000	
EP-419	Seismic	700,000	80.00	560,000	
AC/P32	Well and testing	12,000,000	49.00	5,880,000	2.
	TOTAL			9,035,560	
	Deduct AC/P32			5,880,000	2.

	ADJUSTED TOTAL			3,155,560
--	-----------------------	--	--	------------------

1. Norwest is earning 10% by funding 20% of the cost of the second well up to \$400,000 and 10% of the balance.

2. Under the terms of the permit a well is required to be drilled by the end of February 2004. Application has been made to the designated authority seeking an extension to the terms of the permit to allow for the reprocessing of 3D seismic data before committing to the drilling of a well. In the event that the AC/P 32 JV is required to drill a well under the current permit terms Norwest will seek to negotiate a farm-out to achieve a free carried interest through drilling to eliminate its obligation. In the event of this being achieved Norwest's expenditure commitments through to the end of 2004 will be reduced by approximately \$5,880,000.

The balance of the funds derived from the sale of Cliff Head after covering the year 2004 obligations will be applied to continuing exploration obligations on the current permit portfolio and expenditure on new projects that Norwest may acquire as well as meet ongoing corporate overheads that currently run at approximately \$700,000 per annum.

Proforma Balance Sheet Comparison After Disposal Interest In Cliff Head Offshore Oil Project

			Consolidated Actual Unaudited 31 December 2003 \$	Consolidated Pro-forma 31 December 2003 Post Disposal of Interest in Cliff Head Offshore Oil Project \$
Current Assets				
Cash assets			38,860	8,402,167
Receivables			48,003	48,003
Total Current Assets			86,863	8,450,170
Non-Current Assets				
Property, plant and equipment			8,168	8,168
Other financial assets			11,539	11,539
Deferred Exploration and Evaluation Expenditure			4,989,880	2,107,789
Total Non-Current Assets			5,009,587	2,127,496
TOTAL ASSETS			5,096,450	10,577,666
Current Liabilities				
Payables			(298,113)	(298,113)
Interest bearing liabilities			(25,000)	(25,000)
Provisions			(18,925)	(18,925)
Total Current Liabilities			342,038	(342,038)

Total Non-Current Liabilities				
Provisions			(300,000)	(300,000)
Total Non-Current Liabilities			(300,000)	(300,000)
TOTAL LIABILITIES			(642,038)	(642,038)
NET ASSETS			4,454,412	9,935,628
EQUITY				
Contributed capital			23,940,309	23,940,309
Reserves			1,058,938	1,058,938
Accumulated losses			(20,544,835)	(15,063,619)
TOTAL EQUITY			4,454,412	9,935,628

Material changes to balance sheet as a result of the sale of 5% Interest in the Cliff Head Offshore Oil Project:

(1) Cash consideration received of \$8,363,307 including reimbursement of project costs of \$263,307 from 7 November 2003.

(2) Disposal of 5% Interest in the Cliff Head Offshore Oil Project - capitalised exploration expenditure to 31 December 2003 - \$2,882,091.

(3) Profit on sale of 5% Interest in the Cliff Head Offshore Oil Project \$5,481,216 (difference between capitalised exploration expenditure and total consideration received).

			Proxy Form	
	Norwest Energy NL			All correspondence to:
	ACN 078 301 505			Norwest Energy NL
				100 Stirling Street
	Mark this box with an 'X' if you have made any changes to your address details (see reverse)			Perth 6000 Western Australia
				Enquiries (within Aust.) 08 9227 7769
				(outside Australia) 61 8 9227 7769
				Facsimile 61 8 9227 9079
				www.norwestenergy.com.au
				Reference Number
				IND
Appointment of Proxy				
I/We being member/s of Norwest Energy NL and entitled to attend and vote hereby appoint				
	The	OR		Write here the name of the person you are

Chairman of the Meeting (mark with an 'X')				appointing if this person is someone other than the Chairman of the Meeting

or failing the person named, or if no person is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, as the proxy sees fit) at the General Meeting of Norwest Energy NL to be held at [address] on [date] at [time] and at any adjournment of that meeting.

--	--	--	--	--

IMPORTANT: FOR RESOLUTION 1 BELOW

If the Chairman of the Meeting is to be your proxy and you have not directed your proxy how to vote on Resolution 1 below, please place a mark in this box. By marking this box you acknowledge that the Chairman of the Meeting may exercise your proxy even if he has an interest in the outcome of that Item and that votes cast by him, other than as proxy holder, would be disregarded

because of that interest. If you do not mark this box, and you have not directed your proxy how to vote, the Chairman of the Meeting will not cast your votes on Resolution 1 and your votes will not be counted in computing the required majority if a poll is called on this Item. The Chairman of the Meeting intends to vote undirected proxies in favour of Resolution 1.

--	--	--	--	--

Voting directions to your proxy - please mark **to indicate your directions**

Ordinary business			For	Against	Abstain*
Resolution 1	Disposal of oil exploration interest				

* If you mark the Abstain box for a particular item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

PLEASE SIGN HERE This section *must* be signed in accordance with the instructions overleaf to enable your directions to be implemented.

Individual or Securityholder 1	Securityholder 2	Securityholder 3		
Sole Director and	Director	Director/Company Secretary		
Sole Company Secretary				

					✓ ✓	
	Contact Name		Contact Daytime Telephone		Date	

How to complete the Proxy Form

1 Your Name and Address

This is your name and address as it appears on the company's share register. If this information is incorrect, please mark the box and make the correction on the form. Security holders sponsored by a broker should advise their broker of any changes. Please note, you cannot change ownership of your securities using this form.

2 Appointment of a Proxy

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box. If the person you wish to appoint as your proxy is someone other than the Chairman of the Meeting please write the name of that person. If you leave this section blank, or your named proxy does not attend the meeting, the Chairman of the Meeting will be your proxy. A proxy need not be a securityholder of the company.

3 Votes on Items of Business

You may direct your proxy how to vote by placing a mark in one of the boxes opposite each item of business. All your securities will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of securities you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on a given item, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

4 Appointment of a Second Proxy

You are entitled to appoint up to two persons as proxies to attend the meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the company's share registry or you may copy this form.

To appoint a second proxy you must:

(a) on each of the first Proxy Form and the second Proxy Form state the percentage of your voting rights or number of securities applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded.

(b) return both forms together in the same envelope.

5 Signing Instructions

You must sign this form as follows in the spaces provided:

Individual: where the holding is in one name, the holder must sign.

Joint Holding: where the holding is in more than one name, all of the security holders should sign.

Power of Attorney: to sign under Power of Attorney, you must have already lodged this document with the registry. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please indicate the office held by signing in the appropriate place.

If a representative of the corporation is to attend the meeting the appropriate "Certificate of Appointment of Corporate Representative" should be produced prior to admission. A form of the certificate may be obtained from the company's share registry.

Lodgement of a Proxy

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given below not later than 48 hours before the commencement of the meeting on 11.00am on 18 February 2004. Any Proxy Form received after that time will not be valid for the scheduled meeting.

Documents must be lodged as follows:

By mail or delivered to the Registered Office of Norwest Energy NL being
100 Stirling Street, Perth, Western Australia, 6000 or facsimile to:
+61 8 9227 9079