



NORWEST ENERGY NL

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REPORT FOR THE QUARTER ENDING 30 JUNE 2003

Highlights

- Purchased a 1.278% interest in the Jingemia Oil Field and EP-413 Perth Basin
- Sold an option over its 7.5% interest WA-226-P Perth Basin
- Applied for a 1/3 interest in an onshore Perth Basin Permit

EP-413 & Jingemia Oil Field Northern Onshore Perth Basin 1.278%

The Jingemia Oil Field is located in the Onshore Perth Basin, about 24 kilometres south of the Dongara Oil and Gas Field and 30 kilometres from the Cliff Head Oil Field in which the Company has a 5% interest. This field is contained within Petroleum Exploration Permit, EP-413 and is located close to major road systems and existing infrastructure.

During June 2003, Norwest agreed to purchase a 1.278% interest in the Jingemia Oil Field and EP-413 for a total consideration of A\$702,000. As part of the deal Norwest will receive its share of revenue from the Jingemia Oil Field from 9th June 2003. On signing, Norwest paid a deposit of A\$100,000. A further payment of A\$462,320 will be made once the transaction has been approved and registered. The balance of the purchase price is to be paid by way of monthly installments from production revenue at the lesser of \$25,000 or the amount received. If no production revenue is received in any given month, Norwest will not make a payment for that period.

Marketing and Development Activities

The Jingemia 1 Extended Production Test commenced in May and was continuing at the end of the quarter. Production during the test has ranged from approximately 1,000 (constrained) to 1,900 barrels of oil per day. Analysis of test data is ongoing to determine the optimum field development strategy.

Exploration Activities

Preparations have commenced for the drilling of a well to provide water for injection and pressure support and a Jingemia 2 appraisal well. Pending necessary Government approvals it is expected that Jingemia 2 will commence during the September quarter.

Preparation commenced on the acquisition of a ground gravity survey across the Jingemias Oil Field and prospective areas to the south. Acquisition of the data (in conjunction with gravity acquisition in License areas) is scheduled to commence in the third quarter of 2003 following necessary Government approvals.

A review of seismic data recorded within EP-413 indicates a number of leads which are considered to be similar to Jingemias and warrant further investigation.



WA-226-P Northern offshore Perth Basin 7.5% interest.

Offshore permit WA-226-P is located about 230 kilometers northwest of Geraldton and covers a large area of under explored northern extension to the Perth Basin. Norwest was free carried through the drilling of the Morangie 1 exploration well during 2002.

During June 2003 Roc Oil Company Limited, though a wholly owned subsidiary (Roc) agreed to acquire an option from Norwest Energy NL over the Company's 7.5% working interest in Offshore Petroleum Exploration Permit, WA-226-P. The option was granted in consideration for Roc funding up to a maximum cost of A\$525,000, Norwest's 7.5% share of the recently completed MaCallan 3D Seismic Survey. In the event that Roc exercises its option, it will be required to pay Norwest a further cash payment of

A\$200,000, prior to drilling of the next well in the permit. If a discovery is declared commercial, Roc will make a final one-time payment to Norwest of A\$375,000.

WA-286-P - Offshore 5% Interest

Located in the offshore Northern Perth Basin WA-286-P has an aerial extent of 14,500 square kilometres and is situated approximately 20 kilometres southwest of the producing Dongara Gas Field. The Cliff Head Oil Field discovered by the Joint Venture in December 2001 is located within the permit.

Detailed evaluation of results from the recent appraisal drilling programme which was undertaken during the last quarter of 2002 and first quarter 2003 continued through the quarter. Available information suggests that the Cliff Head Oil Field will ultimately be declared commercial. If this assumption is correct the next phase of drilling on the Cliff Head Oil Field will be developmental.

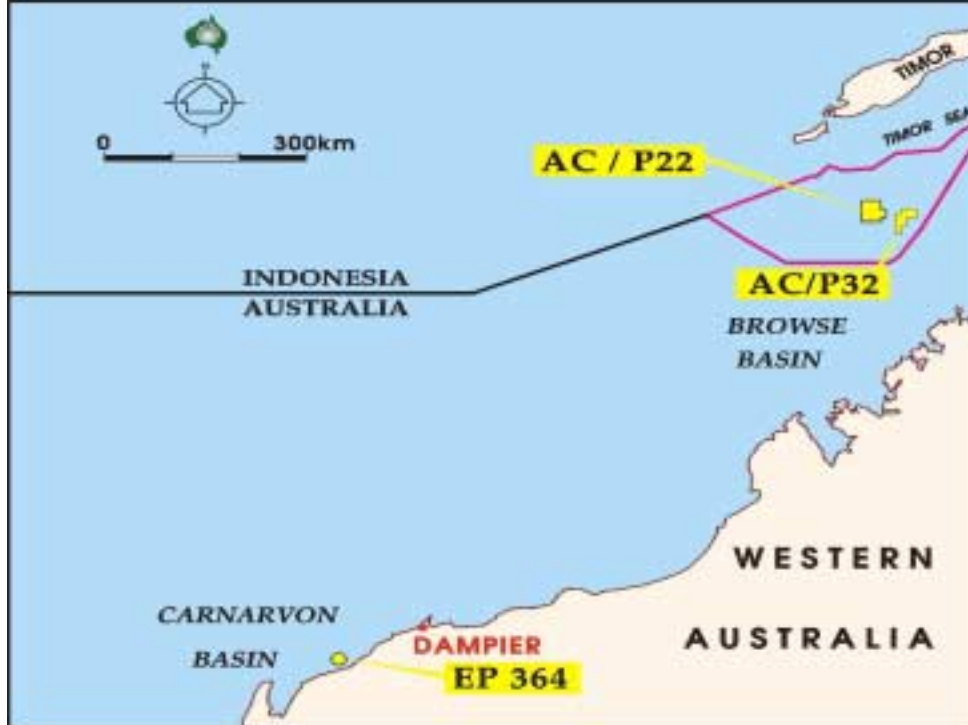
At this time the operator estimates the field contains 20 to 30 million barrels recoverable. Development plans for the Cliff Head Oil Field are still to be finalised and detailed evaluation of the character of oil, development and transport concepts are continuing. Assessment of geophysical data are underway in the preparation of potential 2D seismic acquisitions in the north portion of the permit and a possible 3D seismic survey over the Cliff Head Oil Field in the last quarter of 2003.

On current planning Cliff Head will not come into production until third quarter 2005 and the Directors are evaluating what value can be realised from the asset in the short term.

TP/15 Offshore Perth Basin acquiring 10% interest

Territorial Permit TP/15 is situated immediately east of WA-286-P and occupies the three nautical mile wide zone along the coast. Norwest Energy will earn a 10% interest in TP/15 from Hardman Resources by paying 20% of the cost of drilling two wells within the permit, plus the cost of testing one of these. The recently drilled Twin Lions 1 was one of the two wells required to be drilled under the farmin agreement.

Exploration activities during the quarter were directed mainly at data collected during the drilling programme conducted during the previous quarter. Evaluation of seismic data was also undertaken with the view of possibly recording new 2D data during the last quarter of 2003. New seismic will be designed to provide a better understanding of undrilled structures with this permit.



EP-364 Carnarvon Basin Western Australia 10% interest

Located offshore Carnarvon Basin, EP-364 comprises one graticular block covering an area of 79.5 square kilometers.

Evaluation of the permit continued during the quarter following the discovery of hydrocarbons at Cyrano 1. The economics of this and two similar structures on trend are yet to be determined.

EP-368 Onshore Perth Basin 10% interest

Located onshore Northern Perth Basin, EP-368 is situated immediately east of the producing Mt Horner Oil Field. The permit was renewed in November 2002 for a further 5 year term. The operator continues to evaluate existing data in the vicinity of the Allanooka Fault and additional work is required prior to drilling into EP-368

EP-419 Onshore Perth basin 80% interest Operator

Permit EP-419 covers an area of 630 square kilometres in the northern onshore portion of the Perth Basin and is located about 30 kilometres from the Dongara Gas Field.

Approximately 260 Kilometres of existing 2D seismic data was reprocessed and interpreted during the quarter and the permit renewed for a further year. Evaluation of the mapping and adjacent well data is now being undertaken.

AC/P32 Vulcan Sub-basin Timor Sea 65.39% interest reducing to 49% paying 41.85% - Operator

Interpretation of the 170 square kilometers of 3D seismic data recorded within the confines of the permit continued through the quarter.

This interpretation was undertaken in conjunction with detailed sequence stratigraphy studies. On completion of the interpretation, it is the Company's intention to farmout portion of its interest ahead of drilling.

AC/P22 Vulcan Sub-basin Timor Sea 50% reducing to 10%

Reprocessing of 3D seismic data within AC/P22 which is being undertaken at no cost to Norwest and is due to be completed by the end of July 2003. It is hoped that this interpretation will result in Norwest being carried through the drilling of a well on the Puffin Horst at no cost to the Company.

New Application Onshore Perth Basin 33 $\frac{1}{3}$ %

During April 2003, Norwest together with two respected Oil Explorers, applied for a petroleum exploration permit over gazetted area L02-6. If successful the company will have 33 $\frac{1}{3}$ % equity over a prospective portion of the Perth Basin, Western Australia.

CORPORATE

The chairman, Mr Gary O'Meally, resigned both as chairman and from the Board effective 30 June 2003.

EXPENDITURE

The group spent about \$151,000 on exploration and evaluation activities during the quarter ending 30th June 2003.

For and on behalf of
Norwest Energy NL

Ivan BURGESS
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Director & Chief Executive Officer