



NORWEST ENERGY NL

A.C.N. 078 301 505
100 Stirling Street, Perth
Western Australia 6000
PO Box 8260
Perth Business Centre
Western Australia 6849
Telephone (61 8) 9228 8251
Facsimile (61 8) 9227 9079
Email:
ivanb@norwestenergy.com.au

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ASX Companies Announcements Office
ASX online

REPORT FOR THE QUARTER ENDING 31ST MARCH 2002

Highlights

- Cliff Head 3 intersected 46 metre gross oil column
- Cliff Head 3 production test flowed 3,000 BOPD
- Cliff Head 4 intersected 30 metre gross oil column
- Common Oil-Water contact for the Cliff Head Oil Field
- Mentelle 1 & Vindara 1 drilled as wildcat exploration wells in WA-286-P
- Twin Lions 1 wildcat drilled in TP/15



Testing of Cliff Head 3 Appraisal well at 3,000 BOPD

PERTH BASIN WESTERN AUSTRALIA

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.

The Cliff Head Oil Field was recently appraised by drilling of Cliff Head 3, Cliff Head 3 cored hole 1 and Cliff Head 4 during the quarter. While evaluation of results from the recent appraisal drilling programme are underway, it is the directors' belief that the 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. The operator estimates the field contains 20 to 30 million barrels recoverable. Development plans for the Cliff Head Oil Field are still to be finalized.

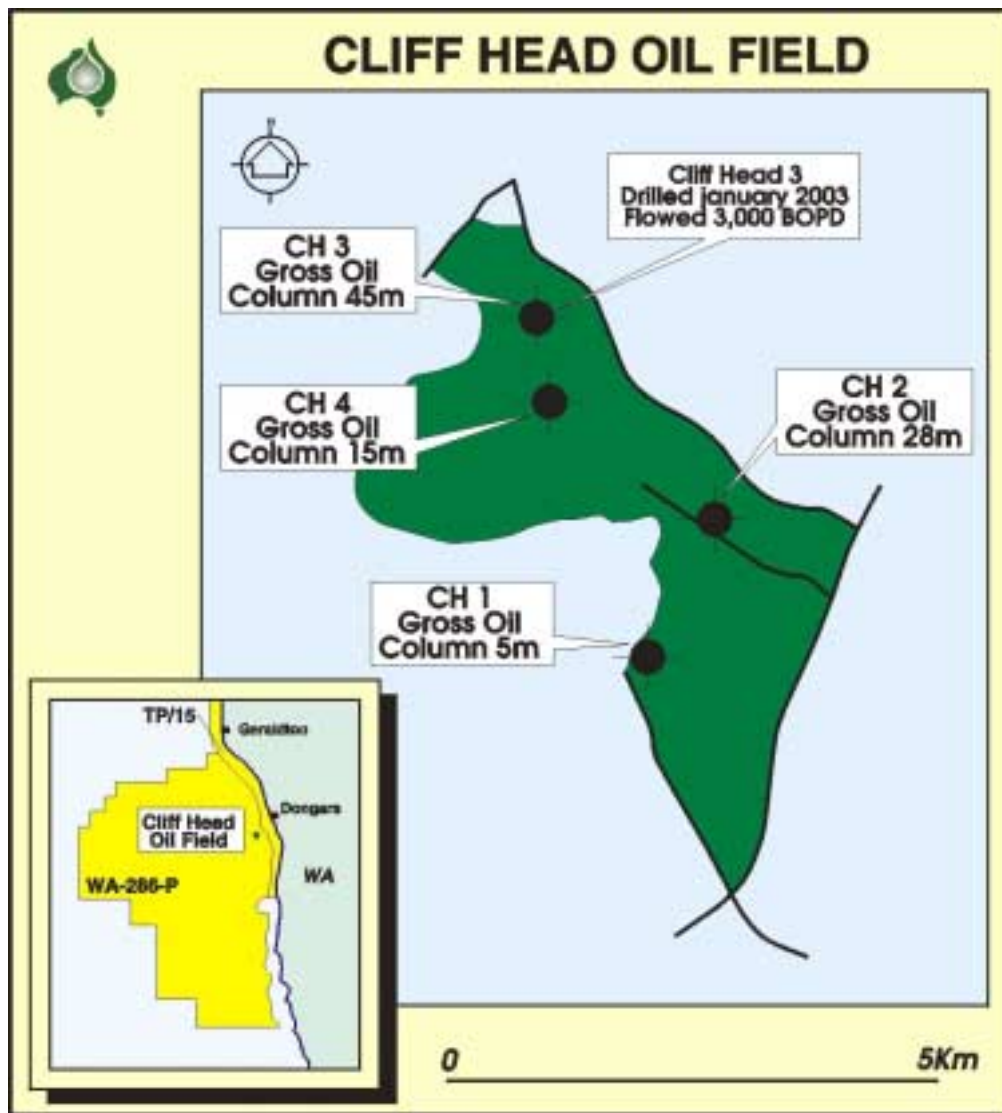
Appraisal drilling

Appraisal of the Cliff Head Oil Field commenced on 6th January 2003 with the drilling of Cliff Head 3. This well was designed to appraise the northern portion of the field and drilled to a true vertical depth of 1,344 metres subsea. A sidetrack, known as Cliff Head 3 core hole 1 was drilled from the number 3 well to core and test the Permian reservoir section.

Preliminary analysis of data acquired during drilling indicates Cliff Head 3 intersected a gross 46 metre oil column of which at least 40% represents net oil pay with moderate to good reservoir characteristics. A production test was conducted in Cliff Head 3 cored hole 1 sidetrack over a three day period. On test, Permian sandstones over the interval 1,213 to 1,220 and 1,223 to 1,242 metres true vertical depth subsea, flowed 33.3 degree API oil with a Gas:Oil Ratio [GOR] of 100 cubic feet per barrel through an electrical submersible pump [ESP]. The test was undertaken with several different choke sizes and at a variety of stabilized rates up to a maximum of 3,000 barrels through a 28/64-inch choke.

Cliff Head 4, was drilled during March 2003 to a total depth of 1,598 metres. This well intersected a 30 metre gross reservoir of which the Operator advised slightly more than 50% represented net pay.

All wells drilled into the Cliff Head Oil Field intersected a common oil water contact.



Exploration Drilling

Two exploration wells, Vindarra 1 and Mentelle 1 were drilled on separate structures mapped within WA-286-P. While residual oil was recorded within Permian aged sandstones by both wells, the hydrocarbons had no commercial significance. Both wells have been plugged and abandoned.

TP/15 – Offshore 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.

Twin Lions 1 exploration well was drilled within TP/15 during February 2003. The well,

which tested a potentially large structure, was drilled to a total depth of 1,570 metres. Unfortunately the Permian reservoir sandstones did not contain any hydrocarbons and the well was plugged and abandoned.

It is expected that further 2D seismic will be recorded before further drilling is undertaken in TP/15.

WA-226-P – Offshore 7.5% interest

Offshore permit WA-226-P is located about 230 kilometres northwest of Geraldton and covers a large area of under explored northern extension of the Perth Basin.

Following the drilling of Morangie 1 during the fourth quarter 2002, the Joint Venture has elected to record a 3D Seismic Survey to mature the Fiddich and Macallan prospects for drilling. It is expected that the Macallan 3D Seismic Survey comprising about 520 square kilometres of data will be recorded in the forthcoming quarter.

EP-419 Onshore 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 during the quarter. Interpretation and mapping of these data will be undertaken during the forthcoming quarter.

EP- 368 Onshore 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.

Interpretation of seismic data, including depth conversion, of prospects along the Allanooka Fault continued during the quarter. Further work is required prior to drilling with EP-368

TIMOR SEA: VULCAN SUB-BASIN

AC/P32 65.39% interest reducing to 49% paying 41.85% - Operator

The Joint Venture has purchased 170 square kilometres of Onnia 3D seismic data from the contractor, PGS. This data will be interpreted during the coming quarter and aimed at maturing the Magnolia Prospect (which has the potential to contain P50 130 million barrels of oil in place) and other leads within the permit for drilling.

On completion of the mapping of the recently purchased seismic data, it is the Company's intention to farmout portion of its interest ahead of drilling.

During the quarter interests in the Permit were rationalized to enable technical evaluation of the permit to proceed. Norwest took up its prorata equity arising from the withdrawing parties. In doing so, the Company picked up a prorata portion of the carry provided by the farmin of OPIC Australia Pty Ltd ("OPIC") to the withdrawing parties interests. The farmin agreement with OPIC provides for them to pay 36% of cash up to A\$540,000 to earn a 25% interest of the Permit.

AC/P22 50% reducing to 10% interest

Ashmore Cartier Permit AC/P22 comprises 22 graticular blocks covering an offshore area of about 1,800 square kilometres. The depleted Skua Oil Field is situated about 10 kilometres to the southeast and the Jabiru, Challis and Sassini Oil Fields are situated about 60 kilometres to the northeast. The permit contains the Puffin Oil Field, the commerciality of which is yet to be determined. Water depths within the permit vary from 60 to 110 metres.

Reprocessing of 3D Onnia Seismic is being undertaken at no cost to Norwest. It is hoped the results of this reprocessing will result in Norwest being carried through the drilling cost of a well on the Puffin Horst.

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 kilometres. The permit is situated on the eastern shelf margin of the Barrow Sub-basin, inshore from the North Herald, south Pepper, Chervil and Saladin Oil Fields.

During March 2003, the Operator elected to drill Cyrano 1. The well, which has subsequently been plugged and abandoned, intersected a gross 29-metre hydrocarbon column of which 10 gross metres represented oil. The commerciality of this accumulation is yet to be determined.

Norwest elected not to participate in the drilling of Cyrano 1 because of its small size, estimated pre drill at 3.8 million barrels of oil recoverable.

Norwest may elect to participate in any production arising from this accumulation by paying a penalty from production to Tap Oil. The payment would be equal to eight times the amount of funds the Company would have paid in respect of operations that it did not participate in.

Two similar structures are mapped on trend with Cyrano 1. Norwest would not be subjected to any penalty for participation in the drilling of these other structures

EXPENDITURE

The group spent \$676,000 on exploration and evaluation activities during the quarter.

The above information is based on, and accurately reflects, information compiled by Mr Alan Ivan Roy Burgess, Member of the Australasian Institute of Mining and Metallurgy

For and behalf of
Norwest Energy NL

Ivan BURGESS
BSc (hons), MAusIMM, Member PESA
Director & Chief Executive Officer

Appendix 5B

Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001.

Name of entity

NORWEST ENERGY NL

ABN

65 078 301 505

Quarter ended ("current quarter")

31 March 2003

Consolidated statement of cash flows

Cash flows related to operating activities		Current quarter \$A 000	Year to date (9 months) \$A 000
1.1	Receipts from product sales and related debtors	-	-
1.2	Payments for (a) exploration and evaluation (b) development (c) production (d) administration	(676) (144)	(2669) (538)
1.3	Dividends received		-
1.4	Interest and other items of a similar nature received	21	47
1.5	Interest and other costs of finance paid		
1.6	Income taxes paid	-	-
1.7	Other (provide details if material)	0	22
	Net Operating Cash Flows	(799)	(3138)
Cash flows related to investing activities			
1.8	Payment for purchases of: (a)prospects (b)equity investments (c) other fixed assets	- - -	- - -
1.9	Proceeds from sale of: (a)prospects (b)equity investments (c)other fixed assets	- - -	- - -
1.10	Loans to other entities	-	-
1.11	Loans repaid by other entities	-	-
1.12	Other (provide details if material)	-	-
	Net investing cash flows	-	(5)
1.13	Total operating and investing cash flows (carried forward)	(799)	(3143)

1.13	Total operating and investing cash flows (brought forward)	(799)	(3143)
Cash flows related to financing activities			
1.14	Proceeds from issues of shares, options, etc.	-	4000
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other – cost of share issue	(42)	(169)
	Net financing cash flows	(42)	3831
Net increase (decrease) in cash held			
		(841)	688
1.20	Cash at beginning of quarter/year to date	2363	834
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	Cash at end of quarter	1522	1522

Payments to directors of the entity and associates of the directors

Payments to related entities of the entity and associates of the related entities

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	107
1.24	Aggregate amount of loans to the parties included in item 1.10	NIL

1.25 Explanation necessary for an understanding of the transactions

Administration charges for the three months to 31 March 2003 by a director related entity.	
Director's fees and super	22
Director's salary and Super	48
Admin Management Fees	28
Corporate Secretary fees	9
<u>Total</u>	<u>107</u>

Non-cash financing and investing activities

- 2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

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- 2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

NIL

Financing facilities available

Add notes as necessary for an understanding of the position.

Amount available \$A 000	Amount used \$A 000
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3.1	Loan facilities	-	-
3.2	Credit standby arrangements	-	-

Estimated cash outflows for next quarter

		\$A 000
4.1	Exploration and evaluation	686
4.2	Development	NIL
Total		686

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.		Current quarter \$A 000	Previous quarter \$A 000
5.1	Cash on hand and at bank	1010	1859
5.2	Deposits at call	512	504
5.3	Bank overdraft		
5.4	Other –		
Total: cash at end of quarter (item 1.22)		1522	2363

Changes in interests in mining tenements

Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1	Interests in mining tenements relinquished, reduced or lapsed	N/A	
6.2	Interests in mining tenements acquired or increased	AC/P32	Joint venture
		34%	65.39%

Issued and quoted securities at end of current quarter

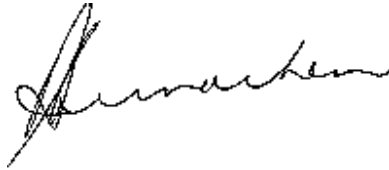
Description includes rate of interest and any redemption or conversion rights together with prices and dates.

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1 Preference securities (description)	N/A			
7.2 Changes during quarter (a) Increases (b) Decreases				
7.3 +Ordinary securities	162,471,872	162,471,872		
7.4 Changes during quarter (a) Increases through issues (b) Decreases	N/A			
7.5 +Convertible debt securities (description)	N/A			
7.6 Changes during quarter (a) Increases (b) Decreases				
7.7 Options (description and conversion factor)	46,420,643 4,750,000	46,420,643	Exercise price 20 cents 25 cents 20 cents	Expiry date 31 December 2003 31 December 2004 28 November 2007
7.8 Issued during quarter	N/A			
7.9 Exercised during quarter	NIL	NIL		
7.10 Expired during quarter	NIL	NIL		
7.11 Debentures (totals only)	N/A	N/A		
7.12 Unsecured notes (totals only)	N/A	N/A		

Compliance statement

1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 4).

2 This statement does give a true and fair view of the matters disclosed.



Sign here: Date: 28/04/03
(Company Secretary)

Print name: Peter Munachen

Notes

1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.

2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.

3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.

4 The definitions in, and provisions of, *AASB 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.

5 **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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