



3 January 2006

ASX Announcements

Magnolia 1 Progress Report

As of 0600 hours on 3rd January, Magnolia-1 had drilled to 1380 metres. A 13 3/8" casing string had been run to 1366 metres, and the blow out preventers (BOPs) had been installed and tested. At latest report, the 12 1/4" drilling string had been run into the hole ready to drill out cement plugs prior to drilling forward to the target levels.

Magnolia 1 has a planned total depth of 3,240 metres and is located in 97 metres of water in the Timor Sea. Primary objectives are the Montara Sands at a depth of approximately 2,700 metres with secondary objectives in the Upper Vulcan and Plover Formation sandstones. The Magnolia Prospect is well defined by 3D seismic and surrounded by oil and gas production and discoveries including Jabiru, Challis, Cassini, Skua, Puffin and Montara. Magnolia has potential for 60 to 100 million barrels of recoverable oil.

It is anticipated that the well will take a total of around 23 days on a trouble free basis.

Participants in the well are:

Coogee Resources (Ashmore Cartier) Pty Ltd	20%	Operator for the well
Norwest Energy NL	19.6%	Permit Operator
Bounty Oil and Gas NL	10.4%	
Adelphi Energy Limited	15%	
AWE (Timor Sea) Pty Ltd	10%	
OPIC Australia Pty Ltd	25%	

Norwest's share of drilling costs have been reduced to less than 1% of well costs capped at US\$8 million. Norwest's interest in the block is held through its wholly owned subsidiary Westranch Holdings Pty Limited

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