



11 January 2006

ASX Announcements

Magnolia 1 Reaches Total Depth

Norwest Energy NL advises that the Magnolia-1 well reached a total depth of 3109m at 1500 hours WST on 10th January. All targets were intersected without hydrocarbon shows and the well will be plugged and abandoned over the next few days.

Norwest CEO, Joe Salomon commented that while the results of the well were disappointing, the well is just one of a number of projects which Norwest is currently working on.

“We viewed Magnolia as being very prospective, but the risks were always known. Norwest’s financial exposure to the well has been almost zero, and the company’s overall strategy and portfolio spread of opportunities is intact despite the results from this well. We look to new drilling opportunities in the short term in the Perth Basin planned for April (TP/15), in Kentucky which is currently drilling, and in West Virginia which is soon to commence.”

Participants in the Magnolia 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 has 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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