



5 May 2006

Company Announcement

Five wells drilled in Cornstalk Project, West Virginia US project

Norwest Energy NL has been advised by Ascent Resources WV, Inc. that all five wells in a current program in the Cornstalk project in West Virginia have been drilled. Ascent Resources WV, Inc., a US based exploration and production company is the operator of the project.

The wells are targeting gas from multiple shale zones in a region which has produced gas for over a hundred years from this section. The first four well locations are close to a producing gasfield providing rapid tie-in to existing pipeline delivery systems.

All wells intersected the targeted Devonian Shale as well as the deeper Rhinestreet Shale with combined thicknesses of over 1300 to 1600 feet (400 to 490 m) of which around 400 to 500 feet (120 to 150 m) is considered to have the highest gas flow potential. The fifth well also intersected a prospective Berea Sandstone at approximately 2400' (731m).

The next phase of the program will be to frac and complete the wells. Flow rates will not be known until that has been carried out.

Under a farmin agreement, Ascent will pay Norwest's share of costs of drilling and completing the first three wells, with Norwest paying its 29% working interest costs in the last two wells. Ascent is an experienced operator in the onshore US, and has been introduced to the project to build a strong local experience base and to systematically introduce techniques and technology which will optimise the gas potential within the shale section.

Norwest and its partners have been steadily building a very strong lease base with approximately 38,000 acres leased in three West Virginia counties over the last 14 months.

Cornstalk Project

Well Type: Unconventional shale gas (onshore)

Working Interests: NWE Appalachians LLC – 29%
(a wholly owned subsidiary of Norwest Energy NL)
Alto Energy Inc. - 29%
Ascent Resources WV Inc – 42% (Project Operator)

Objective: Primary Target - Devonian & Rhinestreet Shales (Gas)

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