



ASX Announcement

07 February 2007

Indian Company BPCL Farmin to AC/P32 Timor Sea

Norwest Energy advises that a Farm-in Agreement has been signed between the Joint Venture parties in AC/P32 and Bharat Petroleum Corporation Limited (BPCL).

Under the terms of the agreement, BPCL will pay the Joint venture parties a sum of US\$1.42 million to cover the costs of previous 3D seismic purchase, processing, interpretation and other works and be assigned a 20% interest in the License. All existing parties are participating in this exchange on a pro-rata basis; as such Norwest's share of this sum is US\$427,420.

Following payment of the above funds, the Joint Venture interests will be:

Coogee Resources	24.64% (Operator)
Westranch Holdings	24.08% (fully owned subsidiary of Norwest Energy NL)
Adelphi Energy	18.48%
Bounty Oil and Gas	12.80%
BPCL	20.00%.

A second phase of the agreement provides BPCL with the first right to take any additional interest offered by the original parties in exchange for a promoted share of the drilling costs of the next exploration well. If BPCL declines any such offer, the original parties are free to then seek other farm-in parties. The license terms require one well to be drilled in the 12 month period beginning May 27th 2007, entry into which will be optional for all parties. The Farm-in Agreement defines election dates in order to provide sufficient time for decision making prior to entry into the next year's commitments.

Over the last six month period Coogee Resources has led the interpretation work on a 3D seismic database (much of which has already been reprocessed) which covers the entire license area. Other Joint Venture parties have also conducted review work and as a result, a number of substantial and exciting prospects are currently undergoing final interpretation and ranking. The block is surrounded by oil and gas discoveries and fields which are either producing or planned for development, and as such, is in a very promising but under-explored area.

BPCL is a Fortune 500 company. BPCL's main business focus is in refining and marketing of petroleum products in India, and it has recently entered the upstream oil and gas industry via an aggressive acquisition program through farm-in and bid rounds. The company has a market capitalisation of approximately US\$3 billion, a sales turnover in 2004/2005 of US\$14billion, and in 2005-06 of almost US\$19 billion; and it employs over 13,500 staff.

Norwest Energy is very pleased to have finalized this first deal with BPCL and is looking forward to announcing further agreements in the near future.

For further information contact

Mr. Joe Salomon

Telephone: +61 8 9227 3240

Email: info@norwestenergy.com.au