



**ASX Announcement**

20<sup>th</sup> February 2007

***Revision and Clarification to ASX Announcement Feb 15, 2007  
Puffin Oilfield Reserves Update***

Norwest Energy has revised its calculations contained in its previous ASX announcement dated 15<sup>th</sup> February 2007, with respect to the Puffin Oilfield Reserves update and also clarifies its assumptions.

Norwest's release quoted Oil Initially In Place (OIIP) for the NE1 area at 90 million barrels. The actual figure as confirmed by the Operator, AED Oil Limited, for P50 OIIP is 67 million barrels. Norwest's release quoted an expected ultimate recovery (P50) of 40 million barrels for NE1. (Refer to AED's presentations issued 22<sup>nd</sup> November 2006 for further details.)

More recently, the Operator issued a range for the OIIP in the NE2 area of 11 to 30 million barrels. In order to establish an estimate of recoverable oil in the area, Norwest used the average of that range of 20.5 million barrels. Norwest has used a conservative recovery factor of 44% to derive potential recoverable reserves of 9 million barrels (range 5 to 13 million barrels) for the NE2.

The table of oil volumes provided in the previous announcement is repeated below in its corrected form and is based on reasonable assumptions which are yet to be confirmed.

	OIIP Million Barrels	Recoverable Volumes Million Barrels
NE1 Oil Volumes P50	67	40
NE2 Oil Volumes, average (and range)	20.5 (11-30)	9 (5-13)
Total NE1 and NE2 Oil Volumes	87.5	49

The value of Norwest's royalty stream using these volumes is estimated at **AU \$41 million**. (assumptions: oil price of US\$50 per barrel and exchange rate of \$0.75).

In a further announcement dated February 19<sup>th</sup>, 2007, the Operator reported the spudding of the Puffin-8 development well.

For detailed information please refer to AED's announcements on the ASX website.

**For further information contact**

**Mr. Joe Salomon**

**Telephone: +61 8 9227 3240**

**Email: [info@norwestenergy.com.au](mailto:info@norwestenergy.com.au)**

*The summary report on the oil and gas projects is based on information compiled by Mr J A Salomon, BAppSc (Geology), Chief Executive Officer of Norwest Energy NL. Mr Salomon holds a relevant degree in geology and has been practising petroleum geology for 25 years. Mr Salomon is the full-time Chief Executive Officer of Norwest Energy NL and has consented in writing to the inclusion of the information stated in the form and context in which it appears.*