norwest ENERGY

ASX AUSTRALIAN SECURITIES EXCHANGE

ASX Announcement

2nd May 2007

Flow Test - Puffin-8

In an ASX Announcement of today's date, AED reported that the Puffin-8 production well has been flow tested at an estimated maximum rate of 11,660 stock tank barrels per day (stb/d) and that the flow rate was limited by the testing equipment deployed on the rig. AED further reported that calculations show that the well is capable of flowing at a stabilised rate of 15-20,000 stb/d.

This rate is very similar to the Puffin-7 well. Puffin-8 will drain additional reserves to Puffin-7, and as the second well in the development, will give additional security of production.

AED's announcement is attached for reference.

Norwest holds a 1.25% over riding royalty over the Puffin Oilfield and the AC/P22 License. Please refer to Norwest's previous announcements regarding the potential value of anticipated cash flow from the field.

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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.

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ASX Announcement
2 May 2007

AC/L6

Puffin-8 Flowtest Supports 15-20,000 stb/d Production Expectation

The Puffin-8 production well has been flow-tested at an estimated maximum rate of 11,660 stock tank barrels per day (**stb/d**) on a 52/64" choke, with a flowing wellhead pressure of 651 psig. The measured crude gravity is approximately 44° API, consistent with Puffin-5 and Puffin-7. The oil flowrate was limited by testing equipment deployed on the drilling rig and calculations show that the well is capable of flowing at a stabilised rate of 15-20,000 stb/d, very similar to the Puffin-7 well. The Puffin-8 well performance is considered another excellent outcome.

The well was tested at various rates over a period of 27 hours, during which time Base Sediment and Water (BSW) quickly reached negligible levels, i.e. less than 0.1%. The well was initially tested by passing the well stream through the separator, reaching a maximum stabilised separator rate of around 9,000 bopd on a 44/64' choke (8,480 stb/d). At higher choke settings the well stream had to bypass the separator, hence no direct rate measurement was possible. Rates at higher choke settings were determined through an equation established between flowrates and choke sizes at lower rates. The well was successively tested at rates of 3,570 stb/d (28/64" choke) and 5,770 stb/d (36/64") through the separator, and when bypassing the separator at 8,460 stb/d (44/64"), 10,010 stb/d (48/64"), culminating in 11,660 stb/d on a 52/64" choke.

Reservoir appraisal by this well and subsequent reservoir simulation has also confirmed that the Puffin-8 well will be draining additional reserves to Puffin-7. As the second well in the development, Puffin-8 will give additional security of production.

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Managing Director

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Chief Operating Officer

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About AED Oil Limited

AED Oil has a 100% participating interest in AC/P22 ("the Exploration Permit") and AC/L6 ("the Production Licence"), which are in the Ashmore Cartier Exploration Permit area of the Vulcan Sub-Basin, located in the Bonaparte Basin in North Western Australia within uncontested Australian territorial waters.

The Production Licence and Exploration Permit are located approximately 80 kms south west of the commercial Jabiru and Challis oil fields and approximately 20 kms north of the Skua oilfield. AED Oil is appraising and developing the oil discoveries and proved reserves in the Puffin Field (comprising the accumulations discovered by the Puffin-2, Puffin-5 and Puffin-9 wells) and exploring the adjacent areas.