

Appendix 5B

Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001.

Name of entity

Norwest Energy NL

ABN

65 078 301 505

Quarter ended ("current quarter")

31 December 2007

Consolidated statement of cash flows

	Current quarter \$A'000	Year to date (...6... months) \$A'000
Cash flows related to operating activities		
1.1 Receipts from product sales and related debtors	600	756
1.2 Payments for (a) exploration and evaluation	(2,203)	(2,907)
(b) development		
(c) production	(34)	(94)
(d) administration	(418)	(791)
1.3 Dividends received		
1.4 Interest and other items of a similar nature received	53	133
1.5 Interest and other costs of finance paid		
1.6 Income taxes paid (US)	(25)	(25)
1.7 Other (provide details if material)		
Net Operating Cash Flows	(2,027)	(2,928)
Cash flows related to investing activities		
1.8 Payment for purchases of: (a)prospects		
(b)equity investments		
(c) other fixed assets	(3)	(3)
1.9 Proceeds from sale of: (a)prospects		73
(b)equity investments		
(c)other fixed assets		
1.10 Loans to other entities		
1.11 Loans repaid by other entities		
1.12 Other (provide details if material)		
Net investing cash flows	(3)	70
1.13 Total operating and investing cash flows (carried forward)	(2,030)	(2,858)

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1.13	Total operating and investing cash flows (brought forward)	(2,030)	(2,858)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	310	310
1.15	Proceeds from sale of forfeited shares		
1.16	Proceeds from borrowings		
1.17	Repayment of borrowings		
1.18	Dividends paid		
1.19	Other (provide details if material)		
	Net financing cash flows	310	310
	Net increase (decrease) in cash held	(1,720)	(2,548)
1.20	Cash at beginning of quarter/year to date	7,177	8,005
1.21	Exchange rate adjustments to item 1.20	3	3
1.22	Cash at end of quarter	5,460	5,460

Payments to directors of the entity and associates of the directors

Payments to related entities of the entity and associates of the related entities

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	204
1.24	Aggregate amount of loans to the parties included in item 1.10	NIL

1.25 Explanation necessary for an understanding of the transactions

Corporate & Consulting	25
Technical & Management	75
Directors Fees	47
Administration & Secretarial	57

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

N/A

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

N/A

+ See chapter 19 for defined terms.

Financing facilities available

Add notes as necessary for an understanding of the position

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	NIL	NIL
3.2 Credit standby arrangements	NIL	NIL

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	3,744
4.2 Development	50
Total	3,794

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	1,283	644
5.2 Deposits at call	4,177	6,533
5.3 Bank overdraft		
5.4 Other (provide details)		
Total: cash at end of quarter (item 1.22)	5,460	7,177

Changes in interests in mining tenements

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1		Interests in mining tenements relinquished, reduced or lapsed		
6.2		Interests in mining tenements acquired or increased		

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Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1 Preference ⁺ securities <i>(description)</i>				
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3 +Ordinary securities	203,867,038	203,867,038		
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	1,350,000 300,000		20c 15c	\$0.20 \$0.15
7.5 +Convertible debt securities <i>(description)</i>				
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7 Options <i>(description and conversion factor)</i>			<i>Exercise price</i>	<i>Expiry date</i>
	500,000		\$0.10	30 June 2008
	500,000		\$0.15	30 June 2008
	2,500,000		\$0.15	25 November 2009
	500,000		\$0.13	9 March 2010
	500,000		\$0.18	9 March 2010
	250,000		\$0.20	9 June 2010
	250,000		\$0.25	9 June 2010
	6,200,000		\$0.20	27 November 2008
	250,000		\$0.11875	17 April 2011
	100,000		\$0.13	8 August 2009
	6,925,000		\$0.15	27 November 2011
	1,000,000		\$0.20	30 April 2011
	500,000		\$0.25	30 April 2011
	1,000,000		\$0.225	30 June 2012
	1,000,000		\$0.275	30 June 2012
	1,000,000		\$0.325	30 June 2012
7.8 Issued during quarter	1,000,000		\$0.225	30 June 2012
	1,000,000		\$0.275	30 June 2012
	1,000,000		\$0.325	30 June 2012
7.9 Exercised during quarter	1,350,000		\$0.20	28 Nov 2007
	200,000		\$0.15	22 Nov 2008
	100,000		\$0.15	27 Nov 2011
7.10 Expired during quarter	1,900,000		\$0.20	28 Nov 2007
7.11 Debentures <i>(totals only)</i>				

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7.12	Unsecured notes (totals only)				
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Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 4).
- 2 This statement does give a true and fair view of the matters disclosed.

30 January 2008

Sign here: Date:
(Director/Company secretary)

Print name: E A Myers
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Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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