



20 February 2008

Company Announcements Office

NORTH SEA FARM-IN - MANUEL PROSPECT

Norwest Energy NL, (ASX: NWE), has just signed a farm-in agreement with Ithaca Energy Inc. (LSE – AIM: IAE and TSX-V: IAE) on Block 11/29 in the UK North Sea.

Norwest will pay 7.5 percent of an exploration well total cost to earn a 5 percent working interest in Ithaca's highly prospective Manuel prospect. The prospect is located approximately 12 km west of the Beatrice oil field of the Inner Moray Firth basin.

The test well for the Manuel prospect was spudded on 17 February 2008, and is targeting Jurassic sands. Estimated dry hole well cost is US\$17 million. Ithaca operates Block 11/29 and the Manuel test well which is being drilled through a turnkey arrangement.

About Norwest

Norwest is a Perth based exploration and production company with project interests in Australia and the UK. It also has a 1.25% over-riding royalty interest in production from the Puffin Field operated by AED Oil Limited. Norwest maintains a UK office to support its North Sea activities as well as to seek out UK and European exploration and production opportunities and it also maintains a representative office in New Delhi.

About Ithaca

Ithaca is a Canadian company operating exploration and development assets in the UK sector of the North Sea from offices in Aberdeen and London. On November 30, 2007 Ithaca announced its intention to acquire the entire 100% share in the Beatrice oil field of current owner and operator Talisman Energy.

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