



Company Announcements Office  
Australian Securities Exchange  
10<sup>th</sup> Floor, 20 Bond Street  
SYDNEY NSW 2000

10 February 2009

**ASX Announcement**

**Norwest proposes to increase equity in EP368 and swap equity with Empire Oil & Gas NL ( ASX : EGO ) the joint holder of adjoining EP426 resulting in Norwest holding 20% interest in each permit**

Norwest Energy NL (ASX:NWE) advises that its wholly owned subsidiary Westranch Holdings Pty Ltd (“Westranch”) has executed a Heads of Agreement with Empire Oil Company ( WA) Limited ( “Empire” ), the wholly owned subsidiary of Empire Oil & Gas NL, that subject to the consent of the Western Australian Department of Mines and Petroleum (WADMP), Westranch and Empire will swap equities in onshore Perth Basin Exploration Permits EP368 and EP426 that will result in Westranch holding a 20% interest in each Permit.

Westranch currently holds a 10% interest in EP368. The other parties in the EP368 include ARC Energy Limited (ARC) (a wholly owned subsidiary of Australian Worldwide Exploration Limited) 75%. ARC, the operator of the EP368 joint venture has notified WADMP that the parties intend to assign their interests to Westranch resulting in Westranch having 100% interest in EP368. Conditional upon the WADMP approval to those assignments, and also conditional upon the WADMP approval of the proposed equity swap between Westranch and Empire, Westranch has applied for the renewal of EP368 for a further five year period. The current permit period expired on 10 February 2009.

The operator of EP368, ARC has also sought a three month suspension and extension of the Permit to provide the necessary time to facilitate the negotiations for the proposed renewal of the permit.

Both Norwest and Empire have the view that the North Erregulla prospect that straddles the boundaries of both permits has potential for the discovery of hydrocarbons.

For and behalf of  
Norwest Energy NL

Peter Munachen  
Chief Executive Officer / Director.