



30 April 2009

ASX Companies Announcements

Norwest accepts alternate offer of A\$2,425,000 for sale of North Sea assets

Norwest has today agreed to accept an offer from Silverstone Energy Limited for the sale of Norwest's North Sea assets for a consideration of A\$2,425,000. Norwest had previously announced that it had reached conditional agreement with Fairfield Energy Limited for the sale of the North Sea assets for a consideration of US \$ 1,600,000 (AU \$2,234,500 at today's exchange rate). However last week an issue was identified concerning that transaction about which Fairfield and Norwest were unable to agree when the British Government announced on 22 April 2009 taxation changes in respect of North Sea projects which in Norwest's view increased the value of its North Sea assets. On 29 April Silverstone submitted an offer to Norwest for its North Sea assets for a consideration of AU\$2,425,000. The offer is subject to completion of formal documentation by Norwest and Silverstone; and the approvals of the various joint venture participants as well as the UK government. It is proposed by Silverstone to settle the transaction on or before 15 May 2009. Norwest has accepted this offer and advised Fairfield that it is not pursuing the transaction with Fairfield.

The North Sea assets comprise a 25% interest in the Cobra gas discovery and Norwest's interest in several exploration licenses in the Inner Moray Firth. For particulars of Silverstone refer to www.silverstone.co.uk

The funds generated by the sale will be applied to the repayment of the Investec loan facility of AU\$2,400,000.

For and on behalf of
Norwest Energy NL

Peter L Munachen
Director and Chief Executive Officer