



4 January 2011

Dear Shareholder

Non-Renounceable Rights Issue

Norwest Energy NL (ASX:NWE) ("Company" or Norwest") is pleased to advise of a one (1) for seven (7) non-renounceable pro rata rights issue of options (Primary Option) at an issue price of 0.75 cents for each new option, exercisable at 10 cents expiring on 30 June 2012. If the Primary Option is exercised prior to 30 September 2011, it will entitle the person ("Applicant") exercising the option to a Secondary Option exercisable at 20 cents and expiring on 30 June 2013. This Secondary Option will be offered to the option holder exercising the Primary Option in October 2011.

The issue of the Primary Options is fully underwritten by the Directors of Norwest.

The maximum number of Primary Options which may be issued under the Rights Issue is 104,587,252. The Company will apply for official quotation of the Primary Options.

Funds raised from the issue will be applied to providing general working capital. Full details of the issue are contained in the **Prospectus which was lodged today with the ASX. The Prospectus is available on ASX's website and the Company's website at www.norwestenergy.com.au**

The offer is available to all shareholders resident in Australia and New Zealand.

The Prospectus together with an Entitlement and Acceptance Form will be mailed to all eligible shareholders on 25 January 2011. Other key dates which shareholders should note are as follows:

Event	Date
Prospectus lodged with ASIC and ASX	4 January 2011
Ex Date (date from which securities commence trading without the entitlement to participate in the Rights Issue)	13 January 2011
Record Date (date for determining entitlements of eligible shareholders to participate in the Rights Issue)	19 January 2011
Prospectus sent to Security Holders	25 January 2011
Issue opens	25 January 2011
Closing date	11 February 2011
Deferred Trading commences	14 February 2011
Allotment and despatch date	21 February 2011

The capital structure of the Company immediately following the completion of the Rights Issue, assuming all available rights are taken up and none of the existing option holders exercise their existing Options, is expected to be as follows:

SHARES	Number
Shares on issue at date of the Prospectus	732,110,761
OPTIONS	
Primary Options offered by the Rights Issue	104,587,252
Unlisted Options on issue at date of the Prospectus*	35,719,737



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NOTES:

*Holders of existing Options will not be entitled to participate in the Rights Issue. The options currently on issue may be exercised by the option holder prior to the Record Date in order to participate in the offer.

For and on behalf of
Norwest Energy NL

E A Myers
Company Secretary