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ASX: NWE

23 May 2011

ASX Announcement

Arrowsmith – 2 Progress report EP413 joint venture

Norwest (ASX:NWE) is pleased to advise, that the Weatherford Rig 826 is currently being mobilised to the Arrowsmith-2 drill location at EP413. Based on current progress it is expected that the well will spud on 28 May 2011.

Arrowsmith-2 will be drilled to target depth (TD) of approximately 3,400 metres and take 37 days +/- to reach TD. The well objectives are to evaluate the viability of several shale gas formations. The primary shale gas targets are the Carynginia Formation and the Irwin River Coal Measures, whereas the secondary targets are to test the shale gas / condensate potential of the lower Kockatea Shale and the possibility of a conventional gas play in the High Cliff Sandstones. Following the drilling of Arrowsmith -2, the well will be fracture stimulated to test the productive capacity of the potential reservoir zones and then flow tested.

Joint venture parties and equities;

Norwest Energy NL ("NWE") (operator)	27.945%
ARC Energy Limited (a wholly owned subsidiary of AWE Limited)	44.252 %
Bharat PetroResources Ltd ("BPRL")	27.803%

A weekly progress report to ASX will be made each Thursday during operations. Additional reports will be made as and when required.

Peter Munachen
CEO/Director
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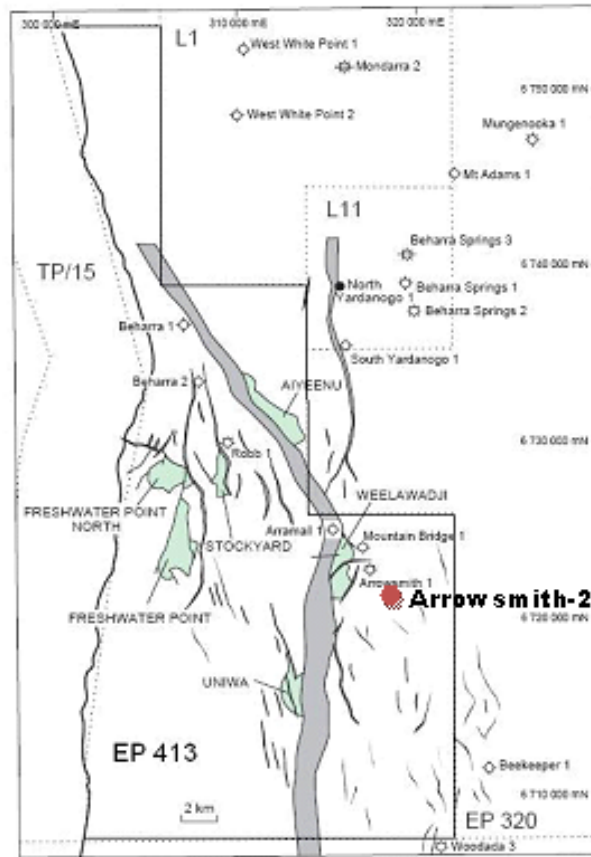


Figure 1. EP413 and Arrowsmith-2 location

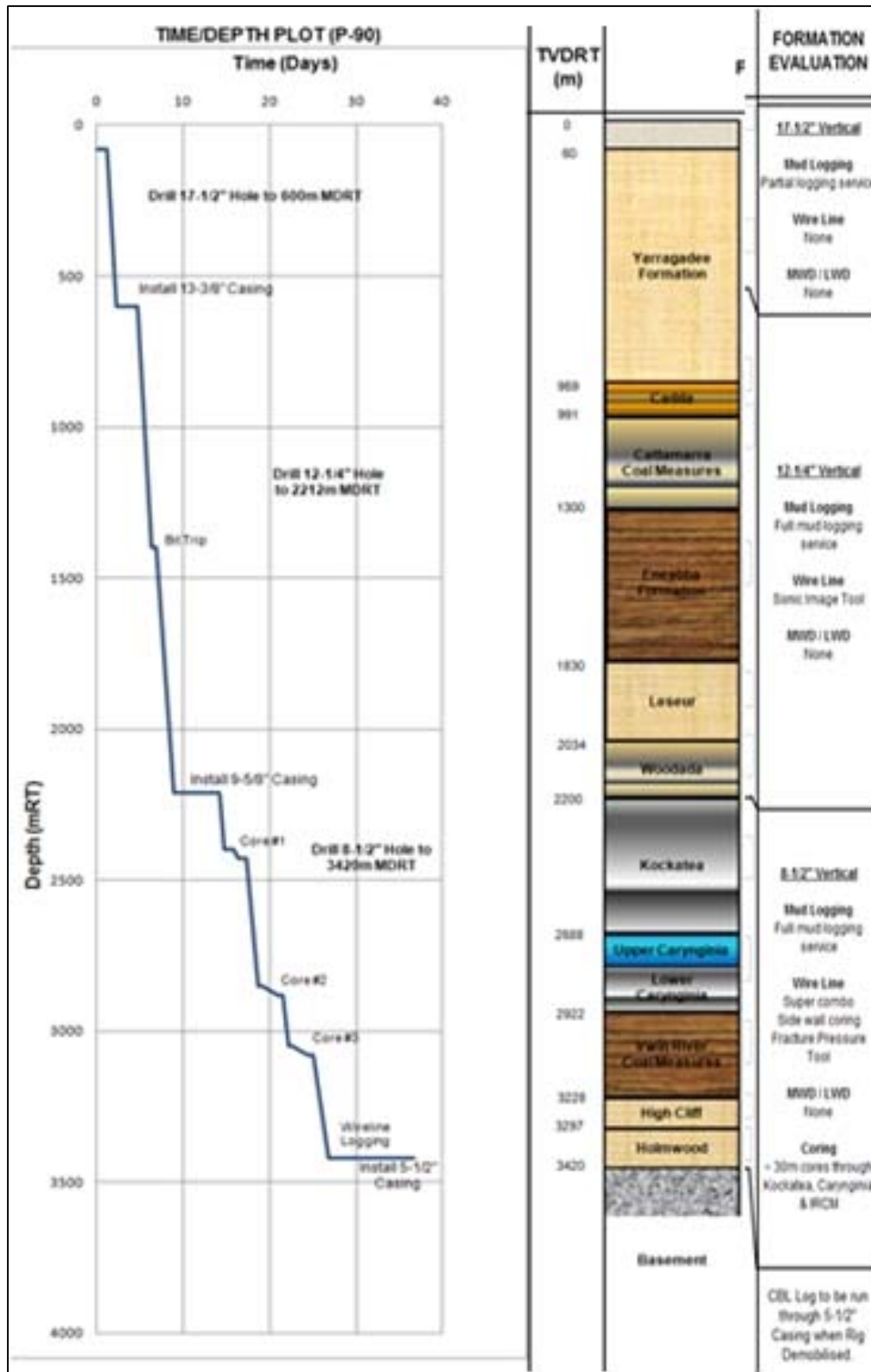


Figure 2. Arrowsmith-2 Time-Depth Plot