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10 November 2011

**Dear Shareholder**

## **NOTICE OF OFFER OF A ONE FOR EIGHT NON RENOUNCEABLE ENTITLEMENT ISSUE TO SHAREHOLDERS AND THE INDICATIVE TIMETABLE**

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The Board of Directors is pleased to advise you that it will invite shareholders of the Company who are registered as shareholders ("Eligible Shareholders") as at 5.00 pm Perth WST time on the record date ("Record Date") specified in the indicative timetable enclosed herewith ("Indicative Timetable") to participate in its November 2011 one for eight non renounceable entitlement issue ("Entitlement Issue").

Norwest also advises that in conjunction with the Rights Issue, it has raised \$1,275,000, before costs, through a placement of 42,500,000 shares at an issue price of \$0.03 each to clients of Patersons Securities Limited. In order to conserve cash resources the Company has also made a placement of 1,854,455 shares at an issue price of \$0.03 each in full payment for services provided.

The Entitlement Issue will offer each Eligible Shareholder the right to subscribe for one (1) new share ("New Share") in the capital of the Company for every eight (8) shares held by that shareholder on the Record Date, at an issue price of 3 cents per New Share to raise up to \$2,913,704 before expenses of the Entitlement Issue. The Entitlement Issue will be fully underwritten by Patersons Securities Limited ("Patersons") and will result in the Company issuing approximately 97,123,467 New Shares, assuming none of the Company's outstanding options are exercised prior to the Record Date. Patersons will be paid a management fee of \$60,000 and an underwriting fee equal to 5% of the dollar amount underwritten plus applicable GST. The directors of the Company have agreed to sub underwrite up to \$300,000 of the Entitlement Issue for no fee.

The New Shares will rank equally with the Company's existing shares and application will be made for them to be listed on ASX.

The Eligible Shareholders subscribing to the Entitlement Issue will do so without being required to pay brokerage or other costs that would normally apply to an on-market purchase of shares.

The offer under the Entitlement Issue will be non-renounceable. This means that the Eligible Shareholder cannot transfer their entitlement to subscribe for New Shares under the offer to anyone else.

An offer document relating to the Entitlement Issue will be despatched to Eligible Shareholders on or about the date specified in the Indicative Timetable. A copy of the offer document will be placed on the Company's website.

The dates shown on the Indicative Timetable are determined based on the current expectations of the Directors. The Directors reserve the right to modify or terminate the Entitlement Issue and the indicative timetable (in accordance with the listing rules) at any time. Any modification or termination will be notified to the ASX Limited.

No Offer will be made to Eligible Shareholders resident outside Australia and New Zealand.

Where the entitlement of an Eligible Shareholder results in a fraction of a New Share, such fraction will be rounded down to the nearest whole New Share.

## CAPITAL STRUCTURE

The capital structure of the Company immediately following the completion of the Entitlement Issue, assuming all available rights are taken up and none of the Company's Option holders exercise their options, is expected to be as follows:

<b>Shares</b>	<b>Number</b>
Shares on issue at date of this offer	776,987,739
New Shares offered	97,123,467
Total Shares on issue at completion of the offer	874,111,206

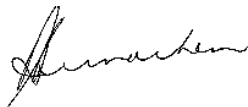
## Options

Options on issue at date of this offer	133,162,252
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Holders of Options will not be entitled to participate in the offer. The Options currently on issue may be exercised by the Option holder prior to the Record Date in order to participate in the Entitlement Issue.

If you have any questions concerning the proposed Entitlement Issue, please do not hesitate to contact Peter Munachen on (08) 92273200.

Yours faithfully



**PETER MUNACHEN**  
Chief Executive Officer

**INDICATIVE TIMETABLE**

Announcement of Entitlement Issue and Application for Quotation of New Shares (Appendix 3B) and notice to option holders. Letter to Shareholders advising of Entitlement Issue	Thursday, 10 November 2011
Ex-Date: Shares Quoted ex-Entitlement	Tuesday, 15 November 2011
Record Date	Monday, 21 November 2011
Issue Cleansing Notice in accordance with Section 708AA of Corporations Act	Thursday, 24 November 2011
Despatch offer of Entitlement Issue to Eligible Shareholders	Friday, 25 November 2011
Closing Date	Friday, 9 December 2011
Securities quoted on a deferred settlement basis	Monday, 12 December 2011
Notification of under subscriptions	Wednesday, 14 December 2011
Despatch of Holding Statements and deferred settlement ends	Monday, 19 December 2011