

29 January 2010

**Quarterly Activities Report
Period Ending 31 December 2009**

Highlights

- Announced the proposed Company-transforming acquisition of the producing Dawson Seamgas gas fields and two adjacent exploration tenements in the Bowen Basin, subject to satisfaction of various conditions and resolution of participation and pre-emptive rights;
- Drilled three exploration wells at the Tilbrook pilot in ATP 688P, marking the completion of the commissioning of a new drilling rig;
- Analysed data from a seismic acquisition program covering 10 km in ATP 688P;
- Completed a seismic acquisition program covering 10km in ATP 769P;
- Announced new gas reserves targets for 2010;
- Continued gas production and dewatering operations at the two Bowen Basin coal seam gas (CSG) pilots;
- Received shareholder approval to proceed with the acquisition of two new exploration tenements covering over 14,000 km² in the Galilee Basin; and
- Subsequent to the end of the quarter, completed drilling the Mount Saint Martin (MSM) #3 well, identifying new coal seams which could significantly increase the Company's CSG resource in this area of ATP 688P.

Outlook

WestSide Corporation Limited (ASX Code: WCL) has commenced an expanded drilling program in its Bowen Basin tenements which could see 16 new wells drilled by mid-2010. The program aims to build on WestSide's initial gas reserves, with the current phase targeting accelerated appraisal of the Mount Saint Martin area, with up to six exploratory wells now planned following promising gas content data from the recent core well and the identification of additional prospective coal seams.

WestSide has significantly increased the CSG reserves targets for the Company's 2009 / 2010 program after recent results from its drilling and appraisal works provided confidence for the expanded campaign.

The Company is now targeting up to 111 Petajoules (PJ) of Proved and Probable (2P) gas reserves and up to 1,710 PJ of Proved, Probable and Possible (3P) reserves in the Bowen and Galilee Basins, building on previously certified gas reserves.

Target gas reserves (2010)

	2P		3P
	2010 Target	2010 Target	Current ⁽¹⁾
ATP 769P	18	107	135
ATP 688P	93	355	76
Galilee Basin	-	1,248	-
Total	111	1,710	211

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In March, once the relevant pre-emptive and participation rights are settled, WestSide expects to be able to confirm the extent of the interest in the Dawson Seamgas gas fields, ATP 564P and ATP 602P, which it will acquire. The acquisition has the potential to transform WestSide into a significant gas producer within six months.

WestSide expects to complete the purchase of two new Galilee Basin exploration tenements, ATP 974P and ATP 978P, in coming months. Drilling is expected to commence in the new tenements late in 2010.

WestSide Projects

Bowen Basin

Paranui (ATP 769P)

(WestSide interest 50%)

Reserves: 135 PJ (3P) net to WestSide⁽¹⁾

Please see maps on following pages.

The Paranui pilot comprises three appraisal wells (Paranui #5R, #6R and #8), two observer wells (Paranui #4 and #7) and one core well (Paranui #10). Production testing of the Paranui #5R and #8 wells continued during the quarter.

In November, 10km of dynamite seismic was conducted at Paranui to confirm the geological structure of the target area. Results are being processed and will be used to plan the location of new wells.

A new core well is planned to the west of the Paranui pilot to assess the gas resource at depths greater than the 1,000m depth currently addressed by the pilot. The ability to access gas from coals deeper than 1,000m could add significantly to WestSide's current 3P gas reserves.

New wells are proposed to expand the existing pilot, while two existing pilot wells could be stimulated or cavitated to increase production rates.

The new wells will aim to confirm the geological structure and to convert some of the existing 3P gas reserves into 2P reserves to support an application for a Petroleum Lease in 2010.

Tilbrook, Mount Saint Martin and Bald Hill (ATP 688P)

(WestSide interest 50%)

Reserves: 76 PJ (3P) net to WestSide⁽¹⁾

Please see maps on following pages.

Tilbrook

The Tilbrook pilot is designed to appraise the Moranbah Coal Measures and is comprised of one dual-lateral horizontal appraisal well (Tilbrook #8), one vertical appraisal well (Tilbrook #7) and two observation wells (Tilbrook #4 and #6).

Production testing of the Tilbrook #8 dual-lateral well continued during the quarter and attempts were made to clear a blockage from one of the horizontal wells. The peak gas flow rates of 340,000 standard cubic feet per day⁽²⁾ and 400 barrels of water per day achieved before the well was blocked have provided confidence that

commercial flow rates can be achieved from the field from this style of completion. Reservoir modelling is continuing using data accumulated during production testing.

During the quarter, WestSide drilled three wells in preparation for new lateral wells to expand the Tilbrook pilot. The Tilbrook #9a exploration well and Tilbrook #9 vertical appraisal well intersected 9 metres and 10 metres of net coal respectively. The Tilbrook #10b exploration well encountered 3 metres of net coal after adjustments for the impact of localised intrusions. The drilling rig will return to complete the program after drilling wells in the Mount Saint Martin area.

The planned horizontal wells will target commercial gas flow rates to underpin certification of 2P gas reserves at the pilot.

An extended production test of the current appraisal wells, Tilbrook #8 and Tilbrook #7, is planned to continue for several months.

Seismic data was acquired in October over 5 km and is being analysed to confirm the coal structure for horizontal drilling and pilot expansion.

Tilbrook wells drilled – December quarter 2009

Well	Well Type	Spud Date	Finish Date	Current Status
Tilbrook # 9a	Exploration	16 Oct 2009	5 Nov 2009	Suspended as future producer.
Tilbrook # 9 vertical	Appraisal	20 Nov 2009	26 Nov 2009	Suspended as future producer.
Tilbrook # 10b	Exploration	29 Nov 2009	4 Dec 2009	Drilled to 442 m, plugged and abandoned as planned.

Mount Saint Martin

In response to promising gas content and saturation data from the MSM #1 well, WestSide plans to drill several new wells in the region to further define the gas resource.

The first of the new wells (MSM #3) was drilled in January 2010 and encountered 27 metres of coal - significantly more than the 9 metres intersected by the MSM #1 core well. The well identified additional, deeper coal seams that could significantly increase the Company's CSG resource in the area. Initial results from drill stem tests indicate low permeability in the seams at this site. Gas contents and permeability of the new seams will be tested in future wells.

New exploratory chip and core holes will be drilled to confirm the lateral extension of the target coal seams and appraise the gas contents over the wider area to extend the 3P reserves position.

Seismic data was acquired over 5 km in October and will be analysed to confirm the geological structure for potential future horizontal drilling.

Galilee Basin (ATP 974P and ATP 978P – pending)

(WestSide interest 100% - pending)

Please see maps on following pages.

WestSide has secured a significant foothold in Queensland's coal-rich Galilee Basin under an agreement to acquire two petroleum exploration tenements.

The Company will target CSG at the two pending exploration tenements, ATP 974P and ATP 978P, which cover a combined area of 14,480 km² in the north-western part of the Galilee Basin.

WestSide believes the area could contain up to 21 trillion cubic feet of gas in place.

Following the issue of the permits and completion of the acquisition, WestSide will conduct geological, geophysical and other engineering studies at the two tenements as a precursor to exploratory drilling in late 2010.

The acquisition was approved by WestSide shareholders at the Annual General Meeting held in November.

New drilling rig commissioned

WestSide completed commissioning of a new Schramm TXD drilling rig with the drilling of the Tilbrook #9a well commencing in October. The Schramm TXD 180 rig is one of the largest dedicated CSG rigs in Australia.

The Schramm rig is expected to allow WestSide greater control over its programs and will be a valuable resource as the Company moves into its next phase of exploration and appraisal.

The rig is operated by international drilling contractor, Boart Longyear and will be available for use by other industry participants at commercial rates when the rig is not in use on WestSide's projects.

Proposed acquisition of Dawson Seamgas gas fields

WestSide has entered a conditional agreement to acquire Anglo American's (Anglo) stake in the Dawson Seamgas CSG assets, and potentially, Mitsui Moura Investment Pty Ltd's (Mitsui) interest in those assets. The proposed acquisition would result in WestSide acquiring a stake of up to 100% in the producing Dawson Seamgas CSG fields (PL 94 and ML gas rights) and up to 50% in two adjoining tenements (ATP 602P and ATP 564P/ PL94 North sublease). The ultimate interests acquired will be determined following resolution of pre-emptive and other rights of participation held by the existing joint venture partners.

The producing Dawson Seamgas fields comprise a range of CSG assets including a petroleum lease, gas rights in mining leases and gas pipeline infrastructure connecting to the main Queensland commercial network. These fields currently produce approximately 12 Terajoules of gas per day.

The assets are located near Moura in central Queensland's Bowen Basin and are adjacent to WestSide's existing Paranui CSG project (ATP 769P). The fields are the closest producing tenements to Gladstone and are adjacent to the planned pipeline route for the Surat to Gladstone gas pipeline.

The transaction presents WestSide with a significant opportunity for further value creation through consolidation with the adjoining Paranui prospect. The Dawson Seamgas pipeline infrastructure has spare capacity to accommodate gas from both the Dawson Seamgas fields and from Paranui.

WestSide proposes to invest in the field to increase current production rates to meet contracted rates. WestSide also believes there are significant resources yet to be certified which have the potential to increase the 2P and 3P reserves and also to convert 3P into 2P. Co-development agreements with the coal mining lease holders (Anglo and Mitsui) will enable WestSide to extract and sell CSG from within the mining and petroleum areas. Compensation is payable to WestSide if coal mining activities impact on WestSide's gas activities.

If successful, this transaction has the potential to transform WestSide from an explorer-only business to a significant CSG producer, with sales contracts in place and a portfolio of exploration projects in various stages of development.

WestSide's total acquisition cost is expected to be between \$55 million and \$80 million, depending on the ultimate ownership interest acquired, with a proportional reduction of WestSide's investment if WestSide seeks to work with a joint venture partner.

The transaction is subject to obtaining the necessary financing, which will be finalised once there is further certainty over the size of the ultimate interests to be acquired.

Further clarity around the transaction size, structure and WestSide's financial commitment will be provided following resolution of the various pre-emptive rights. The resolution of all the various pre-emptive rights may not be finalised until early April 2010.

International

WestSide has agreements with Indonesia's leading thermal coal producer, PT Bumi Resources, to jointly explore for CSG in Indonesia. Bumi subsidiaries PT Kaltim Prima Coal (KPC) and PT Arutmin Indonesia are together the largest thermal coal producers in Indonesia.

WestSide is awaiting confirmation of its interests in recently-awarded CSG permits in Indonesia from Bumi Resources.

For further information, visit our website at www.westsidecorporation.com where you can also register to receive WestSide announcements by email, or contact:-

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About Westside Corporation Ltd

WestSide Corporation Limited is listed on ASX (ASX code: WCL) and has interests in coal seam gas (CSG) projects in Queensland and Indonesia.

In Queensland's Bowen Basin, WestSide is currently operating an appraisal program in ATP 769P (Paranui) and ATP 688P (Tilbrook, Mount Saint Martin and Bald Hill). WestSide holds a 50% interest in each area with QGC holding the other 50% in each case. WestSide is in the process of acquiring interests in the producing Dawson Seamgas gas fields.

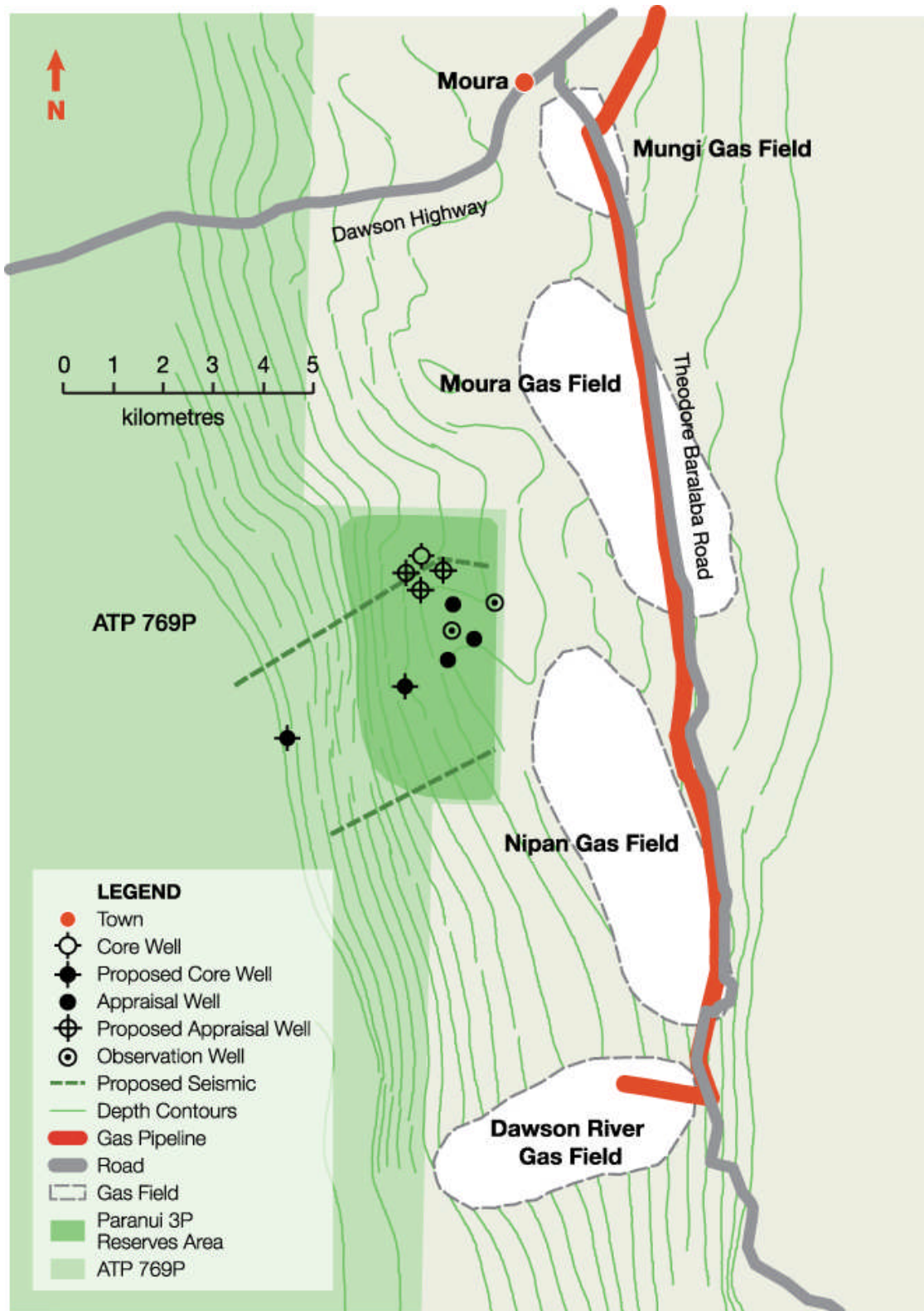
The Company expects to commence exploration activities in two new tenements in the Galilee Basin (Queensland) later this year, and is also assessing the CSG potential of certain coal deposits in Indonesia through its relationship with PT Bumi Resources TBK, one of Indonesia's largest coal miners.

⁽¹⁾The certified reserves figures used in this report are based on information compiled by John P. Seidle, Ph.D., P.E., Vice President of MHA Petroleum Consultants LLC. Mr Seidle is not an employee of WestSide Corporation Ltd and consents to the inclusion in this report of these reserves figures in the form and context in which they appear.

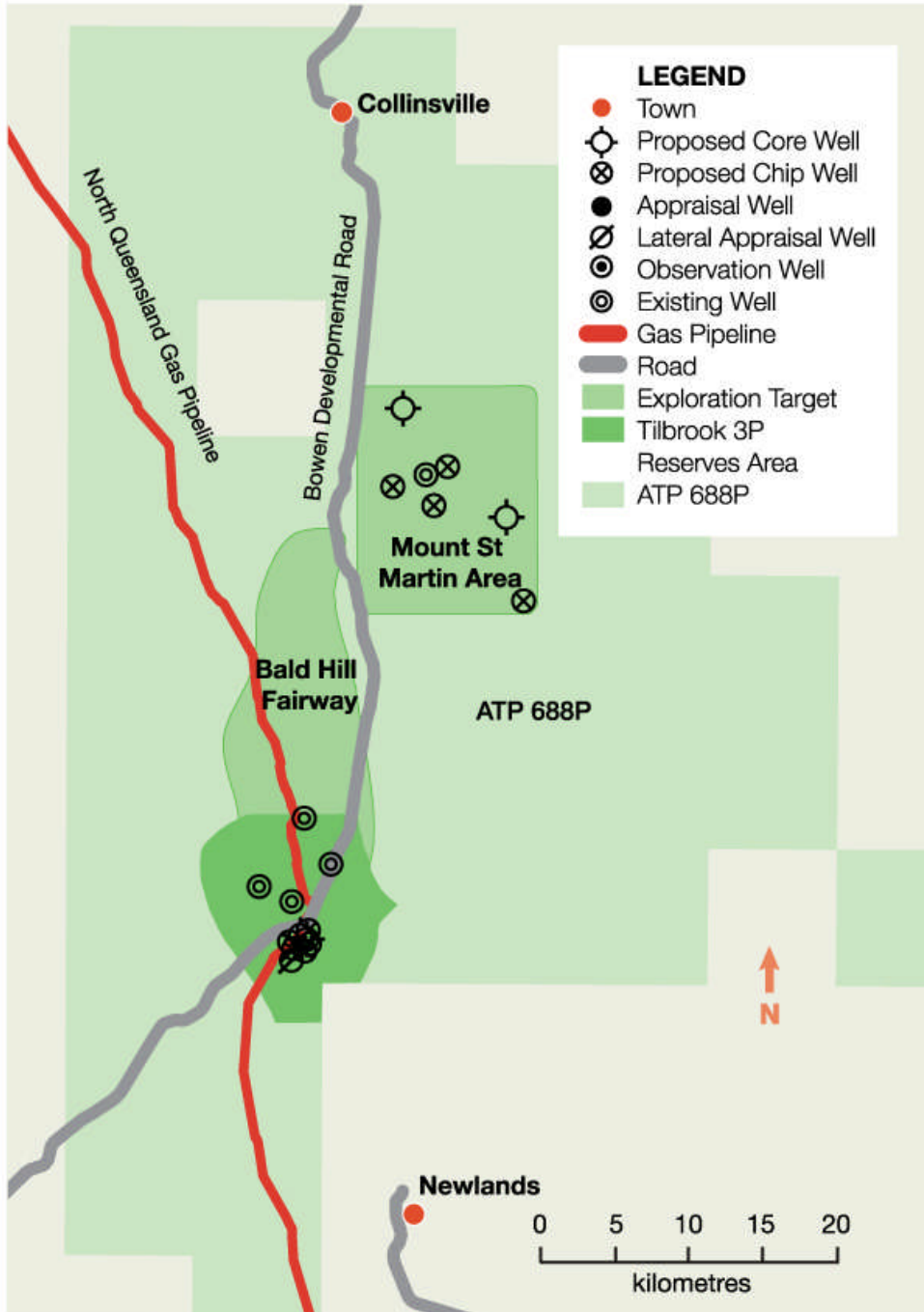
⁽²⁾ Gas flows are from the “P” coal seam of the Moranbah Coal Measures at an average depth of 340m and flowing through a ball valve which is open to approximately 20% (estimated equivalent to a 0.2 square inch choke).

Please see over for tenement and well locations

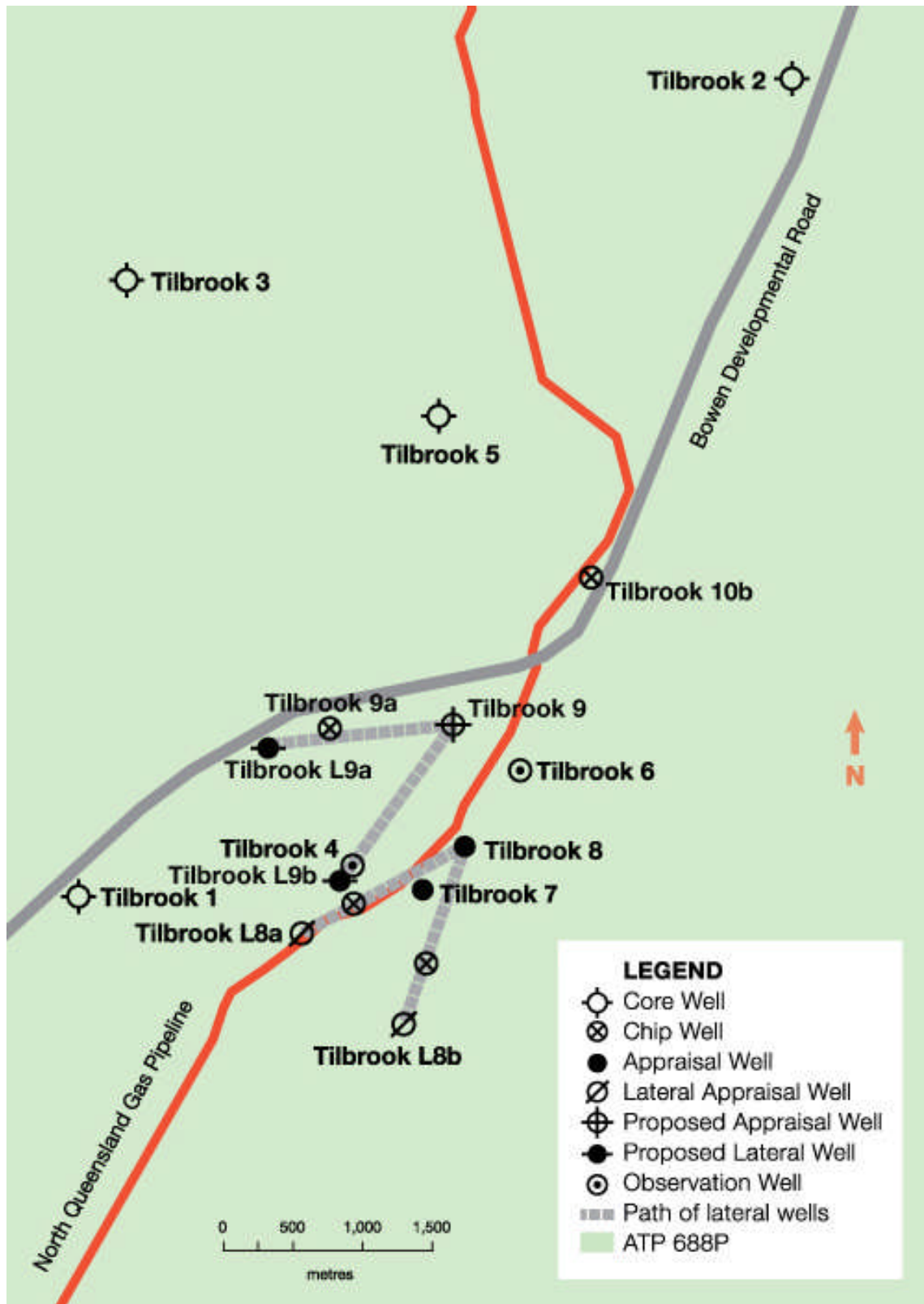
ATP 769P Location



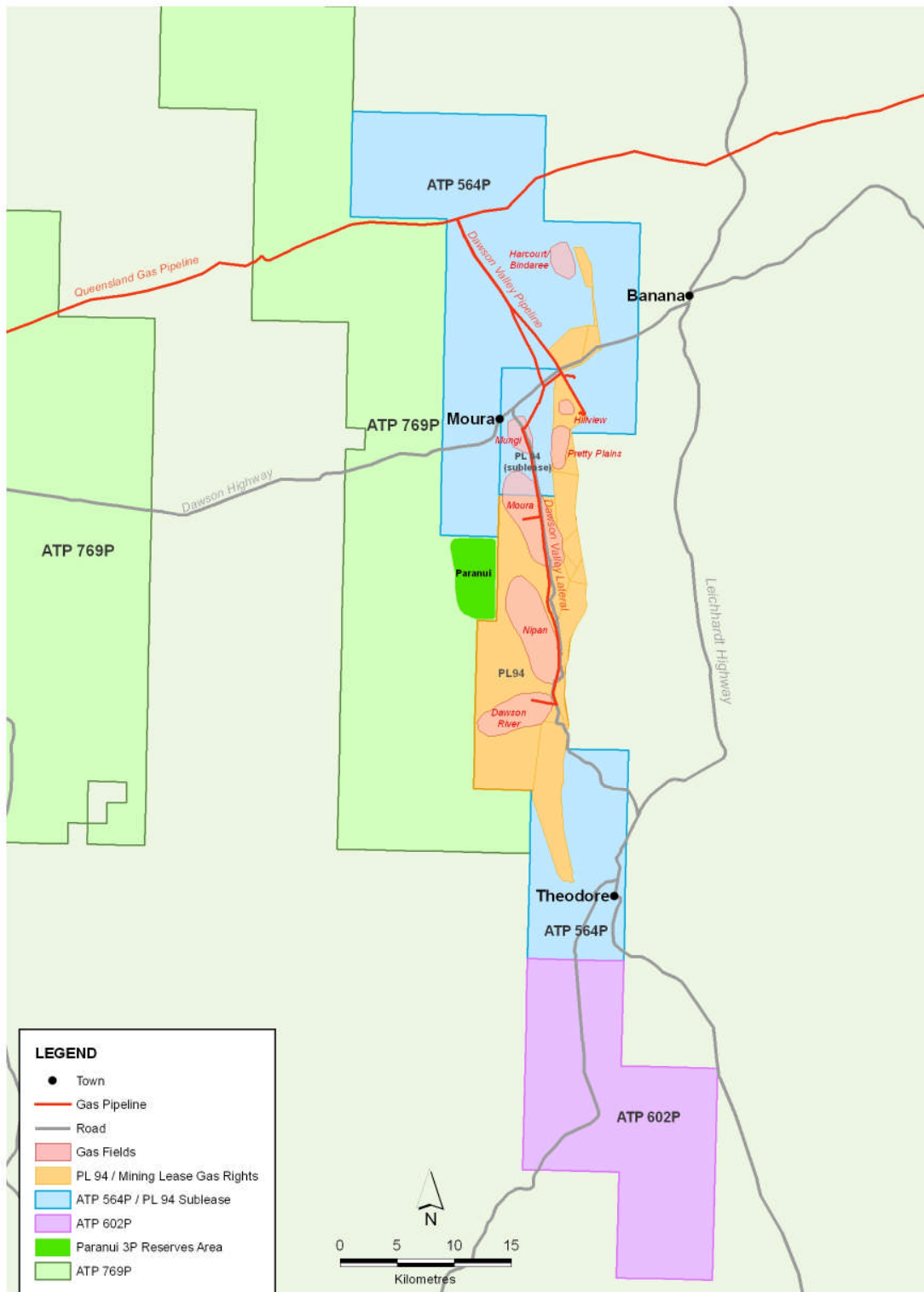
ATP 688P Location



Tilbrook CSG Pilot Area



Location of Dawson Seamgas gas fields and ATP 564P and ATP 602P



Galilee Basin tenements (pending)

