

30 April 2010

## Quarterly Activities Report Period Ending 31 March 2010

### Highlights

- Confirmed the acquisition of a 51% interest in the Dawson coal seam gas (CSG) fields in the Bowen Basin for \$26.8 million;
- Formed an alliance with Japanese trading house, Mitsui providing potential access to global LNG markets for Dawson gas and creating an opportunity for a broader alliance with Mitsui across WestSide's existing acreage;
- 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; and
- Subsequent to the end of the quarter:
  - Announced a \$64.4 million capital raising, backed by New Hope Corporation and the Infrastructure Capital Group-managed Energy Infrastructure Trust to fund the acquisition and development of the Dawson CSG fields; and
  - Resumed the aggressive 2010 Bowen Basin drilling campaign with two rigs operating to drill the MSM #2, MSM #5 and MSM #7 wells following a weather-enforced break of several weeks.

### Outlook

WestSide Corporation Limited (ASX Code: WCL) is preparing to make a rapid transition from explorer to CSG producer following the imminent completion of the Company-transforming Dawson Seamgas acquisition.

Consequently, WestSide is commissioning a team to take control of the producing Dawson CSG fields in the Bowen Basin in June and plans to drill a series of lateral production wells to boost production soon after gaining operatorship. A seismic acquisition program is also planned for this period.

Meanwhile, in April WestSide was able to resume an aggressive 2010 drilling program in the Company's Bowen Basin tenements after seasonal wet weather disrupted field activity for several weeks during the quarter. Acquisition of seismic data in ATP 688P will take place in early May.

WestSide has procured the services of a second drilling rig to accelerate the 11-well program. The program aims to build on WestSide's initial gas reserves, with the current phase targeting accelerated appraisal of the Mount Saint Martin area.

Five exploratory wells are planned in the current program following promising gas content data from the MSM #1 core well and the identification of additional prospective coal seams in January. Two new wells are planned for areas of ATP 688P which have not previously been explored and up to five new wells are planned for the Paranoi pilot in ATP 769P.

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 or early 2011 if the issue of permits is further delayed.

## **WestSide Projects**

### **Bowen Basin**

#### **Paranui (ATP 769P)**

*(WestSide interest 50%)*

Reserves: 135 PJ (3P) net to WestSide<sup>(1)</sup>

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.

Two new wells are planned to the west of the Paranui pilot to assess the gas resource at depths greater than the 1,000 metre depth currently addressed by the pilot. The ability to access gas from coals deeper than 1,000 metres could add significantly to WestSide's current 3P (Proved, Probable and Possible) gas reserves.

Up to three new wells are proposed to expand the existing pilot to test production rates.

The new wells will aim to confirm the geological structure and to convert some of the existing 3P gas reserves into 2P (Proved and Probable) 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<sup>(1)</sup>

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. Reservoir modelling is continuing using data accumulated during production testing.

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

##### ***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 26 metres of coal in the Moranbah Coal Measures - significantly more than the 10 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.

The MSM #2 appraisal well was drilled in April 2010 and intersected 26 metres of net coal, confirming the extension of the deeper coal seams. The MSM #5 core well,

located at the northern extremity of the Mount Saint Martin area, encountered intrusions which resulted in net coal of 12 metres.

The MSM #7 exploration hole on the eastern flank of the Mount Saint Martin area intersected 10 metres of net coal after allowing for intrusions.

A further two wells 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.

Well	Well Type	Spud Date	Finish Date	Results
MSM #1	Exploration Core Hole	3 May 2009	20 May 2009	10m of net coal**
MSM #3	Appraisal	14 Jan 2010	24 Jan 2010	26m of net coal**
MSM #2	Appraisal	10 Apr 2010	20 Apr 2010	26m of net coal**
MSM #5	Exploration Core Hole	12 Apr 2010	22 Apr 2010	12m of net coal**
MSM #7	Exploration	23 Apr 2010	30 Apr 2010*	10m of net coal**
MSM #4	Appraisal	1 May 2010*	8 May 2010*	
MSM #6	Exploration	10 May 2010*	15 May 2010*	
Mount Leslie #8	Exploration Core Hole	17 May 2010*	24 May 2010*	
Exmoor #9	Exploration Core Hole	26 May 2010*	3 Jun 2010*	

\* Proposed dates

\*\*Net coal is in Moranbah Coal Measures only

### ***New ATP 688P exploration***

Core wells Mount Leslie #8 and Exmoor #9 will target the gas potential of new precincts in ATP 688P located to the south and south east of the Mount Saint Martin area.

### **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 within the two pending exploration tenements, ATP 974P and ATP 978P, which cover a combined area of 14,480 km<sup>2</sup> 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 within the two tenements as a precursor to exploratory drilling in late 2010 or early 2011 if the issue of permits is further delayed.

An environmental authority was awarded for the tenements in January 2010.

### **Acquisition of Dawson CSG fields**

WestSide confirmed the Company would make the transition from explorer to producer when it announced plans in March to join with Mitsui E&P Australia Pty Ltd ("MEPAU") to acquire the Dawson CSG fields in Queensland's Bowen Basin from existing owners Anglo American ("Anglo") and Mitsui Moura Investment Pty Ltd ("MMI").

Under the new joint venture arrangement, WestSide will be the operator and will pay \$26.8 million for a 51 per cent interest in the Dawson CSG fields (Petroleum Lease 94 and Mining Lease gas rights).

The Dawson Seamgas fields have certified<sup>(2)</sup> Proved (1P) gas reserves of 60 petajoules (PJ), 186 PJ of Proved and Probable (2P) reserves and 334 PJ of Proved, Probable and Possible (3P) reserves.

The Dawson Seamgas fields near Moura are currently producing approximately 11 Terajoules of gas per day (TJ/day) and comprise a range of CSG assets including a petroleum lease, gas rights in mining leases and gas compression and pipeline infrastructure connected to Queensland's commercial gas network. A remedial well work over program has already commenced.

WestSide and MEPAU will be targeting work programs to increase the field production to 25 TJ/day and further expansion thereafter, with an ultimate goal of exporting LNG and supplying new domestic contracts from 2015/2016 when the current supply contracts in place expire.

The joint venture agreement will:

- Transform WestSide from an explorer into a producer;
- Deliver a strategic partnership with Mitsui and potential access to LNG markets through export opportunities;
- Provide an attractively priced entry to a producing gas asset with significant infrastructure in place;
- Give WestSide a stake in a well-located gas field, adjacent to the proposed Surat-to-Gladstone gas pipelines to supply feedstock to Queensland's burgeoning LNG industry and domestic market;
- Deliver early production revenues;
- Provide WestSide with domestic marketing rights for gas, aligned with Mitsui's global marketing rights for potential future LNG; and
- Deliver a compelling means of adding value to WestSide's adjacent Paranui CSG project (ATP 769P) which is jointly held with LNG proponent, QGC (a BG group company).

### *Potential for expanded alliance with MEPAU*

MEPAU will have six months from completion to consider acquiring 49% of WestSide's existing interests in the neighbouring Paranui prospect (ATP 769P) and its new Galilee Basin tenements (ATP 974P and ATP 978P).

The acquisition price would be a proportionate reimbursement of acquisition, administration and exploration costs incurred to date by WestSide, subject where relevant, to the waiver of pre-emptive rights held by WestSide's existing joint venturers.

This is in line with WestSide's strategy of attracting a suitable joint venture partner for its new permits in the Galilee Basin.

#### *Conditionality*

Material conditions precedent outstanding at the date of this report:

- Indicative approval under relevant legislation and regulations of the transfer of the interests in the leases, tenements and pipeline licences to the new owners;
- Assignment of gas sales agreements to WestSide; and
- Finance being obtained to the satisfaction of the WestSide Board.

#### **Capital raising**

In April, WestSide announced a fully-underwritten capital raising of \$64.4 million backed by New Hope Corporation Ltd (NHC) and the Infrastructure Capital Group (ICG)-managed Energy Infrastructure Trust (EIT). Both NHC and EIT were issued with shares, raising \$8.1 million at \$0.55 per share in April, and they are together underwriting a \$56.3 million 1-for-1 Entitlement Offer of new ordinary shares to existing shareholders at \$0.45 per share.

Eligible shareholders have until 10 May 2010 to participate in the offer. Shareholder enquiries should be made to WestSide's share registry on 1300 737 760.

#### **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](http://www.westsidecorporation.com) where you can also register to receive WestSide announcements by email, or contact:-

#### **WestSide Corporation Ltd:**

Angus Karoll  
Chairman and CEO  
07 3020 0900

#### **Media:**

Richard Owen  
Principal Consultant – Three Plus  
07 3503 5700

---

#### **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 Seam 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.

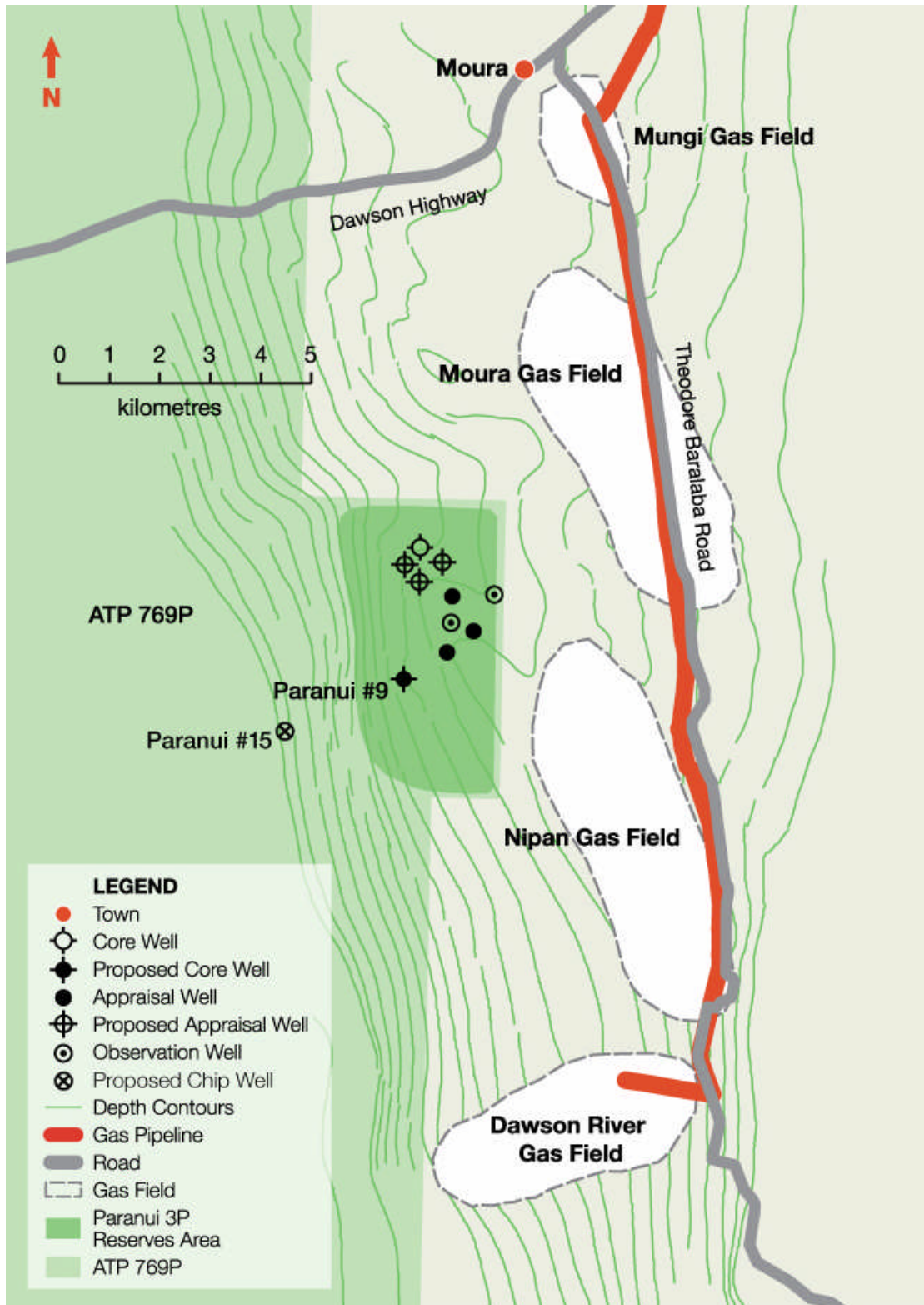
---

<sup>(1)</sup>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.

<sup>(2)</sup>The Dawson reserves estimates appearing in this statement are as at 31 December 2008 and were compiled by Mr Bruce Gunn, an employee of Resource Investment Strategy Consultants P/L (RISC), from information provided by Anglo to WestSide. RISC is independent with respect to Westside. RISC has no pecuniary interest, other than to the extent of the professional fees receivable for the preparation of its report, or other interest in the assets evaluated, that could reasonably be regarded as affecting its ability to give an unbiased view of these assets. Mr Gunn, who is a practising petroleum engineer with over 25 year's experience, has consented to the inclusion of the reserve information in the form and context in which it appears in this announcement. WestSide has a 51% interest in the reserve numbers listed.

**Please see over for tenement and well locations**

### ATP 769P Location

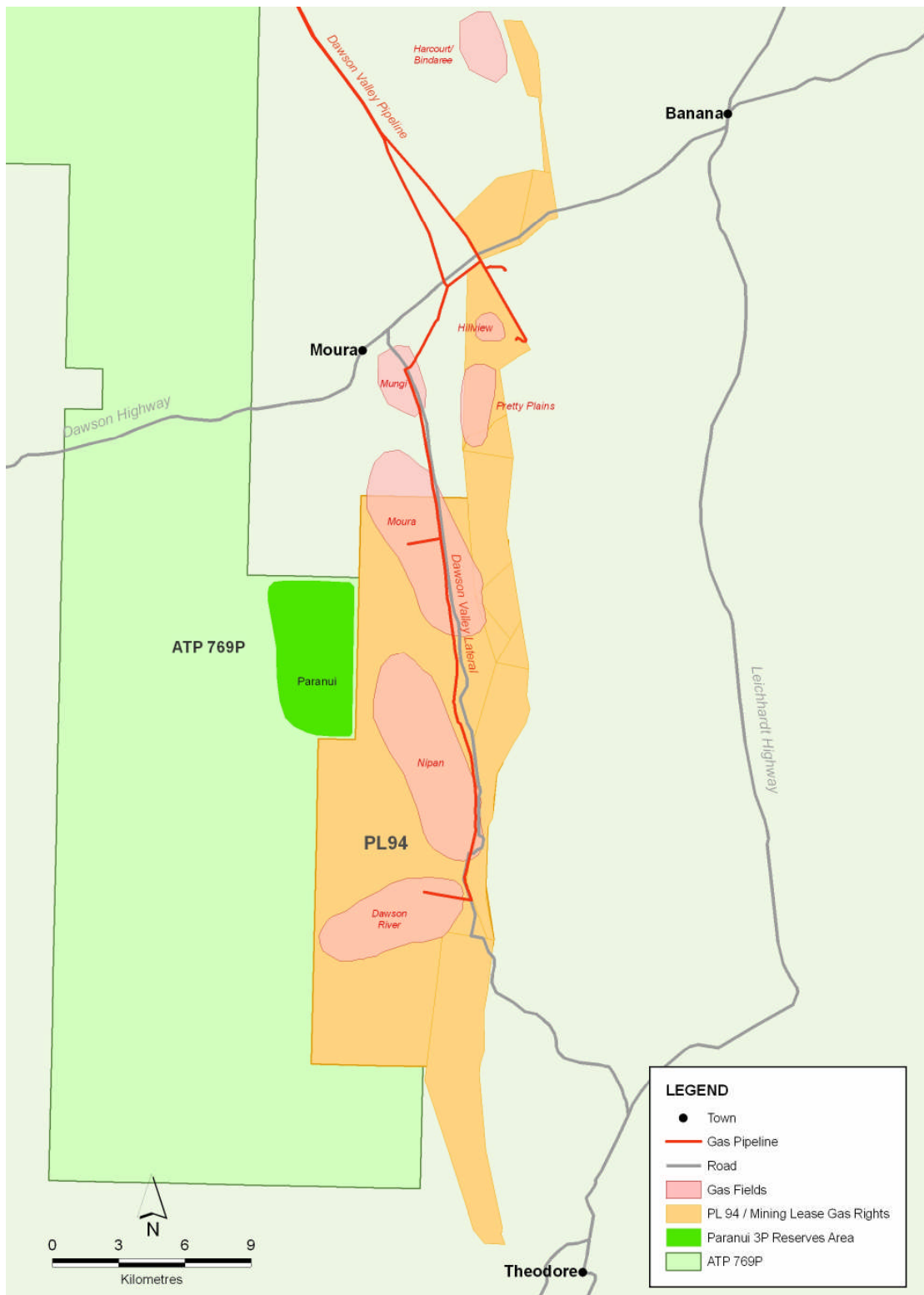


ATP 688P Location





### Location of Dawson Seamgas gas fields



### Galilee Basin tenements (pending)

