

14 January 2011

Operational Update – production maintained and resumption of drilling being planned

Key Points

- Meridian SeamGas production activities have had only minor impacts to date from recent regional flooding and wet weather
- Production is running at approximately 90% of pre-Christmas levels due to recent wet weather access problems
- WestSide remains in compliance with all relevant environmental licences and regulations and has had no safety incidents
- A resumption of Meridian production and reserves expansion exploration drilling activities is planned as soon as possible - potentially as early as next week
- WestSide has suspended operations from its Brisbane head office as a result of the current flood event until power and access have been restored, although the Moura office remains open.

As Operator of the Meridian SeamGas Coal Seam Gas gasfields, WestSide Corporation Ltd (ASX Code: WCL) is pleased to advise production activities at the joint venture's Bowen Basin operations near Moura have experienced only minor impacts to date from recent regional flooding and wet weather.

WestSide has also remained in compliance with all relevant environmental licences and regulations despite the impact of record rainfalls in the area and has had no safety incidents to report.

Plans are now place to resume the joint venture's production and reserves expansion exploration drilling activities as soon as possible.

WestSide's Chief Executive Officer Dr Julie Beeby said Meridian SeamGas production had been interrupted for approximately two days in late December following a brief loss of power to the joint venture's main compressor station.

"However, the main compressors were brought back on line within 48 hours as soon as we were able to regain access," Dr Beeby said.

"Production is currently down by approximately 10 per cent on pre-Christmas levels, but is continuing to recover from the impact of recent wet weather problems resulting from lack of access to some areas and wells within the fields."

Dr Beeby said gas sales would be down as a result of the deferred production.

As a result of wet weather preparations, WestSide was able to complete drilling the first two wells in the reserves expansion exploration program prior to Christmas and expects to have the next well site prepared for Dominion Drilling's DR02 rig by early next week, weather permitting.

"Additionally, preparations are underway for the Schramm rig, operated by Wood Group Wagners, to be in position to spud the first lateral component of Pretty Plains #10 – Meridian's third new dual-lateral production well set as soon as possible," Dr Beeby said.

"And we have a work-over rig ready and in position to complete and place the Pretty Plains #8 production well set under pump when conditions are safe for operations to resume there."

Dr Beeby said WestSide's Meridian field programs had been delayed by approximately a fortnight to date and that options to get back on schedule were being considered, including the use of track-mounted work over rigs to facilitate access along weather affected tracks.

As a result of flooding in Brisbane, however, WestSide suspended operations at its Brisbane head office from Tuesday, January 11 2011 until power, communications and normal access

have been restored. Until then the Company's Moura office remains open while Brisbane-based staff will be operating from remote locations where possible.

Emails are unlikely to reach any WestSide addresses until power and communications services have been restored to the Brisbane CBD. Alternative contact information is available on WestSide's website : www.westsidecorporation.com.

About WestSide Corporation Ltd

WestSide Corporation Limited is an ASX-listed company (ASX code: WCL) with interests in coal seam gas (CSG) projects in Queensland and Indonesia.

WestSide operates the Meridian SeamGas CSG fields west of Gladstone in Queensland's Bowen Basin. The Meridian fields 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.

WestSide holds a 51% interest in the fields with Mitsui E&P Australia Pty Ltd holding the remaining 49%.

Elsewhere in the Bowen Basin, WestSide is currently operating an exploration and appraisal program at the ATP 769P (Paranui) and ATP 688P (Tilbrook and Mount Saint Martin) sites. WestSide holds a 50% interest in each area with QGC holding the other 50% in each case.

WestSide also has a position in the Galilee Basin (Queensland) with two new tenements (ATP 974P and ATP 978P) covering an area of over 14,000 sq kms.

The Company expects to commence exploration activities in these tenements later this financial 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.

Additional information is available on WestSide's website: www.westsidecorporation.com.

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