

3 April 2012

Meridian and Dawson Mine reach mutually beneficial legacy well agreement

Key Points

- Meridian SeamGas has executed an agreement under which the adjacent Dawson coal mine will gain early access to 0.8 km² within a co-development area of the mining lease, while Meridian continues to drain gas from existing wells
- Early access has been granted in exchange for a commitment to compensate Meridian SeamGas for any loss of production revenue from five associated wells, for a period of two years, should production be adversely affected
- The Meridian SeamGas project's certified gas reserves will be unaffected because the area concerned has never been included for reserves assessment.

As Operator of the Meridian SeamGas CSG gas fields, WestSide Corporation Ltd (ASX Code: WCL) advises that the Meridian SeamGas joint venture and the owners of the adjacent Dawson coal mine (the "Coal Party") have signed an agreement to optimise management of five well-sets located within a co-development area of the mining lease.

Meridian SeamGas has the right, under a Co-Development Agreement with the Coal Party, to extract gas from specific areas of the mining lease prior to the expansion of mining into those areas. Under this new agreement the Coal Party will be granted access to a 0.8 km² of the co-development area 12 months earlier than would otherwise be the case.

In return for gaining expedited access the Coal Party has committed to fully compensate Meridian SeamGas for any loss of production from the five wells at agreed gas prices, for a period of two years, should production be adversely affected.

WestSide CEO Dr Julie Beeby said Meridian SeamGas was producing gas from five legacy wells drilled within seams beyond its reserve boundary and would now seal off the non-producing ends of the lateral wells so mining operations could expand into this area immediately.

"The methane drained from this area of the mining lease has always contributed upside to Meridian SeamGas as it has been coming from wells the mine drilled some years ago," Dr Beeby said.

"This new agreement means that we will be compensated for any loss of revenue from these wells for the next two years if production is impacted by the sealing of the lateral well heads, or the mine's subsequent activities affect production."

The compensation arrangements recognise the fact that the lateral sections of these wells will no longer be accessible for work overs once their well heads have been sealed.

Under this new arrangement Meridian SeamGas will gain at least 12 months of additional production revenue at a rate of approximately 2 Terajoules a day from wells which, under the terms of the Co-Development Agreement, would otherwise have had to be decommissioned within 12 months.

The Coal Party will meet the initial cost of sealing the lateral ends of the wells, which potentially could continue to produce gas for extraction via the remaining vertical well sections beyond the two-year compensation period.

Dr Beeby said the Meridian SeamGas project's certified gas reserves would not be affected by this new arrangement because the area concerned had never been included for reserves assessment.

"By working together in this way, the coal and gas parties have jointly ensured optimal recovery of both coal and gas resources for the benefit of all stakeholders," Dr Beeby said.

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.

WestSide operates the Meridian SeamGas CSG fields near Moura west of Gladstone in Queensland's Bowen Basin. The Meridian gas 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 25.5% interest in the tenements with Mitsui E&P Australia Pty Ltd, which has a 24.5 % interest in each, and QGC, which holds the other 50% in each case.

WestSide also has a 51% operating interest in two Galilee Basin (Queensland) tenements (ATP 974P and ATP 978P) covering an area of over 13,280 sq km, with Mitsui E&P Australia Pty Ltd holding the remaining 49% in each.

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

For further information contact:**WestSide Corporation Ltd**

Dr Julie Beeby
Chief Executive Officer
07 3020 0900

Investors and Media

Richard Owen
Investor & Community Relations Manager
07 3020 0900
0412 869 937
richard.owen@westsidecorporation.com