ASX/MEDIA RELEASE

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FY2013 revenues up 19% - asset write-downs to impact result

Key Points

- **Total group revenue up 19% to $10.5m in FY2013, including a 29% increase in gas sales to $7.7m**
- **Net loss of $21.9m includes asset write downs totalling $8.9m and depreciation of $7.1m**
- **EBITDA loss of $5.2m from continuing operations before corporate transaction costs is a 7% improvement on the comparable previous year loss of $5.6m**
- **Organisational restructure is delivering results, evident from a 14% lift in Meridian's average daily gas sales to 11.1 TJ/d since the end of June**
- **Negotiations for new gas sale agreements are in progress and development plan verification has commenced**
- **WestSide is poised to benefit from higher forecast prices within 18 months as Qld's export LNG industry impacts on Australia's east coast gas market**

Note: results are unaudited

WestSide Corporation Limited (ASX Code: WCL) today advises that it expects to report a loss of $21.9 million for FY2013 after taking write downs totalling $8.9 million against the carrying values of the Company's Galilee Basin exploration interests and its drilling rig.

The result compares to a loss of $7.8 million in the previous year which included a profit of $3.7 million from the divestment of the Company's Indonesian assets.

WestSide Executive Chairman Mr Angus Karoll said despite the past year's disappointments, the Company was poised to benefit from higher forecast gas prices within 18 months as global LNG pricing begins to influence Australia's east coast gas market.

"The failed PetroChina transaction hindered the Company's growth plans during the year, however, within a month of their withdrawal the Board had completed a strategic review of WestSide's business and initiated an organisational restructure to cut costs and sharpen the Company's development and production focus," he said.

"This action has already started to deliver results, evident from a 14 per cent increase in average daily gas sales since June and commissioning of an external validation of the Meridian field development plan to underpin execution of new gas sale agreements."

WestSide is currently pursuing new gas sales agreements to replace existing contracts which will phase-out by 2015. These new sales agreements are expected to be secured at gas prices significantly higher than current contracts.

"The emerging market dynamics strongly favour WestSide as an independent Coal Seam Gas producer, with its large uncontracted 2P (Proved and Probable) reserves position at Meridian, spare infrastructure capacity, and proximity and access to markets via our connection into the Queensland Gas Pipeline," Mr Karoll said.

Total revenue in FY2013 was up 19 per cent at $10.5 million (2012: $8.8m) reflecting a 29 per cent increase in revenue from WestSide's share of Meridian's gas sales to $7.7 million from $5.9 million in 2012.

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WestSide's share of gas sales volume for FY2013 was up 7.2 per cent to 1,935 TJ from 1,805 TJ the previous year, driven by a 10 per cent improvement in gas production at Meridian. The increase in sales volumes was achieved despite a significant fall in available third party gas and the curtailment of production from 10 wells taken off line in November 2012 in preparation for the Advanced Treatment Trial.

Mr Karoll said a review of WestSide's portfolio of assets had resulted in the Company making the decision to write-down the carrying value of its interests in the Galilee Basin by $4.5 million to nil and its drilling rig assets by $4.4 million to reflect market value.

The distance between the Galilee Basin tenements and commercial gas markets, when viewed in conjunction with the geological challenges and environmental restrictions of the region, raised sufficient uncertainty as to the likelihood of commercialising the resource. The recent slump in global coal prices had also resulted in a significant downturn in the local drilling market, impacting the value of the drilling rig.

A comparison of the Company's underlying performance in FY2013 with FY2012 is useful in understanding the operational performance and shows an improvement in the operational result from 2012.

After stripping out the impacts of items such as the asset write-downs, the prior year gain on disposal of the Indonesian assets and takeover-associated costs, the Company's Earnings Before Interest, Tax, Depreciation and Amortisation (EBITDA) loss for FY2013 was actually $0.4 million less than that of FY2012 as shown in the table below.

Comparison of EBITDA ($ million)	**2013**	**2012**
Loss after tax	(21.9)	(7.8)
Add-back tax credits	-	(0.4)
Add-back interest revenue	(1.0)	(1.0)
Add-back profit from discontinued operations	-	(3.7)
Less Impairment charges	8.9	-
Less Depreciation	7.1	5.8
Less Finance costs	0.9	1.1
EBITDA from continuing operations	**(6.0)**	**(6.0)**
Less: costs of corporate transactions	0.8	0.4
EBITDA from continuing operations before transaction costs	**(5.2)**	**(5.6)**

Note: results are unaudited

WestSide expects to release its full audited financial statements in mid September.

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 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.

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