

3 September 2009

WestSide secures foothold in Galilee Basin

- WestSide agrees to acquire two petroleum exploration tenements in Galilee Basin
- Tenements cover 14,480 km² in the north-western part of the basin
- Proposal to issue 3.5 million shares to acquire the tenements
- Subject to shareholder approval

WestSide Corporation Ltd (ASX code: WCL) will secure a significant foothold in Queensland's coal-rich Galilee Basin under an agreement to acquire two petroleum exploration tenements.

The Company will target Coal Seam Gas (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 TCF (trillion cubic feet) of gas in place.

Historical seismic data from these tenements and drilling in nearby tenements indicate the existence of continuous coal seams throughout the basin. The targeted Bandana Formation coal seams typically contain between 13m and 17m of coal.

Regionally, the Galilee Basin is attracting increasing interest from explorers and producers, with several exploration and appraisal projects already underway.

WestSide Chief Operating Officer Simon Mewing said this acquisition represents an opportunity for WestSide to significantly increase its gas reserves in a prospective area of the northern Galilee Basin.

"The Galilee Basin is considered by many to be Queensland's new frontier for CSG exploration," Mr Mewing said.

"Investments amounting to tens of millions of dollars are expected in coming years as industry participants such as AGL move to prove CSG reserves in the region."

"Nearby tenements in the northern Galilee Basin are held by CSG industry participants such as Origin Energy, Pangaea and Arrow Energy."

"If successful, the Galilee Basin could become one of Australia's premier onshore gas-producing regions. A material CSG resource in the region could underwrite the construction of pipeline infrastructure to markets in Mt Isa or on the Queensland coast."

The boundaries of WestSide's new tenements lie approximately 380 km equidistant from gas markets in Mt Isa and Townsville, making these tenements one of the closest potential sources of gas for the burgeoning Mt Isa market.

An exploration program will be planned to commence in 2010, with an initial drilling program to identify the extent of the coal resource and its gas content. Successful results from the initial drilling program could lead to up to forty stratigraphic holes being drilled across each tenement in the first four years to prove the extent of the resource and target the certification of gas reserves.

WestSide's access to a new Schramm TXD 180 rig will keep appraisal costs low and potentially prove more reserves per dollar of investment.

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The entry cost to these tenements is relatively low in comparison to the other multiples for CSG resource transactions in Queensland.

WestSide will issue 3.5 million shares to acquire 100% of the shares of Nazara Pty Ltd (Nazara) which is the preferred tenderer for the two tenements following a successful bid lodged in mid-2008.

The acquisition is conditional on final grant of the tenements to Nazara Pty Ltd and on WestSide shareholder approval.

Nazara is owned by WestSide Chairman and acting-CEO Angus Karoll. In mid-2008, prior to his appointment to his current executive position, Mr Karoll identified these Galilee Basin opportunities at a time when WestSide's focus on proving-up its Bowen Basin properties prevented it from committing resources to additional prospects. A revitalised Board is now pursuing opportunities for increasing value with the knowledge that the Company has booked its first gas reserves and has the resources to support new opportunities.

The WestSide Board has assessed the potential of these tenements and unanimously recommends the acquisition of Nazara to shareholders. Deloitte Corporate Finance will report on whether the transaction is fair and reasonable in an Independent Expert's Report to WestSide shareholders.

WestSide shareholders will be asked to approve the transaction under Listing Rules 10.1 and 10.11 at an Extraordinary General Meeting proposed for October. The terms of a waiver obtained by WestSide of ASX Listing Rule 10.3.3 are attached.

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

For further information contact:

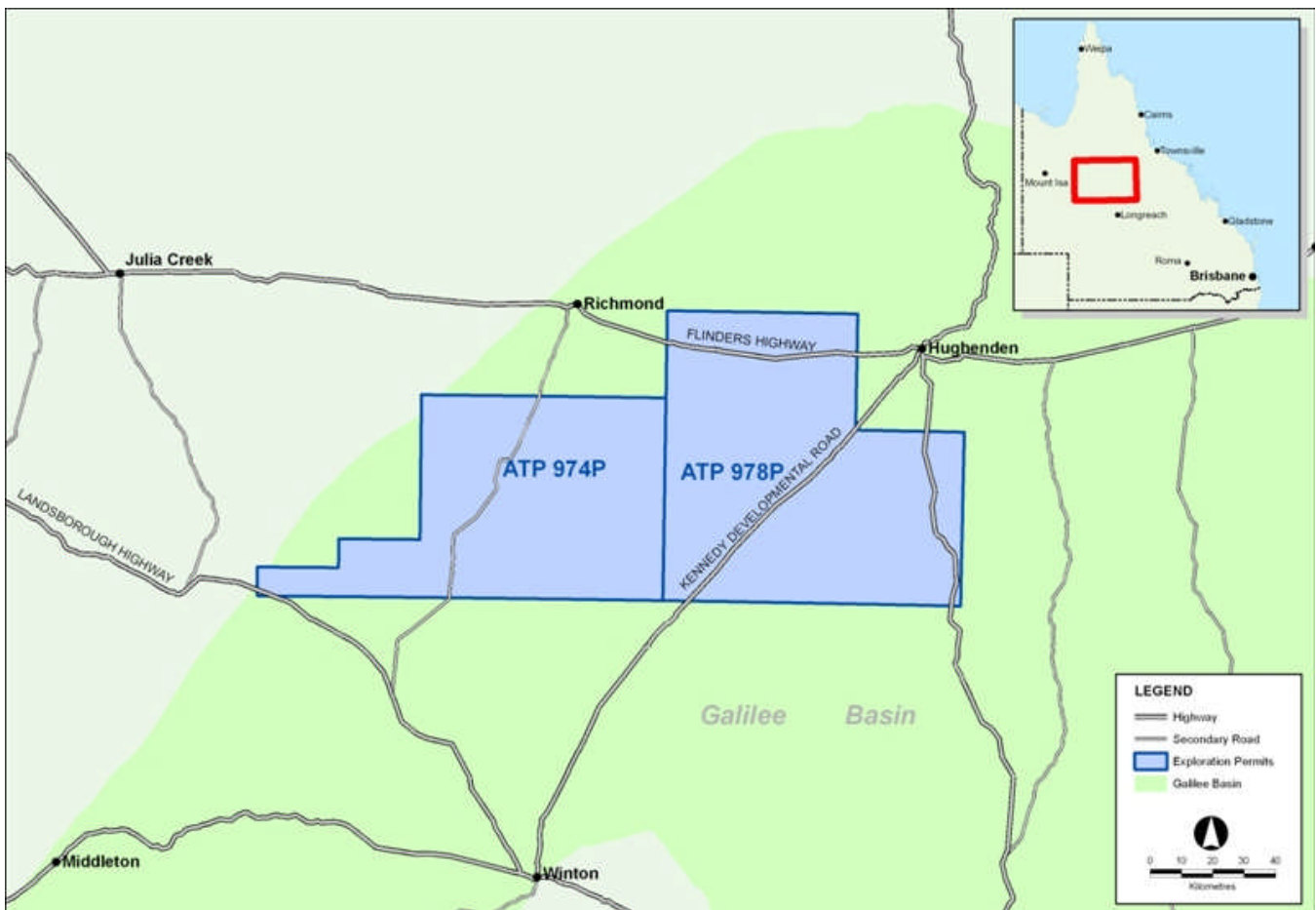
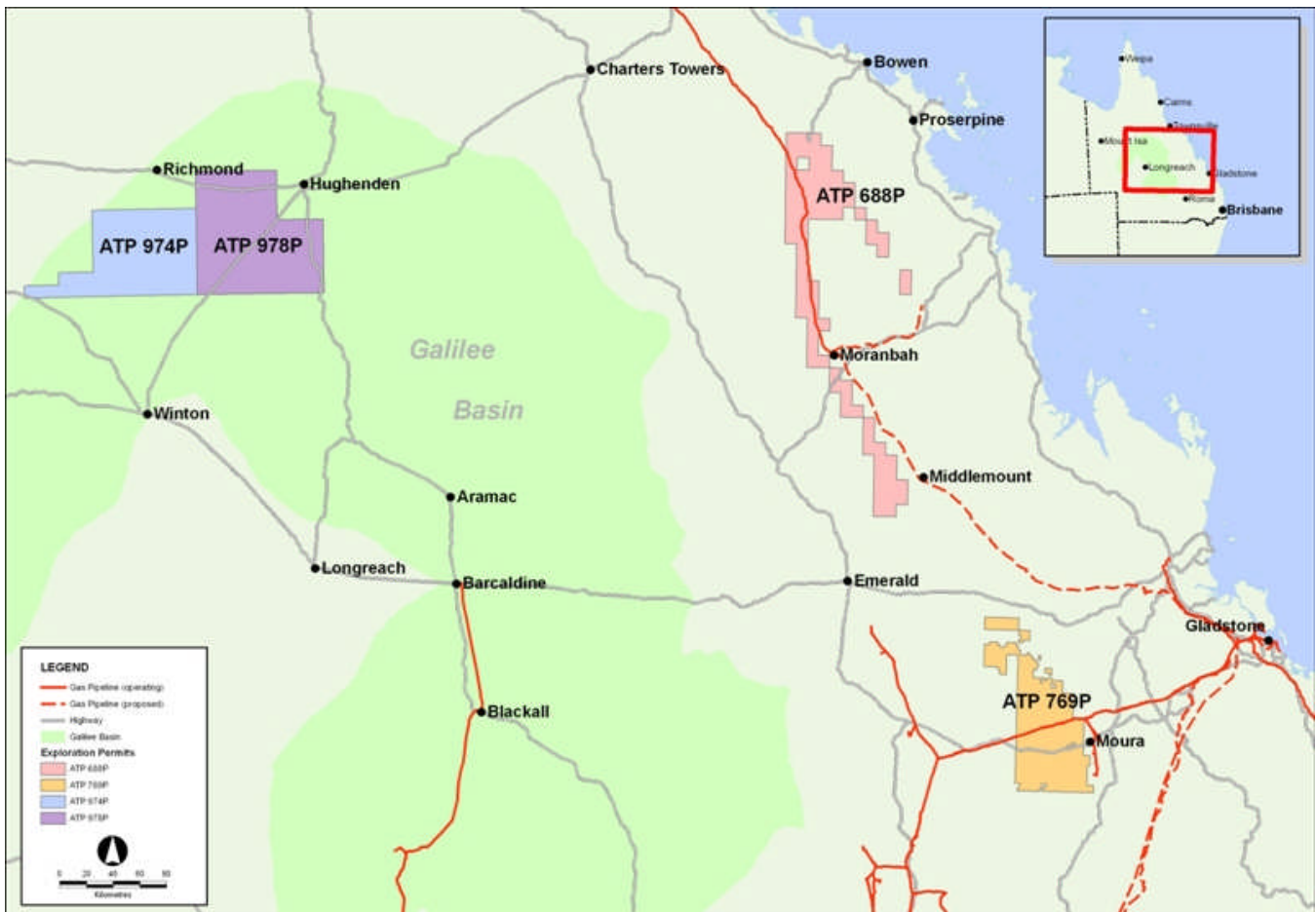
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Maps – Galilee Basin Tenements



Waiver of ASX Listing Rule 10.13.3

Normally, ASX Listing Rule 10.13.3 would require that the 3.5 million shares to be issued to Mr Karoll as consideration for WestSide's acquisition of Nazara be issued no later than one month after the date of the shareholder meeting.

WestSide has obtained a waiver of ASX Listing Rule 10.3.3 to allow the shares to be issued to Mr Karoll no later than one week after the following conditions to the transaction are satisfied :

- shareholder approval; and
- the final grant of the tenements to Nazara

and, in any event, no later than 31 December 2010.