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QUARTERLY ACTIVITIES REPORT FOR THE QUARTER ENDED 30 SEPTEMBER 2009

During the quarter, Westralian Gas and Power Limited (“WGP”) refocused its exploration efforts on the coal seam methane projects in the South West of Western Australia while maintaining operations in Kentucky at their present levels.

ONSHORE PERTH BASIN

The company has now complied with all the Department of Mines and Petroleum approvals and is awaiting a drilling permit to be issued for Kaloorup Road Wells Number 1 and 2 to be situated in DR10. Seismic recorded in EP445 is being reassessed to delineate a second target for drilling in the Rosa Brook area.

Collie / Wilga Basins

The company is reviewing the eastern portion of DR13 where a significant thickness of coal is known to exist within the Wilga Basin. A seismic survey application has been made to delineate a drill target for early 2010.

Eneabba EP 455 and DR 11

The company is presently designing the field parameters for a seismic survey which will be undertaken in an area of little previous seismic exploration. An application to undertake this work is also being prepared.

EP 462 Greenough

The company is still reviewing past mining and petroleum data to determine future exploration programs in EP 462.

OFFSHORE PERTH BASIN

Following the installation of a new management team and a revised exploration emphasis, WGP’s Joint Venture partner Roc Oil Company Limited has decided to withdraw from the Joint Venture arrangements. The potential for oil and gas in these permit areas was established in previous exploration and WGP is seeking a new joint venture partner for these Offshore Perth Basin permit areas.

KENTUCKY

The possibility of a global recovery appears to have stabilised the international oil price. This may assist in attracting a joint venture partner to the company's Kentucky oil leases. The leases are producing sufficient oil to almost cover the field operating overheads of WGP's subsidiary Sunset Energy LLC.

Peter Briggs
Chairman