

# WESTRALIAN GAS & POWER LIMITED

ABN: 53 109 213 470

31 Ord Street West Perth  
Western Australia 6005

Po Box 198 West Perth  
Western Australia 6872

Telephone: +61 08 9322 6955  
Facsimile: +61 08 9322 6722

Email: [wgp@wgp.com.au](mailto:wgp@wgp.com.au)  
[www.westraliangasandpower.com.au](http://www.westraliangasandpower.com.au)

5<sup>th</sup> January 2010

## STOCK EXCHANGE ANNOUNCEMENT

### NEW COAL SEAM GAS DRILLING PROGRAM ANNOUNCED

Westralian Gas and Power (WGP) is pleased to announce that it will commence a new coal seam gas drilling program at its Kaloorup Road Prospect near Busselton.

WGP has received an acceptable quotation for the drilling from Bunbury Drilling Company (BDC) and has asked the company to proceed with the coal seam gas drilling program. WGP believes the drilling will commence this month and will advise the market when the drilling begins.

BDC is one of the largest privately owned drilling contractors in Western Australia. The company has been working on Wesfarmers Premier Coal projects for many years and has gained experience in coal seam gas drilling while drilling for WGP at the Adina prospect in 2005.

The drilling area was identified after interpretation of two generations of seismic previously recorded by WGP in Drilling Reserve 10 in the Vasse area, the central section a structural high is located on the western side of Kaloorup Road.

WGP was granted a permit by the Mines Department to drill two wells to test the prospectivity of the delineated structure.

In addition to the seismic, WGP has obtained a copy of a BHP coal exploration report of the area compiled in 1974 by BHP geologist Peter Warbrooke which came to light during recent research by WGP.

One of the new wells will twin an old coal bore hole known as BHP Busselton #1 which was drilled in 1974 and intersected what was interpreted as the upper coals of the Permian Sue River Coal Measures. Attached is a map of the South West showing the location of the drilling area and a map of the Kaloorup Prospect with its relationship to BHP Busselton #1.

On page 9 of the BHP report it was noted that during the drilling, quote "a small pocket of gas under light pressure was found to be associated with a small fracture at 336.60m" \*. Neither the chemistry of the gas nor the pressure was recorded. Therefore, the results are qualitative and not quantitative, however WGP believes that the gas could be coal seam gas from the coal seam below.

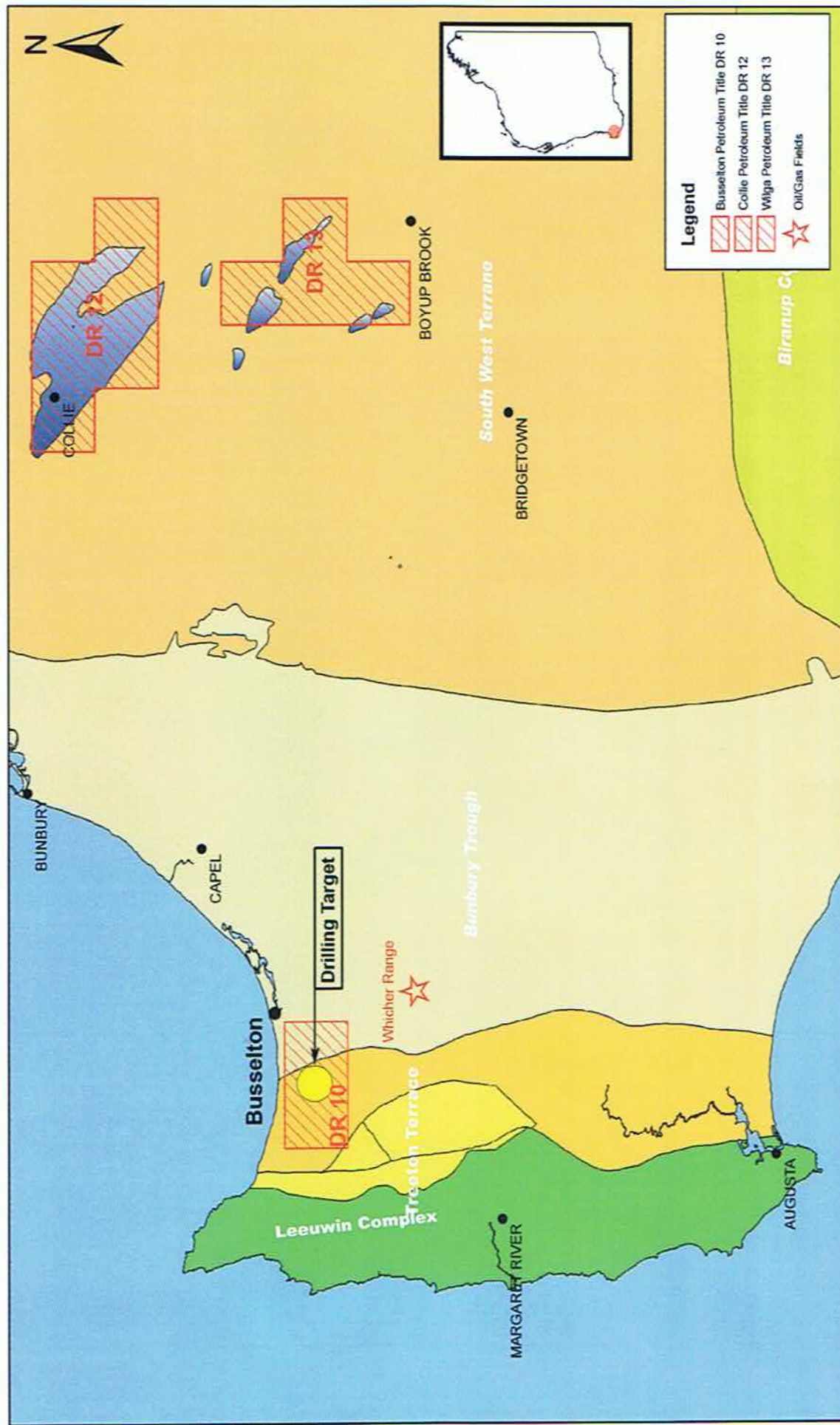
WGP Chairman Peter Briggs said that the new wells would be aimed at thoroughly assessing this zone before proceeding to its estimated depth of 450 metres.

\* Ref. M7498/1 BHP Busselton No1 Bore Busselton Area South Perth Basin, WA July 1974 by P Warbrooke

Peter Briggs

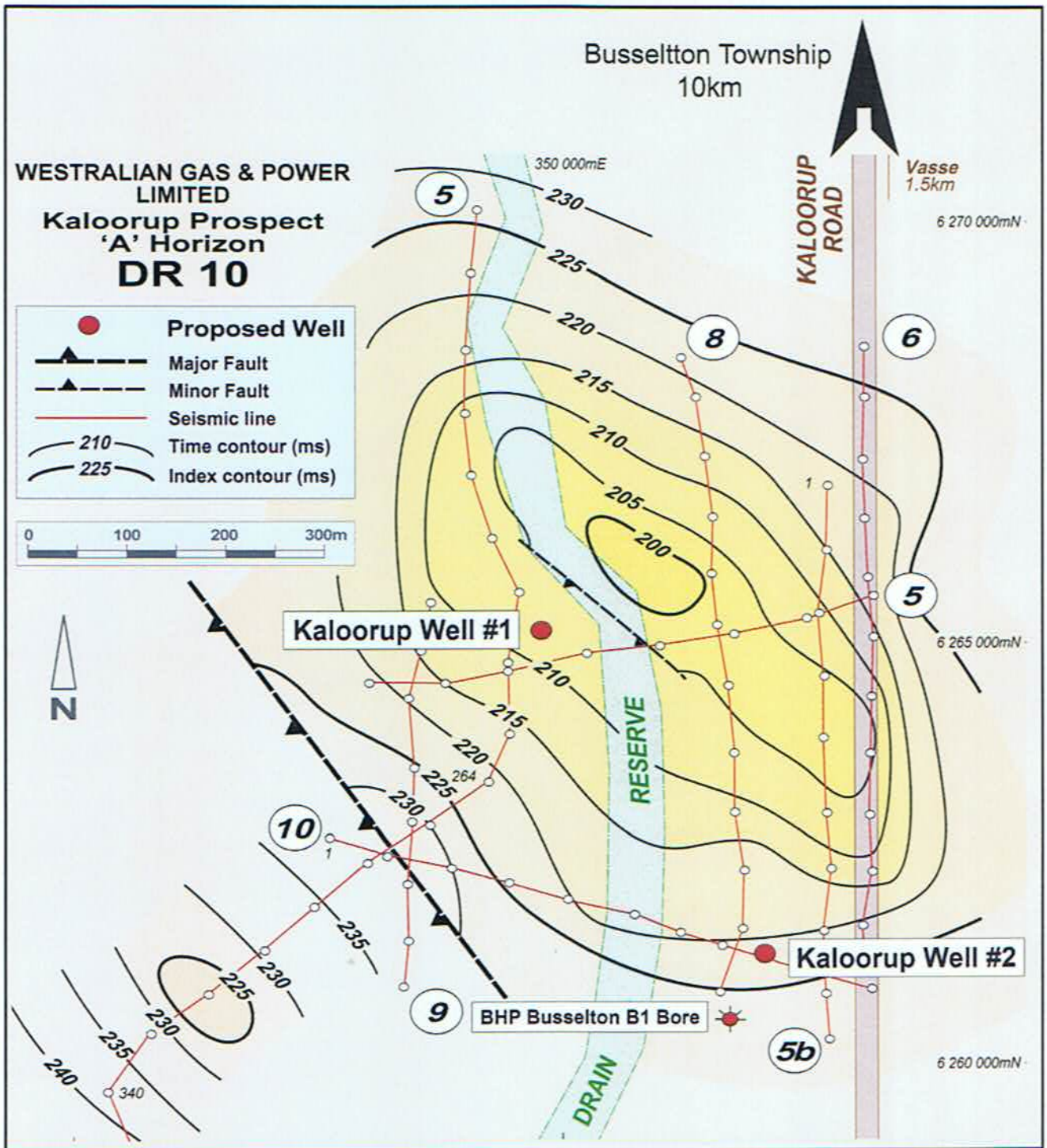
Executive Chairman

# WESTRALIAN GAS & POWER



## SOUTH WEST PETROLEUM TITLES

# WESTRALIAN GAS & POWER



## Kaloorup Prospect: Seismic Structure LOCALITY MAP

