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## **VASSE COAL SEAM GAS PROJECT UPDATE**

Westralian Gas and Power Ltd (ASX:WGP) will now enter into the third phase of its testing program of the Kaloorup Road #2 well. The testing of rock chip samples by the Amdel Laboratory in South Australia identified three significant methane gas readings which warrant further investigation.

It is planned to take a number of sidewall cores over three zones of interest prior to designing a fracking program to open up the sector for the extraction of gas samples.

The latest development is part of an extensive five year exploration program which included intense seismic surveying of the DR10 and EP445 permit areas in the Busselton-Margaret River region (DR10 covers approximately 35,000 acres and EP445 is approximately 88,000 acres) of the Perth Basin. Kaloorup Road #2 was chosen for drilling as it twins a coal bore hole known as BHP Busselton 1 which was drilled in 1974. A gas blow of unknown chemistry in this well occurred at 336.60m but BHP did not investigate the gas potential of the zone.

WGP's seismic interpretation of DR10 subsequently has revealed a subsurface high in the Sue River Coal Measures of approximately one kilometre by three kilometres. Further seismic data may reveal that the subsurface high extends further to the east. The sedimentary section will be further investigated by drilling at Kaloorup Road #1 located to the north of Kallorup Road #2 and closer to the centre of the structural high. Seismic data has pointed to a number of structures nearby which mimic this prospect and warrant further exploration.

Following the results at the Kaloorup Road #2 well, WGP has been approached by several potential joint venture partners. Engaging a joint venturer and the further raising of funds with the Share Purchase Plan will enable WGP to continue exploration of this promising coal seam gas prospect.

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