



# Investor update: Growth plans on track

11 June 2014

# Corporate summary

## ASX listed gas producer & explorer (WCL)

- Operator with current gas production
- 20-year gas sale agreement (GSA) executed with GLNG, linked to oil price
- Significant certified 1P, 2P and 3P reserves
- Unutilised compression capacity
- Strategically located in QLD's CSG to LNG corridor

## The value equation

- Material cash position
- Existing production facilities
- Significant additional cashflow once new oil-linked GSA pricing commences in 2016
- $\frac{2}{3}$  of 3P reserves remain

## Capital Structure

- Key shareholders:
  - Landbridge 19.9%
  - New Hope 17.6 %
- 445.1M shares on issue
- Market cap: \$178m @ 40 cps
- Cash at 31 March \$23.5M
  - + \$3.5M from rig sale in May

## WCL share price



# Why Landbridge's offer of 40cps is inadequate

**Landbridge is using the past to push shareholders into selling cheaply. The transformed WestSide is focused on the future and the Directors have unanimously recommended shareholders reject Landbridge's Offer for the reasons below.**

- **Reason 1:** Fails to adequately recognise WestSide's unique position as a company with producing assets, substantial existing infrastructure with unutilised capacity, a binding 20-year gas sale agreement, and significant additional uncommitted reserves
- **Reason 2:** Fails to adequately recognise the full value for Shareholders from the binding 20-year GLNG Gas Sale Agreement
  - ✓ Clear path to commercialisation
  - ✓ Supported by reliable producing asset with existing infrastructure base
  - ✓ Provides flexibility, long term security and substantial future cashflows
  - ✓ Oil-linked market price from 2016
- **Reason 3:** Fails to adequately recognise the value of the significant uncommitted reserves from the Meridian gas field
  - ✓ Substantial quality reserve base for commercialisation beyond the GLNG Gas Sale Agreement
  - ✓ Drilling and well improvement programs will increase productivity
- **Reason 4:** Fails to adequately recognise value of existing reserves, potential reserves growth and potential upside from WestSide's exploration tenements
- **Reason 5:** The Offer is opportunistically timed to take advantage of the future upside in the Company which has been transformed under strong leadership and management
- **Reason 6:** You may forgo value if you accept Landbridge's offer

# GLNG Agreement

**The GLNG Agreement provides flexibility, long term security and substantial future cashflows**

- Supplier driven
- 20 year term
- Up to 65TJ/d gas supply
- Oil linked price from 2016
- 2015 price fixed in \$A/GJ

Estimate of gas price under GLNG GSA from 2017

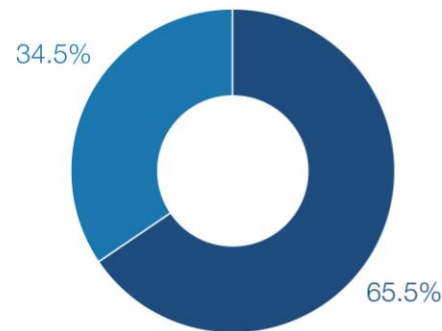
JCC Oil Price (US\$/bbl)	100	110	120
Gas Price (US\$/GJ)	7.95	8.60	9.24
Gas Price (A\$/GJ) <sup>3</sup>	8.58	9.28	9.98

<sup>3</sup> Assumes AUD/USD = 0.9261

## Significant reserves beyond 65TJ/d agreement

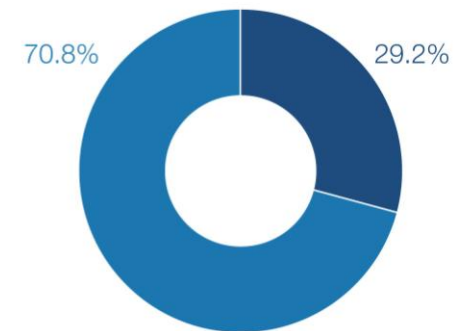
Remaining Meridian gas field 2P and 3P reserves

2P Reserves



■ Remaining  
■ GLNG GSA

3P Reserves



■ Remaining  
■ GLNG GSA

Note: Based on maximum supply under the GLNG GSA, excluding additional gas production beyond 65 TJ/d.

# WestSide is focused intently on the future

The Meridian field has been reliably supplying close to 12 TJ/d of sales gas since September 2013 and WestSide is focused on future growth to supply up to 65 TJ/d under the new GSA with GLNG

## Stable gas sales continue to be maintained

- ✓ Gas sales averaged 11.6 TJ/d in May
- ✓ 9 months of stable gas sales at close to 12TJ/d
- ✓ No new wells in past 18 months
- ✓ Foam lift/free flow encouraging
- ✓ Reconnection of a small number of old wells

## Drilling programme underway

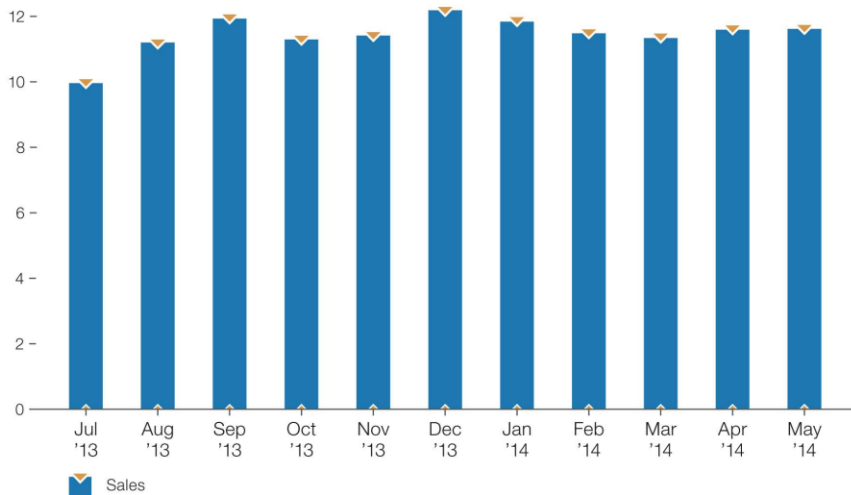
- ✓ First well on line July
- ✓ Last well commissioned Sept
- ✓ Phase 2 programme being scoped for later in year

## Financing discussions progressing

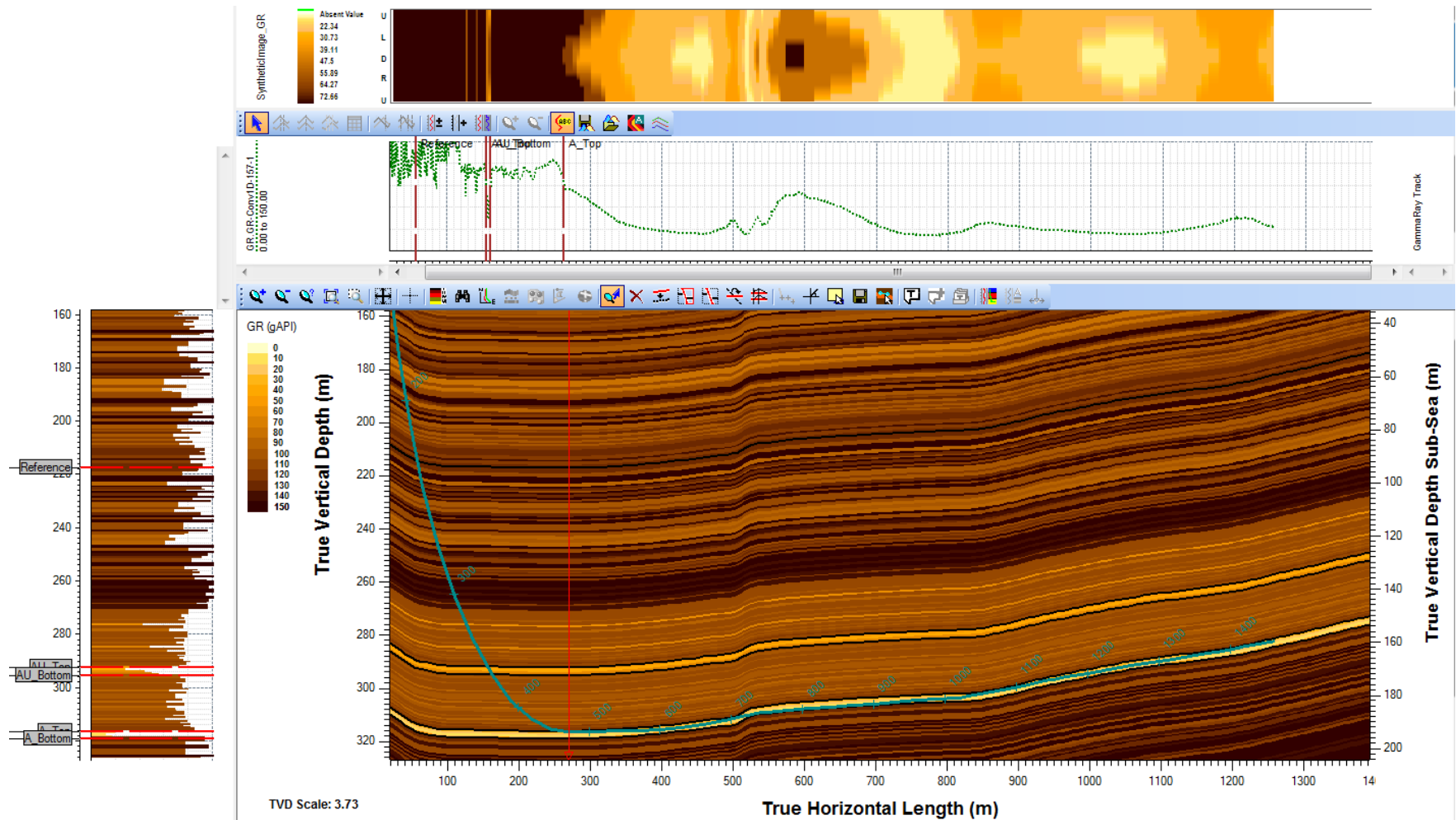
- ✓ Engaged with a number of banks and financial institutions
- ✓ Flexible agreement

## Meridian average gas sales

Terajoules per day (TJ/d)



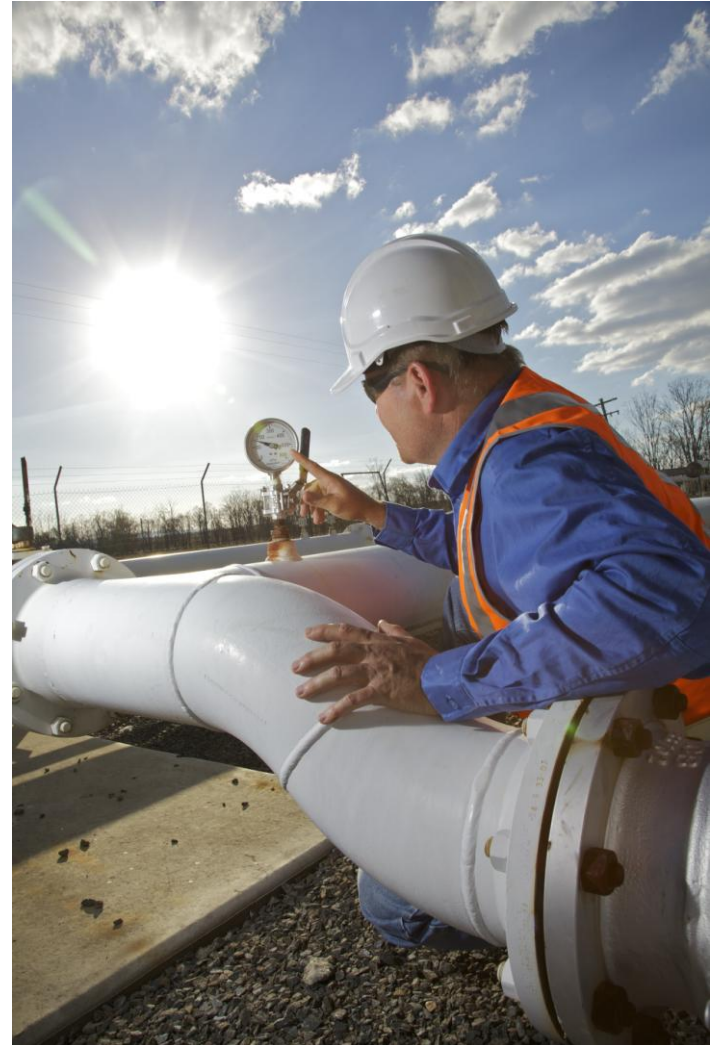
# Lateral Drilling Simulation – Investing in Success





# Summary

- Existing production provides stable base for expansion
- GSA provides flexibility, long term security and substantial future cashflows
- Development drilling on track – set up for success
- Financing discussions underway



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## **Reserve estimates**

The reserves figures for Meridian SeamGas as at 31 December 2012 are based on information compiled by John P. Seidle, Ph.D., P.E., and Vice President of MHA Petroleum Consultants LLC in accordance with the definitions and guidelines set forth in the 2011 Petroleum Resources Management System approved by the Society of Petroleum Engineers (SPE PRMS). The certified reserves figures for ATP 769P and ATP 688P are also based on information compiled by MHA, co-signed by Mr Seidle (Reserves Reports dated June 2009 and April 2010 respectively). Mr Seidle, who has more than 30 years' experience, is not an employee of WestSide Corporation Ltd and consents to the presentation of these reserves figures in the form and context in which they appear.

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