



Practical Solutions - Innovative Technology

## WHICHER RANGE CONTRACT GOES UNCONDITIONAL

**ANNOUNCEMENT**

**28 JULY 2011**

Coretrack Limited (ASX code: CKK) and its wholly owned subsidiary Globe Drill Pty Ltd are pleased to announce that they have gone “unconditional” on the Whicher Range oil and gas drilling contract.

As announced on 29 June 2011, the Whicher Range contract required a decision to be made immediately after receipt of an acceptable expert consultants report regarding the suitability of the GT3000 drill rig to undertake oil and gas operations. In summary the executive finding of the expert consultant’s report, which has now been received by the Company, is that the rig will be suitable for oil and gas drilling with the provision of a number of modifications that the Company believes are neither onerous nor cost prohibitive.

Coretrack Chairman Mr Matt Birney said “this is an exciting contract for us and represents our first project into the oil and gas sector.”

“Importantly, it is also a great infield opportunity to showcase our deep hole drilling technology and it will be our first partnership project with “AWT International” which is a leading well engineering firm in Western Australia.”

“We are already discussing future oil and gas opportunities with AWT and we see the Whicher Range project as the start of a mutually rewarding relationship with them.”

The Board of Coretrack has now approved the purchase of oil and gas specific ancillary equipment required for all oil and gas projects (including Whicher Range) such as mud pumps, mud system and a 10,000 PSI BOP. The total estimated value of the oil and gas specific equipment proposed to be ordered immediately, including 2 mud pumps, a mud system and a BOP, is approximately \$1.9m.

The Company will also be ordering other non-oil and gas specific equipment that is generally required by a drilling company regardless of the type of drilling undertaken, such as rig spare parts, trailers, a telehandler and other related equipment required to support the rig.

The Company intends to fund these items from existing cash reserves.

Mr Birney said “the expert consultant that we engaged to give us advice about the rig’s suitability for oil and gas deep hole drilling tested the rig’s “pull back” capacity at around 140 tonnes. Given that the maximum drill string weight expected on the Whicher Range job is estimated to weigh in at around 105 tonnes , the expert consultant feels that this job is within the rig’s pull back capacity, with a suitable safety margin.”

“We have quite a lot of gear to order from overseas and there will be at least a 3 month lead time on some items so we will be working hard to ensure we are compliant and ready to undertake the Whicher Range project by the end of the year.”

“As the Company is now committed, both strategically and contractually, to undertake the Whicher Range project, the most ideal situation would be to conserve cash by securing a significant mineral drilling contract whilst we prepare for and order equipment for the Whicher Range oil and gas project. The Board is confident that this strategy will come to fruition.”

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Coretrack Limited is an ASX listed company that provides technical solutions to the energy industry in the form of down hole tools, products and services.

Since the Company’s conception, Coretrack has focused primarily on building its highly anticipated integrated core tracking tool, the Core Level Recorder System (CLRS), and introducing the tool into the commercial market. The company has accelerated its operations and growth plan by acquiring one of Australia’s leading drill rig manufacturing/drilling services companies, Globe Drill Pty Ltd.

The Globe Drill acquisition has brought together two world class companies, both at the forefront of producing superior products and services for the global energy sector.