



**WHL Energy Ltd**

ABN: 25 113 326 524

Level 2, 22 Delhi Street  
West Perth, WA 6005

P.O. Box 1042, West Perth  
Western Australia 6872

T: +61 8 6500 0271

F: +61 8 9321 5212

[www.whlenergy.com](http://www.whlenergy.com)

ASX/MEDIA RELEASE 30<sup>th</sup> April 2012

## WHL ENERGY APRIL 2012 QUARTERLY ACTIVITIES REPORT

### Highlights:

- **Seychelles farm-out discussions ongoing**
- **The Company has been offered V11-2 (La Bella) by the Commonwealth – Victoria Offshore Petroleum Joint Authority**
- **WHL Energy raises \$7.940M to underpin its 2012 exploration program in the Seychelles, including infill seismic to firm up a number of selected high graded prospects for drilling in 2H 2013**
- **Additional senior appointments to strengthen the technical team.**

Australian energy company WHL Energy Limited (**ASX: WHN**) ("**WHL Energy**" or "**the Company**") is pleased to report on its activities and operations for the quarter ended 30 April 2012.

### **SEYCHELLES, AFRICA AND AUSTRALIA**

Over the last quarter the Company has expanded its portfolio, acquired high value contingent resources and undertaken rigorous geological modelling and interpretation of its "flagship" acreage in the Seychelles.

With its flagship Seychelles project and exciting new exploration and development opportunities in Eastern Australia and exploration opportunity in Western Australia, the Company believes it has a balanced portfolio that is attracting increasing interest from both the industry and the equity markets. This will assist in ensuring increased value is delivered to shareholders.

### **Seychelles Exploration**

Ongoing exploration success and corporate takeover/merger activities for companies exploring in East Africa has provided support for increasing the value of WHL Energy's Seychelles acreage. In parallel to the Company's farm-out process, WHL Energy continues to progress activities across its Seychelles acreage including plans for further seismic acquisition.

## Farm-out progress

Against a background where the Company sees increasing value in its flagship Seychelles project, WHL Energy continues to actively progress partnering in its offshore Seychelles acreage. The Company continues to be in discussions with three separate very large organisations.

WHL Energy is committed to ensuring that the significant value of its large 100% held position on the East Africa conjugate margin is realised for its shareholders, and is confident in its ability to secure partner(s) for its Seychelles acreage.

Commenting on the farm-out process, WHL Energy's Managing Director, Steve Noske, said: "The Company remains committed to continuing farm-out discussions, but it is not driven to execute a farm-in agreement based on cost imperatives. The Company's aim remains to deliver enhanced value back to its shareholders and introduce a partner to its Seychelles project that provides further growth opportunities. We will only conclude a farmout agreement if we believe that it will bring the best opportunity for WHL Energy and its shareholders to progress our very valuable Seychelles asset," Mr Noske said.

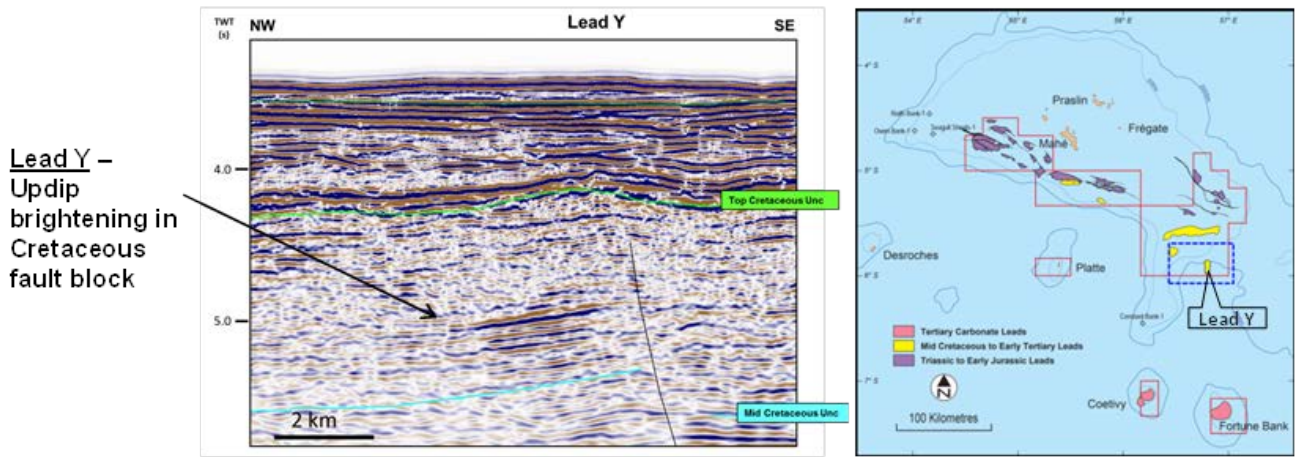
Apart from its own work, the Company believes there are a number of activities in the region that will add value to its Seychelles acreage, including:

- The Republic of the Seychelles being expected to hold an open acreage bid round later in 2012. The open acreage release will serve to heighten industry awareness of the Seychelles and focus the industry on the WHL Energy held acreage. Given the detailed level of geological modelling, petroleum system modelling and seismic interpretation completed, WHL Energy is of the view that the industry will continue to increase its estimate of the Company's value as 2012/13 progresses; and
- Ongoing exploration success and corporate takeover/merger activity for companies exploring in East Africa providing strong support for the value of WHL Energy 's acreage in the Seychelles.

## Interpretation Update

WHL Energy continues its interpretation of the Seychelles acreage and since its last report has evaluated the deep water, South East corner of the acreage. This review has identified a number of leads which appear to have substantial potential but require further definition because of relatively sparse data. At this early stage these leads appear to have amplitude support and they will be further evaluated with infill seismic acquisition.

One new area of interest, "Lead Y", is a conventional tilted fault block in which potential reservoirs in the Cretaceous section appear to brighten up dip, which is often an indication of the presence of hydrocarbons.



**Figure 1; Lead Y**

A series of relatively bright seismic amplitudes have also been noted in the Cretaceous section in the area adjacent to the Seychelles platform margin in the South East corner of WHL Energy’s acreage, suggesting a new play in this area also, which potentially will have a high upside. This play will be the subject of infill 2D seismic acquisition.

A total of 33 Leads are now mapped in WHL Energy’s Seychelles acreage and the Company is encouraged that additional leads continue to emerge with its interpretation of the acreage.

The Junon South trend has been identified as the lowest risk area in the acreage and a potential “sweet spot”. This area will be a key focus area for the maturation of drilling targets for 2H 2013 drilling.

The Bea Vallon area continues to be a key target in WHL Energy’s Seychelles acreage due to its robust high upside potential. Regional geological studies are ongoing to address the key risks of this very large prospect and mature it into an attractive drilling target.

Additional studies are ongoing to develop some of the more notional plays such as the intra-Karoo play and basement potential into firm leads.

The 2012 forward work program is focused on maturing the currently identified prospects to drillable status for a potential drilling campaign in the 2H 2013 through the acquisition of additional seismic data.

### **Acreege Expansion Opportunity**

As the WHL Energy interpretation has proceeded, additional prospectivity in the deep water within the Company’s held acreage has been identified. With new Seychelles acreage expected to be released for bidding, WHL Energy is well positioned to identify and capture additional prospective acreage that may be released in the anticipated 2012 bid round.

### **New Ventures Africa**

WHL Energy has a strong priority to grow its portfolio in the Africa region. As such, the Company has completed an internal review of the region and has high graded a number of areas of interest in both East Africa.

A range of opportunities remain under review to enhance WHL Energy’s portfolio in Africa and the Company aims to capture at least one significant opportunity in 2012.

WHL Energy has also been approached by three private organisations with African acreage and these organisations are also currently under active review. WHL Energy is finalising a formal agreement with an African based organisation to assist WHL Energy to secure prospective large acreage positions on the East African margin.

## Australia

The Commonwealth – Victoria Offshore Petroleum Joint Authority has offered the Company the 2011 Australian Acreage Release block V11-2, which contains the La Bella gas field and several offset gas prospects and leads.

The Company has formally resolved to accept the offer and the block is expected to be gazetted in the next 2 months. Release block V11-2 lies in the offshore Otway Basin, approximately 200 km WSW of Melbourne off the Victorian coastline, WHL Energy will hold 100% equity in the block.

WHL Energy understands that there were multiple bidders for the block and it has commenced farm-in discussions for the permit area after having previously received an early, formal farm-in offer for the block (subject to WHL Energy being awarded the acreage).

It is the Company's belief that the V11-2 release block was of considerable interest to the oil and gas industry given its proximity to existing development infrastructure, including the Santos operated Casino development, the Origin operated Otway gas project, the BHPB operated Minerva development and TRU Energy Iona gas plant.

The project is also well positioned to capture the anticipated growth in South East Australia gas demand arising from the growing impact of the expansion of LNG projects in Queensland and NSW, with many analysts forecasting that East coast gas pricing will ultimately move towards LNG netback pricing as export demand increases.

**“QUEENSLAND is predicting its burgeoning coal-seam gas export industry could triple the price of southern states' domestic gas, marking a huge increase in the forecast effect of Gladstone's planned LNG plants.**

In its latest annual Gas Market Review, released on Friday, Queensland boosted long-term forecasts for NSW, Victorian, South Australian and Tasmanian gas prices by up to 50 per cent because of greater expected output from Gladstone's \$50 billion planned liquefied natural gas plants”.

***The Australian September 12, 2011***

The inclusion of the V11-2 block into the Company's portfolio will not have any meaningful impact on WHL Energy's cash requirement for 2012. It is planned to undertake high resolution 3D seismic over La Bella and other high impact leads in 2013.

WHL Energy's Managing Director, Mr Steve Noske, said; “the Company is confident the La Bella gas field will provide a significant return to the Company and its shareholders. The Company's own interpretation leads it to believe it will be able to immediately book a 2C contingent resource of 158 PJ of gas and 1.2 mmbbls of condensate upon award of the block. Internal planning anticipates first commercial production is possible in 2016,” Mr Noske said.

The block also contains a number of exploration leads, with relatively low risk prospects present at Highlander and West La Bella which provide additional tie-back opportunities to a potential La Bella development. Larger potential leads, albeit at higher risk, are also present within the La Bella area (Lowlander leads) and offer significant additional potential. A total unrisks mean/mid case Prospective Resource and 2C Contingent Resource of 668 PJ and 4.9 mmbbls of condensate are mapped in the vicinity of La Bella.

## CORPORATE

### Appointment of Chief Geophysicist – Mr Michael Wilson

On 21 March 2012 WHL Energy announced the appointment Mr Michael Wilson as the Company's Chief Geophysicist. Mr Wilson's career has included extensive periods with Esso/Exxon Australia working in a variety of national and international assignments, involving acquisitions, seismic data processing and interpretation, mapping and the drilling of numerous prospects. He subsequently joined Woodside Petroleum, again participating in several international ventures. Most recently he provided geophysical consultancy services to a number of companies in Vietnam and was involved in several oil and gas discoveries.

### Appointment of Advisory Panel – Mr Robert Pascoe & Mr Gary King

The Company has created an Advisory Panel to capture the experience of key individuals and their geographical location to support the Company's growth into Africa. Panel members will work closely with the Company's Board of Directors in setting strategy and the identification of growth opportunities in Africa.

**Mr Robert Pascoe** brings a strong background in global oil and gas ventures to his new role on the WHL Energy Advisory Panel.

Mr Pascoe was previously Vice President of Global New Ventures for BHP Billiton Petroleum from 2005 to 2011. He had direct accountability for the capture of new exploration acreage and business development opportunities globally, deploying a team of 30 integrated professionals. During this period he was a senior member of the Global Exploration Leadership Team, managing an annual budget of \$1 billion and a team of 200 professionals.

**Mr Gary King** brings 30 years of extensive experience with global commodities and asset management to his role on the WHL Energy Advisory Panel.

Mr King's in-depth experience includes founding and implementing unique regional and emerging market initiatives focused on energy and natural resources. He was a founding member of the private equity GCC Energy Fund, CEO of the Dubai Mercantile Exchange and CEO of Sovereign Wealth Fund "Dubai Natural Resources World", the first Sovereign Wealth Fund focused on commodities and natural resources. Mr King also has senior international management experience in oil exploration and production, oil trading and asset management with companies such as Neste Oy, Morgan Stanley, Emirates National Oil Company, Dragon Oil Plc, Standard Bank and Macquarie Bank.

## CASH POSITION

The Company had \$2.531 million at the end of the quarter before the addition of the net proceeds from the recently concluded placement. After quarter end on 5 April 2012, WHL Energy raised approximately \$7.940 million through the placement of up to 180,450,000 ordinary shares at 4.4 cents per share to Australian and International institutions along with sophisticated and professional investors ("the Placement").

Lead manager for the capital raising was Hartleys Limited with co-manager GMP Securities.

Commenting on the success of the Placement, WHL Energy's Managing Director Steve Noske stated: "The strong support for the Placement from institutions demonstrates the significant level of investor interest in WHL Energy. Our Board viewed the Placement of shares to Australian and International institutions as a significant step in raising the Company's wider investor profile.

The Placement was not subject to shareholder approval as it falls within WHL Energy's 15% capacity under ASX Listing Rule 7.1.

## UK WIND FARM PROJECTS

During the quarter WHL Energy elected not to pursue its UK Renewable Energy project, allowing the Company to fully focus on its growing international oil and gas interests.

The decision to relinquish the Company's UK-based Wind Farm assets followed a lengthy investigation and independent technical review. The review concluded that the length of time and cost required to resolve ongoing issues related to domestic radar mitigation and obtaining planning consent for its proposed Wings Law Wind Farm would not provide sufficient value to WHL Energy and its shareholders.

The Company has informed local land owners of its decision and it is now free to relinquish its obligations.

## US OIL AND GAS PROJECTS

After the end of the Quarter the Company accepted an offer for the sale of last US asset being the combined McCune County and Girard Gas projects in Kansas. The transaction finalises the sale of the final production asset owned by Company in the USA. Following the final settlement planned for May 2012 the Company expects to dissolve the dormant US Corporate Entities.

Ends.

### FURTHER INFORMATION

#### Shareholders/Investors:

Steve Noske

WHL Energy Ltd

T: +61 8 6500 0271

E: [contact@whlenergy.com](mailto:contact@whlenergy.com)

#### Media contact:

Colin Hay

Professional Public Relations

T: +61 8 9388 0944

E: [colin.hay@ppr.com.au](mailto:colin.hay@ppr.com.au)

The summary information on the oil and gas projects in this report has been prepared by WHL Energy Ltd's full time Exploration Manager Mr Matt Fittall. He is a Geologist [BSc(hons) Geology] of more than 28 years, practising in Petroleum Geology. Mr Fittall has consented in writing to the inclusion of the information in the form and context in which it appears.

### About WHL Energy Limited

ASX-listed WHL Energy Ltd (ASX: WHN) is an oil and gas exploration company focussed on East Africa.

The Company's "flagship" project is its 21,426 km<sup>2</sup> exploration area offshore Seychelles, owned 100% by WHL Energy. A highly material exploration portfolio and new exploration concepts are being matured in the acreage based on new seismic data and an exploration drilling program is expected in the second half of 2013.

WHL Energy will hold 100% equity in the La Bella release block V11-2 lies in the offshore Otway Basin, approximately 200 km WSW of Melbourne off the Victorian coastline. The block contains the undeveloped La Bella gas field in proximity to the Victorian gas market, and several nearby exploration prospects.

The Company also holds 33.33% equity in exploration permit WA-460-P, in the offshore Southern Carnarvon Basin, which contains an extension of the very large Palta Prospect. A Shell led Joint Venture is expected to be drill Palta-1 in the adjacent block, during the second half of 2012.

The Company is also actively investigating growth opportunities in the wider East African region.