

WESTSIDE CORPORATION LIMITED OPERATIONAL REPORT

HIGHLIGHTS

- Completed a \$64.4 million capital raising, backed by New Hope Corporation, the Infrastructure Capital Group-managed Energy Infrastructure Trust and existing shareholders to fund the acquisition and development of the Dawson coal seam gas (CSG) fields;
- Welcomed two new Directors, Mr Robert Neale and Mr John Clarke, to the Board;
- Drilled six new CSG exploration wells in ATP 688P, gathering data on coal seams in the Mount Saint Martin precinct of the tenement near Collinsville in Queensland's Bowen Basin and completed a seismic acquisition program;
- Commenced expansion of the Parauui CSG pilot in ATP 769P near Moura in the Bowen Basin by drilling two new appraisal wells which confirmed net coal thicknesses of between 26 and 30 metres. The wells are the first of three appraisal wells to test gas and water flow rates from the Baralaba coal seams;
- Subsequent to the end of the quarter:
 - Completed acquisition of Anglo American's 51% operating stake in the Dawson CSG fields (since renamed Meridian SeamGas) and commenced operating the fields, working over wells and drilling new production wells;
 - Completed the third and final well of the Parauui drilling program;
 - Completed acquisition of 100% interests in two new Galilee Basin exploration tenements which could contain significant gas resources; and
 - Announced the appointment of Dr Julie Beeby as CEO to lead the Company into its first full year of production operations.



Outlook

The second half of calendar 2010 heralds an unprecedented level of activity for WestSide as the Company launches an aggressive campaign to increase gas production from its newly-acquired Meridian SeamGas CSG fields.

The Company will also be testing production from two new pilot sites within ATP 769P and ATP 688P during the months ahead and conducting exploration in previously unexplored areas.

In July, WestSide completed its rapid transition from explorer to CSG producer by taking control of the Meridian SeamGas CSG fields (formerly the Dawson Seamgas fields) in Queensland's Bowen Basin from Anglo American. Field performance has been excellent in the first month of operations with production decline arrested and production levels restored to January 2010 levels.

WestSide has since started drilling a series of five lateral production well sets to boost CSG output. A work-over program has been

completed to return seven wells to production and a seismic acquisition and drilling program will be conducted in coming months to assist planning for further expansion.

Three Mount Saint Martin and three Parauui appraisal wells will also be completed with pumping equipment to test gas and water production.

WestSide's joint venturer in ATP 688P, QGC (a BG Group company), will operate a seismic acquisition program over some 300km of previously-unexplored sections of the tenement, with new exploration wells planned.

Planning for drilling in WestSide's new Galilee Basin tenements, ATP 974P and ATP 978P will take place in coming months.

WestSide looks forward to the arrival of new CEO Dr Julie Beeby to lead the Company through this exciting next stage of its development and growth.

PROJECTS

Bowen Basin

Meridian SeamGas CSG fields (formerly Dawson Seamgas)

(WestSide interest 51%) Reserves: 30 PJ (1P); 94 PJ (2P); 170 PJ (3P) net to WestSide⁽²⁾

In March, WestSide confirmed the Company would make the transition from explorer to producer when it announced it would join with Mitsui E&P Australia Pty Ltd (“MEPAU”) to acquire the Dawson CSG fields near Moura in Queensland’s Bowen Basin from existing owners Anglo American (“Anglo”) and Mitsui Moura Investment Pty Ltd (“MMI”).

The renamed Meridian SeamGas CSG fields have certified⁽²⁾ Proved (1P) gas reserves of 30 petajoules (PJ), 94 PJ of Proved and Probable (2P) reserves and 170 PJ of Proved, Probable and Possible (3P) reserves (net to WestSide).

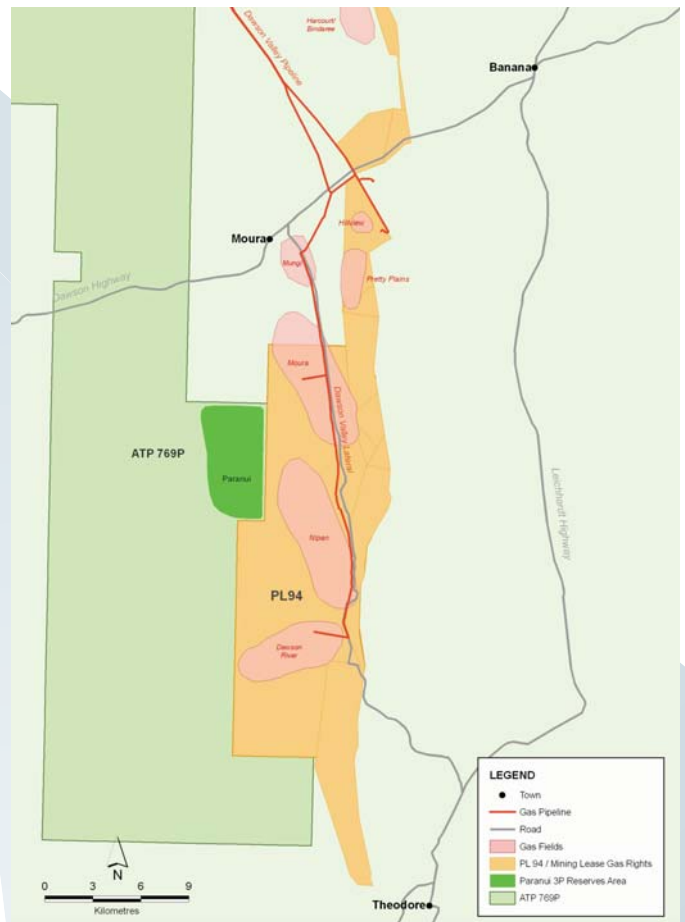
During the June quarter, WestSide assembled a team of experienced gas field operators and on 1 July 2010, commenced operating the field which is currently producing approximately 10 Terajoules (TJ) of gas per day (4PJ per annum).

The Meridian SeamGas CSG fields comprise a range of CSG assets including a petroleum lease, gas rights in mining leases and gas compression and pipeline infrastructure connected to Queensland’s commercial gas network.

WestSide and MEPAU have implemented work programs to increase the field production to 25 TJ/day and support further expansion. The ultimate goal is to become a Liquefied Natural Gas (LNG) exporter and supply new domestic gas contracts from 2015-16 when the current supply contracts in place expire.

A remedial well work-over program has already commenced and the first of several new production wells spud in late July.

Meridian SeamGas field locations



Tilbrook, Mount Saint Martin and Bald Hill (ATP 688P)

(WestSide interest 50%) Reserves: 76 PJ (3P) net to WestSide⁽¹⁾

Tilbrook

The Tilbrook pilot is designed to appraise the Moranbah Coal Measures and is comprised of one dual-lateral horizontal appraisal well (Tilbrook #8), one vertical appraisal well (Tilbrook #7) and two observation wells (Tilbrook #4 and Tilbrook #6).

Production testing of the Tilbrook #8 dual-lateral well continued during the quarter while reservoir modelling continues using data accumulated during production testing.

An extended production test of the current appraisal wells, Tilbrook #7 and Tilbrook #8, is planned to continue for several months.

Well	Well Type	Spud Date	Finish Date	Current Status
MSM #3	Appraisal	14 Jan 2010	24 Jan 2010	Suspended for future appraisal testing.
MSM #2	Appraisal	10 Apr 2010	20 Apr 2010	Suspended for future appraisal testing.
MSM #5	Exploration Core Hole	12 Apr 2010	22 Apr 2010	Cores desorbing. Plugged and abandoned as planned.
MSM #7	Exploration	23 Apr 2010	30 Apr 2010	Plugged and abandoned as planned.
MSM #4	Appraisal	2 May 2010	10 May 2010	Suspended for future appraisal testing.
MSM #6	Exploration	13 May 2010	17 May 2010	Plugged and abandoned as planned.
Mount Leslie #8	Exploration Core Hole	21 May 2010	28 May 2010	Plugged and abandoned as planned.

Mount Saint Martin

In response to promising gas content and saturation data from the MSM #1 well, WestSide drilled seven new wells in the region during the quarter to further define the gas resource.

The wells identified additional, deeper coal seams that could significantly increase the Company’s CSG resource within the area with net coal ranging from 10 metres to 28 metres.

Three of the wells will be completed with pumping equipment in the near future to form a production pilot. An extended production test will follow to capture gas and water production data critical to evaluating the prospects of the field.

In May, ten 2D seismic lines covering 56km were surveyed in the Mount Saint Martin region.

The combined data sets from the wells and seismic acquisition are currently being incorporated into a geological model which will form the basis for evaluation of gas reserves in the Mount Saint Martin area.

Other ATP 688P exploration

The Mount Leslie #8 well to the south of the Mount Saint Martin area confirmed that coals in that area are heat-affected and therefore not considered prospective for CSG.

WestSide and joint venturer QGC are currently planning a program of additional exploratory wells and up to 300km of seismic surveys to be conducted in other areas of ATP 688P in coming months to identify any other likely producing areas in the tenement.

OPERATIONAL REPORT

Paranui (ATP 769P)

(WestSide interest 50%)

Reserves: 135 PJ (3P) net to WestSide⁽¹⁾

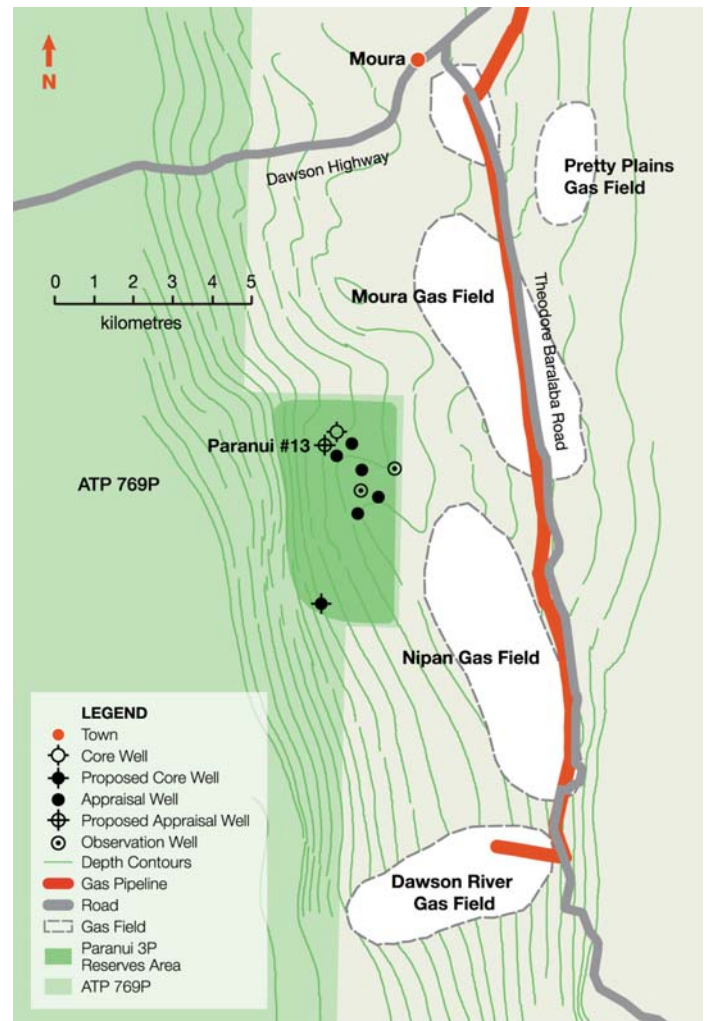
The Paranui pilot comprises three appraisal wells (Paranui #5R, #6R and #8), two observer wells (Paranui #4 and Paranui #7) and one core well (Paranui #10). Production testing of the Paranui #5R and Paranui #8 wells continued during the quarter.

Three new appraisal wells (Paranui #11, #12 and #13) were drilled in June and July and will now be completed with pumps for an extended production test. The new wells intersected between 26 metres and 30 metres of net coal and have been underreamed and cavitated in selected coal seams.

The performance of these cavitated vertical wells will be compared to the results from the existing three Paranui pilot wells which were subjected to fracture stimulation treatments.

Well	Well Type	Spud Date	Finish Date	Current Status
Paranui #11	Appraisal	2 June 2010	19 June 2010	Suspended for completion with production testing equipment.
Paranui #12	Appraisal	22 June 2010	4 July 2010	Suspended for completion with production testing equipment.
Paranui #13	Appraisal	6 July 2010	21 July 2010	Suspended for completion with production testing equipment.

ATP 769P location



Galilee Basin tenements

Galilee Basin

(ATP 974P and ATP 978P)

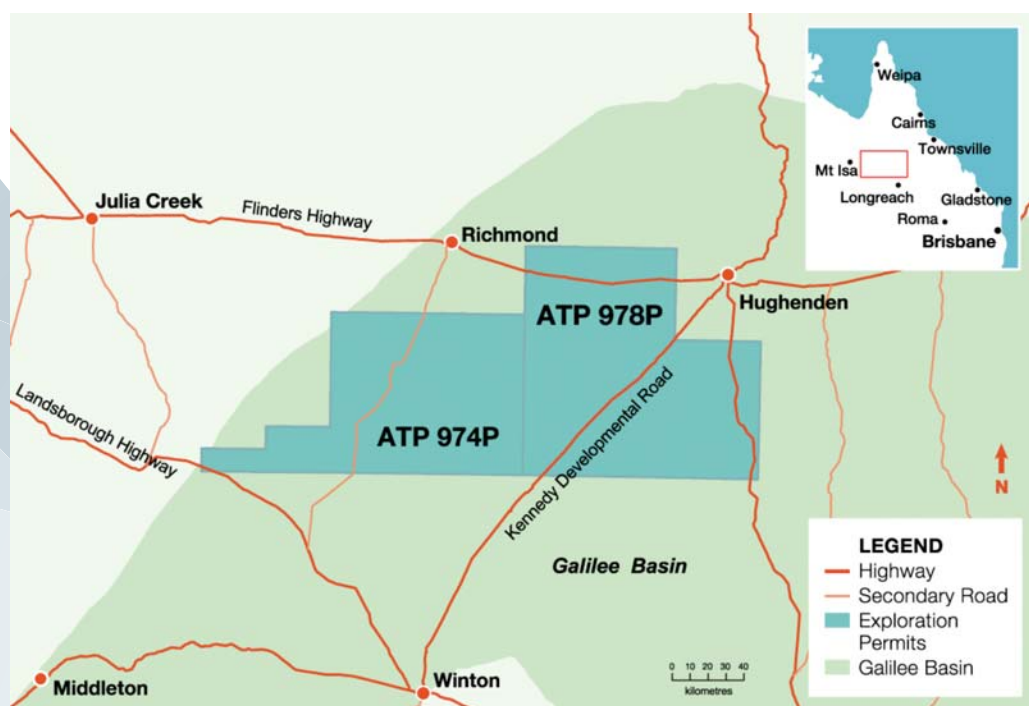
(WestSide interest 100%)

In July, WestSide completed the acquisition of 100% interests in two new exploration tenements, securing a significant foothold in Queensland's coal-rich Galilee Basin.

The Company will target CSG within the two exploration tenements, ATP 974P and ATP 978P, which cover a combined area of 14,480 km² in the north-western part of the Galilee Basin.

WestSide believes the area could contain up to 21 trillion cubic feet of gas in place.

WestSide will conduct geological, geophysical and other engineering studies within the two tenements as a precursor to exploratory drilling.





Meridian SeamGas - Hillview compressor station

Potential for expanded alliance with MEPAU

WestSide's new agreements with Mitsui E&P (Australia) Pty Ltd deliver a strategic partnership with Mitsui and potential access to LNG markets through export opportunities.

In addition, MEPAU will have until 31 October 2010, to consider acquiring 49% of WestSide's existing interests in the neighbouring Paranoi prospect (ATP 769P), ATP 688P and its new Galilee Basin tenements (ATP 974P and ATP 978P) - subject, where relevant, to the waiver of pre-emptive rights held by WestSide's existing joint venturers.

Capital raising

In May, WestSide attracted significant support from the investment community, completing a fully-underwritten capital raising of \$64.4 million backed by New Hope Corporation Ltd (NHC) and the Infrastructure Capital Group (ICG)-managed Energy Infrastructure Trust (EIT). Both NHC and EIT were issued with shares, raising \$8.1 million at \$0.55 per share in April, and underwrote a successful \$56.3 million 1-for-1 Entitlement Offer of new ordinary shares to existing shareholders at \$0.45 per share.

New Board members

WestSide welcomed two new Directors following the capital raising in May, with Robert Neale and John Clarke adding their considerable resources, energy, infrastructure and financial experience to the Board.

In addition to the new Directors, the Company announced in July that experienced coal industry executive Dr Julie Beeby would join WestSide as Chief Executive Officer to lead the Company into its first year of production.



Robert Neale



John Clarke



Dr Julie Beeby

About WestSide Corporation Ltd

WestSide Corporation Limited is an ASX-listed company (ASX code: WCL) with interests in coal seam gas (CSG) projects in Queensland and Indonesia.

WestSide operates the Meridian SeamGas CSG fields west of Gladstone in Queensland's Bowen Basin. The Meridian SeamGas fields produce approximately 4 Petajoules of gas per year. WestSide holds a 51% interest in the fields with Mitsui E&P Australia Pty Ltd holding the remaining 49%.

Elsewhere in the Bowen Basin, WestSide is currently operating an exploration and appraisal program at the ATP 769P (Paranoi) and ATP 688P (Tilbrook, Mount Saint Martin and Bald Hill) sites. WestSide holds a 50% interest in each area with QGC holding the other 50% in each case.

WestSide also has a position in the Galilee Basin (Queensland) with two new tenements (ATP 974 and 978) covering an area of over 14,000 sq kms. The Company expects to commence exploration activities in these tenements later this year, and is also assessing the CSG potential of certain coal deposits in Indonesia through its relationship with PT Bumi Resources TBK, one of Indonesia's largest coal miners.

For more information:

Visit our website at:
www.westsidecorporation.com
where you can also register to receive
WestSide announcements by email,
or contact:

WestSide Corporation Ltd
Angus Karoll
Chairman and Acting CEO
07 3020 0900

Investors and Media
Richard Owen
Investor and Community Relations Manager
07 3020 0900
0412 869 937
richard.owen@westsidecorporation.com

(1)The certified reserves figures used in this report are based on information compiled by John P. Seidle, Ph.D., P.E., Vice President of MHA Petroleum Consultants LLC. Mr Seidle is not an employee of WestSide Corporation Ltd and consents to the inclusion in this report of these reserves figures in the form and context in which they appear.

(2)The Meridian reserves estimates appearing in this statement are as at 31 December 2008 and were compiled by Mr Bruce Gunn, an employee of Resource Investment Strategy Consultants P/L (RISC), from information provided by Anglo to WestSide. RISC is independent with respect to Westside. RISC has no pecuniary interest, other than to the extent of the professional fees receivable for the preparation of its report, or other interest in the assets evaluated, that could reasonably be regarded as affecting its ability to give an unbiased view of these assets. Mr Gunn, who is a practising petroleum engineer with over 25 year's experience, has consented to the inclusion of the reserve information in the form and context in which it appears.