



WESTRALIAN GAS & POWER LIMITED

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Company Announcements
ASX Limited

ACQUISITION OF FLAMESTAR CORPORATION PTY LTD

Westralian Gas & Power Limited (“Westralian”) is pleased to announce that pursuant to an agreement with Mr Alan Burns, it has agreed to acquire all of the issued shares in Flamestar Corporation Pty Ltd (“Flamestar”). Consideration for the purchase is the issue of 10 million options whereby each option will entitle the holder to acquire one fully paid ordinary share in Westralian for 5 cents each exercisable on or before 3 years from the date of issue. In addition, Westralian will pay Mr Burns \$30,000 as reimbursement of funds expended in relation to Flamestar’s tenement interests, being a 12.5% free carried interest in tenement EL70/2738 and applications for drilling reservations 2/05-6 and 3/05-6 in Western Australia. Flamestar has no other assets or liabilities.

The acquisition of Flamestar completes the acquisition by Westralian of 100% of Westralian’s Collie and Wilga permits. The directors believe that both of these basins contain significant amounts of coal and may contain coalseam methane as well as minable coal. The directors regard these interests as valuable assets of the Company.

Stephen Thomas
Director