**WHL Energy Ltd**
ABN: 25 113 326 524
2 Leura Street, Nedlands
Western Australia
P.O. Box 3445, Broadway Nedlands
Western Australia 6009
T: +61 8 6500 0271
F: +61 8 6389 1151
**www.whlenergy.com**

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# UPDATE ON SEYCHELLES SEISMIC PROGRAM AND OFFSHORE ACREAGE ACQUISITION

## Highlights:

- **2D seismic program progressing well and on target for early April completion**
- **Seismic program focussing on 20 mapped structures identified from previous 2D seismic, many with multi-billion barrel oil potential**
- **Potential drilling sites will be identified by survey for potential farm-out**
- **Early interest received from potential farm-in partners, indicating significant interest in this highly prospective offshore acreage**
- **Seychelles acreage acquisition on target for completion during Q1 2011**

Australian energy company WHL Energy Limited (**ASX: WHN**) ("**WHL Energy**" or "**the Company**") is pleased to announce that strong progress continues to be made on the current 2D seismic acquisition program over acreage it is acquiring offshore the Seychelles.

PT. Geomahakarsa Indonesia, which is undertaking the large seismic program with Fugro Data Services, has reported that as of 3 January 2011, 34.4% of the total survey has been acquired. To date 58 out of 120 sail lines have been completed, with 6,324 sail km acquired. The survey is on target to be completed by early April 2011.

A total of 7,200 km of 2D seismic is being "shot" over the 35 blocks which WHL Energy is acquiring under an agreement announced by the Company in October 2010. That seismic campaign is part of a 17,000 km multi-client program of 2D seismic, gravity and magnetic data acquisition being undertaken by Fugro and Geomahakarsa within the Seychelles Exclusive Economic Zone (EEZ).

Following completion of the seismic programme, WHL Energy will prioritise the targets identified for potential farm-out and ultimately drilling. The company continues to receive expressions of interest from potential farm-in partners looking to participate in the drilling of targets identified by the current seismic program.

WHL Energy management is planning to meet with representatives of the Government-owned Seychelles Petroleum Company (SEPEC) this month to discuss the Company's work program going forward.

WHL Energy is also pleased to announce that Australian registered SEYCO Energy Pty Ltd ("**SEYCO**") has secured 100% ownership of the original Seychelles acreage holder, PetroQuest International ("**PQI**"). That milestone now clears the way for WHL Energy to complete the acquisition of its rights to up to 100% of the 35 explorations blocks off the southern Seychelles coast, through the acquisition of SEYCO. The acquisition of SEYCO will be completed subject to shareholder approval at the general meeting to be held on 28 January 2011 in Perth. On completion of the acquisition of SEYCO, the Company will have secured exposure to a dominant and highly prospective acreage position in the Seychelles, East Africa.

WHL Energy CEO, David Rowbottam said the Company was pleased with the progress being made towards the completion of the Seychelles seismic program and the acquisition of the Seychelles exploration interests.

"The acquisition of these large, highly prospective Seychelles exploration interests, with multi-billion barrel oil potential is a potentially company-changing development for WHL Energy, and we now look forward to completing the purchase of SEYCO and to receiving the data acquired from the 2D survey" Mr Rowbottam said.

## FURTHER INFORMATION

**Shareholders/Investors:**
**David Rowbottam**
**WHL Energy Ltd**
**T: +61 8 6500 0271**
**E: contact@whlenergy.com**

**Media contact:**
**Colin Hay**
**Professional Public Relations**
**T: +61 8 9388 0944**
**E: colin.hay@ppr.com.au**

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