

WHL Energy (19 September 2013)

David Rowbottam, Executive Director at WHL Energy

BRR Today on BRR Media I'm speaking with Mr David Rowbottam who is the Executive Director of WHL Energy. David thank you very much for your time today.

DR Thanks very much Stacey and again it's great to have an opportunity to speak to you and your subscribers.

BRR Now David the company has recently made an announcement regarding the VIC/P67 farm in with Tap Oil, following an earlier announcement regarding AWE, David can you explain the benefits of this to WHL shareholders?

DR Yes thank you Stacey. Having the addition of Tap to the joint venture is going to add to the strength of the joint venture in terms of being able to power its way through the 3D seismic program that's expected to be shot over November/December subject to final seismic contractor selection. And without that 3D seismic we were never going to be able to turn the asset we have at VIC/P67 into the reality of being a production asset. So Tap are an important part of that and as people would have seen in our announcement, as alluded, Tap are going to be paying 20% for their 10% interest. As we said in the earlier announcement regarding AWE, AWE are going to be paying 75% of costs for their 60% equity. That collectively means that we have the farm partners paying 95% for 70% of the equity leaving WHL to pay 5% of costs with a 30% equity. Now Tap do have a cost cap over their acquisition and they also have arranged within the contract with the seismic contractor a deferral of payment terms. But it's still a very good deal for our company in that we can defer major expenditure while still getting this important acquisition program in rough dollar terms of \$12 million US dollars undertaken this year.

BRR Okay now there seems to be significant progress and activity over recent weeks in regards to VIC/P67 and this recent announcement just adds to this, what are the further milestones should shareholders be looking out for in the coming months.

DR Yes Stacey, we're really excited about the prospect of having the 3D commence in November, subject to seismic contractor selection. A different contractor might start later but we think at this stage we'll be on track to go from the start of November, and that builds on the earlier announcement we had regarding environmental approval for the seismic sheet. Provided this is finished sometime in early December we'd expect to spend January, February and part of March working through the initial seismic processing and we'll be able to make a decision then in terms of drilling program and also it will allow both AWE and Tap the ability to exercise their options and in the case of AWE the potential to go operator for the drilling phase.

BRR And finally David do you have any further news on the Seychelles regulatory update and the matters that are being considered by the Petro-Seychelles Board early in October?

DR Yes Stacey we have been in contact with Petro-Seychelles, I'm sure they will be heartened by the news that we've completed the farm out on VIC/P67 and that we're progressing towards the seismic contractor selection and contract execution in the next couple of weeks. I think they'll see that we are able to deliver a farm in and we are able to deliver seismic management, and that's what they require from us and I think that

with that as example of us actually having achieved that on this other asset it will give them greater strength or greater certainty in being able to award us the extension that we sought in August and that we think we will be recommended to their board for consideration in the first week of October. So we look forward to that, it gives us certainty as far as addressing the farm out market for the Seychelles assets once we have that approval from Petro-Seychelles.

BRR **Excellent David thank you very much for your time on the update today.**

DR Again thanks Stacey look forward to speaking to you soon with another update.

BRR **And as always listeners if you did have any questions at all for David please email us on brr@brrmedia.com.**