

## Greymouth acquires controlling interest in Bridge Petroleum

**27 June 2007 - Auckland-based Greymouth Petroleum said it has acquired more than 90% of the shares of fellow onshore Taranaki exploration company Bridge Petroleum Ltd.**

Greymouth Petroleum said that the purchase, for an undisclosed sum, represents the first step in a recapitalisation of Bridge, required to enable Bridge to meet imminent seismic, drilling and petroleum contract commitments.

Bridge has petroleum interests including the Radnor mining permit (PMP 38 157) and an adjacent exploration permit (PEP 38 751) together abutting Mt Taranaki.

Bridge Petroleum holds a 41.67% interest in Radnor and Greymouth Petroleum's recent purchase of Westtech Energy's onshore Taranaki interests has given Greymouth Petroleum a 33.3% interest in the Radnor field. TAG Oil (NZ) Ltd holds the remaining 25%.

The Radnor-1 well, drilled in late 2004, flowed natural gas and condensate at average rates of 6mmscf/d of gas and 350 bbls/d oil before water influx occurred.

A later sidetrack well Radnor-1A drilled in 2006 was unsuccessful.

The Radnor mining permit issued in 2005 gave initial estimated proved and probable reserves in the field of 20 bcf of gas and 800,000 bbls of condensate.

Greymouth Petroleum said that some uncertainties exist concerning aspects of TAG's participation and the venture agreements.

Greymouth said Bridge Petroleum's objective is to resolve the TAG uncertainties so that forward seismic and drilling operations may proceed.

Bridge Petroleum was formed in 2002 by Ed Davies of Denver who formerly ran Westtech Energy's operations in New Zealand and partner Kevin Johnson of Auckland. The Radnor permit documents record in May 2007 that Greymouth Petroleum Acquisition Company purchased 27,465,000 shares in Bridge Petroleum from Ed Davies and Kevin Johnston.

**Source: Greymouth Petroleum**