



Media Statement - Available for Immediate Release - 1st April 2009

## **STOCHASTIC SIMULATION SIGNS PARTNERSHIP AGREEMENT WITH ISA TECHNOLOGIES TO SUPPORT OIL AND GAS RESERVES TECHNOLOGY**

Western Australian based oil & gas service company, Stochastic Simulation Limited this week signed a partnership deal with information technology provider and high performance computing (HPC) company, ISA Technologies. This partnership not only reinforces the credibility of their oil and gas reserves technology, but also accelerates the growth plans of Stochastic Simulation's business on a national and international level.

"ISA Technologies has established market links to the oil and gas industry through the provision of specialist services and HPC for seismic work", said Mr Sil La Puma, Managing Director of ISA Technologies.

"The alliance with Stochastic Simulation Limited provides the opportunity for ISA Technologies to build on these commercial linkages to develop a highly innovative service to the oil and gas industry that can revolutionise the way reserves are determined", said Mr La Puma.

"The alliance also supports Western Australian Government ambitions for the State to be a resources data hub in the Asia Pacific region, supporting oil and gas data management as a strategic industry development opportunity", Mr La Puma added.

Stochastic Simulation has developed a breakthrough computation technology targeted at the efficient quantification of sub-surface uncertainty, and in doing so promotes the realisation of enormous untapped value in oil & gas reserves. Using advanced mathematical techniques, combined with the latest processing technology, Stochastic Simulation's Stochastic Reservoir Engine (SRE) performs equivalent analyses in a fraction of the time it takes conventional software applications, allowing it to quantify field development uncertainty far more accurately than ever before.

Stochastic Simulation takes client production and geological data from oil and gas fields for analysis and processing. This analysis uses the proprietary SRE technology and infrastructure to provide the highest level of assurance with respect to reserves quantification currently available in the petroleum industry.

"In a challenging world economic environment, Stochastic Simulation offers the oil and gas industry access to data that will support greater certainty on reserves that will in turn support greater profitability into the future", said Mr Leo Mullins, Director of Stochastic Simulation.

"The alliance with ISA Technologies ensures that this application is supported by high performance computing and a world class level of information technology support", said Mr Mullins.

ISA Technologies is a specialist information technology company based at Western Australia's Technology Park that has become a pioneer in developing innovative commercial applications for HPC and visualisation in Australia.

ISA Technologies HPC facility is a leading facility in Australia operating on a commercial basis to support 'Supercomputing On Demand' to a range of industries. ISA has targeted the development of strategic alliances with a variety of industries for use of HPC and advanced visualisation including oil and gas, biotechnology, marine and defence, virtual engineering and digital content.

The implementation of Markov Chain Monte Carlo mathematics, that is the heart of the SRE technology, has been developed over a twenty year period by Dr. Andrew Wadsley, a world-leading authority in oil & gas sub-surface engineering, who is also an innovative software programmer and an award winning mathematician.

These years of development have now been combined with the latest advancements in raw computing power, to produce a simulation engine (the SRE) that can complete in one hour what it would currently take leading software systems a year to compute, even in the hands of highly qualified technicians.

It is this remarkable improvement in computational speed mixed with a novel application of mathematics that allows reservoir uncertainty to be quantified to a level of precision that has not been possible before, and it is this that has grabbed the attention of the upstream oil & gas industry.

But the excitement surrounding the product is not confined to within oil & gas circles. Financial institutions, which rely heavily on the output of reservoir modelling to guide them in their investment decisions, are realising that this approach, which substantially reduces lending risk, is set to become the standard in the industry. The expectation is that financiers, shareholders and governments alike will demand this level of scrutiny now that it has been proven to be achievable.

Further information is available from:

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