

25th June 2019**Issue of Options to Director and Remuneration***Petsec Energy Ltd (ASX: PSA / OTC ADR: PSJEY)*

Petsec Energy Ltd (the “Company”) wishes to advise that it will issue 5 million options to its newly appointed Managing Director, Mr. Syed Bokhari, subject to regulatory approvals and obtaining Shareholder approval at its next General Meeting, currently scheduled in May 2020.

The issue of the options constitutes part of the Managing Director’s remuneration which includes an annual salary of US\$350,000 and short-term incentives which are subject to the achievement of certain production targets at the An Nagyah Oilfield in Block S-1, Yemen. The options will be issued at 20 cents each under the Company’s Employee Option Plan approved by Shareholders on 17th May 2018.

Mr. Bokhari is a highly experienced production operations petroleum engineer and a senior oil and gas executive, having recently served as the CEO and Managing Director of Pakistan Petroleum Limited (the Pakistan National Oil Company) and prior to that as a senior manager for Kuwait Foreign Petroleum Exploration Co. (KUFPEC – a subsidiary of Kuwait National Oil Company).

Mr. Bokhari commenced his new role on the 1st May 2019 and is located in Dubai. His main objective is to obtain Government consents and restart commercial oil production at the earliest, from the An Nagyah Oilfield.

The An Nagyah Oilfield is the Company’s major asset, holding a developed 19.8 million barrels of recoverable oil remaining, of which 5.6 MMbo¹ (27.5%) are net to the Company. The field has produced 25 million barrels of oil to-date from 25 wells, reaching a peak oil rate of 12,716 bopd in March 2006. The field has been shut-in since February 2014 by the previous operator, Occidental Petroleum.

Mr Bokhari’s Background

Mr Bokhari holds a BSc and MSc in Petroleum Engineering, from the University of Texas in Austin, Texas, and has over 33 years of experience, mostly with major E & P companies, including Atlantic Richfield Company (ARCO), ENI (AGIP & Lasm), KUFPEC and Pakistan Petroleum Limited (PPL). He has a proven track record of leading, developing and managing E&P organizations and has managed operations in the USA (onshore and offshore), Canada, Australia, UK North Sea, Nigeria, Pakistan, Iraq, Kuwait and Yemen.

At ARCO, KUFPEC and PPL Mr Bokhari had responsibility for Blocks 4, 5, 7 and 10 in Yemen. Blocks 4 and 5 are adjacent to Petsec Energy’s Block S-1 and the Company also owns Block 7.

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- ¹ *The reserves referred to above are consistent with the announcement released to the ASX on 18 February 2019. The Company confirms that it is not aware of any new information or data that materially affects the information included in these announcements, and that all the material assumptions and technical parameters underpinning the estimates therein continue to apply and have not materially changed.*

For further information, please contact:

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Petsec Energy Ltd is an independent oil and gas exploration and production company listed on the Australian Stock Exchange. It has operations in the shallow waters of the Gulf of Mexico and state waters of the Louisiana Gulf Coast region of the USA. The Company also has operations onshore in the Republic of Yemen.