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4<sup>th</sup> September 2015**Petsec Energy's Mystic Bayou Discovery Well  
Commences Production***Petsec Energy Ltd (ASX: PSA / OTC ADR: PSJEY)*

Petsec Energy (the "Company") is pleased to advise that its recent gas/condensate discovery well – the 16,700' RA SUA; Williams No. 2 Alternate well, which was drilled to 17,266 feet measured depth ("MD")/16,873 feet true vertical depth ("TVD"), commenced production on 31<sup>st</sup> August 2015. The well is currently producing at a rate of approximately 5.011 million cubic feet of gas per day (MMcfg/d) and 348 barrels of condensate per day (bc/d) with no water on an 18/64<sup>th</sup> inch choke. The flowing tubing pressure ("FTP") is 6,300 pounds per square inch (psi). Once production has stabilised the rates will be increased over the next few months to optimise well performance and recovery.

The well, located in Mystic Bayou Field, St. Martin Parish, Louisiana was tested at various restricted rates of up to 5.7 MMcfg/d and 744 bc/d on a 13/64<sup>th</sup> inch choke from a Lower Miocene Planulina age sand reservoir. The flowing tubing pressure during the test was 6,424 pounds per square inch (psi). After initial clean up, no formation water was produced.

**Participating working interests in the well are:**

Petsec Exploration and Production L.L.C.	25%
White Oak Resources VI LLC	75%

**Details of the well:**

Well name:	16,700' RA SUA, Williams #2 Alternate
Type of well:	Exploitation
Location of well:	Mystic Bayou Field, St. Martin Parish, Louisiana
Final TD of the well:	16,873 feet TVD (17,266 feet MD)
Operator:	White Oak Operating Co. L.L.C.
Petsec working interest:	25%
Petsec net revenue interest:	18.5%

For further information, please contact:

Mr. Paul Gahdmar  
Company Secretary & Group Financial Controller  
Petsec Energy Ltd  
Level 13, 1 Alfred Street  
Sydney NSW 2000  
Tel: 612 9247 4605 Fax: 612 9251 2410

Mr. Ross A. Keogh  
President & Group Chief Financial Officer  
Petsec Energy Inc.  
1201 Louisiana, Suite 520  
Houston, Texas 77002, USA  
Tel: (713) 457-5800 Fax: (713) 457-5838

*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, and exploration activities in the Gulf Coast onshore and bay areas of Texas and Louisiana, USA and Yemen.*