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5th Discovery made in Four Rivers Project Missiana Well flowing at 100BOPD

The ninth well to be drilled in the Four Rivers project (Trisler No.1 in the Larto Lake Prospect) has reached target depth of 5,400 feet. Core sampling and logging have indicated that the primary target, the A-1 sand in the Wilcox formation, is oil bearing. Production casing has been run and the well is being prepared for completion.

The objective in drilling this well was to intersect sands of a higher quality and with better structure than those encountered in the adjacent reservoir which produced approximately 600,000 barrels of oil from three well bores in the period from 1986 through to 2003. This objective appears to have been met. The oil bearing zone gained over ten feet of structure to the adjacent reservoir and analysis of the formation sand indicates it to be oil saturated and highly permeable with good characteristics for oil production.

"We are delighted with this result and with progress to date in the Four Rivers project," said Managing Director, Justin Pettett. "With five successes out of nine wells we are beginning to see evidence of the success we expected from the Middle Wilcox trend and are keen to continue drilling."

Missiana 18-11 No. 2 Well flows 100 Barrels of oil per day

The Missiana 18-11 No.2 well in the Honey Brake Lake Prospect is the fourth exploration success in the Four Rivers Project. Completion crews perforated the well bore over the weekend and an initial flow rate of 100 barrels of oil per day was reported. The well is currently being set up for production using a conventional pumping unit. It is expected that production will stabilise over time at around 50% of the initial rate and then commence normal decline. Once stable production is achieved the well should produce for many years with little ongoing maintenance and low production costs. Pryme's Net Revenue Interest in the Missiana 18-11 No.2 well is 18.75% (25% Working Interest). We expect to report the stabilized flow rate from the Missiana well within the next two weeks.

Re-perforation of the Beltzhoover Well completed

The inclement weather that had delayed the re-perforation of the Beltzhoover well, which was drilled in June, has cleared allowing crews to complete the well and bring it into production. The objective of the re-perforation was to improve the production characteristics of this well. We expect to report flow rates from the Beltzhoover well within the next two weeks.

Project Description

Pryme has a 25% Working Interest (18.75 - 20% Net Revenue Interest (NRI)) in the Four Rivers project which extends from Winn, Concordia and Catahoula Parishes in Louisiana to Adams, Jefferson and Wilkinson Counties in Mississippi. The project is targeting multiple "stacked" oil zones throughout the Middle-Wilcox formation and, to a lesser extent, shallow Frio natural gas zones, at depths ranging from approximately 4,000 to 7,000 feet. Wells drilled in the Middle-Wilcox exhibit long production lives with low decline rates after the initial flush oil is produced and relatively steady production is



established. They are relatively inexpensive to drill and typically have low operating and on-going maintenance costs.

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Pryme Oil and Gas Limited is an Australian oil and natural gas producer and explorer with interests in the U.S., the world's biggest oil market. The company has an exceptional suite of exploration projects focused on Louisiana, the fifth-largest oil-producing state in the U.S. These projects are funded in part by existing cash flow. Pryme's management team has over 75 years of energy industry experience and has uniquely focused local knowledge, underscored by the proven track records of its managers and directors. Directors of the company are George Lloyd (Non Executive Chairman), Justin Pettett (Managing Director), Ryan Messer (Executive Director) and Ananda Kathiravelu (Non Executive Director).