



24 April 2009

Four Rivers Project Operational Update

The fourth exploration test (Smith No. 1 in the Wallace Lake prospect) in the Four Rivers Project reached total depth of 4,600 feet and has been logged. The well intersected the primary objective with multiple sands having oil shows; however after evaluation of the core analysis it was determined that there was insufficient oil bearing sand to justify completing the well. As a result it has been decided to plug and abandon the well.

Drilling will continue in Four Rivers with the next scheduled well planned to begin within the next two weeks.

"Whilst this result was not a positive one, we are confident that the Four Rivers Project will generate an increase in revenues and reserves for the Company," said Justin Pettett, Pryme's Managing Director. "We have some exciting prospects to drill in the near term in this program and look forward to continuing drilling through May and June."

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 and Jefferson 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 3,000 to 6,000 feet. Pryme's partner in this project is Tridimension Energy of Dallas, Texas, a successful regional explorer and producer which has drilled more than 40 wells in the region over the past twelve months with a success rate above 70%.

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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).