

Stock Exchange Announcement

6th January 2011

Vietnam Block 07/03 Drilling Update

Premier Oil Vietnam South B.V., the operator of Block 07/03, have advised that CRD-2X, the appraisal well targeting evaluation of the oil and gas discovery made by CRD-1X in June 2009, is expected to spud within the next few weeks.

The CRD-1X well encountered approximately 90m net pay comprising both oil and gas within multiple stacked reservoir layers. Two of these reservoir zones were tested and flowed oil at a combined rate of 3,265.4 barrels of oil per day plus 8.1 million standard cubic feet of gas per day, through a 48/64+choke. No water was produced from either zone.

The appraisal well has been planned to reduce uncertainty in whether the CRD structure contains sufficient volumes to support a potential development.

Partners in the block are:

Pan Pacific Petroleum (Vietnam) Pty Ltd (a wholly owned subsidiary of Pan Pacific Petroleum NL)	5%
Premier Oil Vietnam South B.V. (Operator)	30%
Vietnam American Exploration Company, LLC. (a wholly owned subsidiary of Pitkin Petroleum Plc)	40%
PearlOil (Ophiolite) Ltd.	15%
PetroVietnam Exploration and Production Corporation Ltd	10%

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