

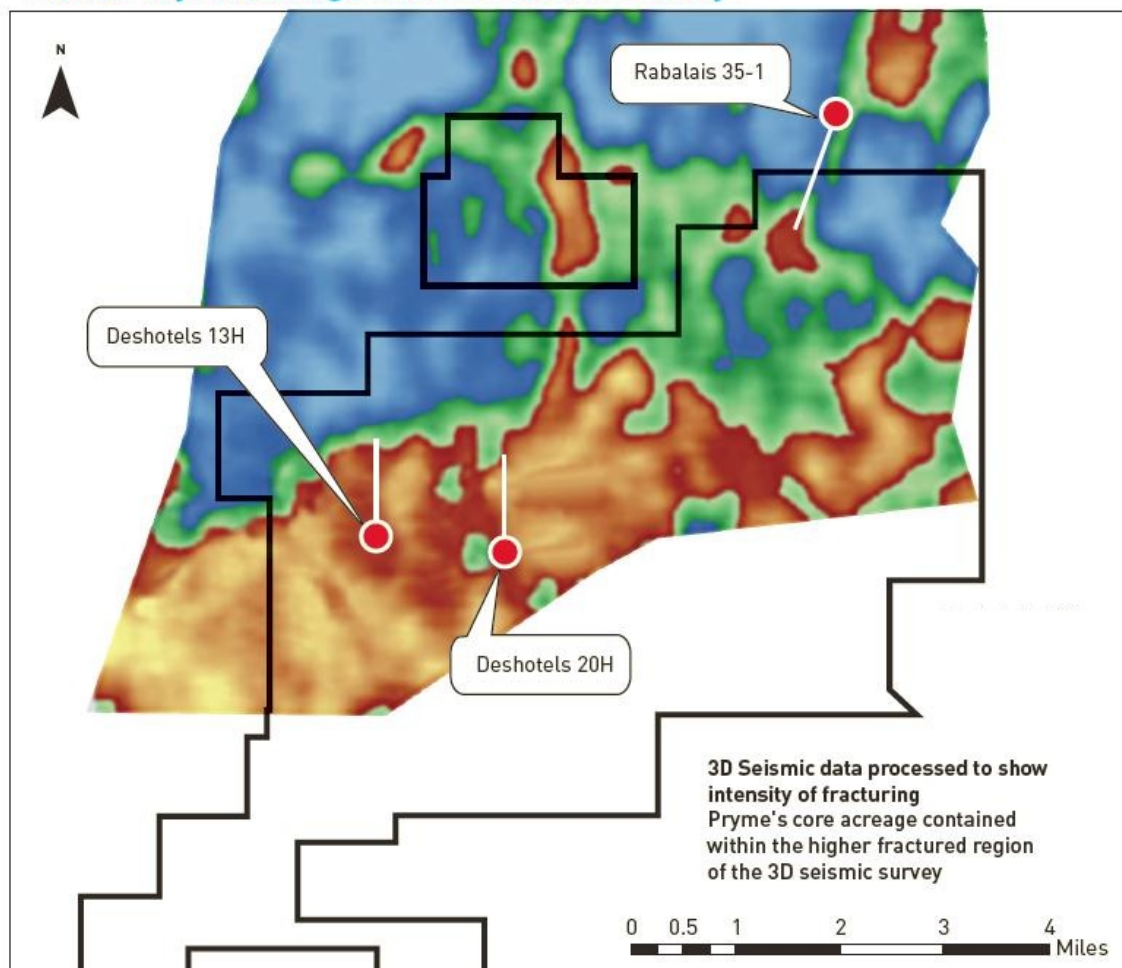
Turner Bayou Chalk Project Well Updates

Rabalais 35 No.1 (8.8% Working Interest / 6.6% NRI)

Anadarko Petroleum, operator of the Rabalais 35-1 well in the Turner Bayou Chalk project, has advised that the well will be shut in for approximately one month to allow pressure to build up and to facilitate evaluation of the well's commercial potential at the end of that period. Although the production potential of the well remains uncertain, based on well performance to date it is our view that the well is unlikely to produce commercial quantities of oil and natural gas.

The Rabalais 35-1 well is located in the northernmost portion of Pryme's leased acreage in the Turner Bayou Chalk project (see image below). Based on our interpretation of the well log calibrated seismic data, the Austin Chalk formation in this area exhibits lower fracture density than it does in Pryme's core acreage in which the Deshotels 20H and 13H wells are located. The higher the fracture density the higher the productivity of the Austin Chalk formation.

Turner Bayou Acreage over 3D Seismic Survey





The map on the previous page is derived from 3D seismic data processed to allow interpretation of the most intensely fractured areas within the targeted portion of the Austin Chalk formation. The red, yellow and green shaded areas are the most intensely fractured. Pryme's acreage position is contained within the black outline.

"Whilst the Rabalais 35-1 well result may have defined the northern limit of the prospective portion of the Turner Bayou Austin Chalk project, we remain convinced of the attractive commercial potential of our acreage. Most of our acreage is located along the thin section of the Austin Chalk that is associated with the underlying Edwards Shelf margin. This geological setting is most likely to have the highest fracture intensity. Recent reprocessing of Pryme's 3D seismic data over the area has reinforced this interpretation," said Justin Pettett, Pryme's Managing Director. "Extensive fracturing and oil and gas produced to surface during drilling were observed in both the Deshotels 20H and 13H wells. Had it not been for sub optimal completion techniques and mechanical issues during the completion of both of these wells, higher production rates would have been achieved. Third party engineering studies have confirmed this view."

Pryme's working interest in the Rabalais 35 No.1 well is 8.8% (NRI 6.6%) reflecting the small amount of acreage held by Pryme in the drilling unit containing the well. Costs to date have been significantly below budget.

Deshotels 13H (40% Working Interest / 30% NRI)

An artificial lift system (pump jack and rods) has been installed on the Deshotels 13H well. The well is currently producing 60 barrels of oil per day (18 barrels of oil per day net to Pryme). This production rate is below expectation due to mechanical problems sustained during completion of the well and the unsuccessful installation of the Packers Plus production liner. We expect this rate to remain fairly stable, with natural decline, into the future.

Definition and optimal production of the oil and gas reserves within the Deshotels 13H production unit will most likely require the drilling of an additional well, or a new lateral from the existing well, in the future. At this stage the production unit containing the Deshotels 13H well (approximately 1,000 acres) is held by production.

Deshotels 20H (40% Working Interest / 30% NRI)

Production from the Deshotels 20H also remains fairly stable at around 75 barrels of oil per day (23 barrels of oil per day net to Pryme) despite mechanical issues impeding its effective completion in 2011. Engineering reports commissioned by Pryme indicate that a significant increase in production rate may be achieved through the installation of a lift system. A work program and cost estimates are currently being prepared with a view to installing this system as soon as practicable.

The production unit containing the Deshotels 20H well (approximately 1,200 acres) is held by production.

Further Exploration in Turner Bayou

Whilst the result of the Rabalais 35-1 and the low production rates from both Deshotels wells are frustrating, there is strong evidence supporting the existence of substantial recoverable quantities of oil and natural gas in the Austin Chalk formation within the Turner Bayou Chalk project area. It is clear that the production potential of the Austin Chalk formation has not yet been adequately tested within our acreage. We remain committed to the Turner Bayou Chalk project and to successfully testing the Austin



Chalk formation within the project area to realise the untapped value of the project for the benefit of our shareholders.

About Turner Bayou

Pryme has a 40% working interest in 24,000 acres (9,600 net acres) in the Turner Bayou Project and is initially targeting development of the Austin Chalk horizon. A total of 30 Austin Chalk well locations are possible within the core project area based on a 640 acre well spacing.

Wells drilled to test the Austin Chalk formation within Turner Bayou are located using Pryme’s proprietary 3D seismic data, and drilled to approximately 15,000 feet vertical depth and then horizontally for a further 4,000 to 6,000 feet targeting major phase oil. Naturally occurring fracture systems within the chalk act as the reservoir and typically do not require any stimulation. Pryme has drilled two Austin Chalk wells within Turner Bayou (Pryme 40% WI). The second well, the Deshotels 13H, returned an initial potential rate of 1,167bpd of oil and 600mcf/d of natural gas despite a sub optimal completion method and resulting mechanical issues.

Recent successful wells in and around Turner Bayou are detailed in Figure 1 and Table 1 below. Pryme plans to spud its fourth well in the Austin Chalk in late April 2012.

In addition to the Austin Chalk potential of the Turner Bayou project area, Pryme is aware that several companies have achieved encouraging results from tests of the Eagle Ford and Tuscaloosa Marine Shales in proximity to Turner Bayou, these formations are included in Pryme’s Turner Bayou leases. The Company will continue to monitor this activity and update the market as appropriate.

Austin Chalk Regional Trend Map and Project Location

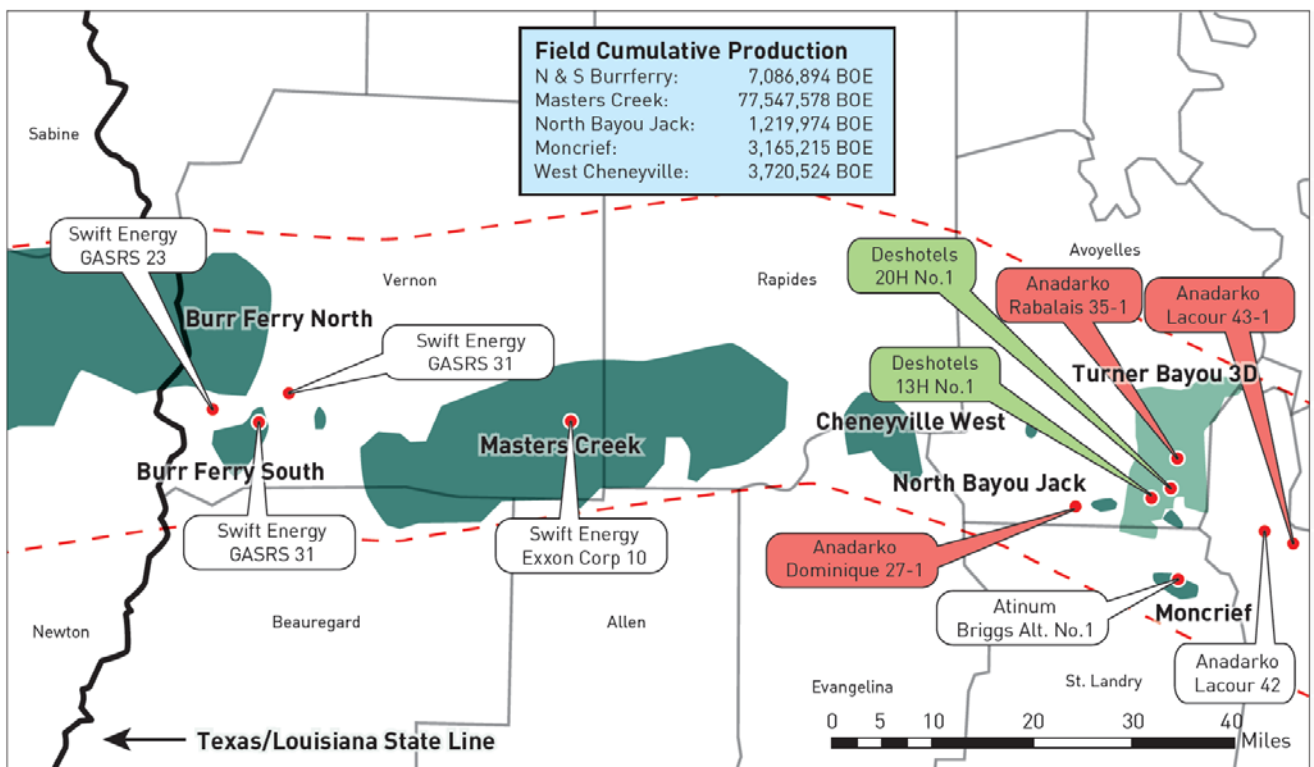


Figure 1



Austin Chalk Initial Potential Rates

Operator	Well	Oil (bopd)	Gas (mcf/d)	Water (bwpd)
Anadarko Petroleum	Lacour 43-1	3,000	2,500	600
Atinum Operating, Inc	Briggs Alt. No.1	2,184	6,795	3,276
Nelson Energy	Deshotels 13H No.1	1,167	644	350
Anadarko Petroleum	GASRS 5 No.1	1,073	12,663	5,465
Anadarko Petroleum	Dominique 27 No.1	753	1,151	1,484
Nelson Energy	Deshotels 20H No.1	600	458	0
Anadarko Petroleum	GASRS 18 No.1	500	7,000	6,672
Anadarko Petroleum	GASRS 16 No.1	203	1,127	259

**Table 1: Louisiana Department of Natural Resources www.sonris.com
Nelson Energy as operator denotes Pryme owned wells**

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Competent Person Statement

The information contained in this announcement has been reviewed by Mr Greg Short, BSc. Geology (Hons), a Director of Pryme who has more than 33 years' experience in the practise of petroleum geology. Mr Short reviewed this announcement and consents to the inclusion of the geological and engineering descriptions and any estimated hydrocarbons in place in the form and context in which they appear. Any resource estimates contained in this report are in accordance with the standard definitions set out by the Society of Petroleum Engineers, further information on which is available at www.spe.org.