

14 March 2014

## SECTION 708AA NOTICE

Pryme Energy Limited (**Pryme** or **the Company**) confirms that the Annual Report for the year ended 31 December 2013 will be released to the ASX today 14 March 2014.

Pryme gives notice in accordance with Section 708AA (2)(f) of the Corporations Act, 2001 (**the Act**) that:

1. The Company will offer to issue without disclosure to investors under Part 6D.2 of the Act, 295,708,568 fully paid ordinary shares (**Shares**) at an issue price of \$0.020 per share under a non-renounceable rights issue on the basis of one fully paid ordinary share for every one existing fully paid ordinary share held at 7pm (AEST) on 24 March 2014 (**Record Date**) by shareholders whose address on the Company's register of members is in Australia or New Zealand.
2. This notice is being given under section 708AA(2)(f) of the Act.
3. As at 14 March 2014, Pryme has complied with:
  - (a) the provisions of Chapter 2M of the Corporations Act as they apply to Pryme; and
  - (b) section 674 of the Corporations Act.
4. As at 14 March 2014, there is no information:
  - (a) that has been excluded from a continuous disclosure notice in accordance with the ASX Listing Rules; and
  - (b) that investors and their professional advisers would reasonably require, and would reasonably expect to find in a disclosure document, for the purpose of making an informed assessment of:
    - (i) the assets and liabilities, financial position and performance, profits and losses and prospects of Pryme; or
    - (ii) the rights and liabilities attaching to the new Shares.



5. The Rights Issue will not have any material effect on the control of the Pryme. The capital structure before the Rights Issue and the potential structure after the Rights Issue is set out below:

<b>Issued Shares</b>	<b>Number of Shares</b>
Total issued capital of Pryme at the Record Date for the Rights Issue	295,708,568
Number of new shares offered under the Rights Issue including any shortfall shares and subject to rounding	295,708,568
Total issued capital of Pryme at completion of Rights Issue assuming maximum number of new Shares under the Rights issue are issued	591,417,136

The Directors have reserved the right to offer any shortfall under the Rights Issue in accordance with Listing Rule 7.2 Exception 3.

Investors should note the following:

- (a) If particular eligible shareholders do not take up all of their entitlements under the offer, the shareholding interests of those eligible shareholders will be diluted;
- (b) The proportional interests of shareholders with registered addresses outside Australia and New Zealand will be diluted because those shareholders are not entitled to participate in the Rights Issue;
- (c) Should Pryme's two major shareholders, Panorama Ridge Pty Ltd and Belmont Park Investments Pty Ltd, subscribe for their full entitlement under the Rights Issue, there will not be any material impact on the control of the Company following the issue of shares under the Rights Issue.

For further information please contact:

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**ASX Code:** PYM

**OTCQX Code:** POGLY