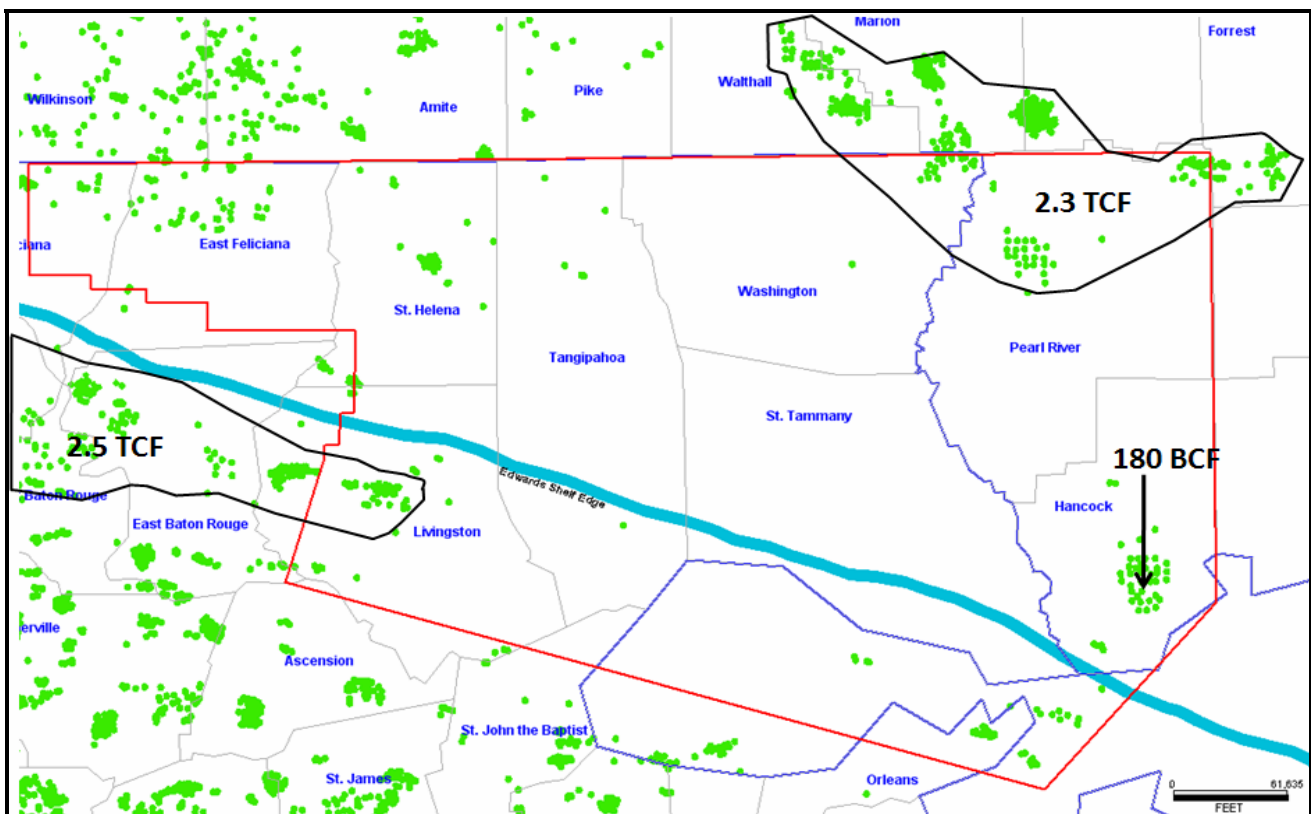


Pryme Expands Portfolio by executing 5700 square mile AMI in Louisiana

Pryme Oil and Gas Limited (ASX: PYM / OTC: POGLY), an oil and natural gas producer and explorer operating on shore in the U.S. with interests and focus in the Gulf States and Texas, is pleased to announce a joint venture with Amelia Resources LLC to develop regional exploratory prospects throughout an area of mutual interest covering 5700 square miles in the "Florida Parishes" of eastern Louisiana called the Checkmate Project. The exploration targets will range in depth from 3,500 feet through 25,000 feet and will give Pryme an inventory of prospects to develop and drill for the next ten years.

It is believed that the Florida Parishes are one of the most under-explored regions in south Louisiana. The area is surrounded by very prolific fields to the north, east, and west. 2.3 TCF has been produced from Lower Cretaceous reservoirs in the northeastern corner of the project area. 180 BCF has been produced from the Mooringsport at the eastern edge of the project area. Tuscaloosa fields on the shelf range up to 8 million barrels of oil.



Checkmate Project outline and existing production



The directors have been busy adding high value, risk-diverse projects to the portfolio of the company in order to enhance the long term viability, development and growth of Pryme into the future. The Checkmate Project will take advantage of Amelia's sixteen years of direct evaluation of the hydrocarbon potential in the project area. Pryme, through Amelia, has already assembled 500 miles of 2-D seismic data and 16,200 stations of gravity data. This information, integrated with subsurface control, has been used to identify regional "areas of interest" and prospective leads. The company plans to license a dense grid of 2-D seismic to reprocess with the latest technologies and utilize for prospect definition. It will also seek to define multi-target prospective areas for shooting 3-D seismic.

The project area presents a very large exploration frontier and has an abundance of commercial 2-D seismic data that can be reprocessed and utilized to define these opportunities. Multiple targets include the Miocene, Frio, Wilcox, Tuscaloosa, Paluxy, Mooringsport, James Lime, Hosston, and Cotton Valley. Checkmate provides Pryme a long term project area with the potential for numerous prospects.

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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 a total of almost 50 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 John Dickinson (Non Executive Chairman), Justin Pettett (Managing Director), Ryan Messer (Executive Director), Ananda Kathiravelu (Non Executive Director) and Philip Judge (Non Executive Director).