



21 December 2010

Boardroom Radio Broadcast Deshotels 20-H No.1 Flow Test Update

Pryme Oil and Gas Limited (ASX: PYM) has joined the Boardroom Radio Australia (BRR) team to record and publish online broadcasts of various announcements its makes through the ASX. Please find enclosed a copy of the transcript of the latest BRR broadcast.

To listen to the broadcast simply click on the following link:

www.prymeoilandgas.com.au/boardroomradio.htm

PRYME OIL & GAS LIMITED (PYM) provides the opportunity to listen to an audio broadcast with Mr Justin Pettett, CEO and MD in a presentation titled "Pryme Flow Test Update - Justin Pettett, Managing Director".

The presentation details are as follows:

- Pryme Flow Test Update - Justin Pettett, Managing Director
- Presented by Mr Justin Pettett, CEO and MD
- Tue, 21 Dec 2010 9:45am AEST
- A transcript of the broadcast is included below

A copy of this announcement is available at the ASX and can be viewed on the Company's website www.prymeoilandgas.com.

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POGLY

ASX Code: PYM **OTCQX** **Code:**

Pryme Oil and Gas Limited is an Australian oil and natural gas producer and explorer with interests in the Gulf States of the U.S. The company has oil and gas 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 board of directors and management team has over 100 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) and Ryan Messer (Executive Director) and Greg Short (Non Executive Director).



BOARDROOMRADIO INTERVIEW WITH JUSTIN PETTETT, MANAGING DIRECTOR, PRYME OIL AND GAS LIMITED, CONDUCTED ON MONDAY, 20 DECEMBER 2010

Q1 Hello and welcome to Boardroomradio. I am joined by Justin Pettett who's the Managing Director of Pryme Oil and Gas. Justin, thanks for your time and welcome to Boardroomradio.

A1 Thanks, James.

Q2 The Company has been providing regular updates on the Deshotels 20 well which you've been drilling. You were anticipating doing some flow testing prior to Christmas but I understand there's been some delays. Can you run me through the cause of the delays and what it means for the Project?

A2 We've had some delays with the company that comes out and will acidize our perforations. Always leading up to Christmas, all of the service and supply companies are very busy, and the company that are coming out to work for us have been held up by the previous client. So, unfortunately, we're going to have to wait till after Christmas to conclude the flow test and the acidization of the perforations, but it doesn't change the very strong drilling results that we've had in the well to date.

Q3 And, Justin, I understand from the announcement, the Company is still looking to put in some production infrastructure. I guess this underlies the confidence in the well that you do have.

A3 Absolutely. Trenching of the flow line to the main sales line is underway and the laying of that flow line is happening right as we speak. We're also putting in production facilities, so that does give a good indication of the confidence that we have in this well even though we haven't flow tested it. As I've been saying to a lot of investors and shareholders, it's purely just delays. It's unfortunate leading up to this time of the year, but if we all remember back to when we were drilling the well we had a lot of good response from the well through drilling and we're very confident of a good result, albeit it will be slightly delayed.

Q4 And, Justin, just looking at 2011, what's on the program for Pryme Oil and Gas? How's the year looking?

A4 We'll obviously get this flow testing of the Deshotels well out and up and running and producing. We do have further drilling in the Turner Bayou Project to conduct throughout 2011. This will also coincide with drilling in our Catahoula Lake Project. We were only able to drill one well in Catahoula Lake using our barge rig last year. We expect to put a full drilling program in place starting in February of next year through to the end of July. So we're very excited to be developing both of those projects and expect some good results throughout 2011.



Q5 Justin, we appreciate you taking the time to keep us informed on the work that you're doing and we look forward to speaking with you when you have the results of flow testing.

A5 Thanks, James.

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