



9 June 2009

Drilling of Next Four Rivers Well Underway

Drilling of the fifth well in the Four Rivers Project, the Beltzhoover No.1 in the North Larto Lake Prospect, has commenced. The well will be drilled to a target depth of 6,000 feet.

The well is targeting stacked oil bearing zones in the Beltzhoover Sand as the primary objective and in the shallower Wilcox and Sparta sands as secondary objectives. The reservoir associated with the North Larto Lake Prospect is approximately 100 acres in area. Drilling and logging are expected to be completed early next week.

The fourth well in the Four Rivers project (Crosby 16-4 No.1, Kelly Hill Prospect) is nearing completion with the installation of production facilities. It is expected that initial production rates will be announced towards the end of this week.

"Our strategy of incrementally adding reserves and increasing revenue through drilling relatively low risk shallow wells which can be rapidly brought on line is becoming a reality. This is largely due to the recent success in Four Rivers," said Justin Pettett, Pryme's Managing Director. "We expect drilling activity in this project to continue at the current rate through the remainder of 2009."

Project Description

Pryme has a 25% Working Interest (18.75 - 20% Net Revenue Interest (NRI)) in the Four Rivers Project which extends from Winn, Concordia and Catahoula Parishes in Louisiana to Adams, Jefferson and Wilkinson Counties in Mississippi. The project is targeting multiple "stacked" oil zones throughout the Middle-Wilcox formation and, to a lesser extent, shallow Frio natural gas zones at depths ranging from approximately 3,000 to 6,000 feet. Pryme's partner in this project is Tridimension Energy of Dallas, Texas, a successful regional explorer and producer which has drilled more than 40 wells in the region over the past twelve months with a success rate above 70%.

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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 over 75 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), Ryan Messer (Executive Director) and Ananda Kathiravelu (Non Executive Director).