



Media Release
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Pryme Oil and Gas Secures Interest in Large 3D Seismic Project in Louisiana

Pryme Oil and Gas Limited (ASX: PYM) today announced it had signed an agreement with Big Pine Petroleum, Inc. of Downsville, Louisiana and Jennings Resource, LLC of Mandeville, Louisiana to carry out a comprehensive 3-D seismic exploration program in the south central part of that State.

Pryme Managing Director Justin Pettett said the agreement gives Pryme the right to a 40 per cent working interest in an onshore trend area that is highly prospective for oil and gas at several intervals between 2,000 feet and 15,000 feet. He said the seismic project would cover as much as 90 square miles within a 200 square mile area that is of mutual interest to Pryme and its project partners.

"This agreement is a potential company-maker for Pryme, in that it could lead to a substantial increase in the reserves and revenue for the company," Mr Pettett said. "The 3-D seismic project will cover territory that is on trend with blocks being exploited by major oil and gas companies such as British Petroleum.

"Our objective is to test and develop zones that may be indicated as prospective via the 3-D seismic program. The group driving this initiative is composed of Louisiana geologists, geophysicists and a petroleum engineer, all of whom hold a stake in Pryme and who have successful track records in exploration in the region. In addition, two of Pryme's executives, both living in the United States, are members of this project team."

The 3-D seismic project is scheduled to run from June through to December 2006. If successful, a drilling program will commence in the first quarter of 2007. The 3-D data collected will be in addition to 250 miles of existing 2-D seismic data owned by Pryme that identifies several drillable prospects in the same region.

Pryme will use cutting edge 3-D technology to process the seismic data, including the use of the "WEA" (wavelet energy absorption) attribute in its evaluation. WEA is a more recent analytical innovation that is used to identify "bulk gas" in prospective reservoirs.



Mr Pettett said company Directors continued to review potential exploration plays in the region and that Pryme would soon begin participating in the drilling of nine development wells within its LaSalle Parish Project.

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About Pryme Oil and Gas Limited

Pryme Oil and Gas Limited (PYM) is an emerging Queensland, ASX-listed Company that is focused on seeking out and evaluating investment opportunities in oil, natural gas and coal bed methane projects in the United States. Directors of the company include John Dickinson (Non Executive Chairman), Justin Pettett (Managing Director), Ryan Messer (Non Executive Director) and Ananda Kathiravelu (Non Executive Director).

Mr Dickinson has 28 years experience in energy sector drilling, completions, production operations and project finance. Since 1982, he has been an oil and gas producer, operating a large oil and gas producing property in South Texas for six year with Mobil Oil and other partners, and then co-developing four electric power projects in the US.

Mr Pettett has worked successfully as a business analyst, broker and managing director of medium sized businesses for the past 12 years, the last five in the US oil and natural gas industry. He is the Chairman and Managing Director of the Sterling Energy Group of companies, and sits on the boards of Arkoma Wilcox Limited, an Australian public US oil and gas exploration company, and Northern Alliance Energy Inc, a US-based energy development company.

Mr Messer is verse in international corporate business with more than 10 years of experience of which the last five years has been spent in the energy sector managing field operations and assisting in the formation of an evaluation team for prospects. In the last five years Mr Messer has been directly involved in the drilling and development of more than 124 wells spread across five states throughout North America. He is the President and co-founder of the Sterling Energy Group of companies and sits on the Board of Directors for several public and private affiliated investment companies (Sterling Energy Group, Inc., Arkoma Wilcox Ltd and Northern Alliance Energy, Inc.).

Mr Kathiravelu was appointed as a Director of the Company on 18 November 2005. Mr Kathiravelu has been in the financial services funds management and stockbroking industries for more than 15 years. He is the Chairman of ASX listed company Plantard Ltd and the Managing Director of First Capital Corporate Ltd an investment bank. His areas of expertise include corporate advice, capital raising, mergers and acquisitions. His focus is in the small cap and emerging business sectors.