



9 April 2009

First Oil Production from Four Rivers Project

The third well in the Four Rivers project (Hall No. 1, Sunnyside prospect) has been successfully completed and resulted in an initial production rate of 90 Barrels per day. This rate increased to 110 barrels per day before being choked back to preserve the integrity of the formation.

The well is producing over 95% oil and is showing positive reservoir characteristics indicated by higher wellhead pressures.

"We are pleased with the first success in our Four Rivers Project which has exceeded our initial production expectation," said Ryan Messer, Pryme's Chief Operating Officer. "We are committed to increasing shareholder value by focusing on investing dollars into activity that generates near-term production growth for the Company; the Four Rivers project fits that strategy and helps us meet that objective. Our partners, Tridimension and the operator, have done a professional job in bringing this well into production with first revenues expected from this well by the end of May."

Drilling will resume in the Four Rivers project within the next two weeks with the drilling of the next three wells in the program.

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 and Jefferson 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).

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