



Company Announcements Office
Australian Securities Exchange
20 Bridge Street
Sydney NSW 2000

6 March 2008

708A(5)(e) NOTICE

Dear Sir,

As announced on 25 January 2008, the Board of Pryme Oil & Gas Limited (Pryme) has obtained shareholder approval at the General Meeting held on 5 March 2008 for the placement of a total of 18,800,000 fully paid ordinary shares in the capital of Pryme at \$0.35 per share to two independent Queensland based sophisticated investors, Messer's Ian McCauley and John Rawlins and to Mr George Lloyd, Chairman of the Company.

Pryme hereby notifies ASX under section 708A(5)(e) and 708A(6) of the Corporations Act (Act) that:

- (a) Pryme issued the shares without disclosure to the investor in accordance with section 708(8) of the Act;
- (b) as at 6 March 2008, Pryme has complied with the provisions of Chapter 2M of the Act as they apply to Pryme, and section 674 of the Act; and
- (c) as at 6 March 2008, there is no information:
 - (i) that has been excluded from a continuous disclosure notice in accordance with the ASX Listing Rules; and
 - (ii) that investors and their professional advisers would reasonably require for the purpose of making an informed assessment of:
 - A. the assets and liabilities, financial position and performance, profits and losses and prospects of Pryme; or
 - B. the rights and liabilities attaching to the securities.

An Appendix 3B is attached.

For further information please contact:

Justin Pettett
Managing Director
Pryme Oil and Gas Limited
Telephone: +61 7 3371 1103
Email: justin@prymeoilandgas.com

Ryan Messer
President
Pryme Oil and Gas Inc
Telephone: +1 832 487 8607
Email: ryan@prymeoilandgas.com

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 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), John Dickinson (Non Executive Vice-Chairman), Justin Pettett (Managing Director), Ryan Messer (Executive Director) and Ananda Kathiravelu (Non Executive Director).

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 1/7/96. Origin: Appendix 5. Amended 1/7/98, 1/9/99, 1/7/2000, 30/9/2001, 11/3/2002, 1/1/2003.

Name of entity

Pryme Oil and Gas Limited

ABN

75 117 387 354

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

- | | | |
|---|--|---|
| 1 | +Class of +securities issued or to be issued | (i) Ordinary Shares
(ii) \$0.40 Options |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | (i) 18,800,000 Ordinary Shares
(ii) 500,000 \$0.40 Options |
| 3 | Principal terms of the +securities (eg, if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | (i) Ordinary fully paid shares
(ii) Options with an exercise price of \$0.40 expiring on 31 December 2009. |

+ See chapter 19 for defined terms.

<p>4 Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities?</p> <p>If the additional securities do not rank equally, please state:</p> <ul style="list-style-type: none"> • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment 	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="padding: 5px;">(i)</td> <td style="padding: 5px;">The shares issued will rank equally with the existing class of ordinary shares</td> </tr> <tr> <td style="padding: 5px;">(ii)</td> <td style="padding: 5px;">Shares issued on exercise of option rank equally with the existing class of ordinary shares.</td> </tr> </table>	(i)	The shares issued will rank equally with the existing class of ordinary shares	(ii)	Shares issued on exercise of option rank equally with the existing class of ordinary shares.		
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<p>5 Issue price or consideration</p>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="padding: 5px;">(i)</td> <td style="padding: 5px;">35 cents</td> </tr> <tr> <td style="padding: 5px;">(ii)</td> <td style="padding: 5px;">N/A</td> </tr> </table>	(i)	35 cents	(ii)	N/A		
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(ii)	N/A						
<p>6 Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)</p>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="padding: 5px;">(i)</td> <td style="padding: 5px;">Issue of shares to sophisticated investors and the Chairman.</td> </tr> <tr> <td style="padding: 5px;">(ii)</td> <td style="padding: 5px;">Issue of Options upon appointment of Chairman.</td> </tr> </table>	(i)	Issue of shares to sophisticated investors and the Chairman.	(ii)	Issue of Options upon appointment of Chairman.		
(i)	Issue of shares to sophisticated investors and the Chairman.						
(ii)	Issue of Options upon appointment of Chairman.						
<p>7 Dates of entering +securities into uncertificated holdings or despatch of certificates</p>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="padding: 5px;">(i)</td> <td style="padding: 5px;">6 March 2008</td> </tr> <tr> <td style="padding: 5px;">(ii)</td> <td style="padding: 5px;">6 March 2008</td> </tr> </table>	(i)	6 March 2008	(ii)	6 March 2008		
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<p>8 Number and +class of all +securities quoted on ASX (including the securities in clause 2 if applicable)</p>	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="padding: 5px;">Number</th> <th style="padding: 5px;">+Class</th> </tr> </thead> <tbody> <tr> <td style="padding: 5px;">98,245,029</td> <td style="padding: 5px;">Ordinary shares</td> </tr> <tr> <td style="padding: 5px;">41,487,374</td> <td style="padding: 5px;">\$0.40 Options expiring on 30 June 2008</td> </tr> </tbody> </table>	Number	+Class	98,245,029	Ordinary shares	41,487,374	\$0.40 Options expiring on 30 June 2008
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98,245,029	Ordinary shares						
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+ See chapter 19 for defined terms.

	Number	+Class
9 Number and +class of all +securities not quoted on ASX (including the securities in clause 2 if applicable)	10,134,000	Ordinary shares
	5,868,000	\$0.20 Options expiring on 30 June 2009
	500,000	\$0.40 Options expiring on 31 December 2009
10 Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	None	

Part 2 - Bonus issue or pro rata issue

11 Is security holder approval required?	-
12 Is the issue renounceable or non-renounceable?	-
13 Ratio in which the +securities will be offered	-
14 +Class of +securities to which the offer relates	-
15 +Record date to determine entitlements	-
16 Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	-
17 Policy for deciding entitlements in relation to fractions	-
18 Names of countries in which the entity has +security holders who will not be sent new issue documents <small>Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.</small>	-
19 Closing date for receipt of acceptances or renunciations	-

+ See chapter 19 for defined terms.

20	Names of any underwriters	-
21	Amount of any underwriting fee or commission	-
22	Names of any brokers to the issue	-
23	Fee or commission payable to the broker to the issue	-
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of +security holders	-
25	If the issue is contingent on +security holders' approval, the date of the meeting	-
26	Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled	-
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	-
28	Date rights trading will begin (if applicable)	-
29	Date rights trading will end (if applicable)	-
30	How do +security holders sell their entitlements <i>in full</i> through a broker?	-
31	How do +security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	-

+ See chapter 19 for defined terms.

32 How do +security holders dispose of their entitlements (except by sale through a broker)?

33 +Despatch date

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

34 Type of securities
(tick one)

(a) Securities described in Part 1
Ordinary fully paid shares only

(b) All other securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

35 If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders

36 If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories
1 - 1,000
1,001 - 5,000
5,001 - 10,000
10,001 - 100,000
100,001 and over

37 A copy of any trust deed for the additional +securities

Entities that have ticked box 34(b)

38 Number of securities for which +quotation is sought

+ See chapter 19 for defined terms.

39 Class of +securities for which quotation is sought

40 Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities?

If the additional securities do not rank equally, please state:

- the date from which they do
- the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment
- the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment

41 Reason for request for quotation now

Example: In the case of restricted securities, end of restriction period

(if issued upon conversion of another security, clearly identify that other security)

	Number	+Class
42	Number and +class of all +securities quoted on ASX (including the securities in clause 38)	

Quotation agreement

- 1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.
- 2 We warrant the following to ASX.
 - The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
 - There is no reason why those +securities should not be granted +quotation.
 - An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

+ See chapter 19 for defined terms.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
 - We warrant that if confirmation is required under section 1017F of the Corporations Act in relation to the +securities to be quoted, it has been provided at the time that we request that the +securities be quoted.
 - If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.
- 3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.
- 4 We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

Sign here:



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6 March 2008
(Managing Director)
Print name: JUSTIN PETTETT