

17 December 2007

## Raven Well Hits Primary Gas Targets

The second well (Grable 15#1) in the Raven exploration project has reached planned total depth of 11,000 feet and as a result of the log analysis, the decision has been made to set production casing. As forecasted, the two primary objective zones the "C" sand and the "Price" sand were encountered correlating with strong gas shows from the mud log during the drilling phase.

"This test further reinforces the execution of our "Long Play" strategy that the Board of Directors has put in place for the growth of Pryme along with confirming our robust collection of exploration projects that we are working to convert into real value for our shareholders. We are very happy with the logging. Getting Raven and Turner Bayou underway leading up to the Christmas break should see Pryme add natural gas and condensate to its existing oil revenues", said Justin Pettett, Pryme's Managing Director. "The Pryme team remains focused on our goal of generating earnings and building reserves towards our target of building a A\$300-A\$500 million company in 3 to 5 years. We're expecting a strong 2008 to build on these latest results."

A natural gas discharge pipeline will be run and surface facilities installed in preparation for the fracture stimulation of the deepest zone. Just like the Spinks well we plan to test the well directly into the sales line to preserve the integrity of the formations. This completion phase should take approximately 60 days with the sale of first products planned for some time commencing in March 2008.



*Drilling of the Grable 15#1 in the Raven Project*

### Project Description

The Raven project covers mineral leases in the prolific Cotton Valley and Hosston natural gas trends in Lincoln Parish, Louisiana. Raven exists along a natural gas fairway of Cotton Valley marine bars which



are the target of the Raven project. Approximately ten drilling locations have been identified in the project with the leasing of acreage continuing. Pryme has a 40% working interest (30% Net Revenue Interest) ownership in the project.

For further information please contact:

**Justin Pettett**  
**Chief Executive Officer**  
**Pryme Oil and Gas Limited**  
Telephone: +61 7 3371 1103  
Email: [justin@prymeoilandgas.com](mailto:justin@prymeoilandgas.com)

**Ryan Messer**  
**President**  
**Pryme Oil and Gas Inc**  
Telephone: +1 832 487 8607  
Email: [ryan@prymeoilandgas.com](mailto: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 50 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 John Dickinson (Non Executive Chairman), Justin Pettett (Managing Director), Ryan Messer (Executive Director), Ananda Kathiravelu (Non Executive Director) and Philip Judge (Non Executive Director).*