



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

3 January 2012

Dear Sir,

Pryme Energy Limited (Pryme) (ASX Code PYM) Issue of securities

Pryme wishes to announce that the employment condition attaching to Performance Rights (PRs) and Restricted Stock Units (RSUs) granted to the executive directors and the Chief Financial Officer under the 2009 Long Term Incentive Plan (2009 LTIP) and the 2010 Long Term Incentive Plan (2010 LTIP) has been satisfied.

Accordingly, the balance of the PRs and RSUs, totalling 553,427 granted under the 2009 LTIP and 50% of the PRs and RSUs, totalling 965,501 granted under the 2010 LTIP vested on 1 January 2012 and converted to ordinary shares on 3 January 2012.

Attached is an Appendix 3B in respect of issue of 1,518,928 ordinary shares, together with Change of Directors' Interest Notices.

For further information please contact:

Justin Pettett
Managing Director
Pryme Energy Limited
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Ryan Messer
Chief Operating Officer
Pryme Energy Limited
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Website: www.prymeenergy.com

ASX Code: PYM

OTCQX Code: POGLY

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 Energy 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 | Ordinary Shares |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | 1,518,928 |
| 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) | Ordinary fully paid shares |

+ See chapter 19 for defined terms.

4	Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities?	Yes, the Shares will rank equally with the existing class of Ordinary Shares.				
	If the additional securities do not rank equally, please state:					
	<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 					
5	Issue price or consideration	Nil consideration				
6	Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)	Issued on conversion of Performance Rights and Restricted Stock Units				
7	Dates of entering +securities into uncertificated holdings or despatch of certificates	3 January 2012				
8	Number and +class of all +securities quoted on ASX (including the securities in clause 2 if applicable)	<table border="1"> <thead> <tr> <th data-bbox="708 1375 995 1397">Number</th> <th data-bbox="1007 1375 1289 1397">+Class</th> </tr> </thead> <tbody> <tr> <td data-bbox="708 1413 995 1435">259,360,278</td> <td data-bbox="1007 1413 1289 1435">Ordinary shares</td> </tr> </tbody> </table>	Number	+Class	259,360,278	Ordinary shares
Number	+Class					
259,360,278	Ordinary shares					

+ 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)	500,000	\$0.15 Options expiring 20 January 2012
	965,501	Performance Rights/Restricted Stock Units under 2010 Long Term Incentive Plan Award
	2	Convertible Notes (2 of possible 2 Convertible Notes under Convertible Note facility)

10 Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	None
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Part 2 - Bonus issue or pro rata issue

Items 11 to 33 are not applicable

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

(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

Items 35 to 42 are not applicable

+ See chapter 19 for defined terms.

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.

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:  Date: 3 January 2012

Print name: Justin Pettett (Managing Director)

+ See chapter 19 for defined terms.

APPENDIX 3Y

CHANGE OF DIRECTOR'S INTEREST NOTICE

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 30/9/2001.

Name of entity PRYME OIL AND GAS LIMITED
ABN 75 117 387 354

We (the entity) give ASX the following information under listing rule 3.19A.2 and as agent for the director for the purposes of section 205G of the Corporations Act.

Name of Director	Justin Pettett
Date of last notice	21 July 2011

Part 1 - Change of director's relevant interests in securities

In the case of a trust, this includes interests in the trust made available by the responsible entity of the trust

Note: In the case of a company, interests which come within paragraph (i) of the definition of "notifiable interest of a director" should be disclosed in this part.

Direct or indirect interest	Direct
Nature of indirect interest (including registered holder) <small>Note: Provide details of the circumstances giving rise to the relevant interest.</small>	-
Date of change	3 January 2012
No. of securities held prior to change	<p>Ordinary Shares</p> <ol style="list-style-type: none"> 1. 4,371,429 – Pettett Pty Ltd 2. 771,429 – Mr Justin Pettett and Mrs Kathryn Pettett <Pettett S/F A/C> 3. 294,821 – Mr Justin Pettett <p>Performance Rights (PRs)</p> <p><u>2009 Award</u> 257,968 PRs convertible into ordinary shares in the capital of Pryme on a one for one basis; subject to continued employment with Pryme, these PRs will vest on 1 January 2012 – Direct</p> <p><u>2010 Award</u> 873,786 PRs convertible into ordinary shares in the capital of Pryme on a one for one basis; Subject to continued employment with Pryme, 50% of the PRs will vest on 1 January 2012 and the balance 50% will vest on 1 January 2013 – Direct</p>

+ See chapter 19 for defined terms.

Class	Fully Paid Ordinary Shares
Number acquired	694,861
Number disposed	Nil
Value/Consideration Note: If consideration is non-cash, provide details and estimated valuation	Nil
No. of securities held after change	<p>Ordinary Shares</p> <ol style="list-style-type: none"> 1. 4,371,429 – Pettett Pty Ltd 2. 771,429 – Mr Justin Pettett and Mrs Kathryn Pettett <Pettett S/F A/C> 3. 989,682 – Mr Justin Pettett <p>Performance Rights (PRs)</p> <p><u>2010 Award</u> 436,893 PRs convertible into ordinary shares in the capital of Pryme on a one for one basis; Subject to continued employment with Pryme, these PRs will vest on 1 January 2013 – Direct</p>
Nature of change Example: on-market trade, off-market trade, exercise of options, issue of securities under dividend reinvestment plan, participation in buy-back	Issue of fully paid ordinary shares on vesting of PRs granted under the 2009 and 2010 Long Term Incentive Plan.

Part 2 – Change of director's interests in contracts **N/A**

Note: In the case of a company, interests which come within paragraph (ii) of the definition of "notifiable interest of a director" should be disclosed in this part.

Detail of contract	-
Nature of interest	-
Name of registered holder (if issued securities)	-
Date of change	-
No. and class of securities to which interest related prior to change Note: Details are only required for a contract in relation to which the interest has changed	-
Interest acquired	-
Interest disposed	-
Value/Consideration Note: If consideration is non-cash, provide details and an estimated valuation	-
Interest after change	-

+ See chapter 19 for defined terms.

Part 3 – Closed Period

Were the interests in the securities or contracts detailed above traded during a ⁺closed period where prior written clearance was required?	N/A; the above issue of shares is exempt under the Pryme Personnel Securities Trading Policy.
If so, was prior written clearance provided to allow the trade to proceed during this period?	N/A
If prior written clearance was provided, on what date was this provided?	N/A

⁺ See chapter 19 for defined terms.

APPENDIX 3Y

CHANGE OF DIRECTOR'S INTEREST NOTICE

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 30/9/2001.

Name of entity PRYME ENERGY LIMITED
ABN 75 117 387 354

We (the entity) give ASX the following information under listing rule 3.19A.2 and as agent for the director for the purposes of section 205G of the Corporations Act.

Name of Director	Timothy Ryan Messer
Date of last notice	19 August 2011

Part 1 - Change of director's relevant interests in securities

In the case of a trust, this includes interests in the trust made available by the responsible entity of the trust

Note: In the case of a company, interests which come within paragraph (i) of the definition of "notifiable interest of a director" should be disclosed in this part.

Direct or indirect interest	Direct
Nature of indirect interest (including registered holder) <small>Note: Provide details of the circumstances giving rise to the relevant interest.</small>	-
Date of change	3 January 2012
No. of securities held prior to change	<p>Ordinary Shares 2,820,291 – Sourcerock Investments LLC 517,468 – Direct</p> <p>American Depository Receipts 1,110 (equivalent to 11,100 Ordinary shares) – Sourcerock Investments LLC</p> <p>Restricted Stock Units (RSUs) <u>2009 Award</u> 257,968 RSUs convertible into ordinary shares in the Capital of Pryme on a one for one basis; subject to continued employment with Pryme, these RSUs will vest on 1 January 2012 – Direct</p> <p><u>2010 Award</u> 873,786 RSUs convertible into ordinary shares in the Capital of Pryme on a one for one basis; Subject to Continued employment with Pryme, 50% of the RSUs will vest on 1 January 2012 and the balance 50% will vest on 1 January 2013 – Direct</p>

+ See chapter 19 for defined terms.

Class	Fully paid Ordinary Shares
Number acquired	694,861
Number disposed	Nil
Value/Consideration Note: If consideration is non-cash, provide details and estimated valuation	Nil
No. of securities held after change	<p>Ordinary Shares 2,820,291 – Sourcerock Investments LLC 1,212,329 – Direct</p> <p>American Depository Receipts 1,110 (equivalent to 11,100 Ordinary shares) – Sourcerock Investments LLC</p> <p>Restricted Stock Units (RSUs)</p> <p><u>2010 Award</u> 436,893 RSUs convertible into ordinary shares in the capital of Pryme on a one for one basis; Subject to continued employment with Pryme, these PRs will vest on 1 January 2013 – Direct</p>
Nature of change Example: on-market trade, off-market trade, exercise of options, issue of securities under dividend reinvestment plan, participation in buy-back	Issue of fully paid ordinary shares on vesting of RSUs granted under the 2009 and 2010 Long Term Incentive Plan.

Part 2 – Change of director's interests in contracts – N/A

Note: In the case of a company, interests which come within paragraph (ii) of the definition of "notifiable interest of a director" should be disclosed in this part.

Detail of contract	-
Nature of interest	-
Name of registered holder (if issued securities)	-
Date of change	-
No. and class of securities to which interest related prior to change Note: Details are only required for a contract in relation to which the interest has changed	-
Interest acquired	-
Interest disposed	-
Value/Consideration Note: If consideration is non-cash, provide details and an estimated valuation	-
Interest after change	-

+ See chapter 19 for defined terms.

Part 3 – Closed Period

Were the interests in the securities or contracts detailed above traded during a ⁺closed period where prior written clearance was required?	N/A; the above issue of shares is exempt under the Pryme Personnel Securities Trading Policy.
If so, was prior written clearance provided to allow the trade to proceed during this period?	N/A
If prior written clearance was provided, on what date was this provided?	N/A

⁺ See chapter 19 for defined terms.