



21 May 2009

Second Success in Four Rivers Project

The fourth well in the Four Rivers project (Crosby 16 No.1, Kelly Hill Prospect) has been drilled to a total depth of 7,000 feet. Logging has identified three oil bearing sands including the primary objective, the Walker Sand. The Crosby Sand, the secondary objective, and the Minter Sand, which was not originally targeted, were also evident. Completion of the well is underway and will be followed by production testing. Shareholders will be advised of the production testing result.

Re-mapping of the sub surface, based on the data from this well, may lead to the identification of one or more offset drilling locations.

"We are pleased with the development of the sands in this well bore. A successful completion will add to our cash flow and build our producing and undeveloped reserves." Said Ryan Messer, Pryme's Chief Operating Officer. "We look forward to the continuation of the drilling program within the Four River Project."

Drilling will resume in the Four Rivers project in the coming weeks with the testing of the North Larto Lake prospect, a prospect that will be targeting stacked Beltzhoover Sands immediately north of North Larto Lake Field. The rate of drilling in the Four Rivers is on target at two wells per month and should continue through the rest of the year.

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, Jefferson and Wilkinson 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).