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Turner Bayou Chalk Project: Drilling of First Well to Commence

Drilling of the first well in the Turner Bayou Chalk Project, the Deshotels 20-H No.1 well in North Bayou Jack Field, is expected to commence early next week. Pryme's working interest in the well is 40%, equivalent to a 30% net revenue interest (NRI).

The well will be drilled to a depth of 15,380 feet vertically with a 4,500 foot horizontal lateral. It is expected that drilling will take approximately 7 to 9 weeks to complete.

The Deshotel 20-H No.1 well will target oil on trend with previous commercial oil discoveries from vertical intersections of the Austin Chalk formation. The prospect location has been confirmed with high resolution 3D seismic data from a survey carried out in 2007.

Drilling progress will be reported weekly.

Project Description

Turner Bayou is one of Pryme's high value projects. Pryme has a 52% interest (39% NRI) in the project (40% interest (30% NRI) in the Turner Bayou Chalk Project) comprising approximately 80 square miles (50,000 acres) which have been imaged by a proprietary 3D seismic survey. Primary targets are contained within six prospective formations ranging in depth from the Frio formation at 3,000 feet, to the Tuscaloosa formation at 18,000 feet.

For further information please contact:

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Pryme Oil and Gas Limited is an Australian oil and natural gas producer and explorer with interests in the Gulf States of the U.S. The company has oil and gas 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 board of directors and management team has over 100 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) and Ryan Messer (Executive Director) and Greg Short (Non Executive Director).