



ASX / Media Release

30 October 2012

Rosewood Plantation 21H No.1 Drilling Update Turner Bayou Chalk Project

HIGHLIGHTS

- Surface casing cemented in place
- Currently drilling at 9,545 feet (2,909 metres)

Rosewood Plantation 21H No.1 (61.53% Working Interest / 46.15% NRI)

Cementing of the surface casing of the Rosewood Plantation 21H No.1 well has been completed and the well is currently drilling ahead at a depth of 9,545 feet (2,909 metres). Drilling to date has gone to plan.

The well will be drilled to a vertical depth of 14,919 feet (4,550 metres) into the top of the Austin Chalk and the intermediate casing will then be run and cemented in place. This will be followed by drilling of the planned 5,000 foot (1,524 metre) lateral, at a total vertical depth of 15,380 feet (4,687 metres), through naturally occurring oil bearing fracture systems within the Austin Chalk formation. Drilling of the well is expected to take approximately 60 days with flow testing and connection to production facilities planned for mid-December.

About Turner Bayou

The Turner Bayou project comprises approximately 80 square miles (50,000 acres) which have been imaged by a proprietary 3D seismic survey. Pryme has a 40% working interest in 25,029 acres (10,011 net acres) in the Turner Bayou Project and is initially targeting development of the Austin Chalk horizon. In addition to the Austin Chalk potential of the Turner Bayou project area, exploration drilling within Pryme's Turner Bayou leases has intersected the Tuscaloosa Marine Shale which is analogous to the prolific Eagle Ford Shale in South Texas.

For further information please contact:

Justin Pettett
Managing Director
Pryme Energy Limited
Telephone: +61 7 3371 1103

Ryan Messer
Chief Operating Officer
Pryme Energy Limited
Telephone: +1 713 401 9806

Website: www.prymeenergy.com

ASX Code: PYM

OTCQX Code: POGLY

Competent Person Statement and Disclaimer

The information contained in this announcement has been reviewed by Mr Greg Short, BSc. Geology (Hons), a Director of Pryme who has more than 33 years' experience in the practise of petroleum geology. Mr Short reviewed this announcement and consents to the inclusion of the geological and engineering descriptions and any estimated hydrocarbons in place in the form and context in which they appear. Any resource estimates contained in this report are in accordance with the standard definitions set out by the Society of Petroleum Engineers, further information on which is available at www.spe.org.