

Form 605
Corporations Act 2001
Section 671B

Notice of ceasing to be a substantial holder

To: PRYME OIL AND GAS LIMITED
ACN 75 117 387 354

1. Details of substantial holder (1)

Name: ANANDA KATHIRAVELU

The holder ceased to be a substantial holder:

The previous notice was given to the company on: 20/04/2006

The previous notice was dated: 19/04/2006

2. Previous and present voting power

Particulars of each change in, or change in the nature of, a relevant interest (2) of the substantial holder or an associate (3) in voting securities of the company or scheme, since the substantial holder was last required to give a substantial holding notice to the company or scheme are as follows:

| Date of change | Person whose relevant interest changed | Nature of change (4) | Consideration given in relation to change (5) | Class (6) and number of securities affected | Person's votes affected |
|-----------------------|---|--|--|--|--------------------------------|
| 19/04/2006 | Ananda Kathiravelu and Valerie Kathiravelu | Allotment of Ordinary Shares at IPO | \$7,000 | 35,000 | 35,000 |
| 02/07/2008 | Armada Capital Limited | Issue of ordinary shares upon the conversion of \$0.20 options | \$260,730 | 1,303,650 | 1,303,650 |
| 09/07/2008 | Armada Capital Limited | Off-market transfer of shares | \$0.00 | 2,484,375 | 2,484,375 |

3. Changes in association

The persons who have become associates (3) of, ceased to be associates of, or have changed the nature of their association (7) with, the substantial holder in relation to voting interests in the company or scheme are as follows:

| Name and ACN/ARSN (if applicable) | Nature of association |
|--|------------------------------|
| N/A | |

4. Addresses

The addresses of persons named in this form are as follows:

Name: Ananda Kathiravelu

Address: 87 Alfred Road, Mount Claremont WA 6010

Signature

A handwritten signature in black ink, consisting of several overlapping loops and a trailing line that ends in a small upward stroke.

Print name: Ananda Kathiravelu

Date: 11/07/2008