



1 November 2010

Rights Issue Closing Date extended

The Board of Pryme Oil and Gas Limited (Pryme or the Company) has resolved to extend by 19 days the term of the Rights Issue which was announced on 6 September 2010; the Closing Date is now 30 November 2010.

The non-renounceable Rights Issue entitles eligible Shareholders to buy 1 new share in the Company for every 8 fully paid ordinary shares held at the Record Date at a price of \$0.08 per share. Details of the Rights Issue are contained in the Non-renounceable Rights Issue Offer Document which was released to the ASX on 20 September 2010. As a result of the extension, the Closing Date of the Rights Issue and the latest time for receipt of Entitlement and Acceptance Forms is now 5.00pm (AEST) on 30 November 2010.

The purpose of the Rights Issue is to allow eligible Shareholders to participate in a capital raising at the same price as the participants in the private placement which was announced on 6 September 2010, with the added advantage of being in possession of more information of the progress towards completion of the Deshotels 20-H No.1 well (the Well) which is currently being drilled in the Turner Bayou Chalk project.

Shareholders will be aware that drilling of the Well was delayed when 'kicking off' the vertical well bore at a depth of approximately 14,730 feet (4,490 metres) to commence directional drilling and establish the 4,500 foot (1,372 metre) long horizontal leg. It is now expected that drilling will be completed and, if warranted, the Well will be flow tested prior to the end of November 2010.

The reason for extending the Closing Date is to allow for the delays and provide shareholders with additional time to determine whether they wish to participate in the rights issue.

The extension will have a consequential effect on the other key dates of the Rights Issue, which are summarised below. No other terms or conditions under the Rights Issue have changed.

Event	Date
Closing Date	30 November 2010
Company notifies ASX of under subscriptions	3 December 2010
Anticipated date for allotment and issue of New Shares	6 December 2010
Mail out of transaction confirmation statements	8 December 2010

The above dates are indicative only and subject to change. The Directors of the Company reserve the right to vary these dates, including the Closing Date without prior notice, in accordance with the ASX Listing Rules. Any extension of the Closing Date will have a consequential effect on the anticipated date for allotment and issue of the New Shares.



The Directors of the Company also reserve the right not to proceed with the whole or part of the offer under the Rights Issue any time prior to allotment and issue of the New Shares. In that event, the relevant application monies (without interest) will be returned in full to Applicants.

For further information please contact:

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OTCQX Code: POGLY

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).