

## COMPANY PROFILE

Pryme Oil and Gas Limited acquires, upgrades and expands proven and trend-related onshore oil and gas resources in the Gulf States of the United States. The Company leverages management's global experience and access to lucrative projects and partnerships in the region. As a result, Pryme is well positioned to develop additional oil and gas reserves and significantly increase revenue and operating income in the near-term. The Company is listed on the Australian Stock Exchange (ASX) (ticker: PYM) and trades in ADR form on the US OTC bulletin board (ticker: POGLY).

## CURRENT PROJECTS

**LaSalle Parish Project** – Producing properties consisting of an interest in 25 oil wells in LaSalle Parish Louisiana. These properties generate ~1500 Bbls of oil net per month to the Company. Several additional locations for development/step-out drilling exist and are being pursued by management.

**Turner Bayou 3D Seismic Project**– 52% interest in 85.42 square mile (54,674 acres) proprietary 3D seismic shoot in mid-central Louisiana. Seismic data to be processed by April 2007, drilling to commence mid year 2007. Prospective reserves – 150Bcfe to the 100% working interest un-risked.

**Wave Exploration Joint Venture** – Increase reserves and production at a low capital cost and mitigated risk through Pryme's carried working interest, overrides and share with Wave in any cash gains on sales from projects generated by Wave. Pryme is the funding partner, Wave is the project originator

**Raven** – 40% interest in up to eleven 640 acre sections of two prospective Cotton Valley target sands. Analogue production indicates an estimated 5 Bcf of recoverable gas per well from both sands combined. Target drill date is mid-June on first location. Prospective un-risked reserves 50 Bcf gross.

**Kestrel** – 14,000 foot 3D data and subsurface derived prospect targeting four high-yield "Hackberry" natural gas sands. This prospect is expected to be sold by the end of March 2007 and possibly be drilled mid-2007. Prospective reserves are on the order of 33 Bcf gross.

**Condor** – Consists of two 640 acre blocks within the Tuscaloosa "fairway". An engineering report indicates 20-40Bcf in proved undeveloped reserves. Leasing continues in this area, with an estimated drill date late 2007.

## BUSINESS STRATEGY

The Company plans to build on our existing partnerships and grow our reserve base via our drilling program throughout a historically untapped trend in the Gulf States. With our utilization and access to 2D and 3D seismic data and the experience of our team in their respective disciplines, we are evaluating over 700,000 acres within our target area. Our drilling program begins in June of this year within our existing projects and we expect to spend A\$12 million on capital projects in 2007. In addition, we continue to focus on trend-related 3D seismic and lease acquisitions to expand our program of drilling conventional oil and gas reservoirs.

## AREAS OF OPERATION

### Registered and Principal Office

Level 7, 320 Adelaide Street  
Brisbane Queensland 4000  
Australia

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[www.prymeoilandgas.com](http://www.prymeoilandgas.com)



**FINANCIAL DATA**

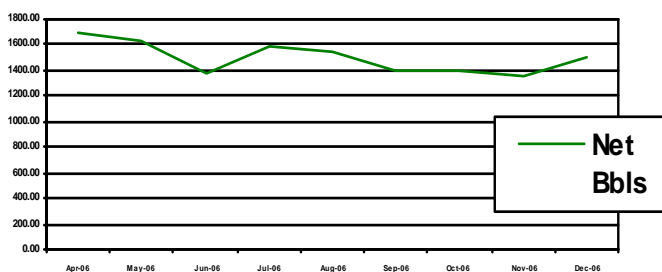
(\$AUD, except per share, FYE Dec)	2006
Oil & NGL Sales	\$1,016,629
Total Revenue	\$1,053,388
Net Income (loss)	(\$2,047,615)
Total Assets	\$15,436,825
Long-term Debt	\$0
Shareholders' Equity	\$14,997,129
Earnings per share diluted	(4.0)

**SHARE DATA**

As of December 2006	
52-week range (closing price)	\$0.23 - \$1.15
Current Price	\$ .465
Avg. Shares Out (diluted)	111,091,865

**OPERATING DATA**

Year-end Dec.	2006
Oil & NGL Production (Bbls of oil per month)	1499.72
Gas Production (MMcf of gas per month)	0
Proved Oil & NGL Reserves (Bbls)	274,473
Proved Gas Reserves (Bcf)	0
Total Proved Reserves (BOE)	274,473

**9 MONTH PRODUCTION**

**Justin Pettett**
**Managing Director / CEO**

Mr. Pettett is Managing Director, CEO and co-founder of the Sterling Energy Group of companies. He sits on the board of Arkoma Wilcox Limited, an Australian public US oil & gas Exploration Company and is Vice-President and Chief Operations Officer of Northern Alliance Energy Inc., the wholly-owned subsidiary of Anglo Energy Company Inc., a US-based energy development company.

Mr. Pettett has extensive industry experience specializing in oil, natural gas and coal bed methane acquisitions and development, financial analysis, capital aggregation and management.

He has worked closely with energy and commodity funds in Australia and in the US.

With expertise in advising global clients on a range of commodities including base, precious metals and energy, Mr. Pettett brings broad experience as a public company director contributing to business development, investor relations, capital raisings and financial and administrative management.

**John Dickinson**
**Chairman**

Mr. Dickinson has 32 years experience in energy sector drilling, completions, production operations and project finance primarily in the areas of oil, natural gas and coal bed methane resource development, gas gathering, gas compression, gas transmission and project finance of combustion-turbine power plants.

He operated a large oil & gas producing property in South Texas for six years with Mobil Oil and others and co-developed four electric power projects in the U.S. He later pursued a coalbed methane technology transfer opportunity in Colombia with ECOPETROL, the state-owned oil & Gas Company, later selling his interest to his project partners.

He is active in the continuing investigation and testing of conventional oil and gas reservoirs in the U.S. Gulf States, and organic shales & bituminous coals in Oklahoma in the Arkoma and Cherokee Basins. He has global venture capital experience related to drilling technologies and power project development, including renewable energy.

Published in industry journals, including: Independent Energy Magazine and Cogeneration & Small Power Monthly

Mr. Dickinson graduated from the Tulane University School of Business.

**1 YEAR SHARE DATA**
