



12 November 2014

Sale of Raven Project nets Pryme A\$6.5 million

HIGHLIGHTS

- **Raven Project sold for A\$6.5 million (US\$5.5 million)**
- **Current cash balance of Pryme now A\$9.1 million**
- **Well funded to continue exploration and development of Capitola Oil Project**

Pryme Energy Limited (Pryme or the Company) is pleased to announce that it has sold its interest in the Raven Project. The sale proceeds of A\$6.5 million (US\$5.5 million) represent more than 10 times the carrying value of Pryme's interest in the project. The sale proceeds increase Pryme's total cash balance to A\$9.1 million.

"The sale provides a significant injection of capital into the Company," said Justin Pettett, Pryme's Managing Director and CEO. "The funds will be mainly directed towards the exploration and development of our Capitola oil project in Texas."

"Based on the last closing share price, the Company is presently valued at about 10% below its A\$9.1 million cash backing. The present share price neither recognises the very encouraging results from the three wells which were drilled in Capitola over the past month nor the value of our existing Four Rivers projects and its related oil production in Louisiana," said Mr Pettett.

Pryme is planning to complete its first Capitola wells in November and commence production by early December.

About the Capitola Oil Project

The Capitola Oil Project is located in an active region of the Eastern Shelf of the Permian Basin just north of the town of Sweetwater, Texas. The project contains a number of shallow, "stacked" formations to depths of 7,500 feet, with established oil production history from vertical wells. The Capitola Oil Project acreage is contained within two contiguous lease blocks referred to as Sweetwater (approx. 7,000 acres) and Claytonville (approx. 2,333 acres) to the north of Sweetwater. Pryme is the operator of the Capitola Oil project.

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