

22 August 2008

Petsec to acquire two new leases in the Gulf of Mexico, USA

Petsec Energy Ltd (ASX, PSA; ADR's, PSJEY.PK)

Petsec Energy was the sole bidder on two leases in the Western Gulf of Mexico Lease Sale 207 conducted by the Minerals Management Service (MMS) in New Orleans on August 20.

The leases will be awarded subject to approval by the MMS which is expected to occur within the next 90 days.

Details of the two leases and amounts bid are as follows:

| Block | Area (Acres) | Petsec WI | Operator | Amount Bid (US\$) |
|-----------------|-----------------|--------------|----------|----------------------|
| North Padre 929 | 5000 | 100% | Petsec | \$188,000 |
| North Padre 934 | 5000 | 100% | Petsec | \$188,000 |
| | | | | \$376,000 |

Petsec Energy Ltd is an independent oil and gas exploration and production company listed on the Australian Stock Exchange. Its focus of operations is on gas in the shallow waters of the Gulf of Mexico and onshore Louisiana Gulf Coast region of the USA, and on oil in the shallow waters of the Beibu Gulf off the south coast of China.

For Further Information:

Terrence N. Fern
Petsec Energy Ltd
Level 13
1 Alfred Street
Sydney NSW 2000
Tel: 612 9247 4605
Fax: 612 9251 2410

Ross Keogh
Petsec Energy Inc.
4023 Ambassador Caffery Parkway
Suite 550
Lafayette, LA 70503
Tel: 1 (337) 989 1942
Fax: 1 (337) 989 7271

Level 13, Gold Fields House, 1 Alfred Street, Sydney NSW 2000, Australia
PO Box R204, Royal Exchange NSW 1225, Australia
Telephone (61 2) 9247 4605 Facsimile (61 2) 9251 2410
Company information is available on: petsec.com.au