

19 June 2009

Semi-Annual Review of Bank Borrowing Base Limit

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

Petsec Energy Ltd advises that following the completion of a semi-annual review (based on the 31 December 2008 reserves) by its banker, Guaranty Bank, the Company's borrowing base under its Revolving Credit Facility has been reaffirmed at US\$23 million as at 1 June 2009. The borrowing base has a monthly reduction of US\$1.35 million commencing 1 July 2009 until the next redetermination which is expected to occur in November 2009.

The total amount currently outstanding under the Revolving Credit Facility is US\$15.4 million comprising US\$8.8 million drawn under the facility and a further US\$6.6 million to support letters of credit for MMS bonding purposes. The facility matures in November 2010.

In addition to the above facility, the Company has a US\$29.6 million third party subordinated fixed term facility which matures in 2011.

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

For Further Information:

Paul Gahdmar
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