

PETSEC ENERGY LTD

ACN 000 602 700

2 May 2011

The Company Announcements Office
Australian Stock Exchange
20 Bridge Street
Sydney NSW 2000

Dear Sir/Madam,

Cancellation of Employee Options

Please be advised that the Company has cancelled the following options effective today:

15,000 (PSAAD) – Exercise price of \$2.38
6,000 (PSAAI) – Exercise price of \$0.20
17,500 (PSAAQ) – Exercise price of \$0.23

The total number of options on issue is now 5,008,500.

Yours faithfully

Paul Gahdmar
Company Secretary & Group Financial Controller