

PETSEC ENERGY LTD

ACN 000 602 700

26 July 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:

200,000 (PSAAG) – Exercise price of \$2.90

The total number of options on issue is now 4,808,500.

Yours faithfully

Paul Gahdmar
Company Secretary & Group Financial Controller