

PETSEC ENERGY LTD

ACN 000 602 700

31 January 2012

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:

35,000 (PSAAL) – Exercise price of \$2.27

The total number of options on issue is now 3,331,000.

Yours faithfully

Paul Gahdmar
Company Secretary & Group Financial Controller