

14 March 2008

**VIRGINIA GEASON #1 WELL
MOONSHINE PROJECT
ONSHORE LOUISIANA, USA**

Petsec Energy Ltd (ASX, PSA; ADRs, PSJEY.PK)

Petsec Energy announced today that the Virginia Geason #1 well to test the George Dickel prospect has been drilled to a true vertical depth of 11,443 feet or 3,489 metres and logged 21 net feet of pay in the target Echols sand. The well has been cased and suspended for future completion.

Because sidewall cores could not be retrieved from the well bore, Petsec will conduct further testing of the pay interval to determine whether any of the productive interval is oil. The rig used to drill the Virginia Geason #1 well is being disassembled and released to be replaced with a more efficient completion rig that will test the pay zone prior to completing the well.

Details of the well are as follows:

Well Name:	Virginia Geason #1
Total Depth:	3,508 metres (11,508 feet) measured and 3,489 metres (11,443) feet true vertical depth
Operator:	Petsec Energy Inc.
Petsec working interest:	80%
Petsec net revenue interest:	58.4%

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

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