



PETSEC ENERGY LTD

ACN 000 602 700

MEDIA RELEASE

19 March 2008

Drilling Update: BLOCK 22/12, BEIBU GULF, OFFSHORE CHINA

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

The operator of Block 22/12 Beibu Gulf, Roc Oil Company, advised today that the review referred to in the 11 March 2008 ASX Release has been completed and for a variety of operational reasons, the Joint Venture has decided not to drill the Wei-12-2N-1 well as part of the current drilling programme.

As at 1230 hours (local time) on 14 March 2008, the Wei 6-12E-1A exploration well was plugged and abandoned.

Participating Interests in Block 22/12 Joint Venture are:

Petsec Energy	25%	
Roc Oil (China) Company	40%	(Operator)
Horizon Oil Limited	30%	
Oil Australia Pty Ltd*	5%	

The above interests are subject to China National Offshore Oil Corporation (CNOOC) rights to participate up to 51% in developments.

**A subsidiary of First Australian Resources*

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 and 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 please contact:

Terry Fern or Craig Jones
Petsec Energy Ltd
Tel: (61 2) 9247 4605

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: www.petsec.com.au