

PETSEC ENERGY LTD

ACN 000 602 700

8 December 2008

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

Dear Sir

Cancellation of Employee Options

The Company has cancelled the following options effective today:

7,000 (PSAAS) – Exercise price of \$0.83
180,000 (PSAAH) – Exercise price of \$2.63

The total number of options on issue is now 5,239,500.

Yours faithfully



Craig Jones
General Manager- Corporate & Company Secretary