

PRIMELINE ENERGY HOLDINGS INC.

NEWS RELEASE

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VANCOUVER, B.C. July 9, 1997 --- Primeline Energy Holdings Inc. ("PEHI"), a Vancouver Stock Exchange ("VSE") listed company, today announced the final drilling schedule for the Vicky-1 exploration well in PEHI's concession in Block 32/32, East China Sea, offshore China.

Subject to weather conditions, drilling is scheduled to commence around July 21 and take about fifty days to complete. Preliminary drilling results are expected in late August.

PEHI owns a 75% interest in the production sharing contract for Block 32/32, an area with an overall size of approximately 6,000 sq. kms.

PEHI is the only exchange listed oil and gas exploration company focused on upstream opportunities in China.

**Peter Kelty, Director
Primeline Energy Holdings Inc.**

The Vancouver Stock Exchange has not viewed and does not accept responsibility for the adequacy of this release.