

PRIMELINE ENERGY HOLDINGS INC.
FOR IMMEDIATE RELEASE

PRIMELINE ANNOUNCES 2001 WORK PROGRAMME

April 20, 2001. Primeline Energy Holdings Inc. (CDNX: PEH), (“Primeline” or the “Company”) today announces that the 2001 work programme for Block 32/32 has been approved by the Joint Management Committee (JMC).

Primeline and its joint venture partner China National Offshore Oil Corp. (CNOOC) held the delayed JMC meeting between 9th and 12th of April in London, England (see press release dated on March 8 2001). The operations of last year were reviewed (in particular, the successful appraisal well, LS 36-1-2.) and the 2001 work programme and budget for Block 32/32 was discussed and approved. The approved 2001 work programme includes further geological and geophysical studies on the Lishui 36-1 discovery and its surrounding area, and the drilling of one well in this gas play. Selection of the well location will result from the ongoing geological and geophysical studies. The timing of drilling will be subject to rig availability in the region. The total budget is in the range of US\$10 million which will be born by CNOOC.

This work programme will expand the exploration achievement in Block 32/32 as represented by the LS 36-1-1 discovery well and the successful LS 36-1-2 appraisal well. It aims to acquire sufficient data to define a commercial Proven Reserve before a gas development plan can be initiated.

Under the terms of the Amendment Agreement signed between CNOOC and Primeline in April 2000, Primeline will have obligations and revenues based on a net participation interest of 11.25% in any future development and production from the Block, whilst having no further obligations to fund the exploration and appraisal programme. The 2001 work programme therefore places no financial burden on Primeline.

Primeline is focusing exclusively on oil and gas exploration and upstream business opportunities in China. The Company’s shares are listed on the Canadian Venture Exchange under the symbol ‘PEH’.

“Peter Kelty”

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