

PRIMELINE ENERGY HOLDINGS INC.

London, England
TSX-V Symbol: PEH

February 22, 2006

NEWS RELEASE

PRIMELINE ANNOUNCES \$25 MILLION FINANCING BY JENNINGS CAPITAL INC. TO APPRAISE GAS DISCOVERY IN EAST CHINA SEA

Primeline Energy Holdings Inc. ("Primeline" or the "Company"), listed on the TSX Venture Exchange Inc. (the "Exchange") under the trading symbol "PEH", is pleased to announce a best efforts, agency-based private placement (the "Private Placement") of up to \$25 million by the issuance of up to 16,666,666 Units of the Company at a price of \$1.50 per Unit (the "Offering"), each Unit consisting of one common share of the Company and one half of one common share purchase warrant, each full warrant being exercisable at a price of \$2.00 per share, for a term of two years from closing of the Private Placement. The warrants will, after six months from closing of the Offering, be subject to forced conversion, at the option of the Company, if the common shares trade at or above \$3.00 per share for 20 consecutive trading days, in which case the warrants will expire on the 20th calendar day following the date notice of forced conversion is mailed to warrant holders. Jennings Capital Inc. will act as agent for the issue. Compensation for the financing will consist of a commission of 6.5% of the gross proceeds of the Offering, and Agents Warrants equal to 5% of the Units sold under the Offering to Jennings Capital, and a 2% finder's fee payable to Maxwell Mercantile Inc. of Vancouver in connection with its facilitation of the Private Placement. The Private Placement is subject to acceptance by regulatory authorities and the Exchange. Subject to Exchange approval, it is expected that the closing of the Private Placement will occur on or before March 31, 2006. The securities issued under the Private Placement will be subject to a four-month hold period.

In conjunction with the Private Placement, the Company's major shareholder, Primeline International Holdings Inc. will convert \$7.9 million of debt into 5,266,667 Units of the Company, at a debt conversion price of \$1.50 per Unit, such Units to be issued on the same terms and conditions as the Units issuable upon the Private Placement.

The Company also proposes to grant directors, officers, employees and consultants stock options, under the Company's previously approved stock option plan, after giving effect to completion of the Private Placement and debt conversion, such options to be exercisable at a price of \$1.50 per share for a term of five years.

The Company owns a 75% interest in the Petroleum Contract for Block 25/34 in the East China Sea, with the China National Offshore Oil Corporation ("CNOOC") and is the operator for the Block. The Company made the gas discovery, Lishui 36-1, in the Block which has two wells which flowed at 9.8 and 12 mmcfpd of natural gas. The Block encompasses 7,006 sq kms which contains the Lishui Gas play and many other potential prospects.

Proceeds from the Private Placement will be used for the following purposes: to acquire further 3D seismic to better define prospects near existing discoveries on Block25/34; drill an additional appraisal/step-out exploration well; upon evaluation, drill well to expand the current resource base; project development; and for general working capital purposes.

ON BEHALF OF PRIMELINE ENERGY HOLDINGS INC.

(signed) "*Ming Wang*"
Chief Executive Officer

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*The TSX Venture Exchange has not reviewed and does not accept responsibility
for the adequacy or accuracy of this News Release.*