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TSXV: PEH

NEWS RELEASE

PRIMELINE ANNOUNCES APPROVAL OF PETROLEUM CONTRACT

Primeline Energy Holdings Inc. ("Primeline" or the "Company") (TSXV: PEH) is pleased to announce that it has received confirmation of the approval of the petroleum contract for Block 33/07 ("Petroleum Contract 33/07") from the Ministry of Commerce in China.

Petroleum Contract

As previously announced, Primeline and CNOOC entered into a new petroleum contract for Block 33/07 on 15th June 2012. Petroleum Contract 33/07 was subject to the approval of the Ministry of Commerce of China and Primeline has received confirmation from CNOOC that such approval has been granted. The effective date of the Petroleum Contract 33/07 is 1st November 2012.

Block 33/07 covers an offshore area of 5,877 Sq km (1.45 million acres) enclosing Block 25/34 and the Contractor's interest is shared 75% /25% by the Company and Primeline Petroleum Corporation ("PPC"). Petroleum Contract 33/07 has a 7-year exploration period divided into 3 exploration phases of 3, 2 and 2 years, each with a minimum work commitment. The firm commitment in the first phase is for two exploration wells plus 660 sq km of 3D seismic. Any discoveries in the new contract area have the right to use the production facilities being built for the LS36-1 gas field. The fiscal terms for Petroleum Contract 33/07 are the same as the previous petroleum contract for Block 25/34.

Information Circular

The Company has mailed and filed on SEDAR the Information Circular in respect of the Annual General Meeting of the Shareholders to be convened on 19th November 2012, at which a resolution to approve a loan transaction with China Development Bank will be proposed.

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About Primeline Energy Holdings Inc.

Primeline is an exploration and development company focusing exclusively on China resources to become a major supplier of gas and oil to the East China market. Primeline has a 75% Contractor's interest in and is the operator of Petroleum Contract 33/07 in the East China Sea and a 36.75% interest in the LS36-1 gas field in Block 25/34 which is being developed by CNOOC (acting as operator for the development) together with Primeline and PPC. Shares of the Company are listed for trading on the TSX Venture Exchange under the symbol PEH.

ON BEHALF OF PRIMELINE ENERGY HOLDINGS INC.

"Ming Wang"
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Please visit the Company's website at www.pehi.com. Should you wish to receive Company news via email, please email nadine@chfir.com and specify "Primeline Energy" in the subject line.

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