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PetroAsian Energy Holdings Limited

中亞能源控股有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 850 & Warrant Code: 344)

RESULTS OF THE EXTRAORDINARY GENERAL MEETINGS HELD ON 21 JUNE 2010

RESULTS OF THE FIRST EGM

The Board is pleased to announce that at the First EGM, the resolutions approving, inter alia, (i) the Warrant Subscription Agreement and the transactions contemplated thereunder; and (ii) the grant of the Options, were duly passed by the Independent Shareholders by way of poll.

RESULTS OF THE SECOND EGM

At the Second EGM, the ordinary resolution approving the appointment of Deloitte to act jointly with Lau & Au Yeung as new joint auditors of the Group was duly passed by the Shareholders by way of poll but the special resolution approving the removal of Baker Tilly as one of the joint auditors of the Group was not passed by the Shareholders by way of poll. As the ordinary resolution is subject to the passing of the special resolution and the special resolution was not passed, the ordinary resolution has not become unconditional and effective.

Reference is made to (1) the circular (the “**First Circular**”) dated 27 May 2010 issued by PetroAsian Energy Holdings Limited (the “**Company**”) in relation to, inter alia, (i) the Warrant Subscription Agreement and the transactions contemplated thereunder; and (ii) the grant of the Options, and (2) the circular (the “**Second Circular**”) dated 28 May 2010 issued by the Company in relation to (i) the removal of Baker Tilly as one of the joint auditors of the Group; and (ii) the appointment of Deloitte to act jointly with Lau & Au Yeung as new joint auditors of the Group. Unless otherwise defined, capitalised terms used in this announcement shall have the same meanings as those defined in the First Circular and the Second Circular.

1. RESULTS OF THE FIRST EGM

The Board is pleased to announce that at the extraordinary general meeting of the Company held at 2:30 p.m. on 21 June 2010 (the “**First EGM**”), the resolutions approving, inter alia, (i) the Warrant Subscription Agreement and the transactions contemplated thereunder; and (ii) the grant of the Options, were duly passed by the Independent Shareholders by way of poll. The poll results in respect of the resolutions at the First EGM were as follows:

Ordinary Resolutions		Number of Shares voted (%)	
		For	Against
1.	To approve the Warrant Subscription Agreement and the transactions contemplated thereunder	211,187,443 (100%)	0 (0%)
As more than 50% of the votes were cast in favour of the resolution, the resolution was duly passed.			
2.	To approve the grant of the Options	203,836,443 (96.52%)	7,351,000 (3.48%)
As more than 50% of the votes were cast in favour of the resolution, the resolution was duly passed.			

The Company’s branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, was appointed as the scrutineer for the vote-taking at the First EGM.

As at the date of the First EGM, there were a total of 3,673,046,286 Shares in issue.

Pursuant to the Listing Rules, as Mr. Poon is an executive Director and a Substantial Shareholder and thus, a connected person of the Company with material interests in the Warrant Subscription Agreement and the transactions contemplated thereunder, Mr. Poon and his associates were required to abstain from voting on the resolution relating to the Warrant Subscription Agreement and the transactions contemplated thereunder. To the best of the Directors’ knowledge, information and belief having made all reasonable enquires, as at the date of the First EGM, Mr. Poon and his associates were interested in 560,565,011 Shares, and save as disclosed above, no other Shareholders had material interests in the Warrant Subscription Agreement and the transactions contemplated thereunder and were required to abstain from voting on such resolution at the First EGM. Accordingly, as at the date of the First EGM, there were a total of 3,112,481,275 Shares held by the Independent Shareholders who were entitled to attend and vote for or against the resolution relating to the Warrant Subscription Agreement and the transactions contemplated thereunder.

In addition, pursuant to Rule 17.04(1) of the Listing Rules, as Mr. Poon is an executive Director and a Substantial Shareholder and the grant of the Options to him would result in the Shares issued and to be issued upon exercise of all options already granted and to be granted to him in the 12-month period up to and including the date of such grant representing in aggregate over 0.1% of the issued share capital of the Company and having an aggregate value in excess of HK\$5 million, all connected persons of the Company abstaining from voting in favour of the grant of the Options at the First EGM. As at the date of the First EGM, Ever Source Enterprises Limited, Mr. Poon and Mr. Poon Sau Tin, other Directors and the chief executive officer of the Company holding

599,753,249 Shares in total (representing approximately 16.33% of the issued share capital of the Company) were required to abstain from voting in favour at the First EGM to be convened to approve the grant of the Options. Accordingly, as at the date of the First EGM, there were a total of 3,073,293,037 Shares held by the Independent Shareholders who were entitled to attend and vote for or against the resolution relating to the grant of the Options.

There was no Share entitling the holder to attend and vote only against the resolutions at the First EGM.

The Directors, to the best of their knowledge, information and belief having made all reasonable enquiries, confirm that each of the aforesaid parties who were required to abstain from voting have abstained from voting on the relevant resolutions at the First EGM as detailed above.

2. RESULTS OF THE SECOND EGM

At the extraordinary general meeting of the Company held immediately after the conclusion of the First EGM (the “**Second EGM**”), the ordinary resolution approving the appointment of Deloitte to act jointly with Lau & Au Yeung as new joint auditors of the Group was duly passed by the Shareholders by way of poll but the special resolution approving the removal of Baker Tilly as one of the joint auditors of the Group was not passed. The poll results in respect of the resolutions at the Second EGM were as follows:

		Number of Shares voted (%)	
		For	Against
Ordinary Resolution			
1.	To approve the appointment of Deloitte to act jointly with Lau & Au Yeung as new joint auditors of the Group	146,887,040 (61.61%)	91,544,000 (38.39%)
Special Resolution			
2.	To approve the removal of Baker Tilly as one of the joint auditors of the Group	146,887,040 (61.61%)	91,544,000 (38.39%)
<p>As less than 75% of the votes were cast in favour of the resolution, the resolution was not passed. Although more than 50% of the votes were cast in favour of the resolution, as the passing of the original resolution no. 1 shall be condition upon the special resolution no. 2, and the special resolution was not passed, the ordinary resolution has not become unconditional and effective.</p>			

The Company’s branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, was appointed as the scrutineer for the vote-taking at the Second EGM.

As at the date of the Second EGM, there were a total of 3,673,046,286 Shares in issue.

Pursuant to the Listing Rules, no Shareholders were required to abstain from voting on the resolutions at the Second EGM. Accordingly, the total number of Shares entitling the Shareholders to attend and vote for or against the resolutions referred to above was 3,673,046,286 as at the date of the Second EGM.

There was no Share entitling the holder to attend and vote only against the resolutions at the Second EGM.

The Company was informed by the single largest shareholder, Ever Source Enterprises Limited, the holder of 377,794,558 Shares as at the date of the Second EGM, that due to a technical error occurred during the authorisation process, their voting instructions had not been processed and therefore no vote has been cast by Ever Source Enterprises Limited for the resolutions proposed at the Second EGM.

The Company was further informed that it was the intention of Ever Source Enterprises Limited to vote in favour of both of the resolutions proposed at the Second EGM. As such, the resolutions proposed at the Second EGM should have been passed if the votes of Ever Source Enterprises Limited have been taken into account.

In light of the above, the Board proposes to convene another extraordinary general meeting to approve, inter alia, (i) the appointment of Deloitte to act jointly with Lau & Au Yeung as joint auditors of the Group; and (ii) the removal of Baker Tilly as one of the joint auditors of Group. The circular of the Company in relation thereto, together with the notice of such extraordinary general meeting, will be despatched to the Shareholders as soon as practicable.

By order of the Board
PetroAsian Energy Holdings Limited
Poon Sum
Chairman

Hong Kong, 21 June 2010

As at the date of this announcement, the Board comprises (i) three executive Directors, namely Mr. Poon Sum, Mr. Wong Kwok Leung and Mr. Poon Wai Kong; and (ii) three independent non-executive Directors, namely Mr. Chan Kam Ching, Paul, Mr. Chan Shu Kin and Mr. Cheung Kwan Hung.