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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 & Warrants code: 344)

**GRANT OF SHARE OPTIONS TO EMPLOYEES
UNDER THE SHARE OPTION SCHEME**

This announcement is made pursuant to Rule 17.06A of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules").

The board of directors (the "Board") of PetroAsian Energy Holdings Limited (the "Company") resolved on 13 May 2009 (the "Date of Grant") to grant to 8 employees ("Employees"), share options (the "Options") to subscribe for ordinary shares of HK\$0.01 each (the "Share(s)") of the Company, under its share option scheme adopted on 21 October 2002, subject to the acceptance of the Employees. Details of the Options are set out as follows:

Date of Grant	:	13 May 2009
Total number of shares to be issued upon exercise of the Options in full	:	42,200,000 Shares (representing approximately 1.87% of the total issued share capital of the Company as at the Date of Grant)

Exercise price : HK\$0.30 per Share (which is the highest of (i) HK\$0.01, being the nominal value of a Share; (ii) HK\$0.30, being the closing price of the Shares as stated in the daily quotations sheet of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) on the date of the offer of the grant of Options, and (iii) HK\$0.2586, being the average closing price of the Shares as stated in the daily quotations sheets of the Stock Exchange from 06 May, 2009 to 12 May, 2009, both days inclusive (being the five trading days immediately preceding the date of the offer of the grant of Options))

Closing price of the Shares on the Date of Grant : HK\$0.30 per Share

Validity period of the Options : 13 May 2009 to 12 May 2010

None of the grantees is a director, chief executive or substantial shareholder of the Company, or their respective associates (as defined in the Listing Rules).

By order of the Board
PETROASIAN ENERGY HOLDINGS LIMITED
Poon Sum
Chairman

Hong Kong, 13 May 2009

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; (ii) one non-executive director, Mr. Chen Lizhong; (iii) three independent non-executive directors, namely Mr. Chan Kam Ching, Paul, Mr. Chan Shu Kin and Mr. Cheung Kwan Hung.