

NOTICE OF PROVISIONAL ALLOTMENT

Terms defined in the abridged prospectus dated 13 March 2013 ("Abridged Prospectus") shall have the same meanings when used in this Notice of Provisional Allotment ("NPA"). The Provisional Rights Shares (as defined herein) as contained in this NPA are prescribed securities pursuant to Section 14(5) of the Securities Industry (Central Depositories) Act, 1991 as amended from time to time, including Securities Industry (Central Depositories) Amendment Act, 1998 ("SICDA") and therefore, the SICDA and the Rules of Bursa Malaysia Depository Sdn Bhd ("Bursa Depository") shall apply in respect of dealings in the Provisional Rights Shares.



PETRA ENERGY BERHAD

(Company No. 718388-H)

(Incorporated in Malaysia under the Companies Act, 1965)

RENOUNCEABLE RIGHTS ISSUE OF UP TO 107,250,000 NEW ORDINARY SHARES OF RM0.50 EACH IN PETRA ENERGY BERHAD ("PEB" OR "COMPANY") ("RIGHTS SHARES") AT AN ISSUE PRICE OF RM1.15 PER RIGHTS SHARE ON THE BASIS OF ONE (1) RIGHTS SHARE FOR EVERY TWO (2) EXISTING ORDINARY SHARES OF RM0.50 EACH HELD IN PEB ("PEB SHARES") AS AT 5.00 P.M. ON 13 MARCH 2013 ("RIGHTS ISSUE")

Principal Adviser



Maybank Investment Bank Berhad (15938-H)
(A Participating Organisation of Bursa Malaysia Securities Berhad)

To: Shareholders of PEB

Dear Sir/ Madam,

Our Board of Directors ("Board") has provisionally allotted to you, in accordance with the resolution passed at the Extraordinary General Meeting of our Company convened on 27 February 2013 and the approval of Bursa Malaysia Securities Berhad ("Bursa Securities") via its letter dated 6 February 2013, the number of Rights Shares as indicated below ("Provisional Rights Shares").

We wish to advise you that the following Provisional Rights Shares made to you in respect of the Rights Issue have been confirmed by Bursa Depository and upon acceptance will be credited into your Central Depository System ("CDS") account(s), subject to the terms and conditions stated in the Abridged Prospectus and Rights Subscription Form ("RSF") issued by our Company.

Bursa Securities has already prescribed our securities listed on the Main Market of Bursa Securities to be deposited with Bursa Depository. Accordingly, the Rights Shares are prescribed securities and as such, all dealings in the Provisional Rights Shares will be by book entry through CDS accounts and will be governed by the SICDA and the Rules of Bursa Depository.

ALL RIGHTS SHARES TO BE ISSUED PURSUANT TO THE RIGHTS ISSUE WILL BE ALLOTTED BY WAY OF CREDITING THE RIGHTS SHARES INTO THE CDS ACCOUNTS OF THE SHAREHOLDERS WHOSE NAMES APPEAR IN THE RECORD OF DEPOSITORS OF OUR COMPANY AS AT 5.00 P.M. ON 13 MARCH 2013 ("ENTITLED SHAREHOLDERS") AND/OR THEIR RENOUNCEE(S) (IF APPLICABLE). NO PHYSICAL SHARE CERTIFICATES WILL BE ISSUED.

It is the intention of our Board to allot the Excess Rights Shares (as defined in the Abridged Prospectus), if any, in a fair and equitable manner, and on such basis as our Board may deem fit or expedient or in the best interest of our Company. The indicative basis for the allotment of the Excess Rights Shares is in the following priority:

- (i) firstly, to minimise the incidence of odd lots;
- (ii) secondly, for allocation to the Entitled Shareholders (other than Shorefield Resources Sdn Bhd, Wasco Energy Ltd and Dato' Mohamed Nizam bin Abdul Razak, collectively the "Undertaking Shareholders") who have applied for Excess Rights Shares on a pro-rata basis and in board lot, calculated based on their respective shareholdings as at 5.00 p.m. on 13 March 2013;
- (iii) thirdly, on a pro-rata basis to the Entitled Shareholders (other than the Undertaking Shareholders) who have applied for Excess Rights Shares, calculated based on the quantum of their respective Excess Rights Shares Application (as defined in the Abridged Prospectus);
- (iv) fourthly, on a pro-rata basis to the renounee(s) who have applied for Excess Rights Shares, calculated based on the quantum of their respective Excess Rights Shares Application;
- (v) fifthly, on a pro-rata basis and in board lots, to the Undertaking Shareholders who have applied for Excess Rights Shares, calculated based on their respective shareholdings as at 5.00 p.m. on 13 March 2013 in accordance with their Undertakings, in order to meet the Minimum Subscription Level (as defined in the Abridged Prospectus); and
- (vi) in the event there are still Excess Rights Shares available after allocating all the Excess Rights Shares applied for, the remaining Rights Shares may be subscribed for by the Undertaking Shareholders, calculated based on the quantum of their respective Excess Rights Shares Application.

Nevertheless, our Board reserves the right to allot any Excess Rights Shares applied for under the RSF in such manner as it deems fit or expedient or in the best interest of our Company and that the intention of our Board set out in (i) to (vi) above are achieved. Our Board also reserves the right to accept any application for Excess Rights Shares, in full or in part, without assigning any reason.

NAME, ADDRESS AND CDS ACCOUNT NUMBER OF ENTITLED SHAREHOLDER		
NUMBER OF PEB SHARES HELD AT 5.00 P.M. ON 13 MARCH 2013	NUMBER OF RIGHTS SHARES PROVISIONALLY ALLOTTED TO YOU	AMOUNT PAYABLE IN FULL UPON ACCEPTANCE AT RM1.15 PER RIGHTS SHARE (RM)

IMPORTANT RELEVANT DATES AND TIMES:	
Entitlement Date	: Wednesday, 13 March 2013 at 5.00 p.m.
Last dates and times for:	
Sale of the Provisional Rights Shares	: Wednesday, 20 March 2013 at 5.00 p.m.
Transfer of the Provisional Rights Shares	: Monday, 25 March 2013 at 4.00 p.m.
Acceptance and payment	: Thursday, 28 March 2013 at 5.00 p.m.*
Excess Rights Shares Application and payment	: Thursday, 28 March 2013 at 5.00 p.m.*

* Or such later date and time as our Board may decide in its absolute discretion and announce not less than two (2) market days before the stipulated date and time.

By order of our Board

Aishah Binti Hashim (LS 01204)
Chua Siew Chuan (MAICSA 0777689)
Mak Chooi Peng (MAICSA 7017931)
Company Secretaries

Share Registrar
Securities Services (Holdings) Sdn Bhd (36869-T)
Level 7, Menara Milenium
Jalan Damanlela, Pusat Bandar Damansara
Damansara Heights
50490 Kuala Lumpur
Tel: 03 - 2084 9000
Fax: 03 - 2094 9940

THIS NOTICE OF PROVISIONAL ALLOTMENT IS DATED 13 MARCH 2013

NOTES AND INSTRUCTIONS FOR COMPLETION OF THIS RSF

THIS RSF IS NOT A TRANSFERABLE OR NEGOTIABLE INSTRUMENT.

If you are in any doubt as to the action you should take, you should consult your stockbroker, bank manager, solicitor, accountant or other professional advisers immediately. All enquiries concerning the Rights Issue should be addressed to the Share Registrar of PEB, Securities Services (Holdings) Sdn Bhd, at Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur. **YOU SHOULD READ AND UNDERSTAND THE CONTENTS OF THE ABRIDGED PROSPECTUS TO WHICH THIS RSF RELATES BEFORE COMPLETING THIS RSF. IN ACCORDANCE WITH THE CAPITAL MARKETS AND SERVICES ACT 2007, THIS RSF MUST NOT BE CIRCULATED UNLESS ACCOMPANIED BY THE ABRIDGED PROSPECTUS.**

The Abridged Prospectus, together with the Notice of Provisional Allotment ("NPA") and RSF (collectively, the "Documents"), are to be despatched only to the shareholders whose names appear in the Record of Depositors as at 5.00 p.m. on 13 March 2013 ("Entitled Shareholders") who have a registered address in Malaysia or who have provided Share Registrar of PEB with a registered address in Malaysia in writing by 5.00 p.m. on 13 March 2013. The Documents are not intended to (and will not be made to) comply with the laws of any country or jurisdiction other than Malaysia. The Documents are not intended to be (and will not be) issued, circulated or distributed in countries or jurisdictions other than Malaysia and no action has been or will be taken to ensure that the Rights Issue complies with the laws of any country or jurisdiction other than the laws of Malaysia. Entitled Shareholders and/or their renounee(s) (if applicable) who are residents in countries or jurisdictions other than Malaysia should therefore immediately consult their legal adviser and other professional advisers as to whether the acceptance or renunciation (as the case may be) of their entitlements to the Rights Shares, application for Excess Rights Shares, or the subscription, offer, sale, resale, pledge or other transfer of the Rights Shares would result in the contravention of any law of such countries or jurisdictions. The Company and its Principal Adviser, Maybank Investment Bank Berhad, shall not accept any responsibility or liability whatsoever to any party in the event that any acceptance and/or renunciation (as the case may be) of entitlements, Excess Rights Shares Application or the subscription, offer, sale, resale, pledge or other transfer of the Rights Shares made by any Entitled Shareholders and/or their renounee(s) (if applicable) is or shall become illegal, unenforceable, voidable or void in such countries or jurisdictions in which Entitled Shareholders and/or their renounee(s) (if applicable) are residents.

A copy of this Abridged Prospectus has been registered with the Securities Commission Malaysia ("SC"). The registration of this Abridged Prospectus should not be taken to indicate that the SC recommends the Rights Issue or assumes responsibility for the correctness of any statement made or opinion or report expressed in the Abridged Prospectus. The SC has not, in any way, considered the merits of the securities being offered for investment. A copy of the Documents has also been lodged with the Registrar of Companies ("ROC") who takes no responsibility for the contents of the Documents.

Approval for the Rights Issue has been obtained from the shareholders of PEB at the Extraordinary General Meeting of the Company convened on 27 February 2013. Approval has been obtained from Bursa Malaysia Securities Berhad ("Bursa Securities") via its letter dated 6 February 2013 for the listing of and quotation for the Rights Shares on the Main Market of Bursa Securities. However, this is not an indication that Bursa Securities recommends the Rights Issue. The listing of and quotation for the Rights Shares on the Main Market of Bursa Securities are in no way reflective of the merits of the Rights Issue. The listing of and quotation for the Rights Shares will commence after, among others, receipt of confirmation from Bursa Depository that all the CDS accounts of successful Entitled Shareholders and/or their renounee(s) (if applicable) have been duly credited and notices of allotment have been despatched to them.

The Board has seen and approved the Documents and they collectively and individually accept full responsibility for the accuracy of the information given and confirm that, after having made all reasonable inquiries and to the best of their knowledge and belief, there are no false or misleading statements or other facts which, if omitted, would make any statement in the Documents false or misleading.

Unless otherwise stated, the unit of currency used in this RSF is Ringgit Malaysia or "RM" in abbreviation.

INSTRUCTIONS:

(i) LAST DATE AND TIME FOR ACCEPTANCE AND PAYMENT

This RSF is valid for acceptance until 5.00 p.m. on 28 March 2013, or such later date and time as the Board may decide and announce not less than two (2) market days before the stipulated date and time. If acceptance of and payment for the Rights Shares provisionally allotted to you ("Provisional Rights Shares") (whether in full or in part, as the case may be) are not received by the Share Registrar of PEB, Securities Services (Holdings) Sdn Bhd, at Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur by 5.00 p.m. on 28 March 2013 (or such later date and time as the Board may decide and announce not less than two (2) market days before the stipulated date and time), the provisional entitlement to you or remainder thereof (as the case may be) will be deemed to have been declined and will be cancelled. The Board will then have the right to allot such Rights Shares not taken up to applicants applying for Excess Rights Shares in the manner as set out in item (iii) below.

(ii) FULL OR PART ACCEPTANCE OF THE RIGHTS SHARES

The Rights Issue is renounceable in full or in part. If you wish to accept all or part of your entitlement to the Provisional Rights Shares, please complete Parts I(A) and II of this RSF in accordance with the notes and instructions contained herein and submit this RSF together with the appropriate remittance in RM for the full amount payable for the Rights Shares accepted in the form of Banker's Draft or Cashier's Order or Money Order or Postal Order drawn on a bank or post office in Malaysia and made payable to "PEB RIGHTS ISSUE ACCOUNT", crossed "ACCOUNT PAYEE ONLY" and endorsed on the reverse side with your name in block, address and your CDS account number to be received by the Share Registrar of PEB, Securities Services (Holdings) Sdn Bhd, by 5.00 p.m. on 28 March 2013 (or such later date and time as the Board may decide and announce not less than two (2) market days before the stipulated date and time). Cheques or other mode(s) of payment not prescribed herein are not acceptable.

The payment must be made for the exact amount payable for the Rights Shares accepted. Any excess or insufficient payment may be rejected at the absolute discretion of the Board. No acknowledgment will be issued for the receipt of this RSF or application monies in respect of the Rights Issue. However, if your application is successful, a notice of allotment will be despatched to you by ordinary post to the address as shown in Bursa Depository's record at your own risk within eight (8) market days from the closing date of acceptance and payment for the Provisional Rights Shares or such other period as may be prescribed by Bursa Securities.

In respect of unsuccessful or partially accepted applications, the full amount or the surplus application monies, as the case may be, will be refunded without interest by ordinary post to the address as shown in Bursa Depository's record at your own risk within fifteen (15) market days from the closing date of acceptance and payment for the Provisional Rights Shares.

(iii) APPLICATION FOR EXCESS RIGHTS SHARES

If you wish to apply for additional Rights Shares in excess of those provisionally allotted to you, you may do so by completing Part I(B) of this RSF (in addition to Parts I(A) and II) and forwarding it with a separate remittance made in RM for the full amount payable on the Excess Rights Shares applied for, in the form of Banker's Draft or Cashier's Order or Money Order or Postal Order drawn on a bank or post office in Malaysia be made payable to "PEB EXCESS RIGHTS ACCOUNT", crossed "ACCOUNT PAYEE ONLY" and endorsed on the reverse side with your name in block letters, address and your CDS Account number to be received by the Share Registrar of PEB, Securities Services (Holdings) Sdn Bhd by the 5.00 p.m. on 28 March 2013 (or such later date and time as the Board may decide and announce not less than two (2) market days before the stipulated date and time). Cheques or other mode(s) of payment not prescribed herein are not acceptable.

The payment must be made for the exact amount payable for the Excess Rights Shares applied. Any excess or insufficient payment may be rejected at the absolute discretion of the Board. No acknowledgment will be issued by the Company or the Share Registrar of PEB, Securities Services (Holdings) Sdn Bhd for the receipt of the Excess Rights Shares Application or the application monies in respect thereof. However, if your application is successful, a notice of allotment will be dispatched to you by ordinary post to the address as shown in Bursa Depository's record at your own risk within eight (8) market days from the last date of application and payment of the Excess Rights Shares or such other period as may be prescribed by Bursa Securities.

In respect of unsuccessful or partially successful Excess Rights Shares Applications, the full amount or the surplus application monies, as the case may be, will be refunded without interest by ordinary post to the address as shown in Bursa Depository's record at your own risk within fifteen (15) market days from the last date of application and payment of the Excess Rights Shares.

It is the intention of the Board to allot the Excess Rights Shares, if any, on a fair and equitable basis and in the following priority:

- (a) firstly, to minimise the incidence of odd lots;
- (b) secondly, for allocation to the Entitled Shareholders (other than Shorefield Resources Sdn Bhd, Wasco Energy Ltd and Dato' Mohamed Nizam bin Abdul Razak, collectively the "Undertaking Shareholders") who have applied for Excess Rights Shares on a pro-rata basis and in board lot, calculated based on their respective shareholdings as at 5.00 p.m. on 13 March 2013;
- (c) thirdly, on a pro-rata basis to the Entitled Shareholders (other than the Undertaking Shareholders) who have applied for Excess Rights Shares, calculated based on the quantum of their respective Excess Rights Shares Application;
- (d) fourthly, on a pro-rata basis to the renounee(s) who have applied for Excess Rights Shares, calculated based on the quantum of their respective Excess Rights Shares Application;
- (e) fifthly, on a pro-rata basis and in board lots, to the Undertaking Shareholders who have applied for Excess Rights Shares, calculated based on their respective shareholdings as at 5.00 p.m. on 13 March 2013 in accordance with their Undertakings, in order to meet the Minimum Subscription Level (as defined in the Abridged Prospectus); and
- (f) in the event there are still Excess Rights Shares available after allocating all the Excess Rights Shares applied for, the remaining Rights Shares may be subscribed for by the Undertaking Shareholders, calculated based on the quantum of their respective Excess Rights Shares Application.

Nevertheless, the Board reserves the right to allot any Excess Rights Shares applied for under Part I(B) of this RSF in such manner as it deems fit and expedient and in the best interest of the Company and that the intention of our Board set out in (a) to (f) above are achieved. The Board also reserves the right to accept any Excess Rights Shares Application, in full or in part, without assigning any reason.

(iv) SALE OR TRANSFER OF PROVISIONAL RIGHTS SHARES

Should you wish to sell or transfer all or part of your entitlement to the Provisional Rights Shares to one (1) or more persons, you may do so through your stockbroker for the period up to the last date and time for sale or transfer of the Provisional Rights Shares (in accordance with the Rules of Bursa Depository) without first having to request the Company for a split of the Provisional Rights Shares standing to the credit of your CDS account. To sell or transfer all or part of your entitlement to the Provisional Rights Shares, you may sell such entitlement on the open market for the period up to the last date and time for sale of the Provisional Rights Shares (in accordance with the Rules of Bursa Depository) or transfer such entitlement to such persons as may be allowed under the Rules of Bursa Depository for the period up to the last date and time for transfer of the Provisional Rights Shares (in accordance with the Rules of Bursa Depository).

In selling or transferring all or part of your Provisional Rights Shares, you are not required to deliver any document, including this RSF, to your stockbroker. You are however advised to ensure that you have sufficient number of the Provisional Rights Shares standing to the credit of your CDS account before selling or transferring.

Transferee(s) and/or renounee(s) may obtain a copy of this RSF from the registered office of PEB, PEB's Share Registrar's or Bursa Securities' website at www.bursamalaysia.com.

If you have sold or transferred only part of the Provisional Rights Shares, you may still accept the balance of the Provisional Rights Shares by completing Parts I(A) and II of this RSF.

(v) GENERAL INSTRUCTIONS

- (a) All applicants must sign on the front page of this RSF. All corporate bodies must affix their Common Seals.
- (b) A Malaysian Revenue Stamp (NOT POSTAGE STAMP) of RM10.00 must be affixed on this RSF.
- (c) The Rights Shares subscribed by the Entitled Shareholders and/or their transferee(s) and/or their renounee(s) (if applicable) will be credited into their respective CDS accounts as stated in this RSF or the exact account(s) appearing on Bursa Depository's record of depositors.
- (d) Any interest or other benefit accruing on or arising from or in connection with any application monies shall be for the benefit of the Company and the Company shall not be under any obligation to account for such interest or other benefit to you.
- (e) The contract arising from the acceptance of the Provisional Rights Shares by you shall be governed by and construed in accordance with the laws of Malaysia, and you shall be deemed to have irrevocably and unconditionally submitted to the exclusive jurisdiction of the courts of Malaysia in respect of any matter in connection with this RSF and the contract arising therefrom.
- (f) The Company reserves the right to accept or reject any acceptance and/or application if the instructions above are not strictly adhered to or which are illegal.
- (g) Entitled Shareholders and/or their transferee(s) and/or their renounee(s) should note that this RSF and remittances so lodged with PEB's Share Registrar shall be irrevocable and shall not be subsequently withdrawn.