



HIBISCUS PETROLEUM BERHAD

(Company No.: 798322-P)

(Incorporated in Malaysia under the Companies Act, 1965)

ERRATA TO THE CIRCULAR TO SHAREHOLDERS IN RELATION TO THE FOLLOWING:

- (I) **PROPOSED SUBSCRIPTION OF 30,963,000 NEW FULLY PAID ORDINARY SHARES REPRESENTING APPROXIMATELY 13.04% OF THE ENLARGED TOTAL ISSUED SHARE CAPITAL OF 3D OIL LIMITED ("3D OIL") BY OCEANIA HIBISCUS SDN BHD ("OHSB"), A WHOLLY-OWNED SUBSIDIARY OF HIBISCUS PETROLEUM BERHAD FOR A SUBSCRIPTION AMOUNT OF AUD2,043,558**

- (II) **PROPOSED ACQUISITION OF A 50.1% UNENCUMBERED LEGAL AND BENEFICIAL RIGHT, TITLE AND INTEREST IN THE EXPLORATION PERMIT VIC/P57 ("VIC/P57") AND ANY PETROLEUM RECOVERED FROM THE PERMIT AREA, TOGETHER WITH ALL RELEVANT PROPERTY, DATA AND INFORMATION (WHETHER HELD BY 3D OIL OR OTHERWISE) RELATING TO VIC/P57 ("FARM-IN INTEREST") BY CARNARVON HIBISCUS PTY LTD, A WHOLLY-OWNED SUBSIDIARY OF OHSB FROM 3D OIL FOR A PURCHASE CONSIDERATION OF AUD13,473,000 AND A CONTRIBUTION OF AUD13,527,000 TOWARDS THE JOINT OPERATING ACTIVITIES OF THE PROJECT IN RESPECT OF THE FARM-IN INTEREST**

(Unless otherwise stated, definitions used hereunder shall have the same meanings as those defined in the Circular)

We refer to the Circular which was despatched to the shareholders on 4 December 2012 and wish to notify that page V-2 of the Circular with regards to the expert's report in relation to the fairness of the Subscription Consideration for the Proposed Subscription issued by Pareto Asia has been amended.

A copy of the said amended page is attached herewith where the amendments are duly **marked up**.

The error is regretted.

Yours faithfully
For and on behalf of the Board of Directors of
HIBISCUS PETROLEUM BERHAD

Zainul Rahim bin Mohd Zain
Chairman

7 December 2012

EXPERT'S REPORT IN RELATION TO THE FAIRNESS OF THE SUBSCRIPTION CONSIDERATION FOR THE PROPOSED SUBSCRIPTION ISSUED BY PARETO ASIA (Cont'd)

The logo for Pareto Securities Asia, featuring a stylized 'P' symbol followed by the text 'Pareto Securities Asia'.**Information**

In connection with the performance of Pareto Asia's evaluation, Pareto Asia has relied on information made available by the Company, including a technical evaluation of VIC/P57 from RISC Operations Pty Ltd ("**RISC**") ("**Technical Evaluation**"), information sourced from Wood Mackenzie, IHS Herold, Bloomberg as well as certain publicly available information. The scope of Pareto Asia's engagement does not include assessing the information, nor assessing the assets and liabilities of the companies involved in the Proposed Subscription, nor submitting the information, assets and liabilities for an independent appraisal or evaluation (including in any of the following areas: legal, regulatory, environmental, tax, social, etc.). Neither has Pareto Asia checked the tax position of any or all entities involved in the Proposed Subscription nor the tax implications of the transaction on Hibiscus Petroleum.

In arriving at the Fairness Opinion, Pareto Asia has also assumed that all the information provided is true, accurate, not misleading and complete in all material respects and that all material information which is relevant to Pareto Asia's engagement has been provided and Pareto Asia has acted upon assurances from the management of Hibiscus Petroleum that no relevant material information has been omitted or remains undisclosed to Pareto Asia.

In particular, Pareto Asia has sighted and reviewed copies of relevant documentation on VIC/P57 furnished by Hibiscus Petroleum, including copies of the Subscription Agreement and the Technical Evaluation from RISC. Pareto Asia has also conducted a check on the title instrument of VIC/P57 from the National Offshore Petroleum Titles Administrator website (<http://www.neats.nopta.gov.au/>), however, as Pareto Asia is not qualified to give a legal interpretation on the title particulars, we have also relied upon a Petroleum Title Report by Corrs Chambers Westgarth. Pareto has also referred to the announcement issued by HLIB on behalf of Hibiscus Petroleum on 14 August 2012, which we assume to be true, correct and complete.

This Fairness Opinion is not in any way a recommendation (expressed or implied) to the Board of Directors of the Company (or any of its subsidiaries) or its shareholders, to approve or to reject all or part of the Proposed Subscription, the assessment of which also requires that other criteria and information be taken into account than that referred to herein. This Fairness Opinion is not intended to form the basis of any investment decision by the Company and does not purport to contain all the information that may be necessary or desirable to fully and accurately evaluate the Proposed Subscription. The Company should conduct and will be solely responsible for its own investigation including due diligence, evaluation and analysis of the Proposed Subscription. The decision whether to complete the Proposed Subscription or not will in any event be the exclusive responsibility of the Board of Directors of the Company and shareholders of the Company, as well as of the companies and parties involved in the Proposed Subscription, which should carry out their own independent analysis of whether it would be appropriate to complete the Proposed Subscription.

This evaluation conducted for the purposes of the Fairness Opinion reflects the judgment of Pareto Asia as of the Evaluation Date and is based exclusively on the information, the features of the Proposed Subscription, the economic and market conditions as of the issue date of this Fairness Opinion. Any significant change, either in the operational information or in the transaction features as described in the Information (including publicly available information), as well as any event which could lead to a revision of our working assumptions, methods etc., set out above, would require a further analysis and could require this evaluation to be updated.

Strategic investment by Hibiscus Petroleum

Hibiscus Petroleum entered into the Subscription Agreement on the same date as the Farm-In Agreement. ~~Although the Subscription Agreement and the Farm-In Agreement are not inter-conditional,~~ Pareto Asia views these two agreements to be linked as both agreements are conditional upon the shareholders of Hibiscus Petroleum approving the resolutions for both, the Proposed Farm-In and Proposed Subscription. In the announcement issued by HLIB on behalf of Hibiscus Petroleum on 14 August 2012 the stated rationale of Hibiscus Petroleum for the Proposed Subscription is the belief that 3DO is currently undervalued. The Proposed Subscription and Proposed Farm-In will infuse required working capital into 3DO and enable the commencement of the planned development of the West Seahorse field in VIC/P57. It is furthermore stated that the successful development of the asset is expected to enhance the market value of OHSB's approximately 13.04% equity interest in 3DO.