

IN THE GRAND COURT OF THE CAYMAN ISLANDS

CAUSE NO. 440 OF 2006

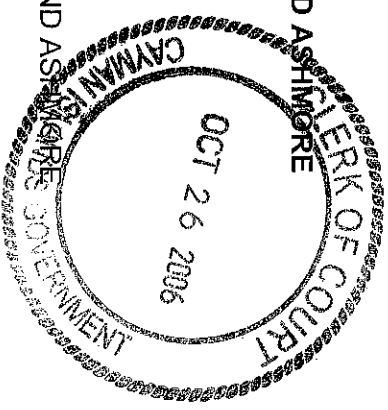
IN THE MATTER OF THE COMPANIES LAW (2004 REVISION)

AND IN THE MATTER OF PRISMA ENERGY INTERNATIONAL, INC. AND ASHMORE ENERGY INTERNATIONAL LIMITED



PETITION

HUMBLE PETITION of PRISMA ENERGY INTERNATIONAL, INC. AND ASHMORE ENERGY INTERNATIONAL LIMITED sheweth as follows:



1. The object of this Petition is to seek the sanction of the Court for a Scheme of Arrangement pursuant to Section 86 of the Companies Law (2004 Revision) ("the Law") (hereinafter called "**the Scheme**") between Prisma Energy International Inc. ("**Prisma**"), Ashmore Energy International Limited ("**AEI**") and the holders of the ordinary shares in the capital of AEI (the "**Shareholders**"). A copy of the Scheme is annexed to this Petition by way of schedule.
2. AEI was incorporated as an exempted limited company on 12 October 2005.
3. The registered office of AEI is situated at International Management Services Ltd., Harbour Centre, 4th Floor, North Church Street, PO Box 61GT, George Town, Grand Cayman, Cayman Islands.
4. The objects for which AEI was established are unrestricted and the Company has full power and authority to carry out any object not prohibited by any law as provided by Section 7(4) of the Companies Law (2004 Revision).
5. Shortly after its incorporation AEI commenced and has since continued to carry on business.
6. The present share capital of AEI is US\$50,000 divided into 5,000,000 shares of US\$0.01 each of which 940,885 are issued and are credited as fully paid up and the remaining shares are unissued.

7. AEI has now acquired the entire issued share capital of Prisma and wishes to merge the business of the two companies by means of the Scheme.
8. Prisma was incorporated as an exempted limited company on 24 June 2003.
9. The registered office of Prisma is situated at Huntlaw Corporate Services Ltd., P.O. Box 1350 GT, the Huntlaw Building, 75 Fort Street, George Town, Grand Cayman, Cayman Islands.
10. The objects for which Prisma was established are unrestricted and the Company has full power and authority to carry out any object not prohibited by any law as provided by Section 7(4) of the Companies Law (2004 Revision).
11. Shortly after its incorporation Prisma commenced and has since continued to carry on business.
12. The present share capital of Prisma is US\$500,000 divided into 50,000,000 shares of US\$0.01 each of which 1,028,770 are issued and are credited as fully paid up and the remaining shares are unissued.
13. The principal object of the Scheme is to effect the merger of Prisma with AEI and for this purpose the Scheme provides for the undertaking of AEI to be transferred to Prisma, its wholly-owned subsidiary, and for AEI to be dissolved without winding up on such date as the Court may by Order hereafter provide.

IN THE GRAND COURT OF THE CAYMAN ISLANDS

No. of 2006

IN THE MATTER OF ASHMORE ENERGY INTERNATIONAL LIMITED AND
PRISMA ENERGY INTERNATIONAL INC.

and

IN THE MATTER OF THE COMPANIES LAW
SCHEME OF ARRANGEMENT

(under sections 86 and 87 of the Companies Law)

between

ASHMORE ENERGY INTERNATIONAL LIMITED

and

THE HOLDERS OF THE SCHEME SHARES

THE COMPANY

- (A) The Company was incorporated in the Cayman Islands on 12 October 2005 as an exempted limited company under company number 156329.
- (B) The authorised share capital of the Company at the date of this document is US\$50,000 divided into 5,000,000 shares of US\$0.001, each of which 940,885 Shares have been issued and are fully paid up, or credited as fully paid up, and the remainder are unissued.
- (C) Prisma and the Company (as the holder of the Prisma Shares) have consented in writing to this Scheme and have undertaken to be bound thereby and to execute and do, or procure to be executed and done, all such documents, acts or things as may be necessary or desirable to be executed or done by any of them or on their behalf for the purpose of giving effect to this Scheme.

THE SCHEME

Interpretation

- 1. In this Scheme, unless the context otherwise requires, the capitalised terms defined in Appendix 1 hereto shall have the meanings defined therein.
- 2. In this Scheme, unless the context otherwise requires or otherwise expressly provides:
 - (a) references to Recitals, Parts, clauses, sub-clauses and Schedules are references to the Recitals, Parts, clauses, sub-clauses and Schedules respectively of this Scheme;
 - (b) references to (or any provision of) the Scheme shall be construed as references to the Scheme or that provision as enforced for the time being and as amended in accordance with its term;

- (c) reference to a "person" include references to an individual, firm, partnership, company, corporation, unincorporated body of persons or any state or state agency;
 - (d) references to a statute or a statutory provision include the same as subsequently modified, amended or re-enacted from time to time;
 - (e) the singular includes the plural and vice versa and words importing one gender shall include all genders; and
 - (f) Recitals, Parts, clauses, Sub-clauses, Schedules and Appendices are for ease of reference only and shall not affect the interpretation of this Scheme.
3. In the event of any conflict or inconsistency between the terms of the Scheme and the terms of the Explanatory Statement, the Scheme shall prevail.
 4. In interpreting this Scheme, the Interpreter shall adopt an interpretation more likely to advance the aims of the Scheme.

Purpose of the Scheme

5. The primary purpose of the Scheme is on the Effective Date to effect an amalgamation of the Company and Prisma by the acquisition by Prisma of the Undertaking of the Company and the issue by Prisma of New Shares and the allotment of New Shares to the holders of the Scheme Shares. Prisma shall be the surviving entity.

Application and Effectiveness of the Scheme

6. The compromise and arrangement effected by this Scheme shall apply to all Scheme Shares and shall be binding on all Shareholders.

Effect of this Scheme

7. On the Effective Date:

- (a) Prisma shall acquire and amalgamate with its own undertaking all the Undertaking of the Company, and by virtue of this Scheme the Undertaking of the Company as aforesaid shall be transferred to and vest in Prisma and all the liabilities and obligations (whether actual or contingent) of the Company as aforesaid shall be transferred to and become liabilities and obligations of Prisma;
- (b) All Prisma Shares shall be deemed redeemed and cancelled;
- (c) Prisma shall allot and issue 40,000,000 New Shares credited as fully paid up to the holders of Scheme Shares on basis of 31.87158 New Shares for every Scheme Share, and immediately thereafter the Scheme Shares shall be deemed to have been redeemed and cancelled.

The Effective Date

8. This Scheme shall become effective as soon as an office copy of the Order of the Court sanctioning the Scheme under Section 86 and 87 of the Companies Law shall have been delivered to the Registrar of Companies for registration.

by the Company and Prisma;

Scheme Meeting

The meeting of the Shareholders (and any adjournment thereof) convened pursuant to an order of the Court pursuant to Section 86 of the Companies Law, to be held at the offices of Clifford Chance US LLP, 31 W 52nd St, New York, NY 10019 on 21 November 2006 at 2:00 pm (New York time), for the purposes of considering and, if thought fit, approving the Scheme (with or without amendment) of which notice is set out on page 18 of the document of which the Scheme forms part;

Scheme Record Time

6.00pm on the last business day immediately prior to the Effective Date;

Scheme Shares

Shares in issue on the date of this document together with any further Shares:

- (a) issued after the date of this document and prior to the Voting Record Time; and
- (b) issued thereafter and prior to 6.00pm on the Business Day before the Hearing Date either on terms that the original or any subsequent holders thereof shall be bound by the Scheme or in respect of which the holders thereof shall have agreed to be bound by the Scheme.

Shareholders

A holder of Scheme Shares;

Shares

Ordinary Shares in the Company;

Undertaking

The entire business, assets and undertaking, including all rights and liabilities under all contracts, agreements and arrangements, together with all rights and liabilities whatsoever; and

Voting Record Time

6.00pm on the day prior to the day immediately before the Scheme Meeting or any adjournment thereof (as the case may be).