PETROLIA ASA - STOCK EXCHANGE NOTICE 27 JUNE 2011

Rights Issue

Reference is made to item 9 of the Extraordinary General Meeting held 17 December 2010, where the Board of Directors was authorised by the general meeting to issue up to 50 629 837 new shares.

The Board of Directors has today resolved to use this authorisation to increase the company's share capital by way of an issue of subscription rights to the company's current shareholders (the "Rights Issue"). The Rights Issue is of up to 50 629 837 shares and the subscription price is NOK 0.50. The gross proceeds will be NOK 25 314 918.50 if the issue is fully subscribed. One subscription right will be issued for every two shares held, and a subscription right gives right to one new share. The issue will have a dilution effect of 33% as the number of shares increase from 101 259 675 to 151 889 512.

The share will trade exclusive of subscription rights from tomorrow morning. The company wants to encourage existing shareholders to subscribe and the subscription rights are therefore not transferable.

The purpose of the Rights Issue is to strengthen the equity and capital base of the company for general corporate purposes including equipment investments and strengthening of the working capital related to the financial position of the company, hereunder the maturity of the company’s bond loan where NOK 374.5 million is payable on 20 June 2012.

A prospectus is being prepared and will be made public as soon as it is approved by the Financial Supervisory Authority of Norway.

For further information: please contact Mr. Kjetil Forland, Managing Director, e-mail : Kjetil.forland@petrolia.no.

This information is subject of the disclosure requirements pursuant to section 5-12 of the Norwegian Securities Trading Act.

Bergen/Oslo, 27 June 2011

Petrolia ASA