

STATE OF ILLINOIS  
SECRETARY OF STATE  
SECURITIES DEPARTMENT

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IN THE MATTER OF: ASIA PACIFIC ENERGY, Inc. )  
ITS OFFICERS, AND DIRECTORS, AGENTS, MANAGERS, ) FILE NO. 0900086  
EMPLOYEES, MEMBERS, AFFILIATES, SUCCESSORS, )  
AND ASSIGNS. )

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ORDER OF PROHIBITION

TO RESPONDENTS: Asia Pacific Energy, Inc.  
5001 LBJ Freeway, Suite 700  
Dallas, Texas 75244

WHEREAS, a Temporary Order of Prohibition was issued by the Illinois Secretary of State, on August 23, 2010, temporarily prohibiting the Respondents from offering or selling securities in the State of Illinois for a maximum period of ninety (90) days.

WHEREAS, pursuant to Section 11.F of the Illinois Securities Law of 1953 [815 ILCS 5/1 *et. seq.*] (the "Act"), the failure to request a hearing within thirty (30) calendar days of the entry of a Temporary Order of Prohibition shall constitute an admission of any facts alleged therein and constitute a sufficient basis to make the Temporary Order final.

WHEREAS, Respondents Asia Pacific Energy, Inc. have failed to request a hearing on the matters contained in the Temporary Order of Prohibition within thirty (30) calendar days of the entry of said Temporary Order and the Respondents are hereby deemed to have admitted the facts alleged in the said Temporary Order.

WHEREAS, the Secretary of State, by and through his duly authorized representative, has adopted the Findings of Fact contained in the said Temporary Order as the Secretary of State's Findings of Fact as follows:

1. That Asia Pacific Energy, Inc., is a corporation that was registered in Nevada on or about December 19, 2005, (hereinafter "Respondent") and at all times relevant herein maintained a business address at 5001 LBJ Freeway, Suite 700, Dallas, Texas 75244.
2. That during March and April, 2006, or thereabouts, a representative of Respondent, cold-called at least one Illinois resident (the "Purchaser") offering to sell Capital Stock. (the "Offering").

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3. That subsequent to the foregoing telephone solicitation, Respondents e-mailed to Purchaser an "Investment Brochure" and two Subscription Agreements (the "Offering Documents") for the Offering.
4. That following receipt of the Offering Documents the Purchaser executed and returned said document and thereafter made two payments. One payment of \$17,500.00 on April 5, 2006 for 10,000,000 shares at \$0.001 par value, paid and non-assessable, and a second payment of \$17,500.00 on May 15, 2006 for an additional 10,000,000 shares at \$0.001 par value, paid and non-assessable.
5. That the activities described in paragraphs 2, 3 and 4 above constitute the offer and sale of shares of capital stock and therefore a security as those terms are defined in Sections 2.1, 2.5, and 2.5a of the Illinois Securities Law of 1953 [815 ILCS 5] (the "Act").
6. That Section 5 of the Act provides, inter alia, that all securities except those exempt under Section 3 or those offered or sold in transactions exempt under Section 4 shall be registered either by coordination or by qualification prior to their offer or sale in the State of Illinois.
7. That Respondent failed to file with the Secretary of State an application for registration of the securities described above as required by the Act and that as a result the security was not registered pursuant to Section 5 of the Act prior to its offer in the State of Illinois.
8. That Respondent delivered to the Purchaser the Capital Stock without being accompanied or preceded by a prospectus as required by the Act, and omitted or failed to disclose the following material facts: the risks related to the purchase of shares of stock in a company that specializes in oil and gas exploration and information regarding the assets, liabilities, profits, losses, cash flow, and other financial data of Respondent.
9. That Section 12.A of the Act provides, inter alia, that it shall be a violation for any person to offer or sell any security except in accordance with the provisions of the Act.
10. That Section 12.B of the Act provides, inter alia, that it shall be a violation for any person to fail to deliver to a Purchaser any security required to be registered under Section 5 unless accompanied or preceded by a prospectus that meets the requirements of the pertinent subsection of Section 5.
11. That Section 12.D of the Act provides, inter alia, that it shall be a violation for any person to fail to file with the Secretary of State any application, report or document required to be filed under the provisions of the Act or any rule or regulation made by the Secretary of State pursuant to the Act.
12. That Section 12.G of the Act provides, inter alia, that it shall be a violation of the provisions of the Act to obtain money or property through the sale of securities by

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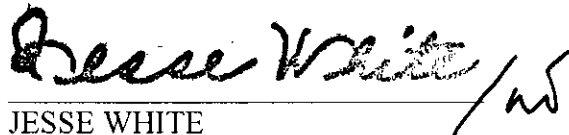
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means of any untrue statement of a material fact or any omission to state a material fact necessary in order to make the statements made, in the light of the circumstances under which they were made, not misleading.

13. That Section 12.I, of the Act provides, inter alia, that it shall be a violation of the provisions of the Act to employ any device, scheme or artifice to defraud in connection with the sale or purchase of any security, directly or indirectly.
13. That by virtue of the foregoing, Respondent has violated Sections 12.A, 12.B, 12.D, 12.G and 12.I of the Act.

NOW THEREFORE, IT IS HEREBY ORDERED THAT: pursuant to Section 11.F of the Act, Respondents **Asia Pacific Energy, Inc.** and each of their partners, members, officers and directors, agents, employees, affiliates, successors and assigns are hereby **PROHIBITED** from offering or selling any securities in or from the State of Illinois

ENTERED: This 18<sup>TH</sup> day of October, 2010.

  
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JESSE WHITE  
Secretary of State  
State of Illinois

NOTICE: Failure to comply with the terms of this Order shall be a violation of the Section 12.D of the Act. Any person or entity who fails to comply with the terms of this Order of the Secretary of State, having knowledge of the existence of the Order, shall be guilty of a Class 4 Felony.

This is a final order subject to administrative review pursuant to the Administrative Review Law, {735 ILCS 5/3-101 et seq.} and the Rules and Regulations of the Illinois Securities Act, {14 Ill. Admin. Code Ch. I, Section 130.1123}. Any action for Judicial Review must be commenced within thirty-five (35) days from the date a copy of this Order is served upon the party seeking review.

Attorney for the Secretary of State:

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