

**Minutes of the 2016 Regular Annual Stockholders' Meeting
of PetroEnergy Resources Corporation**

Date : 21 July 2016

Time : 1:30 p.m.

Place : Rooms 526-528 YIAS, Level 5, Podium 4, RCBC Plaza Building
6819 Ayala cor. Sen. Gil J. Puyat Avenues, Makati City

The Chairman, Ms. Helen Y. Dee, welcomed all stockholders to the 2016 Regular Annual Stockholders' Meeting. The Chairman thereafter introduced the incumbent directors who were present during the meeting, as follows:

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|-------------------------|------------------------|
| Ms. Milagros V. Reyes | - Director / President |
| Mr. Basil L. Ong | - Independent Director |
| Mr. Eliseo B. Santiago | - Independent Director |
| Ms. Yvonne S. Yuchengco | - Director / Treasurer |
| Mr. Raul M. Leopando | - Director |

I. Certification of Service of Notice

The Corporate Secretary, Atty. Samuel V. Torres, was called to submit proofs of service of Notice of Meeting. The Corporate Secretary certified that Notices of the Meeting were sent to all stockholders of record as of May 20, 2016, either by mail or through messengerial services; and that the messengerial company issued a certificate of completion of delivery. The Corporate Secretary also certified that the Notice of the Meeting was published in The Manila Bulletin on May 28, 2016, as evidenced by an affidavit executed by the representative of the Advertising Department of the said publication.

II. Determination of Quorum / Call to Order

The Corporate Secretary certified that there was a quorum for the transaction of any business that may be properly brought before the body, with attendance of shareholders present in person covering 533,583 shares (0.13%) and 294,430,156 shares (71.66%) represented by proxy, for a total of 294,963,739 shares (71.81%) out of the total outstanding shares of 410,736,330. Thereafter, the Chairman called the meeting to order.

CM Torres

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III. Approval of the Minutes of the Annual Stockholders' Meeting held on July 16, 2015

The Chairman requested the shareholders present to review the minutes of the Annual Stockholder's Meeting held on July 16, 2015, copies of which were earlier distributed. Upon motion duly made and seconded, the reading of the minutes was dispensed with, and the following resolution was unanimously approved:

"RESOLVED, that the Minutes of the Annual Stockholders' Meeting held on July 16, 2015 be, as it is hereby, approved."

IV. Approval of Management Report and the 2015 Audited Financial Statements

The Chairman directed the attention of the stockholders to the Management Report and the 2015 Audited Financial Statements which were earlier distributed to all stockholders through mail or messenger services and at the registration table. She requested the stockholders that all questions and requests for clarification be raised only after the presentation of the results of operation by the President, Ms. Milagros V. Reyes (MVR). She then called MVR to give the 2015 year-end report and result of operations, including some updates. With the aid of an LCD projector, MVR reported the following, to wit:

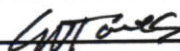
"Good afternoon Fellow Stockholders,

In 2015 we witnessed the unabated fall of oil prices, as supply overwhelmed demand. This continued up to the first quarter of 2016, where we saw the lowest price level of crude oil in decades. US\$30/barrel oil prevailed until March 2016 when prices unsteadily inched up due to slow rise in demand.

Needless to say, the free fall of the oil prices had a disastrous impact on our financials.

We are just very fortunate, because our diversification into Renewable Energy (RE) was completed in a timely manner.

Revenues from electricity sales from our geothermal power plant and the six months operation of our wind farm were partly able to cover our revenue loss from oil sales – giving us consolidated net income of P210 Million.



We have put on hold our major capital expenditures in oil, and have also downscaled our operating expenses (OPEX) but we continue to produce at a steady rate of 20,000 barrels of oil per day.

Our oil revenues are able to sustain OPEX both in Gabon, Africa and here in our Head Office.

In the coming year, we anticipate greater contribution from our RE projects with the full year operation of both the wind farm and the solar farm.

This afternoon, we would like to present for your better appreciation these RE projects through this short video clip.

[A short audiovisual presentation was shown to the stockholders showcasing the 20 MW Maibarara Geothermal Power Project in Sto. Tomas, Batangas; the 36 MW Nabas Wind Power Project in Nabas and Malay, Aklan; and the 50 MWp (DC) Tarlac Solar Power Project located in Central Technopark, Tarlac City.]

Thank you.”

After the presentation, the Chairman opened the floor for questions from the shareholders. There being no questions raised, the following resolution was adopted, upon motion made, seconded, and carried:

“**RESOLVED**, as it is hereby resolved, that the Management Report and the 2015 Audited Financial Statements, as were made available to the stockholders be, as they are hereby, noted and approved.”

V. Confirmation and Ratification of All Acts and Resolutions of the Board of Directors and Management for the Period July 16, 2015 to July 21, 2016

Upon motion made, seconded and carried, a resolution was adopted as follows:

“**RESOLVED**, as it is hereby resolved, that all acts and resolutions made and entered into by the Board of Directors and Management for the period July 16, 2015 to July 21, 2016, be as they are hereby, confirmed and ratified.”

W. Torres

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