

November 24, 2011

PHILIPPINE STOCK EXCHANGE, INC.

3rd Floor, Philippine Stock Exchange Plaza
Ayala Triangle, Ayala Avenue,
Makati City

Attention : **Ms. Janet A. Encarnacion**
Head – Disclosure Department

Subject : Nabas Wind Energy Service Contract
DOE Approval of Assignment and Service Contract Extension

Gentlemen :

Please be informed that the Department of Energy (DOE) has approved PetroEnergy Resources Corporation's (PERC) assignment of Wind Energy Service Contract No. 2009-09-002, covering Nabas-Buruanga-Malay, Aklan (Nabas Service Contract), in favor of its wholly-owned subsidiary and renewable energy arm, PetroGreen Energy Corporation (PetroGreen). The DOE likewise approved a final one-year extension of the pre-development stage of the Nabas Service Contract, which will allow the conduct of technical feasibility studies in the area until September 13, 2012.

Results of initial micrositing study and annual energy production estimate by the Danish engineering firm Covi, Inc., the consultant for the Project, show that a 50 MW wind farm in Nabas is technically viable. PetroGreen is currently undertaking a detailed Geodetic Survey for civil works and construction planning purposes, while a recently completed Environmental Impact Study will be filed shortly with the Department of Environment and Natural Resources – Region VI to obtain the Project's Environmental Compliance Certificate. Assuming a viable Feed-in Tariff is granted by the Energy Regulatory Commission, PetroGreen plans to commission the Project by mid 2014 or earlier.

Thank you.

Very truly yours,


ARLAN P. PROFETA
Head, Corporate and Legal Affairs