

September 2, 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

Gentlemen:

PetroEnergy Resources Corporation (PERC) is pleased to announce the signing of the (i) Engineering, Procurement, and Construction Contract by and between Maibarara Geothermal, Inc. (MGI) and EEI Corporation, and the (ii) Remote Monitoring System and Technical Advisory Services Agreement (O&M Contract) by and between MGI and Fuji Electric Co., Ltd. for the 20 MW Maibarara Geothermal Power Project.

MGI is 65% owned by PetroGreen Energy Corporation, a wholly-owned subsidiary of PetroEnergy Resources Corporation, and 25% and 10% owned by Trans-Asia Oil and Energy Development Corporation and PNOC Renewables Corporation, respectively.

Please see the attached Disclosure Statement for details.

Very truly yours,


ARLAN P. PROFETA
Head, Corporate and Legal Affairs

PSE DISCLOSURE ON THE 20 MW MAIBARARA GEOTHERMAL POWER PLANT EPC CONTRACT SIGNING BETWEEN MGI AND EEI CORPORATION AND THE O&M CONTRACT SIGNING BETWEEN MGI AND FUJI ELECTRIC CO., LTD.

Maibarara Geothermal, Inc. (MGI) signed on September 2, 2011 two (2) agreements for its Maibarara geothermal power project in Sto Tomas, Batangas. MGI is a joint-venture firm composed of Trans-Asia Oil and Energy Development Corporation (25%), PNOC Renewables Corporation (10%), and PetroGreen Energy Corporation (65%), a wholly-owned subsidiary of publicly-listed PetroEnergy Resources Corporation.



Seated (L-R): K. Yokoyama (Fuji Electric Sales Manager), Oscar D. Mercado (EEI Corporation VP), Roberto Jose Castillo (EEI Corporation President), DOE Director Mario C. Marasigan (DOE), Francisco G. Delfin, Jr. (MGI President), Philip M. Rimando (Trans-Asia Exploration Manager), and Roger E. Buendia (PNOC-RC President and CEO).

MGI signed an Engineering, Procurement, and Construction (EPC) contract for the 20 MW geothermal power plant with EEI Corporation (EEI). EEI, one of the country's top engineering and construction firms, has extensive and long experience in construction of geothermal facilities in the country. It has provided various engineering design and construction services to companies like PNOC

EDC, NPC, PGI and EDC dating back to 1982 when it built the geothermal brine pipeline for PNOG EDC's Tongonan geothermal field. For the Maibarara EPC contract, EEI has tapped Tokyo's Fuji Electric Co., Ltd. (Fuji Electric) for the design, manufacture, delivery, and testing of the main equipment for the 1 x 20 MW Maibarara geothermal power plant, while EEI itself will undertake the civil works, erection, balance of plant requirements, and over-all project management.

MGI also signed with Fuji Electric an agreement for services related to the operations and maintenance of the 1x20 MW power plant. The contract with Fuji Electric provides for real-time remote monitoring from Fuji Tokyo of the Maibarara power plant performance commencing from the date of actual commercial operation. The agreement also covers technical advisory services to MGI for the dispatch of Fuji Electric power plant personnel to handle regular and emergency plant check-up to begin after the lapse of the EPC one-year warranty period.

MGI President Francisco Delfin, Jr. declared that "the signing of the two contracts mark another significant milestone in MGI's timely and substantive compliance to our DOE service contract commitments". Delfin said that the high quality and reliability of services for which both EEI and Fuji Electric are known in the industry should serve the project well. He welcomed the two private firms in the Maibarara project's growing network of partners that include several national government agencies and local government units whose on-going support have ensured the steady progress of the venture towards eventual commercial operation.

Mr. Roberto Jose Castillo, EEI President and CEO, assured MGI that it will render the highest quality of engineering design, construction, and management for the EPC contract. "EEI, along with our sub-contractors, will bring nearly 30 years of geothermal construction experience in this venture to give MGI significant value for its money," Castillo stated.

Fuji Electric Sales Manager Kazushige Yokoyama declared that the selection of Fuji Electric as the main equipment supplier and as technical advisor for plant operations and maintenance testifies to Fuji Electric's well deserved reputation as a global leader in the manufacture of geothermal power plant equipment.

DOE Director Mario Marasigan witnessed and welcomed the signing of the contracts and commended MGI for its faithful compliance to its DOE obligations. More importantly, he announced that of all the DOE upstream projects initiated and implemented entirely under the framework of the Renewable Energy (RE) Act of 2008, Maibarara holds the distinction of being the first to reach the significant milestone of EPC and O&M contract awards. Marasigan declared that “this signing brings the project closer to its 2013 target commercial operation date that will add baseload, clean, and renewable power supply to the Luzon grid at the time when the Grid is projected to experience supply constraints.” He enjoined MGI, EEI and Fuji Electric to look beyond geothermal projects and consider investments in other RE ventures in the country as well.