

PWEI started site development of the project in March 2023 after securing a PhP 1.8 Billion loan from Development Bank of the Philippines to partially fund the renewable energy project. The first three wind turbine generators (WTWTGs) located on the Nabas side were completed recently and started its testing and commissioning on April 4, supplying much needed electricity to power-starved Panay island. Work on the three remaining WTGs on the Malay side had to be put on hold after the Malay SB revoked the project endorsement it issued in January 2021, last August 2023 when PWEI's contractors had already been mobilized.

In response to the requests of Malay SB and Sangguniang Panlalawigan (SP) of Aklan to monitor the Phase 2 project and its impact to the environment, several DENR units conducted site inspections and documents review of the project from August 2023 to January 2024. DENR-6 and DENR – Environment Management Bureau (EMB-6) confirmed that PWEI's Phase 2 substantially complied with all environmental rules and regulations. Specifically, both agencies confirmed that gabions and silt barriers were installed, and siltation mitigation measures were properly implemented. Civil works spoils were hauled off to previously approved sites located outside of the project area. The DENR reports to the Aklan SP and Malay SB further affirmed that the development of Phase 2 did not affect nearby rivers and that PWEI followed the rules in stakeholder engagement and public consultation.

At the same time, Malay barangay officials of Argao and Cogon, expressed support for Phase 2. Barangay Argao chairman & SB Malay Ex-officio Member Mannie Casidsid said that the power project has the support of barangay council for as long as all mitigating measures will be put in place.

“If they will commit that proper monitoring will be implemented to ensure that Napaan River will not be affected, then we are okay with Phase 2. This will also greatly help us reach our goal of making Malay into a city,” Casidsid said.

Meanwhile, officials of Barangay Cogon recognized that all development activities have certain effects on the environment. But such effects are temporary.

“As long as they put mitigating measures and ensures that the Project will not have adverse impact to our rivers, we are supportive of Phase 2. We need to consider the positive, long-term benefits of the Project, ”Cogon chairman Elnor Casidsid said.

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SIGNATURES

Pursuant to the requirements of the Securities Regulation Code, the issuer has duly caused this report to be signed on behalf by the undersigned hereunto duly authorized.

PETROENEGY RESOURCES CORPORATION
Issuer

By:  **Atty. Louie Mark R. Limcolioc**
Assistant Corporate Secretary
Alternate Information Officer
Compliance Officer

Date: **April 15, 2024**