

Annual Stockholders' Meeting
May 5, 2015

Q&A

Mr. Jose Ferrer: *What is the ratio or allocation of the Company's international projects compared to domestic projects? What is the percentage?*

Answer: Currently, the Company's project is 100% domestic but there are exploration projects in Chile and Peru that are on going. We are also the pioneer of geothermal projects in the Pacific Ring of Fire. However, it will take several years for it to finish. So as of now, the domestic projects are centered in Leyte and Bacman.

Mr. Jose Ferrer: *Will you still proceed with the rehabilitation of Botong (project)?*

Answer: The Company will leave Botong as it is right now because the location is on an unstable cliff and is prone to landslide. It is recommended that no power plant should be built there.

Mr. Jose Ferrer: *How about the geothermal power plant in Northern Negros?*

Answer: The Company is still conducting tests to determine the final available megawatts from Northern Negros. In the mean time we are also looking for potential solar and wind energy capability. Reforestation or green house activities are also considered. The Company will be producing energy in Northern Negros after the assessment is completed.

Mr. Rommel Songco: *With regard to the solar farm in Burgos, what are you expecting in terms of revenues annually? Is it operating right now?*

Answer: It is operating right now. As for the revenue, it is at 50 to 60 million for 4 megawatts.

Mr. Rommel Songco: *What would be the expected expansion plan for geothermal sites?*

Answer: The main expansion will be in Bacman which will require an investment of around \$150USD. Explorations and drilling are done.

Mr. Rommel Songco: *When will the Bacman expansion be finished?*

Answer: 27 months from notice. That's around 2 ½ to 3 years.

Mr. Rommel Songco: *What would be the next step for the growth expansion of EDC?*

Answer: We are looking at geothermal expansion, but it is capital intensive and we're expecting to invest around US\$5 million per megawatt. For wind, we're expecting to invest around US\$3 million per megawatt and for solar, we're expecting to invest around US\$2 million per megawatt.

In the short term, there are a lot of opportunities to expand our solar portfolio from 4 MW to a higher number. In terms of wind potential, we have developed in Burgos is the first 150 MW, but the entire portfolio of EDC is about 560 MW capacity so it can take about another 410 MW capacity. As you see, solar is very quick; wind projects take a bit longer while geothermal projects take the longest, so it is a combination of strategy and technology and a robust market.

Esperanza Lopez: How much is the auditing fee, inclusive of tax, VAT, and out-of-town expenses, is paid to SGV for January to December 2014?

Answer: Audit fee is around Php10 million.

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