



**Trans-Asia Oil
and Energy Development Corporation**
A PHINMA Company

HELP EARTH
Harnessing Energy Literacy for Planet EARTH



15 April 2013

MS. JANET A. ENCARNACION
HEAD, DISCLOSURE DEPARTMENT
4/F The Philippine Stock Exchange, Inc.
Philippine Stock Exchange Center
Exchange Road, Ortigas Center, Pasig City

Subject: Update on SC 55

Dear Ms. Encarnacion:

Please be informed of the following excerpts from a disclosure made by Otto Energy Limited in the Australian Stock Exchange concerning media speculations of potential suspension or cancellation of SC 55 :

"The SC 55 Operator, BHP Billiton Petroleum (Philippines) Corporation (BHPB) (ASX : BHP), and joint venture partners are focused on delivering the Cinco-1 well in SC 55 in accordance with the contractual work programme commitments to the Philippines Department of Energy.

All critical permits have been obtained with the exception of the Strategic Environmental Plan Clearance ("SEP Clearance") by the Provincial Council for Sustainable Development ("PCSD") which was submitted in August 2012.

The Sangguniang Panlalawigan (Palawan Provincial Board) has requested the submission by BHPB, as the Operator, of a comprehensive socio-economic development programme for the Province of Palawan prior to recommending endorsement of SEP Clearance by the PCSD, which is not a requirement under Philippines Law, nor has it been required for exploration approvals in the past.

BHPB, as Operator, is seeking to work with the Department of Energy to address the impairment of rights and obligations of the JV Partners caused by this change in the manner of implementing the SEP Clearance.

Otto confirms that the joint venture has not sought an extension to the current sub-phase that ends in August 2013 and continues to work with the Department of Energy to ensure that work programme commitments are met in accordance with the contractual undertakings."

The co-contractors in SC 55 are Trans-Asia, 6.82% interest; BHP Billiton, 60% and Otto, 33.18%.

Very truly yours,

A handwritten signature in blue ink, appearing to read 'Raymundo A. Reyes, Jr.', with a stylized, flowing script.

Raymundo A. Reyes, Jr.
SVP, Energy Resources Development

/jpc