



**TRANS-ASIA**

OIL & ENERGY DEVELOPMENT

A PHINMA Company

January 14, 2014

**THE DISCLOSURE DEPARTMENT**

4/F Philippine Stock Exchange, Inc.  
Philippine Stock Exchange Centre  
Exchange Road, Ortigas Center, Pasig City

Attention: **Janet Encarnacion**  
OIC, Disclosure Department

Gentlemen:

In compliance with the disclosure requirements of the Philippine Stock Exchange (PSE) on the use of proceeds from Stock Rights Offerings (SROs), please be advised that as of December 31, 2013, Trans-Asia Oil and Energy Development Corporation (TA):

- has used P237.8 Million from the P607.8 Million gross proceeds of the 2007 SRO.
- has used P1.162 Billion from the P1.165 Billion gross proceeds of the 2011 SRO.
- has used P1.251 Billion from the P1.627 Billion gross proceeds of the 2012 SRO.

Attached is the schedule of disbursements of proceeds from SROs.

Very truly yours,

**Mariejo P. Bautista**  
VP – Controller

Trans-Asia Oil & Energy Development Corporation (TA)  
Schedule of Disbursements from the Gross Proceeds of the 2007 Stock Rights Offering (SRO)  
For the period October 1, 2013 to December 31, 2013  
(Amounts in Millions)

	Estimate			Actual disbursement for the period November 28, 2007 to Sept. 30, 2013			Actual disbursement for the period Oct 1, 2013 to Dec. 31, 2013			Balance of Gross Proceeds As of Dec. 31, 2013		
Original Gross Proceeds - 2007 SRO	607.8			607.8			-			607.8		
Application of Gross Proceeds												
Renewable Energy Projects												
Previously earmarked for CIPP Plant Expansion	378.5			41.6						41.6		
Previously earmarked for Mineral Projects	34.6	413.1		-	41.6		-	-		-	41.6	
General Corporate Purposes												
Repay Loan to Unionbank	32.7			32.7			-			32.7		
Repay Loan to Equitable PCI bank	150.0	182.7		150.0	182.7		-	-		150.0	182.7	
Fund Petroleum and Mineral Exploration Projects												
Area 8	5.3			4.8			-			4.8		
SC 51	0.7			-			-			-		
SC 55	0.7			-			-			-		
Camarines Norte	2.8			-			-			-		
Kalinga	13.5			-			-			-		
Other Areas	16.4			-			-			-		
Reallocated to Renewable Energy Projects	(34.6)	4.8		-	4.8		-	-		-	4.8	
Pay Expenses in Relation to the Stock Rights Offer												
Documentary Stamp Tax	2.8			2.8			-			2.8		
Professional Fees	1.9			4.1			-			4.1		
PSE and SEC listing and Processing Fees	1.2			1.2			-			1.2		
Stock Transfer Agent Fee	0.5			0.2			-			0.2		
Administrative (printing of notices, subscription agreements, stock certificates, mailing costs and miscellaneous expenses)	0.8	7.2	607.8	0.4	8.8	237.8	-	-	-	0.4	8.8	237.8
Balance	-			370.0			-			370.0		

Prepared by:

  
Yolanda D. Añonuevo  
Assistant Controller

Noted by:

  
Mariejo P. Bautista  
VP - Controller

## INDEPENDENT AUDITOR'S REPORT OF FACTUAL FINDINGS

The Stockholders and the Board of Directors  
Trans-Asia Oil and Energy Development Corporation  
11th Floor, PHINMA Plaza  
39 Plaza Drive, Rockwell Center  
Makati City

We are pleased to submit our report on the agreed-upon procedures performed with respect to the disbursements from the gross proceeds of the 2012 stock rights offering of Trans-Asia Oil and Energy Development Corporation (the Company) for the period October 1, 2013 to December 31, 2013. Our engagement was undertaken in accordance with the Philippine Standards on Related Services 4400, *Engagements to Perform Agreed-Upon Procedures Regarding Financial Information*. The procedures were performed to assist the Company in connection with its reporting requirements with the Philippine Securities and Exchange Commission (SEC).

Shown below are the procedures we performed and our findings:

1. We obtained the Schedule of Disbursements from the Gross Proceeds of the 2012 Stock Rights Offering for the period October 1, 2013 to December 31, 2013 (the "Schedule") and checked its mathematical accuracy. We noted no exceptions. The schedule shows the following information:
  - a. Estimated gross proceeds and estimated application of gross proceeds
  - b. Actual gross proceeds
  - c. Actual disbursements for the period November 14, 2012 to September 30, 2013
  - d. Actual disbursements for the period October 1, 2013 to December 31, 2013
  - e. Balance of the gross proceeds as at December 31, 2013.
2. Using the schedule obtained in No. 1, we performed the following:
  - a. Traced the estimated gross proceeds and estimated application of gross proceeds to the Schedule of Disbursements from the Gross Proceeds of the 2012 Stock Rights Offering for the period July 1, 2013 to September 30, 2013 submitted to SEC, which were also traced to the estimated amounts indicated in the prospectus. We noted no exceptions.
  - b. Traced the actual gross proceeds to the Schedule of Disbursements from the Gross Proceeds of the 2012 Stock Rights Offering for the period July 1, 2013 to September 30, 2013 submitted to SEC, which were also previously traced to bank validated deposit slips and bank statements in prior year. We noted no exceptions.

- c. Traced the actual disbursements for the period November 14, 2012 to September 30, 2013 to the Schedule of Disbursements from the Gross Proceeds of the 2012 Stock Rights Offering for the period July 1, 2013 to September 30, 2013 submitted to SEC and noted no exceptions.
- d. Vouched the actual disbursements for the period October 1, 2013 to December 31, 2013 to supporting documents such as Letter of Instructions, trust account financial statements, check vouchers, invoices, billing statements and official receipts. We did not note any exceptions.

The sufficiency of the procedures is solely the responsibility of the Company's management. Consequently, we make no representations regarding the sufficiency of the procedures described in the foregoing either for the purpose of which this report has been requested or for any other purpose.

The above procedures do not constitute either an audit or a review made in accordance with the Philippine Standards on Auditing or Philippine Standards on Review Engagements, thus, we do not express any assurance on the financial statements of the Company taken as a whole.

Had we performed additional procedures or had we performed an audit or review of the financial statements in accordance with Philippine Standards on Auditing or Philippine Standards on Review Engagements, other matters might have come to our attention that would have been reported to you.

Our report is intended solely for the purpose set forth in the first paragraph of this report and for your information. It is not to be used for any other purpose or to be distributed to any other parties. This report relates only to the accounts and items specified above and do not extend to the financial statements of the Company, taken as whole.

SYCIP GORRES VELAYO & CO.



Marydita C. Miguel  
Partner

CPA Certificate No. 65556

SEC Accreditation No. 0087-AR-3 (Group A),  
January 18, 2013, valid until January 17, 2016

Tax Identification No. 102-092-270

BIR Accreditation No. 08-001998-55-2012,  
April 11, 2012, valid until April 10, 2015

PTR No. 4225193, January 2, 2014, Makati City

January 13, 2014

Trans-Asia Oil & Energy Development Corporation (TA)  
Schedule of Disbursements from the Gross Proceeds of the 2012 Stock Rights Offering  
For the period October 1, 2013 to December 31, 2013  
(Amounts in Millions)

	Estimate	Actual disbursement for the period Nov. 14, 2012 to Sept. 30, 2013			Actual disbursement for the period Oct. 1, 2013 to Dec. 31, 2013			Balance of the Gross Proceeds As at Dec. 31, 2013				
Original Gross Proceeds - 2012 SRO	P1,627.0	P—			P—			P1,627.0				
Application of Gross Proceeds												
Equity Investment in 54MW wind energy project in San Lorenzo, Guimaras	P1,000.0	P609.8			P40.0			P649.8				
Equity Investment in second 135MW unit of the clean coal-fired power plant in Calaca, Batangas, and/or other Power project Opportunities and Possible investments in privatization of NPC and PSALM	612.0	589.0						589.0				
Pay Expenses in Relation to the Stock Rights Offer												
SEC Fees for increase confirmation and exemption	P1.6	P1.6			—			1.6				
PSE listing and Processing Fees	2.4	1.7			—			1.7				
Documentary Stamp Tax	8.1	8.1			—			8.1				
Professional Fees	1.2	—			—			—				
Other expenses	1.7	15.0	1,627.0	0.7	12.1	1,210.9	—	—	40.0	0.7	12.1	1,250.9
Balance	P—		(P1,210.9)			(P40.0)			P376.1			

Prepared by:

  
Yolanda P. Anonuevo  
Sr. Accountant

Noted by:

  
Mariejo P. Bautista  
VP - Controller



## INDEPENDENT AUDITOR'S REPORT OF FACTUAL FINDINGS

The Stockholders and the Board of Directors  
Trans-Asia Oil and Energy Development Corporation  
11th Floor, PHINMA Plaza  
39 Plaza Drive, Rockwell Center  
Makati City

We are pleased to submit our report on the agreed-upon procedures performed with respect to the disbursements from the gross proceeds of the 2011 stock rights offering of Trans-Asia Oil and Energy Development Corporation (the Company) for the period October 1, 2013 to December 31, 2013. Our engagement was undertaken in accordance with the Philippine Standards on Related Services 4400, *Engagements to Perform Agreed-Upon Procedures Regarding Financial Information*. The procedures were performed to assist the Company in connection with its reporting requirements with the Philippine Securities and Exchange Commission (SEC).

Shown below are the procedures we performed and our findings:

1. We obtained the Schedule of Disbursements from the Gross Proceeds of the 2011 Stock Rights Offering as at December 31, 2013 and for the period October 1, 2013 to December 31, 2013 (the "Schedule") and checked its mathematical accuracy. We noted no exceptions. The schedule shows the following information:
  - a. Estimated gross proceeds and estimated application of gross proceeds
  - b. Actual gross proceeds
  - c. Actual disbursements for the period May 30, 2011 to September 30, 2013
  - d. Actual disbursements for the period October 1, 2013 to December 31, 2013
  - e. Balance of the gross proceeds as at December 31, 2013.
2. Using the schedule obtained in No. 1, we performed the following:
  - a. Traced the estimated gross proceeds and estimated application of gross proceeds to the Schedule of Disbursements from the Gross Proceeds of the 2011 Stock Rights Offering for the period July 1, 2013 to September 30, 2013 submitted to SEC and noted no exceptions.
  - b. Traced the actual disbursements for the period May 30, 2011 to September 30, 2013 to the Schedule of Disbursements from the Gross Proceeds of the 2011 Stock Rights Offering for the period July 1, 2013 to September 30, 2013 submitted to SEC and noted no exceptions.
3. From the schedule obtained in No. 1, we noted that there are no actual disbursements for the period October 1, 2013 to December 31, 2013.

The above procedures do not constitute either an audit or a review made in accordance with the Philippine Standards on Auditing or Philippine Standards on Review Engagements, thus, we do not express any assurance on the financial statements of the Company taken as a whole.

Had we performed additional procedures or had we performed an audit or review of the financial statements in accordance with Philippine Standards on Auditing or Philippine Standards on Review Engagements, other matters might have come to our attention that would have been reported to you.

Our report is intended solely for the purpose set forth in the first paragraph of this report and for your information. It is not to be used for any other purpose or to be distributed to any other parties. This report relates only to the accounts and items specified above and do not extend to the financial statements of the Company, taken as whole.

SYCIP GORRES VELAYO & CO.



Marydith C. Miguel

Partner

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January 13, 2014

Trans-Asia Oil & Energy Development Corporation (TA)  
Schedule of Disbursements from the Gross Proceeds of the 2011 Stock Rights Offering  
For the period October 1, 2013 to December 31, 2013  
(Amounts in Millions)

	Estimate			Actual disbursement for the period May 30, 2011 to Sept. 30, 2013			Actual disbursement for the period Oct. 1, 2013 to Dec. 31, 2013			Balance of the Gross Proceeds As at Dec. 31, 2013		
Original Gross Proceeds - 2011 SRO	P1,165.2			P1,165.2			P—			P1,165.2		
Application of Gross Proceeds												
<i>Equity Investment in Coal Power Projects</i>	P1,044.1			P1,044.1			—			P1,044.1		
<i>Equity Investment in Maibarara Geothermal Inc.</i>	105.0			105.0			—			105.0		
<i>Pay Expenses in Relation to the Stock Rights Offer</i>												
Documentary Stamp Tax	P5.8			P5.8			—			P5.8		
Professional Fees	4.0			—			—			—		
SEC Fees for increase in authorized capital stock and notice of exemption	3.5			5.6			—			5.6		
PSE listing and Processing Fees	1.3			1.2			—			1.2		
Other expenses	1.5			0.4			—			0.4		
	16.1			13.0			—			13.0		
	1,165.2			1,162.1			—			1,162.1		
Balance	P—			P3.1			P—			P3.1		

Prepared by:

  
Yolanda P. Anonuevo  
Sr. Accountant

Noted by:

  
Mariejo P. Bautista  
VP - Controller