

## NEWS RELEASE

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October 26, 2017

Contact:

Angel P. Gahol

Assistant Corporate Secretary/Compliance Officer

817-8596

### Basic Energy to Participate in Projects in Japan, Myanmar, and Thailand

Basic Energy Corporation will be participating in four renewable energy projects in Japan, Myanmar, and Thailand. As approved by the Board of Directors in its meeting of October 26, 2017, Basic Energy will acquire stakes in the following:

- 1) Solmax Power Limited, based in Hong Kong, of which Vintage Holdings Japan (VHJ), a wholly owned subsidiary of Vintage Engineering Public Company Limited (VTE), holds the right to take a majority position. The Board of Basic Energy Corporation approved the ten percent (10%) equity investment in the 14MW Solar Power Plant located in Japan. Basic had earlier made a refundable deposit of JPY 50 Million, which allowed Basic to conduct a due diligence on the project. The equity investment is subject to satisfactory results of the full due diligence on the project, which is expected to be completed next month.
- 2) Vintage EPC Company Limited and Vintage International Construction Company, wholly owned by Vintage Engineering Public Company Limited (VTE) has snagged the Engineering, Procurement, and Construction contract of the 220MW solar power plant project in Minbu, Myanmar. The Board of Basic approved the twelve and a half percent (12.5%) equity investment in the Company. To claim exclusive right to negotiate and finalize the terms of the investment, a refundable deposit will be remitted upon signing of the Investment Term Sheet. The covering shareholders agreement will then be signed upon favorable results of the due diligence process on the VTE companies and the EPC contract;
- 3) A ten percent (10%) equity investment in the investing company of a 25MW Biomass Power Plant Project in Japan. Vintage Holdings Japan is a major shareholder in the investing company. A refundable deposit will be remitted upon signing of an Investment Term Sheet which gives Basic Energy the exclusive right to negotiate the terms of the investment and begin the 60-day DD process. Further, Basic Energy has been granted the option to increase its stake to 20%; and
- 4) A 49% equity investment of V.O. Net Biodiesel Asia Company Limited, wholly owned by VTE and which currently operates a 1.2MW solar power plant located in Kalisin, Thailand. A refundable deposit will be remitted upon signing of an Investment Term Sheet which gives Basic Energy the exclusive right to negotiate the terms of the investment and begin the 60-day DD process.



Basic Energy's participation in the aforementioned projects is in line with its thrust to expand its portfolio of renewable energy projects in the Philippines and abroad. The investments are seen to provide Basic Energy with revenue streams off projects with fast turnaround times.