

12 February 2018

Philippine Stock Exchange

PSE Tower
28th Street corner 5th Avenue
Bonifacio Global City
Taguig City

Attention: **Mr. Jose Valeriano B. Zuño III**
OIC - Disclosure Department

Dear *Mr. Zuño*:

We write in reply to your correspondence seeking clarification on the news article published today, February 20, 2018 in the Manila Standard entitled "Phoenix eyes CNOOC Gas as LNG partner". The article in part reported:

"Davao City-based businessman Dennis Uy plans to team up with China's state-owned oil producer CNOOC Gas and Power Group Co. Ltd. for a proposed \$2-billion liquefied natural gas project in Batangas province.

Uy's Phoenix Petroleum Philippines Inc. was authorized to sign a confidentiality agreement with CNOOC, one of the companies that submitted an unsolicited proposal with state-owned Philippine National Oil Co. for the development the LNG project.


...."

We would like to clarify that the information is soft. There is nothing being discussed or negotiated between the Parties as of the current. The Parties merely want to explore for any possibility of partnership relationship, the terms of which are unclear at this point.

We hope to have clarified this matter from our end.

Thank you and warm regards.

Very truly yours,



Atty. Socorro Ermac Cabreros
Corporate Secretary