

29 October 2018

Securities & Exchange Commission
Secretariat Building, PICC Complex
Roxas Blvd, Metro Manila

Philippine Stock Exchange
Disclosure Department
3/F PSE Plaza, Ayala Triangle Plaza
Makati City, Metro Manila

Philippine Dealing & Exchange Corporation
37th Floor, Tower 1, The Enterprise Center
6766 Ayala Ave. corner Paseo de Roxas
Makati, 1226 Metro Manila, Philippines

Attention: Hon. Vicente Graciano P. Felizmenio, Jr.
Director, Market and Securities Regulation Department
Securities & Exchange Commission

Ms. Janet Encarnacion
Head - Disclosure Department
Philippine Stock Exchange

Ms. Vina Vanessa S. Salonga
Head - Issuer Compliance and Disclosure Department
(ICDD)

Sir and Mesdames:

This is in reference to the disclosure made by PXP ENERGY CORPORATION last 26 October 2018, announcing the approval by PXP's Board of Directors relating to the subscription by Dennison Holdings Corporation ("Dennison"), of 340,000,000 common shares of PXP.

We confirm to the additional condition of the subscription agreement, that P-h-o-e-n-i-x Petroleum Philippines, Inc. ("Phoenix") shall grant certain preferential rights to PXP for the latter to acquire up to 49% of Phoenix's interest in the contemplated joint venture with China National Offshore Oil Corporation ("CNOOC"). This grant of preferential rights, however, *is subject to the approval of the Board of Directors of Phoenix and the consent of CNOOC.*

*To be an indispensable partner in the journey of everyone
whose life we touch.*



We hope we have fully clarified the matter on the above subject matters.

Thank you and warm regards.

Very truly yours,

A handwritten signature in blue ink, appearing to read "Socorro Ermac Cabrerros".

Atty. Socorro Ermac Cabrerros
Corporate Secretary