

**MINUTES OF THE
ANNUAL GENERAL STOCKHOLDERS' MEETING
OF
PXP ENERGY CORPORATION**

**Held on 16 May 2017 at 2:30 PM
at Ballroom B, Crowne Plaza Manila Galleria,
Ortigas Ave. corner Asian Development Bank Ave.,
Ortigas Center, Quezon City**

Present:

Shareholders, in person or represented by proxy, holding 67.03% of the Company's outstanding capital stock

Eulalio B. Austin, Jr., *Presiding Chairman*

Daniel Stephen P. Carlos, *President*

Marilyn A. Victorio-Aquino, *Director*

Barbara Anne C. Migallos, *Director and Corporate Secretary*

Emerlinda R. Roman, *Independent Director; Chairman, Audit Committee*

Benjamin S. Austria, *Independent Director; Chairman, Risk and Resources Committees*

Jose Gabriel M. La Viña, *Director*

Also Present:

SyCip Gorres Velayo & Company, *the Company's external auditors*

Banco de Oro Unibank (BDO) Corporate Agencies and Stock Transfer Service, *the Company's Stock Transfer Agent*

I. Call to Order

Mr. Eulalio B. Austin, Jr., a Director of the Company, acted as Chairman and called the meeting to order. The Corporate Secretary, Atty. Barbara Anne C. Migallos, recorded the minutes of the proceedings.

The Chairman introduced the Directors present at the meeting: Mr. Daniel Stephen P. Carlos, the Company's President; Atty. Marilyn A. Victorio-Aquino; Atty. Barbara Anne C. Migallos, also the Company's Corporate Secretary; Commissioner Jose Gabriel M. La Viña; Dr. Emerlinda R. Roman, Independent Director and Chairman of the Audit Committee, and; Dr. Benjamin S. Austria, Independent Director, Chairman of the Risk and Resources Committees.

II. Proof of Required Notice of the Meeting

The Corporate Secretary certified that notices of the Annual General Stockholders' Meeting, together with the Agenda and the Information Statement, all duly approved by the Securities and Exchange Commission (SEC), were sent to shareholders within the periods prescribed under applicable rules and consistent with corporate governance best practices. She reported that the Notice with Agenda was published in two major newspapers of general circulation on 8 May 2017.

The Corporate Secretary presented a notarized certification that she executed to attest to these facts.

III. Certification of Quorum

The Corporate Secretary certified that there were present, in person or represented by proxy, shareholders holding **1,139,570,104** shares or **67.03%** of the outstanding capital stock of the Company and that there was a quorum to transact business for the meeting.

Voting Procedure

In accordance with corporate governance best practices, the Corporate Secretary explained the voting procedures and general protocol for the meeting.

The Corporate Secretary informed the body that the required quorum for the meeting will be determined by the presence in person or by proxy of stockholders holding at least a majority of the outstanding capital stock. The Corporate Secretary, however, noted that there will be one item on the agenda that will require the affirmative vote of stockholders representing 2/3 of the outstanding capital stock, which is the amendment of Article Third of the Company's Articles of Incorporation to change the Company's principal office address. The Corporate Secretary then explained the voting procedure as follows:

1. Only the items that are on the Agenda and in the Information Statement will be voted upon.
2. Voting is by balloting.
3. Shareholders are entitled to vote either in person or by proxy.
Shareholders who are present were given ballots upon registration. In the case of proxies, the proxy must be submitted prior to the meeting. The designated proxy was likewise provided with ballots for casting in accordance with the instructions contained in the proxies.
The proxy form contains every item on the Agenda requiring a vote, with spaces provided for YES, NO or ABSTAIN. In the case of the election of directors, the names of each of the nominees are stated in the proxy with three options: Vote for All, Withhold for All, and Withhold for Certain Nominees, with spaces provided for the names of the nominees not being voted for. The shareholder issuing the proxy indicates his/her vote on each of the items, and the votes are cast in accordance with the shareholder's instruction.
4. The Company's transfer agent, Banco de Oro (BDO) Stock Transfers, tabulated the proxies and the ballots and the tabulation was presented for confirmation to the Company's external auditors, SyCip Gorres Velayo and Company (SGV).
5. The votes cast for each of the items on the Agenda will be announced when the particular item on the Agenda is taken up by the body.

IV. Reading and Approval of the Minutes of the May 17, 2016 Annual Stockholders' Meeting and Action Thereon

With legal notices sent and a quorum present, the Chairman proceeded to the reading and approval of the Minutes of the Annual General Stockholders' Meeting held on 17 May 2016.

A shareholder moved that the reading of the Minutes of the Annual General Stockholders' Meeting of Stockholders held on 17 May 2016 be dispensed with and that the said Minutes be approved. This motion was by duly seconded by another shareholder.

At the Chairman's request, the Corporate Secretary informed the body that, as reflected in the tally prepared by BDO, shareholders holding **1,139,568,168** shares, representing **67.03%** of the outstanding capital stock of the Company, voted YES to the approval of the Minutes of the Annual General Stockholders' Meeting held on 17 May 2016. The Corporate Secretary noted that there were 1,557 NO votes and 379 ABSTAIN votes. The Chairman declared the motion carried. The Minutes of the Annual General Stockholders' Meeting held on 17 May 2016 are approved.

V. Presentation of the Annual Report and the Audited Financial Statements for the Year Ended December 31, 2016 and Action Thereon

The next item on the agenda was the presentation of the Annual Report and the Audited Financial Statements of the Company for the year ended 31 December 2016. The Annual Report contains the Company's Audited Financial Statements and Notes thereto for the year ended 31 December 2016 which were examined by the Company's independent auditors, SGV. Shareholders were previously provided copies of the Annual Report and the Audited Financial Statements, together with the Notice and Agenda for the meeting.

The Chairman requested Mr. Daniel Stephen P. Carlos, President of the Company, to present the highlights of the Annual Report and the Audited Financial Statements for the year 2016.

2016 Operational Highlights

Mr. Carlos started by presenting the 2016 operational highlights of the Company. The Company, which was formerly known as Philex Petroleum Corporation, is among the few Filipino companies that are operating several petroleum service contracts in the country, either directly or through its subsidiary Forum Energy Ltd (Forum Energy). The Company remains committed in advancing its exploration and production efforts, especially in the four service contracts it is operating in Recto Bank, Northwest Palawan, and Northern Cebu.

Mr. Carlos reported that in July 2016, the United Nations Arbitral Tribunal (UN Tribunal) decided in favor of the Philippines on the West Philippine Sea issue with China. The decision of the UN Tribunal is very significant for the Company as it affirms the Philippines' position that the 9-dash line claim is invalid and consequently, recognizes the Philippines' sovereignty over Recto Bank which is located within the country's two hundred nautical mile exclusive economic zone (EEZ). The United Nations Convention on the Law of the Sea grants a country sovereign rights over resources located within its EEZ.

On Service Contract 72 (Recto Bank), in which Forum Energy is the operator and holds 70% interest, Mr. Carlos reported that in view of the favorable decision of the UN Tribunal, the Company and Forum Energy are in constant communication with the Department of Energy (DOE) as regards the lifting of the force majeure currently imposed on the block to recommence exploration activities. Mr. Carlos said that once the force majeure is lifted, Forum Energy will have 20 months to complete its Sub-Phase 2 Work Commitment to the DOE which includes the drilling of two wells over the Sampaguita Gas Field. Mr. Carlos said that further exploration of

the North Bank Prospect, located north of the Sampaguita Gas Field, is being planned and a 3D seismic survey is recommended to further evaluate the prospect.

On Service Contract 75, in which the Company is the operator and holds 50% interest, Mr. Carlos said that the joint venture, with PNOG Exploration Corporation and PetroEnergy Resources Corporation, completed its work commitment for the First Sub Phase. The work included the acquisition and interpretation of 2D seismic data in 2014 and 2015. He reported that a number of leads have been identified which will require further exploration in order to promote such to prospect status. Mr. Carlos said that like SC 72, SC 75 is also under force majeure and as result, all exploration activities are suspended since December 2015. Once the suspension is lifted, the Company plans to acquire a 3D seismic survey over some of the identified leads in the area. The proposed survey will have an area of at least 1,000 sq km and will fulfill the minimum work program for Sub-Phase 2.

As to Service Contract 74 (Linapacan), in which the Company is the operator and holds 70% interest, Mr. Carlos reported that the Company acquired the block through a Deed of Assignment, executed last February 2016, from its subsidiary, Pitkin Petroleum Limited (Pitkin), and the DOE approved the Company's operatorship last 25 April 2016. For the period 30 May to 10 June 2016, CGG Services SA (CGG), the Company's geophysical contractor, in partnership with the DOE, conducted a multi-client 2D seismic survey over the block using the vessel Binh Minh 2. The Company together with its partners, Philodrill Corporation and PNOG Exploration Corporation, obtained a group license from CGG and was provided a copy of the seismic data upon completion of seismic processing last December 2016. A total of 1,614 line-km of 2D seismic data were acquired, in addition to marine gravity data and magnetic data. The interpretation of the 2D data is ongoing.

On Service Contract 14C1 (Galoc), in which Forum Energy holds 2.27% interest, Mr. Carlos reported that the consortium, led by Galoc Production Company, has initiated measures to maintain commerciality of the producing Galoc field in view of the current oil price situation and the normal decline of production of the existing wells. The initiative includes cost cutting measures and renegotiation of third party contracts to reduce operating cost. The production performance of the Galoc Field and oil prices for the past two years were then presented by the President. The Galoc Field has already produced over 19 million barrels of oil since the start of production in October 2008.

Mr. Carlos reported that in October 2016, the consortium approved the drilling of Galoc-7 and Galoc-7 Sidetrack to test the Galoc Mid Prospect, located north of the producing Galoc Field. The drilling was approved by the DOE in November 2016. The well was spudded on 31 March 2017 using the drillship Deepsea Metro I and drilling operations were completed on 01 May 2017. The forward plans of the Galoc Block will be determined in the coming months, depending on the results of Galoc-7 and Galoc-7 Sidetrack evaluation.

On Block Z-38, located in offshore Peru and in which Pitkin holds 25% interest, Mr. Carlos reported that the block has been under force majeure since 2014 due to the inability of the operator, Karoon Gas Australia Ltd (Karoon), to secure a suitable drilling rig within the required timeframe. Mr. Carlos added that certain drilling-related permits have yet to be secured by Karoon from the Peruvian authorities. Upon lifting of the force majeure, the joint venture will have approximately 22 months to complete the third phase of the work obligation, comprising of the drilling of two exploration wells, Bonito and Marina. Mr. Carlos said that Pitkin will be carried in the cost of drilling the wells.

2016 Financial Highlights

Mr. Carlos reported that the Company experienced a normal decline in oil production of the Galoc Oil Field. As a result of fewer liftings from the Galoc oil field and a lower average oil price, petroleum revenues were lower in 2016 at Php102 Million. However, the Company managed to decrease its cost and expenses by 48%, from Php327 Million in 2015 to Php171 Million in 2016, which was a result of management's cost reduction efforts that include the delisting of Forum Energy from the London Stock Exchange, the closing of Pitkin's Manila office, and sharing of resources within the Group. Thus, as a result of the reduction of overhead expenses and offset by lower revenues attributable to lower oil output and oil price, the Company incurred a 75% reduction in net loss, from a net loss of Php144 Million in 2015 to a net loss of Php36 Million in 2016.

2017 First Quarter Financial Highlights

On the financial highlights for the first quarter of 2017, Mr. Carlos reported that oil revenues amounted to Php26 Million, compared to Php23 Million for the same period last year. The increase in revenues was primarily due to higher crude oil price realized for the Galoc crude. Mr. Carlos said due to higher production and depletion cost, cost and expenses increased by 14% in 2017. He noted that overhead costs were reduced by about 26%. On other income and charges, Mr. Carlos reported that the strengthening of peso against the dollar resulted to a foreign exchange gain for the Company. The Company incurred a 43% reduction in net loss, from a net loss of Php15 Million in the first quarter of 2016 to a net loss of Php8 Million for the same period in 2017.

To conclude his report, Mr. Carlos presented the asset portfolio of the Company and its subsidiaries. He said that the Company will continue its efforts to rationalize business structure and assets portfolio of the PXP Energy Group. With the transfer of SC 74 from Pitkin to the Company, the Company is now directly operating two blocks in Northwest Palawan (SC 74 and SC 75). In Peru, the Company, through Pitkin, will continue its participation in Block Z-38 of which Pitkin has a carried interest of 25% for two wells. In Forum Energy, the Company has increased its direct shareholdings from 48.8% to 69.5%. The Company now owns, directly and indirectly, 77.5% of Forum Energy, from 67.5%. Mr. Carlos said that the PXP Energy Group will continue to engage with the DOE as regards the lifting of the force majeure in SC 72 and SC 75 and thereafter, resume exploration programs in the blocks. In the meantime, the Company will continue to monitor its operating expenditures, constantly evaluate its asset portfolio, and remain active in its oil exploration activities.

Open Forum

The Chairman then invited questions from the shareholders.

Mr. Joseph Sy, a stockholder, asked whether there are developments regarding the West Philippine Sea issue, considering the recent visit of President Duterte to China, and inquired whether the Company is entering into an agreement with China. Mr. Carlos said that, as per current news reports, there will be bilateral talks with China soon as regards the West Philippine Sea issue. He added that the Company is open to having partners in its exploration activities and ventures.

Mr. Romeo David, the representative of the stockholder Shareholders' Association Philippines, Inc., inquired about the risks for the coming year. Dr. Benjamin S. Austria,

Independent Director and Chairman of the Risk and Resources Committees, responded that the Company maintains a Risk Register, which it regularly updates. He said that Peru Block Z-38, held under Pitkin, has the highest exposure. The block is under force majeure because of rig issues and permitting requirements. He noted that Pitkin is carried in terms of expenses for the drilling of two wells. Pitkin is continuing to encourage Karoon, the operator, to secure the necessary rig and permits so that the force majeure will be lifted and drilling may commence. Dr. Austria said that there is also political risk in SC 72 because of the dispute with China. He emphasized that the favorable ruling of the UN Tribunal strengthened the Philippines' claim and has lowered the risk. Mr. David suggested that risk evaluation be also presented also the shareholders in stockholders' meetings, which the President noted.

There being no other questions from the shareholders, there was a motion for the adoption of the following resolution:

"RESOLVED, that the Annual Report, together with the Company's Audited Financial Statements and the Notes thereto for the year ended 31 December 2016, prepared by the Company's external auditors, SyCip Gorres Velayo & Company be, as they are hereby, approved, ratified and confirmed."

The motion was duly seconded by another shareholder. At the request of the Chairman, the Corporate Secretary informed the body of the voting results on the fifth item on the Agenda, shareholders' action on the Annual Report and the Audited Financial Statements for the year ended 31 December 2016.

The Corporate Secretary informed the body that shareholders holding **1,139,568,168** shares, representing **67.03%** of the outstanding capital stock of the Company, have voted YES to the approval of the Annual Report and the Audited Financial Statements for the year ended 31 December 2016, and the Notes thereto. The Corporate Secretary noted that there were 1,557 NO votes and 379 ABSTAIN votes.

The Chairman declared the motion carried. The Annual Report, the Audited Financial Statements and the Notes thereto for the year ended 31 December 2016 has been approved, ratified and confirmed.

VI. Amendment of Article Third of the Company's Articles of Incorporation to Change the Company's Principal Address

The Chairman said that the next item on the Agenda is the amendment of Article Third of the Company's Articles of Incorporation to change the Company's principal address. The Chairman requested the Corporate Secretary to explain this item.

The Corporate Secretary said that late 2016, the Company moved to a new office located in Mandaluyong City. To comply with the Corporation Code and SEC regulations, there is a need to amend the Company's Articles of Incorporation to reflect the change in principal office address.

The Corporate Secretary reported that at the meeting of the Board of Directors of the Company held on 28 February 2017, the Board approved and adopted resolutions for the amendment of Article Third of the Company's Articles of Incorporation to change the principal

address from “27 Brixton Street, Pasig City, Philippines” to “2/F LaunchPad, Reliance corner Sheridan Streets, Mandaluyong City, Metro Manila”, subject to approval by the shareholders.

The approval of the shareholders is sought for the proposed amendment to Article Third of the Company’s Articles of Incorporation to change the principal office address, as contained in the following resolutions:

“RESOLVED, that Article Third of the Articles of Incorporation of **PXP ENERGY CORPORATION** (*formerly Philex Petroleum Corporation*) (the “Company”) be amended to reflect the new address of the principal place of business of the Company, such that the said Article will read as follows:

‘THIRD.- That the place where the principal office of the Corporation is to be established or located is at 2/F LaunchPad, Reliance corner Sheridan Streets, Mandaluyong City, Metro Manila.’

RESOLVED FURTHER, that the foregoing amendment to the Company’s Articles of Incorporation be presented for ratification and approval by the stockholders of the Company.”

A shareholder then moved for the adoption and approval of the following resolutions:

“RESOLVED, that the stockholders of **PXP ENERGY CORPORATION** (*formerly Philex Petroleum Corporation*) (the ‘Company’) approve, as they hereby approve, the amendment of Article Third of the Articles of Incorporation of the Company to reflect the new address of the principal place of business of the Company;

RESOLVED, FURTHER, that Article Third of the Articles of Incorporation of the Company be amended to read as follows:

‘THIRD: - That the place where the principal office of the Corporation is to be established or located is at 2/F LaunchPad, Reliance corner Sheridan Streets, Mandaluyong City, Metro Manila.’

The motion was seconded. The Chairman requested the Corporate Secretary to inform the body of the votes of the stockholders in favor of the amendment of the Company’s Articles of Incorporation to change the principal address.

The Corporate Secretary informed the body that shareholders holding **1,139,568,339** shares, representing **67.03%** of the outstanding capital stock of the Company, have voted YES to the amendment of the Company’s Articles of Incorporation to change the Company’s principal office address. The Corporate Secretary said that there were 1,557 NO votes. No shareholder abstained.

The Chairman then declared that the motion was carried and the amendment of the Company’s Articles of Incorporation to change the Company’s principal office address was approved.

VII. Ratification and Approval of the Acts of the Board of Directors and Officers During the Year 2016

The Chairman said that the next item on the Agenda is the ratification and approval of the acts of the Board of Directors and the Officers of the Company during the year 2016.

A shareholder moved for the adoption of the following resolution:

“RESOLVED, that all acts made or taken by the Board of Directors and/or the officers of the Corporation during the past year and/or all acts and proceedings performed or taken pursuant thereto, be, as it is hereby ratified, approved and confirmed.”

The motion was duly seconded.

At the request of the Chairman, the Corporate Secretary informed the body of the voting results for this item of the Agenda. The Corporate Secretary certified that shareholders holding **1,139,568,547** shares, representing **67.03%** of the outstanding capital stock of the Company voted YES to the approval, ratification and confirmation of all acts made or taken by the Board of Directors and Officers of the Company during the past year. The Corporate Secretary said that there were 1,557 NO votes and nil ABSTAIN votes.

The Chairman declared the motion carried. All acts made or taken by the Board of Directors and/or the officers of the Corporation during the past year are approved and ratified.

VIII. Appointment of Independent Auditors

The Chairman then proceeded to the appointment of independent auditors of the Company for the year 2017. The Chairman said that the Audit Committee had recommended, and the Board approved, the appointment of SyCip Gorres Velayo and Company as independent auditors of the Company for the year 2017. A shareholder moved for the adoption of the following resolution:

“RESOLVED, that the accounting firm of SyCip Gorres Velayo & Company be appointed, as they are hereby appointed, as the independent auditors of the Company for 2017 and until their successors are duly appointed.”

The motion was duly seconded. At the request of the Chairman, the Corporate Secretary informed the body of the voting results for this item of the Agenda.

The Corporate Secretary certified that shareholders holding **1,139,568,547** shares, representing **67.03%** of the outstanding capital stock of the Company, voted YES to the appointment of SyCip Gorres Velayo & Company as the independent auditors of the Company for 2017. The Corporate Secretary said that there were 1,557 NO votes and nil ABSTAIN votes.

The Chairman declared the motion carried. SyCip Gorres Velayo & Company are appointed as the independent auditors of the Company for 2017.

IX. Election of Directors

The Chairman then proceeded to the election of directors for the ensuing year. The Chairman said that there are nine (9) seats to be filled, and two (2) of the directors must be independent directors. The Corporate Secretary was requested to read the names of the nominees.

The Corporate Secretary announced that there were nine (9) nominees for the nine (9) seats on the Company's Board of Directors. Two (2) of the nominees were nominees for independent director. The Nominations Committee screened the nine (9) nominees and prepared a final list of candidates, which was incorporated in the Information Statement distributed to the shareholders, together with the Notice and Agenda, before the meeting. The following are the nine (9) nominees for election to the Board:

1. Marilyn A. Victorio-Aquino
2. Eulalio B. Austin, Jr.
3. Daniel Stephen P. Carlos
4. Jose Gabriel M. La Viña
5. Barbara Anne C. Migallos
6. Robert C. Nicholson
7. Manuel V. Pangilinan
8. Benjamin S. Austria (Independent Director)
9. Emerlinda R. Roman (Independent Director)

The Chairman then requested the Corporate Secretary to advise the body of the votes cast in favor of the nominees for election to the Company's Board of Directors. The Corporate Secretary informed the body that each of the nine (9) nominees for the nine (9) seats on the Board received sufficient votes to elect them as Director of the Company.

The Corporate Secretary said that shareholders representing **66.94%** of the Company's outstanding capital stock voted in favor of all the nominees. There were nil NO votes and nominal ABSTAIN votes. The Corporate Secretary said that the voting results will be posted on the Company's website.

Thereafter, the Chairman declared that the following had been elected as directors of the Company, to serve as such for the ensuing year and until their successors have been duly elected and qualified:

1. Marilyn A. Victorio-Aquino
2. Eulalio B. Austin, Jr.
3. Daniel Stephen P. Carlos
4. Jose Gabriel M. La Viña
5. Barbara Anne C. Migallos
6. Robert C. Nicholson
7. Manuel V. Pangilinan
8. Benjamin S. Austria (Independent Director)
9. Emerlinda R. Roman (Independent Director)

X. Adjournment

The Chairman inquired whether there were other matters to be taken up at the meeting.

There being no other business to transact, the Chairman entertained the motion made by a shareholder that the meeting be adjourned. Upon such motion duly seconded, the Chairman declared the meeting adjourned.

Prepared By:

BARBARA ANNE C. MIGALLOS
Corporate Secretary

ATTEST:

EULALIO B. AUSTIN, JR.
Chairman of the Meeting

Minutes of the Annual General Stockholders' Meeting
PXP Energy Corporation;
Tuesday, 16 May 2017 at 2:30P.M.