



26th June 2015

The Philippine Stock Exchange, Inc.

3/F, Tower One & Exchange Plaza
Ayala Triangle, Ayala Avenue
Makati City

Attention: **MS. JANET A. ENCARNACION**
Head, Disclosure Department

Gentlemen:

Philex Petroleum Corporation ("PXP" or "the Company") hereby informs the Exchange that in view of PXP's outstanding debt of approximately P2.6 billion (or \$59.4 million) (the "Debt") to Philex Mining Corporation ("PX"), the Board of Directors of the Company, in a special meeting held on 26th June 2015, approved the following:

1. For PXP to partially settle the Debt by paying US\$10 million in cash;
2. For PXP to secure the outstanding portion of the Debt (after the partial payment of US\$ 10 million) by pledging the Company's shareholdings in Forum Energy Plc ("Forum") and in Pitkin Petroleum Plc ("Pitkin"). PXP holds a total direct and indirect interest in Forum of 67.19% and a direct interest in Pitkin of 53.43%; and
3. For PXP to hold a special shareholders' meeting for the approval of pledge of shares on August 11, 2015.

Very truly yours,

(SIGNED)

Mark Raymond H. Rilles
Finance Controller