



October 25, 2018

PHILIPPINE STOCK EXCHANGE, INC.

6/F Philippine Stock Exchange Tower
5th Avenue corner 28th Street
Bonifacio Global City, Taguig City

Attention: **Janet A. Encarnacion**
Head, Disclosure Department

Gentlemen:

The attached announcement was disclosed today, October 25, 2018, by PXP Energy Corporation ("PXP"), 19.8%-owned by Philex Mining Corporation.

Very truly yours,

(Original Signed)
DANNY Y. YU
SVP and Chief Finance Officer



PXP ENERGY CORPORATION
(formerly Philex Petroleum Corporation)
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Bonifacio Global City, Taguig City

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

Gentlemen:

We are pleased to announce that the Board of Directors (the "Board") of PXP Energy Corporation ("PXP" or the "Company") has approved the subscription by Dennison Holdings Corporation ("Dennison") to 340,000,000 common shares at a price of Pph11.85 per share representing a 20% discount to the 90-day Volume Weighted Average Price of the Company's shares, subject to the execution of a definitive subscription agreement.

The Board has likewise approved the subscription by Philex Mining Corporation ("Philex") to 260,000,000 common shares of PXP under the same terms, subject to the execution of a definitive subscription agreement.

PXP intends to use the proceeds it expects to raise from the private placement to Dennison and Philex to fund its exploration activities and other oil assets within the Philippines and in Peru, and to repay its advances from Philex.

Dennison signed a non-binding term sheet today with the Company. Details of the transaction will be disclosed upon execution of the definitive subscription agreement.

After the subscription of Dennison and Philex to the foregoing shares, Dennison will have a total ownership interest in PXP of 14.78%, while Philex will increase its shareholding in PXP from 19.76% to 25.91%.

About PXP Energy Corporation

PXP is an upstream oil and gas company incorporated in the Philippines whose shares are listed on the Philippine Stock Exchange. The Company directly and indirectly owns oil and gas exploration and production assets located in the Philippines, and indirectly owns an exploration asset located in offshore Peru.

For further information, please contact:

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