

19 August 2019

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

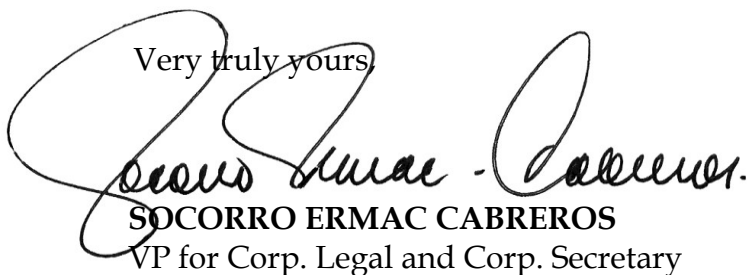
Atty. Joseph B. Evangelista
Head - Issuer Compliance and Disclosure Department (ICDD)

Gentlemen:

We are submitting herewith our letter reply clarification and confirmation submitted to the Philippines Stock Exchange pertaining to news article published in various newspapers on 17 August 2019, entitled "DOE extends permit for LNG project" posted in The Manila Times (Online Edition) on 17 August 2019.

Thank you and warm regards.

Very truly yours,



SOCORRO ERMAC CABRERROS
VP for Corp. Legal and Corp. Secretary

19 August 2019

Philippine Stock Exchange

Disclosure Department
6/F PSE Tower, 28th Street corner 5th Avenue
BGC, Taguig City, Metro Manila

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

Madam:

We write in reply to your letter dated 19 August 2019 seeking clarification and confirmation on the news article published in various newspaper on 17 August, 2019, entitled ““DoE extends permit for LNG project” posted in The Manila Times (Online Edition) on 17 August 2019, which reported:

“THE Department of Energy (DoE) has extended the permit of Tanglawan Philippine LNG Inc. — the joint venture of Phoenix Petroleum Philippines Inc. and China National Offshore Oil Company Gas and Power Group Co. Ltd. (CNOOC G&P) — to build a liquefied natural gas (LNG) facility.

In a chance interview on Friday, Energy Undersecretary Donato Marcos said the agency approved Tanglawan’s request to extend its notice to proceed (NTP) ‘last month’ which would expire in December or January next year.

‘Energy Secretary Alfonso Cusi already signed their request for an NTP extension,’ Marcos said.

The DoE issued the consortium’s NTP on Dec. 21, 2018 that was valid for six months. Earlier, Phoenix Petroleum said Tanglawan filed for an extension of its permit on June 20, 2019, two days before its expiration.

When asked why Tanglawan sought an extension, Marcos noted there are so many hurdles to overcome in the permitting process to develop the LNG terminal.

Under Department Circular DC2017-11-0012, also known as the Philippine Downstream Natural Gas Regulation (PDNGR), the Energy secretary holds the discretion to prolong the validity of the NTP for another six months.

....”

PPPI as well as Tanglawan which filed the NTP have yet to receive the notice of extension issued by the DOE.

Tanglawan Philippines LNG, Inc. is the intended Joint Venture Company between PPPI and CNOOC. The Joint Venture Agreement has yet to be finalized as of this writing.

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



We hope we have fully clarified on the above matter.

Very truly yours,

A handwritten signature in blue ink, which appears to read 'Socorro Ermac Cabreros'.

Atty. Socorro Ermac Cabreros
Corporate Secretary