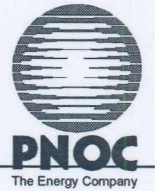


PNOC EXPLORATION CORPORATION

Merritt Road, Energy Center, Building 1, Fort Bonifacio, Taguig City, Philippines
P.O. Box 2102 MCPO Tel. No. 479-4900



October 8, 2009

The Philippine Stock Exchange
PSE Centre, Exchange Road
Ortigas Center, Pasig City 1605

Attn.: **Ms. JANET A. ENCARNACION**
Head- Disclosure Department

Gentlemen:

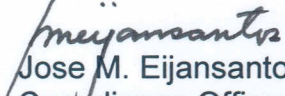
We reply to the letter of the Exchange dated October 8, 2009 which we have received on same date.

The letter of the Exchange refers to the news article entitled "PNOC EC privatization pushed to next year" published in the October 8, 2009 issue of the Malaya. The article reported in part that:

The privatization of the government's 40-percent stake in the Philippine National Oil Co. Exploration Corp. (PNOC-EC) may again be pushed to next year, an official said....

We clarify the above said article by reiterating our previous disclosure to the Exchange regarding the planned privatization of PNOC EC. PNOC EC is unaware of any dateline set for its privatization. Said privatization is being handled by the Department of Finance (DOF). The DOF has not sent any word to PNOC EC regarding the definite privatization of said Corporation.

Very truly yours,


Jose M. Eijasantos
Compliance Officer