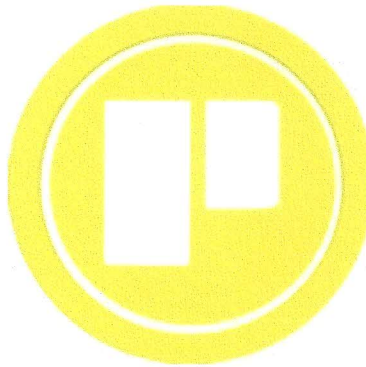


Corporate Information Officer of the disclosing party.



## The Philodrill Corporation OV

### PSE Disclosure Form 4-13 - Clarification of News Reports References: SRC Rule 17 (SEC Form 17-C) and Section 4.4 of the Revised Disclosure Rules

#### Subject of the Disclosure

clarification on the news article "Philodrill regains operatorship of Octon Block service contract" posted in the Manila Bulletin, January 8, 2015 issue (internet edition)

Source	Manila Bulletin
Subject of News Report	"Philodrill regains operatorship of Octon Block service contract"
Date of Publication	Jan 8, 2015

#### Clarification of News Report

This is to clarify the news article entitled "Philodrill regains operatorship of Octon Block service contract" posted in the January 8, 2015 issue of the Manila Bulletin (internet edition).

"The Philodrill Corporation has re-assumed operatorship of the Service Contract 6A – Octon Block effective January 1 this year, replacing erstwhile operator Pitkin Petroleum Limited which opted out of the Octon Block partnership following their decision not to proceed to Phase 2 of the Farm-in Agreement last July 11, 2011.

....

In anticipation of the transfer of operatorship by yearend last 2014, Philodrill has prepared and already secured approval for the SC 6A Octon Block 2015 Work Program from the Department of Energy in November, 2014. The approved work program was designed to provide continuity to the works previously done by Pitkin Petroleum among them, continue present exploration efforts to identify and mature prospects to drillable status.

....

Philodrill and Pitkin Petroleum are now working on the documents that will formally re-convey Pitkin's participating interest back to the continuing consortium partners. Subject to approval of the Department of Energy, the following will be the composition of the new Service Contract 6A Consortium with Philodrill

Corporation having equity worth 51.650 % followed by Petro Energy Resources Corporation with 16.670%, Anglo Philippine Holdings, Inc. with 11.110%, Trans-Asia Petroleum Corporation with 7.780%, Forum Energy Philippines, Inc. with 5.560%, Philex Petroleum Corporation with 5.560% and Alcorn Petroleum and Minerals Corporation with equity of 1.670%."

As previously disclosed to the PSE on September 5, 2014, Pitkin Petroleum Plc. (Pitkin), operator of Service Contract 6A (Octon Block), has informed the consortium partners of its decision not to exercise its option under the Farm-in-Agreement to proceed with Phase 2 of the Block's Work Program.

Consequently, with its decision not to proceed, Pitkin has commenced the process of re-conveying its participating interest back to the consortium (i.e., The Philodrill Corporation, Petro Energy Resources Corporation, Anglo Philippine Holdings, Inc., Trans-Asia Petroleum Corporation, Philex Petroleum Corporation and Alcorn Petroleum and Minerals Corporation). As stated in the article, the parties are now working on the documentary requirements for the formal transfer. The transfer is also subject to the approval of the Department of Energy (DOE), which has not been secured at this time.

Rest assured that the Company will promptly disclose the formal transfer of the participating interest in Octon Block as soon as the DOE has approved the same.

**Other Relevant Information**

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**Filed on behalf by:**

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