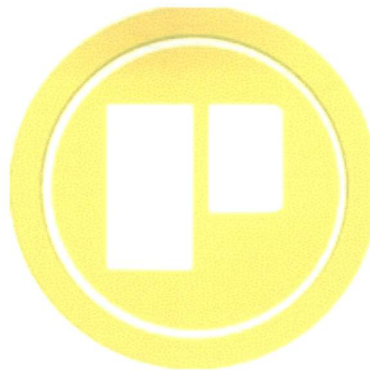


Corporate Information Officer of the disclosing party.



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 OF NEWS REPORT

Source	BUSINESSWORLD ONLINE
Subject of News Report	Philodrill earnings fall Jan-May"
Date of Publication	Jun 17, 2015

Clarification of News Report

"OIL exploration firm The Philodrill Corp. saw a steep decline in earnings in the first five months of 2015, weighed by lower oil prices and a drop in production.

During the company's stockholders' meeting in Mandaluyong City yesterday, Philodrill Treasurer and Vice-President Reynaldo E. Nazarea said net income dropped 82% to P43.5 million in the January to May period from P237 million a year ago.

Revenues declined 55% to P242 million during the five-month period from P536 million a year ago.

'It's a natural depletion of the wells and the significant drop in prices,' Mr. Nazarea said.

Of the total revenues, petroleum operations accounted for P218 million, equity in net earnings of associates at P8.6 million, and interest and other revenues at P14.6 million.

Production from Galoc field reached 953,600 barrels, down 28% year on year while production from the Nido, Matinloc and North Matinloc fields was 2% lower at close to 66,000 barrels.

Galoc crude fetched an average price of \$60.88 per barrel, a 39% decline from year-earlier figures. Crude from Nido, Matinloc and North Matinloc operations were sold at an average of \$54.30 per barrel, lower by 36% year-on-year.

Philodrill has interests in 11 service contracts in the Philippines, including a 7.21% stake in SC 14C1 --

located in waters northwest of Palawan -- which covers the Galoc oil field.

'Next year, we plan to drill two additional wells in Galoc so we can boost our production. Hopefully with the better prices and the higher production, revenues will increase,' Mr. Nazarea said."

The figures quoted above are consistent with the report that was given as part of the updates to the shareholders of The Philodrill Corporation. In order to make the update more recent, the Treasurer gave the report as of May 2015. Note however, that the figures are based on interim unaudited report, which Quarterly report (as of June 2015) will be submitted to the Exchange in due time.

We emphasize that it was not intended for press release but to inform our valued shareholders of the current status of the Company.

On the "plan to drill two wells in Galoc", while talks on this plan are currently ongoing, the final investment decision will be made by the consortium after the Operations Committee meeting in July.

Other Relevant Information

-

Filed on behalf by:

Name

Josephine Ilas

Designation

Assistant Corporate Secretary