



**August 12, 2008**

**Philippine Stock Exchange, Inc.**  
4/F PSE Center, Exchange Road  
Ortigas Center, Pasig City

**Attention: Atty. Pete M. Malabanan**  
**Head, Disclosure Department**

**Subject : Lumba Lumba-1A Exploration Well Update**

Gentlemen:

Lumba Lumba-1A has been drilled to 2,175 meters Measured Depth and wireline logs have been run over the shallow objective levels. The rig is currently preparing to drill ahead to the planned total depth of around 3,000 meters Measured Depth which is anticipated to take 7-10 days.

Lumba Lumba is designed to test a large inversion structure with multiple objectives in interpreted channel and fan complexes. Independent of the Lumba Lumba-1A results various high impact independent play concepts exist in SC 41 that are being matured for future drilling.

This formal written advise is submitted in compliance with the rules and regulations of the Philippine Stock Exchange.

Very truly yours,

**ADRIAN S. ARIAS**  
Executive Vice President/  
Asst. Corporate Secretary