



THE PHILODRILL CORPORATION

QUAD ALPHA CENTRUM, 125 PIONEER ST., MANDALUYONG CITY, PHILIPPINES
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23 June 2009

THE DISCLOSURE DEPARTMENT
4/F The Philippine Stock Exchange, Inc.
PSE Centre, Exchange Road, Ortigas Center
Pasig City

Attention: **MS. JANET A. ENCARNACION**
Head – Disclosure Department

Gentlemen:

Please find attached press release from Galoc Production Company in connection with the Galoc Field Development Project in which our Company is involved.

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

Very truly yours,

ADRIAN S. ARIAS
Corporate Secretary

23 June 2009

Galoc Field – Declaration of Commerciality

GPC is pleased to advise the Extended Test undertaken at the Galoc Field has been concluded. The data obtained during the Extended Test has proved invaluable in providing sufficient confidence in reservoir performance to justify commencement of long term production.

Production will be continued from the existing 2 wells, meanwhile assessment of the potential for additional incremental development is underway. Performance of the reservoir, production facilities and uncertainty in the oil price over the next 3-6 months will be key considerations in this assessment.

Additional Notes

General Information

The Galoc field is located in Service Contract SC14-C (Galoc Sub Block) in 290m of water approximately 65km north west of Palawan in the Republic of the Philippines. The development involved the construction of two subsea completed horizontal production wells, with extended reservoir contacts, tied back to a Floating Production Storage and Offloading ("FPSO") facility via a short seabed pipeline and mid water riser system. Most likely oil reserves as estimated at time of commitment to the development in 2006, is approximately 10 million barrels. The reserves estimate and requirement for additional wells and facility capacity will be reassessed following an analysis of results from initial field production performance.

The participating interests in the Galoc Field are as follows:

Participant	Participating Interest %
Galoc Production Company W.L.L. ¹ (Operator)	58.29
Nido Petroleum Philippines Pty Ltd (a subsidiary of Nido Petroleum Limited)	22.28
The Philodrill Corporation	7.03
Oriental Petroleum & Minerals Corporation/ Linapacan Oil Gas & Power Corporation	7.57
Forum Energy Philippines Corporation	2.27
Alcorn Gold Resources Corporation	1.53
PetroEnergy Resources Corporation	1.03

Galoc Production Company is owned by;

Vitol Group	68.6%
Otto Energy Limited	31.4%

Further information on GPC and the Galoc Field can be obtained from:

- GPC's website www.galoc.com
- via email, at enquiry@galoc.com
- or by contacting
 - Jax Mariano
Tel: +63 918 9109581