



THE PHILODRILL CORPORATION

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27 October 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

Galoc Field – Temporary Suspension of Production

GPC advise that production from the Galoc Field, offshore the Philippines, has been temporarily suspended with the FPSO storage being full as a result of an ongoing delay to a scheduled offloading. This delay is due to a problem with the export hose, a replacement for which has been sourced and is being mobilized from Singapore which will allow off loading during week commencing 9th November. Equipment to undertake alternative off-loading operation is presently available in the field and may be implemented given a suitable opportunity. Meantime the FPSO remains in the field connected to the mooring and riser system and production will recommence once offloading has been undertaken.

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)	59.84473
Nido Petroleum Philippines Pty Ltd	22.87952
Oriental Petroleum & Minerals Corporation/ Linapacan Oil Gas & Power Corporation	7.78505
The Philodrill Corporation	7.21495
Forum Energy Philippines Corporation	2.27575

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
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