



PGI to enter Sub-Phase 5 of Service Contract 55

Pryce Gases, Inc. (PGI), along with a consortium partner, has decided to enter Sub-Phase 5 of Service Contract 55 (SC 55) which will be effective on August 26, 2019. This is without prejudice to the consortium exercising its option to enter the Appraisal Period on or before August 26, 2019.

PGI's entry into Sub-Phase 5 will mean the drilling of one ultra deepwater well at the cost of at least US\$ 3.0 million. Alternatively, the consortium may opt to enter an Appraisal Period, which will require the implementation of an Appraisal Work Program. This Program has to be approved by the Department of Energy, and may involve the drilling of an Appraisal Well.

SC 55 is a deep-water block located in the southwest Palawan Basin, covering an area of 9,880 sq. km. It is in the middle of a proven regional oil and gas fairway that extends from the productive Borneo offshore region in the southwest, to the offshore Philippine production assets northwest of Palawan.

PGI acquired its interest in SC 55 in July 2015 via a farmin agreement with Otto Energy Philippines, Inc., former operator and ex-consortium partner. PGI has a 25% participating interest in SC 55.

PGI is a subsidiary of Pryce Corporation and is principally engaged in the importation, distribution, and retail sale of liquefied petroleum gas or LPG.

July 23, 2019



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