

NOTICE OF AWARD

04 April 2011

MR. GEMILIANO C. LOPEZ, JR.
PNOC Exploration Corporation
Building 1 Energy Center Merritt Road
Fort Bonifacio, Taguig City

ATTENTION : **MR. JONEIL A. MAGPANTAY**
Supervisor

MR. NOEL A. DE ASIS
Account Executive

SUBJECT : **Supply and Delivery of 80,000 MT ± 10% of Local Blended Coal to PSALM Corporation for CY 2011**

Dear Mr. Lopez:

This is to inform you that your bid for the supply and delivery of 80,000 MT ± 10% of Local Blended Coal to PSALM Corporation for CY 2011 for the following plant is accepted:

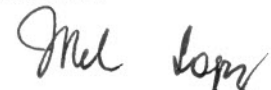
Name of Plant	Contract Amount (PhP)
Naga Power Plant Complex	FOUR HUNDRED NINETY EIGHT MILLION NINE HUNDRED TEN THOUSAND SEVEN HUNDRED AND TWENTY PESOS (Php 498,910,720.00)

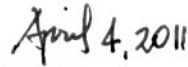
You are required to provide performance security for the above mentioned plant in the form and amount stipulated in the Instructions to Bidders within ten (10) days from receipt of this Notice. Failure on your part to provide the performance security shall constitute sufficient ground for cancellation of the award and forfeiture of the bid security.

Very truly yours,


EMMANUEL R. LEDESMA, JR.
President and CEO

Conforme:


GEMILIANO C. LOPEZ, JR.
Authorized Representative


Date