



PXP ENERGY CORPORATION  
*(formerly Philex Petroleum Corporation)*  
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Confirmation Statement from PXP Energy's Board Risk and Resource Oversight Committee:

February 24, 2020

**The Audit and Risk Management Committee**

First Pacific Company Limited  
24<sup>th</sup> Floor, Two Exchange Square  
8 Connaught Place  
Hong Kong

Dear Committee Members,

This is to inform you that the Board Risk and Resource Oversight Committee (BRROC) of PXP Energy Corporation ("PXP Energy") has conducted a review of the effectiveness of PXP Energy Group's (including its subsidiaries, major associated companies and joint ventures) Enterprise Risk Management (ERM) systems for the 6-month period ended 31 December 2019. The review covered all material strategic, financial, operational and compliance risks.

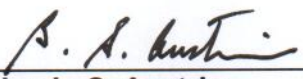
Please refer to the attached summary report for the year ended 31 December 2019 highlighting the key enterprise risks identified and the corresponding mitigation measures to address these risks.


Based on our evaluation of PXP Energy's ERM process, reviewing the periodic ERM report, and discussions with the Chief Risk Officer as well as the external auditor, we have assured ourselves that the material risks have been identified, evaluated, managed and reported appropriately.

We have not noticed any material deviation from local as well as Hong Kong Listing Rules requirements, including Inside Information.

We hope that this letter is sufficient for your requirements.

Sincerely yours,

  
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**Benjamin S. Austria**  
Chairman of the BRROC  
PXP Energy Corporation

  
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**Mark Raymond H. Rilles**  
Chief Risk Officer  
PXP Energy Corporation