

**PNOC ENERGY DEVELOPMENT CORPORATION
ANNUAL STOCKHOLDERS' MEETING
June 14, 2007**

PROXY FORM

This proxy is being solicited on behalf of the Board of Directors of PNOC ENERGY DEVELOPMENT CORPORATION, (the "Company") for voting at the annual stockholders' meeting to be held on June 14, 2007 at 2:00 p.m. at EDC's head office located at Building 5, Fifth Floor, Energy Center, Merritt Road, Fort Bonifacio, Taguig City.

I, the undersigned stockholder of the Company, do hereby appoint, name and constitute:

or, in his absence,

the Chairman of the Meeting, or in the latter's absence, the Secretary of the Meeting, as my attorney-in-fact and proxy, to represent me at the annual stockholders' meeting of the Company to be held on June 14, 2007 at 2:00 p.m. and any adjournment(s) thereof, as fully and to all intents and purposes as I might or could if present and voting in person, hereby ratifying and confirming any and all actions taken on matters which may properly come before such meeting or adjournment(s) thereof. In particular, I hereby direct my said proxy to vote on the agenda items set forth below as I have expressly indicated by marking the same with an "X".

AGENDA ITEMS OTHER THAN THE ELECTION OF BOARD OF DIRECTORS	ACTION		
	FOR	AGAINST	ABSTAIN
1. Approval of Minutes of Previous Meeting			
2. Approval of Management Report and Audited Financial Statements for the year ended December 31, 2006			
3. Confirmation and ratification of all acts and resolutions of Management and the Board of Directors from the beginning of the last fiscal year to date as reflected in the books and records of the Company			
4. Approval of the increase in authorized capital stock to Php 15.075 Billion by way of the creation of Php 75 Million worth of preferred shares			
5. Approval of an amendment to the articles of incorporation by including a provision on the denial of preemptive right with regard to the issuance of preferred shares			
6. Approval of directors' compensation			

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JUNE 14, 2007

7. Other Matters	According to Proxy's Discretion		
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ELECTION OF BOARD OF DIRECTORS

I further instruct my proxy to vote for the following nominees to the Board of Directors to serve as such for the current year.

(Please mark with an "X" the space across your chosen nominees. In case you prefer to abstain or elect less than 11 Directors, please indicate "ABSTAIN" or "NONE" in the space below.):

NOMINEES FOR REGULAR DIRECTOR:

_____ : _____
 _____ : _____
 _____ : _____
 _____ : _____
 _____ : _____
 _____ : _____
 _____ : _____

NOMINEES FOR INDEPENDENT DIRECTOR:

EDGARDO A. BAUTISTA: _____
 ERIC O RECTO: _____
 _____ : _____

IN CASE A PROXY FORM IS SIGNED AND RETURNED IN BLANK

If no instructions are indicated on a returned and duly signed proxy, the shares represented by the proxy will be voted: FOR the approval of the minutes of previous meeting of the stockholders; FOR the approval of the Management Report and audited financial statements for year ended December 31, 2006; FOR the confirmation and ratification of all acts and resolutions of Management and the Board of Directors from the beginning of the last fiscal year to date as reflected in the books and records of the Company; FOR the approval of the increase in authorized capital stock to Php 15.075 Billion by way of creation of Php 75 Million worth of preferred shares; FOR the approval of the amendment of the Articles of Incorporation by including a provision on the denial of the preemptive right with regard to the issuance of preferred shares; FOR the approval of directors' compensation; and to authorize the Proxy to vote according to discretion of the Chairman of the Meeting on the "Election of Board of Directors" and on any matter that may be discussed under "Other Matters".

A Proxy Form that is returned without a signature shall not be valid.

P R O X Y F O R M
PNOC ENERGY DEVELOPMENT CORPORATION
ANNUAL STOCKHOLDERS MEETING
JUNE 14, 2007

VALIDATION OF PROXIES

Proxy forms shall be validated as these are received by the Corporate Secretary, provided that the proxy forms are submitted to the Company on or before 6:00 p.m. of June 4, 2007.

REVOCAION OF PROXIES

A stockholder giving a proxy has the power to revoke it any time before the right granted is exercised. A proxy is also considered revoked if the stockholder attends the meeting in person and expresses his intention to vote in person.

Signed this _____ 2007 at _____.
(DATE) (PLACE)

Printed Name of Stockholder

**Signature of Stockholder or
Authorized Signatory**

[*N.B.: Partnership, Corporations and Associations must attach certified resolutions or extracts thereof designating Proxy/Representing and authorized signatories]

PLEASE DATE AND SIGN YOUR PROXY

PLEASE MARK, SIGN AND RETURN YOUR PROXY BY HAND OR MAIL (IN TIME FOR IT TO REACH THE COMPANY)
ON OR BEFORE 6:00 P.M. of JUNE 4, 2007 TO THE FOLLOWING ADDRESS:

PNOC ENERGY DEVELOPMENT CORP.
Building 5, Fifth Floor, Energy Center
Merritt Road, Fort Bonifacio, Taguig City

Attention: Mr. Erudito S. Recio
Senior Manager, Investment Relations