



Santiago, December 8, 2016

MATERIAL INFORMATION

Empresa Nacional del Petróleo
State-owned Company
Securities Register No. 783

Mr. Carlos Pavez
Superintendent
Superintendency of Securities and Insurance
Avenida Libertador Bernardo O'Higgins 1449, 8th Floor
Santiago

**Re: Notification of Purchase of Participation
Interests**

Dear Sir:

Pursuant to the stated in Articles 9 and 10 paragraph 2 of the Securities Market Law N° 18,045, and in General Rules N° 30 and N° 346 of this Superintendency, and being duly authorized, I hereby inform the following as Material Information.

On December 7, 2016, Enap Refinerías S.A., a subsidiary of Empresa Nacional del Petróleo, acquired 85% of the participation interest in Petropower Energía Limitada, from Energía Holdings LLC, an existing company under the laws of the State of Delaware, United States of America.

Petropower Energía Limitada, is a limited liability company, incorporated in 1993, whose main focus is the production of energy, steam and certain interconnection systems. It should be noted that the Company's cogeneration plant aims to ensure the operational continuity of Biobío Refinery, owned by Enap Refinerías S.A., supplying it with high-pressure steam, demineralized water and electrical power needed for production processes. The surplus produced by the cogeneration unit is sold to third parties.

This investment will be accounted for by applying the "acquisition method" in accordance with IFRS 3 "Business Combination". Therefore, management is determining the fair values of the assets and liabilities acquired.

Finally, after this operation, Petropower Energía Limitada is owned by Empresa Nacional del Petróleo, which maintains its original share of 7.5%, and Enap Refinerías S.A. that owns a 92.5% participation interest, thus strengthening ENAP's position in the power business, consistent with the company's Strategic Plan.

Sincerely,

Marcelo Tokman Ramos
Chief Executive Officer
Empresa Nacional del Petróleo