

22 February 2016

Ms. Janet A. Encarnacion
Head, Disclosure Department
Philippine Stock Exchange
Makati City, Metro Manila

Dear **Ms. Encarnacion**:

At about 4:00 in the afternoon of 20 February 2016, Saturday, within the premises of Phoenix Petroterminals Industrial Park (PPIP) in Calaca, Batangas, a fire broke out in the LPG plant of South Pacific Inc. (SPI), a new locator within the PPIP primarily engaged in the importation and wholesale distribution of LPG.

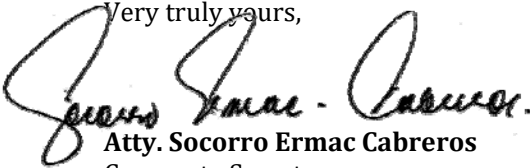
By 4am of 21 February 2016, Sunday, the fire was already contained within the SPI Plant area with resolution from the fire marshal to burn off the remaining LPG stored in the plant.

For the part of Phoenix Petroleum Philippines, Inc. (the Company) which maintains its terminal facilities within PPIP in Calaca, Batangas, all efforts continuous to be exerted on a 24 hour basis to protect and preserve the properties especially its storage facilities for the safety of the community, environment as well as its personnel and residents within the area. The Company is likewise coordinating with the Local Government Unit of Calaca, Batangas together with SPI in providing assistance to those residents who were relocated by the LGU for safety reasons and thus greatly affected.

We would like to clarify that the fire or accident does not involve the facilities of the Company but that of its locator which is located within the premises of Phoenix Petroterminals Industrial Park, a property owned by the Company's subsidiary, Phoenix Petroterminals & Industrial Park Corp. (PPIPC)

We are submitting this disclosure for purposes of apprising its investors and the general public.

Thank you and warm regards.

Very truly yours,

Atty. Socorro Ermac Cabreros
Corporate Secretary