



November 17, 2009

**Janet A. Encarnacion**

Head, Disclosure Department  
Philippine Stock Exchange  
PSE Center, Exchange Road  
Ortigas, Pasig City

Mdms:

This is to clarify our disclosure on the Subscription Agreement executed between our Company and SSS yesterday afternoon.

While the Agreement provides for the aggregate purchase of up to 10% of the Company's outstanding capital stock, the initial actual purchase of 7,500,000 common shares is only about 2.83% of the outstanding capital stock at present. There is no guaranty that subsequent primary issuances to the SSS, if they pursue any further purchases, would bring the aggregate purchases to the agreed-upon ceiling. Any prospective number of shares to be subscribed would depend on market conditions and will entirely be at the discretion of the SSS.

We hope we have clarified this matter from our end.

Thank you.

Very truly yours,

A handwritten signature in black ink, appearing to read "Socorro Ermac Cabreros".

**Atty. Socorro Ermac Cabreros**  
Corporate Secretary

**PHOENIX PETROLEUM PHILIPPINES, INC.**