



18 May 2010

Ms. Janet A. Encarnacion
Head, Disclosure Department
Philippine Stock Exchange
One Exchange Road
Ortigas Center, Pasig City

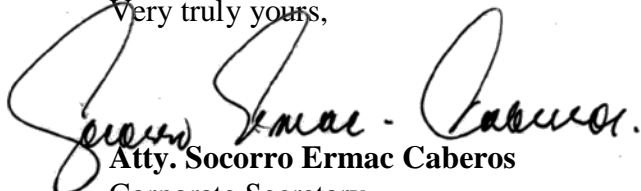
Dear *Mr. Encarnacion*:

We would like to submit the attached press statement in relation to the SSS investment with our Company.

This disclosure is made pursuant to Revised Disclosure Rules and the SRC.

Thank you.

Very truly yours,


Atty. Socorro Ermac Caberos
Corporate Secretary

PHOENIX PETROLEUM PHILIPPINES, INC.

Head Office: Phoenix Bulk Depot, Lanang, Davao City 8000, Philippines
Davao Tel : 082-302-5998 Fax: 082- 235-8888

Manila Office: 25/F Fort Legend Towers, 3rd Ave. Corner 31st Street, Fort Bonifacio, Global City, 1634 Taguig City, Philippines
Manila Telefax: 02-403-4013; 403-4025 to 27
www.phoenixphilippines.com



SOCIAL SECURITY SYSTEM ACQUIRES 9.68% STAKE IN PHOENIX PETROLEUM

The Social Security System's (SSS) ownership in Phoenix Petroleum Philippines, Inc. (PNX.PS) stands at 9.68% of the Company's issued and outstanding shares as of March 31, 2010. This ownership in Phoenix combines the secondary shares accumulated by the SSS based on the Philippine Depository Trust Corporation beneficial ownership report dated March 31, 2010 and the 7,500,000 primary shares subscribed from Phoenix last November 2009. Phoenix Petroleum is one of the companies approved for inclusion in the equities portfolio of the SSS under the Small Market Cap Investment program it launched in 2009.

Phoenix President and CEO Dennis Uy noted that "The decision of the Social Security System to invest in the country's only publicly-traded independent oil company is a very welcome development and we view this as a vote of confidence in the future of an emerging player in the downstream petroleum sector". He further added that "We believe that Phoenix's history of profitable growth, increasing market visibility and great potential to realize its vision of becoming the leading independent oil player continues to attract appreciative investors such as the SSS."

SSS President Romulo L. Neri remarked that "The investment in Phoenix Petroleum is in pursuit of our basic commitment to our members that their contributions will flow into investments that would yield good returns at a manageable level of risk. We believe that with its track record and its positive business prospects, our addition of Phoenix Petroleum to the SSS's list of investments was a good decision."

The Company continued to deliver growth in 2009 with consolidated core net earnings of PhP178 million or 18.5% higher than 2008's PhP150 million, derived out of 2009 consolidated revenues of PhP5.87 billion which was 27.3% over the prior year's PhP4.62 billion. The underlying growth drivers were the 81% rise in fuel sales volume and the 39.5% expansion in its retail station network, from 86 stations in 2008 to 120 stations by end-2009. The Company also recently reported a 113% rise in fuel sales for the first quarter of 2010 over the same period in 2009 which yielded a 145% quarter on quarter fuel revenues jump.

- 0 -

Phoenix Petroleum Philippines, Inc. is a leading domestic independent petroleum company engaged in the storage, hauling and distribution of petroleum products in the Philippine market through its national retail network and to institutional accounts.

This announcement may contain forward-looking statements which are identified by words including, but not limited to, "believes", "may", "will", "estimates", "continues", "anticipates", "intends" "expects" and similar words. In light of the risks and uncertainties associated with forward-looking statements, readers of this announcement should be aware that the forward-looking events and

circumstances in this announcement might not occur. The Company has based these forward-looking statements largely on its current expectations about future events and financial trends affecting its business and operations.

Reference:

Atty. Raymond T. Zorrilla, AVP for Corporate Affairs

Trunk: +632 4034013

Fax: +632 4034009

Email: raymond.zorrilla@phoenixphilippines.com