



CIRCULAR

The Philippine Stock Exchange, Inc.

<input checked="" type="checkbox"/>	Disclosures	<input type="checkbox"/>	Stockholders' Meeting	Others:	<u>Trading Halt</u>
<input type="checkbox"/>	Dividend Notice	<input type="checkbox"/>	SEC / Gov't Issuance		
<input type="checkbox"/>	Stock Rights Notice	<input type="checkbox"/>	Transfer Agent's Notice		

To : **THE INVESTING PUBLIC AND TRADING PARTICIPANTS**

Company : **PHOENIX PETROLEUM PHILIPPINES, INC.**
Trading Halt

Date : **July 9, 2012**

Phoenix Petroleum Philippines, Inc. ("PNX" or the "Company") submitted to the Exchange the attached disclosure dated July 6, 2012 pertaining to the matters approved by the Company's Board of Directors, which stated that:

We would like to announce that the Board of Directors, as of date, has approved the following matters:

1. Issuance of Convertible Notes worth Php500 million with issuance of Php180 million warrant with BDO Universal Bank.
....
2. Amendment of the Article (*sic*) of Incorporation particularly Article II paragraph 3 on Secondary Purpose. . .
....
3. Engagement and appointment of the services of Evercore Asia Limited as Financial Advisor for purposes of capital raising activities and such other investment transactions.
4. Amendment of the Article III Section 1(a) on Composition on the Board of Directors increasing the number from nine (9) to eleven (11).
5. Conduct of a Special Stockholders Meeting on 06 September 2012 at 2:00 o'clock in the afternoon. . .
6. Strategic acquisition of 100% shares of stock of Chelsea Shipping Corporation (Chelsea) via Share-for-Share swap to ensure control of product supply and minimize and eliminate potential risk of supply disruptions due to scarcity of tanker vessels.

FID/CSD	Market Regulation Division	Issuer Regulation Division	Information Technology Division	Capital Markets Dev't Division	Office of the General Counsel
Tel. No. 688-7561/688-7508	Tel. No. 688-7541	Tel. No. 688-7510	Tel. No. 688-7480	Tel. No. 688-7534	Tel. No. 688-7411



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Subject to the approval of the stockholders, the Company shall acquire Chelsea via Share-for-Share Swap with purchase price based on 30-day Volume Weight Average Price (VWAP) from 24 May 2012 to 05 July 2012 or at Php 8.2931 per share. Payment mode shall consist of 90% share swap and 10% cash to cover for payment of taxes. The purchase price was negotiated using as basis an Independent Fairness Opinion Assessment submitted by Penta Capital Investment Corporation (Penta). The price is based on the midpoint valuation as recommended (sic)

Thus, the Company shall issue 171,250,799 common shares of the Company's authorized but unissued capital stock for an implied value of approximately Php1,420,200,001.18.

Chelsea Shipping Corp. is 100% owned by Udenna Management & Resources Corp. (UMRC), an existing stockholder of the Company. Chelsea was incorporated in July 17, 2006 and presently has 10 vessels in its fleet, two of which serve the regional trade route (Taiwan to Philippines). Chelsea owns the largest Philippine-registered oil tanker "M/T Chelsea Thelma" with 9366 GRT. With 19,561 GRT, Chelsea is among the top 5 major tanker owners in the country. In addition to the Company, Chelsea is serving Cebu Pacific Air, Inc., PTT Philippines, Inc., Total Bulk Corporation (which services Philippine Airlines and Air Philippines), Batangas Bay Carriers, Inc. and Maritime Fuels Philippines, Inc. of the Magsaysay Group of Companies.

The foregoing transaction shall be submitted for approval of the stockholders during the Special Stockholders' Meeting on 06 September 2012.

In relation to the above-mentioned matters, the Company furnished the Exchange the following press statements:

1. "Phoenix Petroleum to acquire Chelsea Shipping Corporation"; and
2. "Phoenix Petroleum to issue P500-million convertible notes to BDO".

Please be advised that the Company's share-for-share swap transaction is subject to the following provisions of the Rule on Additional Listing of Securities:

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SECTION 1. Rule on Additional Listing of Shares – The Rule shall apply to transactions resulting into issuance by a listed company (“Issuer”) of new voting shares to any party or to any persons acting in concert (“Subscriber/s”) amounting to **at least ten percent (10%) but not more than thirty-five percent (35%)** of the total issued and outstanding capital stock of the Issuer through a single or creeping transactions within a period of twelve (12) months from the initial disclosure. Such transactions may include private placements, share swaps, property-for-share swaps, or conversion of securities into equity.

....

SECTION 3. Trading Halt – The trading of the shares of the Issuer shall be halted for one (1) hour upon announcement or disclosure of any information leading to the transaction(s). Another one (1) hour trading halt shall be implemented upon dissemination of the Comprehensive Corporate Disclosure required herewith.

Given the foregoing, the Exchange will implement a one (1) hour trading halt on PNX shares today, July 9, 2012, which will commence at 9:00 a.m. and will be lifted at 10:00 a.m.

The Exchange will inform the Trading Participants and the investing public of further developments on the matter.

For the information and guidance of the investing public.

(Original Signed)
JANET A. ENCARNACION
 Head, Disclosure Department

Noted by:

(Original Signed)
MARSHA M. RESURRECCION
 Head, Issuer Regulation Division

FID/CSD	Market Regulation Division	Issuer Regulation Division	Information Technology Division	Capital Markets Dev't Division	Office of the General Counsel
Tel. No. 688-7561/688-7508	Tel. No. 688-7541	Tel. No. 688-7510	Tel. No. 688-7480	Tel. No. 688-7534	Tel. No. 688-7411



06 July 2012

Ms. Janet A. Encarnacion
Head, Disclosure Department
4/F, PSE Center
Ayala Triangle, Ayala Ave.
Makati City

Dear *Ms. Encarnacion*:

We would like to announce that the Board of Directors, as of date, has approved the following matters:

1. Issuance of Convertible Notes worth Php500 million with issuance of Php180 million warrant with BDO Universal Bank.

The above transaction particularly on the issuance of warrants shall be subject to the approval of the stockholders during the Special Stockholders' Meeting on 06 September 2012.

2. Amendment of the Article of Incorporation particularly Article II paragraph 3 on Secondary Purpose to read as follows:

SECONDARY PURPOSES

1. x x x x x x
2. *To purchase, acquire, own, lease, sell and convey real properties, such as lands, buildings, factories and warehouses, machinery, equipment and other personal properties as may be necessary or beneficial to the conduct of corporate activities and other related activities advanced by the Corporation and to pay in cash, shares of its capital stock, debentures and other evidences of indebtedness or other securities, as may be deemed expedient, for any business or property acquired by the corporation;*
3. *To borrow or raise money necessary to meet the financial requirements of its activities by the issuance of bonds, promissory notes and other evidences of indebtedness, including issuance of any types of derivatives and notes and*



other securities and to secure repayment thereof by mortgage, pledge, deed of trust or lien upon the properties of the corporation or to issue pursuant to law shares of its capital stock, debentures and other evidence of indebtedness in payment for properties acquired by the corporation or for money borrowed in the prosecution of its lawful business;

4. To invest and deal with the money and properties of the corporation in such a manner as may from time to time be considered wise or expedient for the advancement of its interest and to sell, dispose of, or transfer the business, properties and goodwill of the corporation or any part thereof for such consideration and under such terms as it shall see fit to accept;
5. To enter into any lawful arrangement for sharing of profits, union of interest, utilization or far mount agreement, reciprocal concession, or cooperation with any corporation, association, partnership, syndicate, entity, person or government, municipal or public authority, domestic or foreign, in the carrying on of any transaction deemed necessary, convenient, or incidental in the carrying out any of the purpose of the corporation.
6. To acquire or obtain from any government or authority, national, provincial, municipal or otherwise, or any corporation, company, partnership or person, such charter, contracts, franchise, privileges, exemption, licenses and concessions as may be conducive to any of the objects of the corporation;
7. To establish and operate one or more branch offices or agencies and to carry on any or all of its operations and business without any restrictions as to place or amount including the right to hold, purchase or otherwise acquire, lease, mortgage, pledge, and convey or otherwise deal in and with real and personal property anywhere within the Philippines; and
8. Generally, to do every and other act and things necessary, suitable or proper for the accomplishment of the business of the corporation as may now or hereafter be authorized by law, and to perform any and all acts connected with the business above-defined or arising therefrom or incidental thereto." "

3. Engagement and appointment of the services of Evercore Asia Limited as Financial Adviser for purposes of capital raising activities and such other investment transactions.



4. Amendment of the Article III Section 1(a) on Composition on the Board of Directors increasing the number from nine (9) to eleven (11).
5. Conduct of a Special Stockholders Meeting on 06 September 2012 at 2:00 o'clock in the afternoon. Venue shall be announced at the appropriate time.
6. Strategic acquisition of 100% shares of stock of Chelsea Shipping Corporation. (Chelsea) via Share-for-Share swap to ensure control of product supply and minimize and eliminate potential risk of supply disruptions due to scarcity of tanker vessels.

Subject to the approval of the stockholders, the Company shall acquire Chelsea via Share-for-Share Swap with purchase price based on 30-day Volume Weight Average Price (VWAP) from 24 May 2012 to 05 July 2012 or at Php 8.2931 per share. Payment mode shall consist of 90% share swap and 10% cash to cover for payment of taxes. The purchase price was negotiated using as basis an Independent Fairness Opinion Assessment submitted by Penta Capital Investment Corporation (Penta). The price is based on the midpoint valuation as recommended

Thus, the Company shall issue 171,250,799 common shares of the Company's authorized but unissued capital stock for an implied value of approximately Php1,420,200,001.18.

Chelsea Shipping Corp. is 100% owned by Udenna Management & Resources Corp. (UMRC), an existing stockholder of the Company. Chelsea was incorporated in July 17, 2006 and presently has 10 vessels in its fleet, two of which serve the regional trade route (Taiwan to Philippines). Chelsea owns the largest Philippine-registered oil tanker "M/T Chelsea Thelma" with 9366 GRT. With 19,561 GRT, Chelsea is among the top 5 major tanker owners in the country. In addition to the Company, Chelsea is serving Cebu Pacific Air, Inc., PTT Philippines, Inc., Total Bulk Corporation (which services Philippine Airlines and Air Philippines), Batangas Bay Carriers, Inc. and Marine Fuels Philippines, Inc. of the Magsaysay Group of Companies.



The foregoing transaction shall be submitted for approval of the stockholders during the Special Stockholders' Meeting on 06 September 2012.

Thank you and warm regards.

Very truly yours,

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

Atty. Socorro Ermac Cabreros
Corporate Secretary



09 July 2012

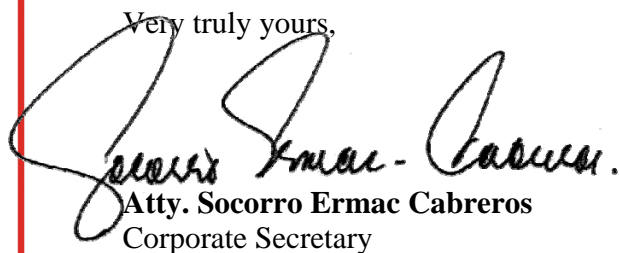
Ms. Janet A. Encarnacion
Head, Disclosure Department
Philippine Stock Exchange
3rd Flr, PSE Plaza, Ayala Triangle
Ayala Ave., Makati City

Dear *Ms. Encarnacion*:

We would like to submit our press statement in relation to the Company's disclosure last 06 July 2012 re acquisition of Chelsea Shipping Corp.

Thank you and warm regards.

Very truly yours,


Atty. Socorro Ermac Cabreros
Corporate Secretary

News Release

July 6, 2012



Phoenix Petroleum to acquire Chelsea Shipping Corporation

The Board of Directors of Phoenix Petroleum Philippines, Inc. has approved the Company's acquisition of Chelsea Shipping Corporation.

Phoenix Petroleum will acquire 100% shares of stock of Chelsea via Share-for-Share swap to ensure control of product supply and minimize and eliminate potential risk of supply disruptions due to scarcity of tanker vessels, the company disclosed to the Philippine Stock Exchange on Friday (July 6, 2012).

"The strategic acquisition of Chelsea Shipping is consistent with our goals of sustaining our competitiveness in the industry and fostering the long term success of our company," said Phoenix Petroleum President and CEO Dennis Uy.

The purchase price to acquire Chelsea is based on a 30-day Volume Weight Average Price (VWAP) from May 24 to July 5, 2012 or at Php 8.2931 per share. Payment mode will be 90% share swap and 10% cash to cover for payment of taxes. The purchase price was negotiated using as basis an Independent Fairness Opinion Assessment submitted by Penta Capital Investment Corporation (Penta). The price is based on the midpoint valuation as recommended.

Phoenix Petroleum will issue 171,250,799 common shares of the Company's authorized but unissued capital stock for a value of approximately Php1.42 billion.

Chelsea Shipping Corp. is 100% owned by Udenna Management & Resources Corp. (UMRC), an existing stockholder of Phoenix Petroleum. Chelsea was incorporated in 2006 and currently has 10 vessels in its fleet, two of which serve the regional trade route (Taiwan to Philippines. Chelsea owns the largest Philippine-registered oil tanker "M/T Chelsea Thelma" with 9366 GRT.

With a total fleet size of 19,561 GRT, Chelsea is among the top 5 major petroleum tanker owners in the country. It serves Phoenix Petroleum, Cebu Pacific Air, PTT Philippines, National Power Corporation, Total Bulk Corporation, and Batangas Bay Carriers, Inc. and Marine Fuels Philippines, Inc. of the Magsaysay Group of Companies. Chelsea also serves the bunkering requirements of U.S. Navy vessels calling at Subic Bay, and transports coconut oil for companies in Cebu.



Chelsea Shipping is fully compliant with the International Safety Management (ISM) System having upgraded from the National Safety Management (NSM) System.

Phoenix Petroleum's acquisition of Chelsea will be submitted for the approval of stockholders at the Special Stockholders' Meeting on September 6, 2012.



08 July 2012

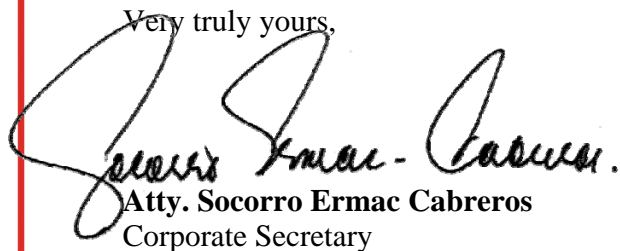
Ms. Janet A. Encarnacion
Head, Disclosure Department
Philippine Stock Exchange
3rd Flr, PSE Plaza, Ayala Triangle
Ayala Ave., Makati City

Dear *Ms. Encarnacion*:

We would like to announce and share the following press statement in relation to the Company's disclosure last Friday 06 July 2012.

Thank you and warm regards.

Very truly yours,


Atty. Socorro Ermac Cabreros
Corporate Secretary

July 6, 2012



Phoenix Petroleum to issue ₱500-million convertible notes to BDO

Leading independent Phoenix Petroleum Philippines, Inc. will issue a Php500 million SEC registration-exempt Convertible Corporate Note with Warrant Offering amounting to Php180 million with BDO Universal Bank, the company disclosed to the Philippine Stock Exchange last Friday (July 6, 2012).

“The issuance is part of our plan to raise long-term capital, to refinance short term debt, and finance capital expenditures for 2012,” said Phoenix Petroleum President and CEO Dennis Uy.

BDO Capital will act as exclusive underwriter/arranger for the convertible debt with warrants issue.

The transaction will be subject to the approval of stockholders during the Special Stockholders’ Meeting of Phoenix Petroleum on September 6.

Phoenix Petroleum Philippines is the fastest growing independent oil company today with an expanding network of operations nationwide. It is engaged in the business of trading refined petroleum products and lubricants, operation of oil depots and storage facilities, and allied services.

It was recently named one of the best managed small-cap companies in the Philippines in a poll by FinanceAsia magazine.