



06 September 2012

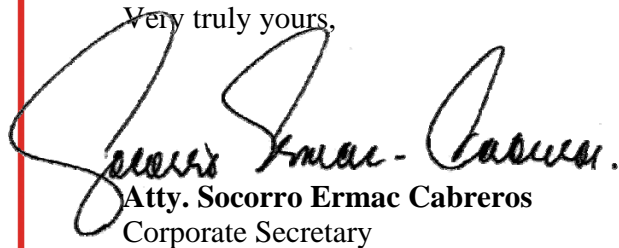
Ms. Janet A. Encarnacion
Head, Disclosure Department
Philippine Stock Exchange
3rd Flr, PSE Plaza, Ayala Triangle
Ayala Ave., Makati City

Dear *Ms. Encarnacion*:

We would like to submit the following press statement in relation to the results of the Special Stockholders Meeting held today, 06 September 2012 at the Marco Polo Davao.

Thank you and best regards.

Very truly yours,


Atty. Socorro Ermac Cabreros
Corporate Secretary

Sept. 6, 2012



Phoenix Petroleum stockholders approve BDO converts, purchase of Chelsea Shipping

Stockholders of Phoenix Petroleum Philippines approved the issuance of Php180,000,000 warrants in relation to the issuance of P500 million Convertible Notes and the acquisition of Chelsea Shipping Corporation, among other key corporate actions, at the Special Stockholders' Meeting on September 6, 2012 in Davao City.

The Php500-million SEC registration-exempt Convertible Corporate Note with Warrant Offering amounting to Php180 million is part of the Company's plan to raise long-term capital, finance capital expenditures for 2012, and refinance short term debt. Phoenix Petroleum and BDO Unibank signed the convertible debt with warrants issuance on July 11, with BDO Capital as sole arranger.

Phoenix Petroleum's acquisition of 100% shares of stock of Chelsea Shipping Corporation will be done via Share-for-Share swap. The purchase price to acquire Chelsea is based on 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.

With a total fleet size of 19,561 GRT, Chelsea is among the top 5 major petroleum tanker owners in the country, serving transportation, power, and bunkering industries. The acquisition of Chelsea Shipping will ensure control of product supply and is expected to result in savings from financial and operational efficiencies.

At the special meeting, Phoenix stockholders also approved the increase in the Board of Directors from 9 to 11 members as well as the amendment of the secondary purpose to include among others the issuance of other types of derivatives in support of the acquisition of Chelsea Shipping and the warrant issuance to BDO Unibank, respectively.

Phoenix Petroleum Philippines is the leading independent oil company 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 and transport services.