

**MINUTES OF THE ANNUAL MEETING
OF THE STOCKHOLDERS OF**

P-H-O-E-N-I-X PETROLEUM PHILIPPINES, INC.

Marco Polo Hotel

C.M. Recto Street, Davao City

March 08, 2013, 2:00 p.m.

Number of Shares Represented: 969,558,252

Number of Shares Outstanding: 1,104,059,416

Common Shares	1,099,059,416
Preferred Shares	5,000,000

Directors Present:

1. Domingo T. Uy (Chairman)
2. Dennis A. Uy (Director & President)
3. Romeo B. De Guzman (Director)
4. Socorro T. Ermac-Cabreros (Director & Corporate Secretary)
5. Ricardo S. Pascua (Independent Director)
6. Monico V. Jacob (Independent Director)

PROCEEDINGS OF THE MEETING

I. Call to Order

The Chairman, Mr. Domingo T. Uy, called the meeting to order and presided over the proceedings. The Corporate Secretary, Atty. Socorro T. Ermac-Cabreros, recorded the minutes of the meeting.

II. Proof of Notice and Determination of Existence of Quorum

The Corporate Secretary certified that: (i) notice of the meeting, stating the time, date, venue and purpose thereof, together with the agenda and the Definitive Information Statement of the Company were duly sent beginning February 15, 2013 to all stockholders of record as of February 13, 2013 by courier with postage pre-paid, (ii) based on the record of attendance, present in the meeting in person or by proxy were stockholders holding 969,558,252 shares equivalent to 87.82% of the outstanding capital stock of the Company, and (iii) there was, therefore, a quorum to transact business.

The Chairman therefore declared the existence of a quorum and the meeting duly constituted for the transaction of business. The Chairman also acknowledged the presence in the meeting of the other incumbent directors: (1) Mr. Dennis A. Uy, the

President & CEO; (2) Mr. Romeo B. De Guzman, Chief Operating Officer; (3) Atty. Socorro Ermac Cabreros, the Corporate Secretary, (4) Ricardo S. Pascua, Independent Director, (5) Atty. Monico V. Jacob, Independent Director and (6) Domingo T. Uy, as Chairman and President of the meeting.

III. Approval of the Minutes of the Previous Annual Stockholders' Meeting Held on 06 September 2012

The next order of business was the approval of the minutes of the previous annual stockholders' meeting held on September 06, 2012, copies of which were sent and enclosed in with the Definitive Information Statement as of February 15, 2013 to all the stockholders of record as of February 13, 2013. Copies of the said minutes and Definitive Information Statement were likewise given to the stockholders together upon registration.

Upon the motion of Ms. Mercedita Barrios-Talaver, and duly seconded by Mr. Peter Paul M. Tombo, without any objections, the stockholders approved the minutes of the previous Annual Stockholders' Meeting held on September 06, 2012, as recorded.

IV. Update on the Operational and Financial Highlights

The Chairman then asked the President of the Company, Mr. Dennis A. Uy, to give an update on the operation and financial highlights for the first half of the year 2012.

Mr. Dennis Uy reported the following:

- 2012 was a milestone year for the Company as it marked five (5) years since its initial public offering at the Philippine Stock Exchange (PSE) last July 11, 2012. The Company has grown stronger, bigger and better.
- Since the IPO, compound annual growth rates of the Company's revenue has risen by 65%, volume by 67%, market capitalization by 84%, and equity by 50%.
- PNX stock has averaged an annual return of 74% a year while CAGR of PNX stock price in 5.56 years is 42% per annum. Thus, if one has invested in PNX stock since the IPO, one would have gained cumulative returns of 411%
- Growth for the Company was fast such that since 2012, market share of 6% nationwide ranked the Company as the 4th biggest independent oil company, next to the majors.
- In 2012, the Company opened 80 new stations, expanding its retail network to 300 nationwide broken down as follows: 191 in Mindanao, 88 in Luzon and 21 in Visayas. On a monthly average, 2.2 million vehicles and 6.5 million people visit Phoenix stations. The expansion of its retail network and increase in sales along with the growth of its commercial fuels business increased the Company's revenue from 26% to Php34.7 billion in 2012.
- Out of its revenue, sales to commercial account make up 63% with 1,000 active accounts in retail, lubricants, energy, construction, transportation, mining and other industries. Retail makes up 27% with the following revenue mix: sale to

- airlines 8%, lubricants 1% and services such as shipping, terminaling and into plane 1%.
- Fuel sales volume for the year increased 26% to 879 million liters from 697 million liters in the previous year.
 - Challenges experienced in the margins during the second quarter of the year lowered the Company's return on sales by 22%, operating expenses were increased by 20% due to rising volume and continuous expansion in the organization and business operations. Capital expenditure for 2012 was at Php1.6 billion.
 - Net recurring income increased 12% to Php626 million in 2012 or earnings per share of Php0.63.
 - Return on equity was 15.24% vs. 16.39% the previous year. Total shareholders' equity grew to Php4.5 billion against Php3.7 billion the previous year.
 - Stock price grew 20% year-on-year and stock returns 20%.
 - Manpower complement from to 459 employees from 383 employees the previous year. The Company aims to retain the best and recruit the best by creating a work environment that inspires people to perform.
 - 2012 likewise marked several firsts:
 - The Company raised a total of Php4.3billion in term loans from 12 different lenders.
 - It received a PRS Aa rating from the Philippine Ratings Services Corp. which expresses confidence in the Company's capacity to meet its obligations.
 - By third quarter, the Company acquired Chelsea Shipping Corp., one of the top five major petroleum tanker owners in the country. The acquisition will help ensure supply of petroleum products.
 - Business Process Mapping Project to make the Company's processes more effective, efficient and robust.
 - For Corporate Social Responsibility: The Company strengthens its advocacies on education, environment, health and safety through various outreach program. The Company is now a full and active member of the Philippine Business for Social Progress (PBSP) to achieve goals for social progress. One of the recent initiative was the adoption of the Philippine Eagle for 5 years as our contribution to save the endangered species.
 - Results of various efforts were recognized through several awards and nominations:
 - Best small-cap companies in the Philippines,
 - Best Independent Oil Company in Aisa,
 - Finalist, Asia Business Leaders Awards
 - Finalist, Entrepreneur of the Year Award
 - citations for our TV advertisements and company magazine
 - Top 7 Importer in the Philippines and Top 1 Importer, Port of Davao, both from the Bureau of Customs

- Dismissal of the criminal complaint filed by the Bureau of Customs for alleged violation of the Tariff and Customs Code filed in 2011
- New visions is the most challenging and most inspiring: TO BE AN INDISPENSABLE PARTNER IN THE JOURNEY OF EVERYONE WHOSE LIFE WE TOUCH

Stockholder Maripet Pantojan asked what factors attributed to the increase/growth in the net income as compared to 2011. The Chairman referred the question to Mr. Joseph John L. Ong who answered that the major factor in the increase in the net income was due to better and higher sales.

Stockholder Kenneth Dabi also sought inquiry on where are the areas of expansion concentrated for 2013 and considering that it is the third month of the year, how is the Company doing with its targets in terms of retails stations and volume. The Chairman referred the question to the Chief Operating Officer, Romeo de Guzman who answered that expansion will be concentrated in Luzon as well as Visayas but of course, Mindanao will continue to grow.

Stockholder Maceste Uy moved to approve the President's Report and the Audited Financial Statements for the year ended December 31, 2012, duly seconded by Stockholder Kristine Tan. There being no objections, the motion was approved:

"RESOLVED, the President's Report and the Audited Financial Statement for year ended December 31, 2012 as presented and appended in the Definitive Information Statement is hereby approved."

V. Approval of Corporate Actions

The next in the agenda was the approval of proposed corporate actions, which proposed corporate actions were described and stated in the Definitive Information Statement which was sent to the stockholders last February 15, 2013.

- a) Proposed Investment of Php242,000,000.00 corporate funds in Chelsea Shipping Corp. for the acquisition of a brand new 14,000 DWT tanker vessel which shall support and serve the importation logistics requirement of the Corporation*

The first item for approval is the resolution of the Board of Directors approving the proposed investment of Php242,000,000.00 corporate funds in Chelsea Shipping Corp for the acquisition of a brand new 14,000 DWT tanker vessel. The Chairman requested the Company's Chief Finance Officer, Joseph John L. Ong to elaborate on the matter

Mr. Ong elaborated the Chelsea Shipping Corp., a corporation recently acquired by the Company, is in need of a fresh capital infusion to purchase or acquire a 14,000

DWT tanker vessel. The amount of Php242,000,000.00 is the equity portion consisting of about 34% of the total cost of the vessel while the remaining 66% will be financed via long term debt.

Mr. Ong emphasized that in 2012, Chelsea served 47% of the importation logistics requirement of the Company. With the acquisition of the new tanker vessel, Chelsea will be able to serve about 85% of the Company's importation logistics requirements. Delivery will be expected by September 2013.

During the open forum, stockholder Peter Paul Tombo asked the rationale/motivation behind the acquisition of the brand new tanker vessel considering that Chelsea has already 10 vessels under its fleet, 2 of which are plying the regional route.

The Chairman called on Mr. Ong to answer Mr. Tombo's question. Mr. Ong answered that due to the projected and anticipated growth in volume and sale of the Company for the years ahead, there is a need to support the importation logistical requirement of the Company. The purpose actually is have a seamless supply of petroleum products to support the Company's expansion in business operations which includes commercial and retails accounts.

After the presentation and explanation, a motion was made by Stockholder Ma. Mercenditas Barrios Talaver moved to approve the proposed motion to invest corporate funds in Chelsea Shipping Corp. duly seconded by stockholder Giselle Gonzales Talion.

Before voting on the motion, the Chairman called upon the Atty. Cabreros, Corporate Secretary to explain the voting procedure.

Atty. Cabreros explained that each of the stockholders who registered before the start of the meeting were given IDs with control numbers. The control numbers per ID has a corresponding entry in the database with the following information: the name of the stockholder (or proxy, as the case may be), the number of shares being held by such shareholder. Each ID are color coded: blue fonts represent the minority common and preferred shareholders while the red fonts represent the major stockholders, affiliates, directors and officers. Thus, when a motion is under votation, the Chairman shall be asking the stockholders/proxies to raise the IDs and the external auditor, Punongbayan and Araullo shall be tasked to record the votes and count them.

The Chairman placed the proposed action to vote.

The Chairman declared that Yes had it and the Motion was approved:

“RESOLVED, that the resolution of the Board of Directors approving the investment of Php242,000,000.00 corporate funds in Chelsea Shipping Corp. for the acquisition of a brand new 14,000 tanker vessel which shall support and serve the importation logistics requirement of the Company is hereby approved”

b) Proposed Approval of 30% stock dividends

The next item for approval is the thirty per cent (30%) stock dividend declaration. The Chairman called on the Corporate Secretary to explain the item.

On January 24, 2013, the Board of Directors of the Corporation approved the declaration of (a) cash dividends in the amount of Ten Centavos (0.10 Php) per share for the year 2013 with record date on April 11, 2013 and payment date on May 8, 2013 and (b) 30% stock dividends, both dividends are issued out of the Company's unrestricted retained earnings.

The Corporate Secretary noted the minimal possibility of fractional shares resulting from the issuance of the stock dividends and that to eliminate the fractional shares the Corporation shall pay the value of the fractional shares in cash at par.

The Corporate Secretary likewise explained that the appropriate record and payment date for the stock dividends shall be determined by management.

A motion was made by Mr. Kenneth Dabi to approve the resolution of the Board of Directors approving and endorsing for stockholders' approval the declaration of thirty per cent (30%) stock dividends, which motion was duly seconded by Ms. Merceditas Barrios Talaver. Upon affirmative vote of the stockholders of the Corporation representing at least two thirds (2/3) of the outstanding capital stock of the Corporation, the following resolutions of the Board of Directors of the Corporation were adopted by the stockholders:

RESOLVED, that the P-H-O-E-N-I-X Petroleum Philippines, Inc. (the "Corporation") hereby approves the declaration of stock dividends aggregating thirty per cent (30%) of the total issued and outstanding shares of the Corporation to be subscribed and paid out of the surplus profit of the Corporation as of December 31, 2012

RESOLVED, FURTHER, that the Corporation shall eliminate fractional shares resulting from the issuance of the stock dividends by paying the value of the fractional shares in cash at par.

RESOLVED, FINALLY, to delegate the determination of the record date and payment date of said stock dividends to management."

VI. Approval, Confirmation and Ratification of All Acts and Resolutions of the Board of Directors, Management and Executive Committees during their term of office

The stockholders then proceeded to the next item in the agenda which was the ratification, confirmation and approval of all acts and resolutions of the Board of

Directors, Management and Executive Committees. The Chairman requested the Corporate Secretary to explain this item.

The Corporate Secretary explained that the acts and resolutions of the Board of Directors, Management and Executive Committee sought to be approved, confirmed and ratified at the meeting cover the period commencing from February 01, 2012 to January 31, 2013. The acts and resolutions consist of authorizations of the Corporation's representative to enter into contracts, such as but not limited to lease, sale and purchase of service vehicles and other real and personal properties, opening of bank accounts as well as bank credit facilities, acquisitions and investments and such other acts incidental and necessary to the purpose of the Corporation as well as advancement and protection of its interests. The Corporate Secretary added that these acts and resolutions are duly identified, enumerated and attached as Annex A of the Definitive Information Statement sent on February 15, 2013 to all stockholders of record as of February 13, 2013.

On motion made by Ma. Merceditas Barrios Talaver, which was duly seconded by Mr. Maceste Uy, without any objections, all the acts and resolutions of the Board of Directors, Management and Executive Committee from the period commencing from February 01, 2012 to January 31, 2013 were confirmed, approved and ratified.

"RESOLVED, as it is hereby resolved, that all acts and resolution passed and approved by the Board of Directors, Management and Executive Committee covering the period from February 01, 2012 to January 31, 2013, is hereby approved, confirmed and ratified."

VII. Election of Directors

The body then proceeded to the election of the members of the Board of Directors of the Corporation for the ensuing year.

The Company's Vice President for External Affairs Atty. Raymond Zorrilla reported that pursuant to the Company's Amended By-laws currently enforced, there are now eleven (11) seats in the Board of Directors. He then announced the qualified nominees for directors of the Corporation for the ensuing year:

1. Domingo T. Uy
2. Dennis A. Uy
3. Jose Manuel R. Quimson
4. Romeo B. De Guzman
5. J.V. Emmanuel de Dios
6. Socorro Ermac-Cabrereros
7. Joseph John L. Ong
8. Paul G. Dominguez
9. Cherylyn C. Uy
10. Monico V. Jacob (Independent Director)
11. Justice (Ret.) Consuelo Ynares Santiago (Independent Director)

The newly nominated directors, Cherylyn C. Uy, Paul G. Dominguez, Joseph John L. Ong and Ret. Justice Santiago were duly recognized on the floor. Atty. Zorrilla

likewise acknowledged and recognized outgoing independent director Ricardo S. Pascua for his past services and further explained of the expiration of 5 years as mandated by SEC rules.

A motion was made by Ms. Giselle Gonzales-Talion, and duly seconded by Ms. Ma. Petrocel Pantojan, to cast all votes of the shareholders present and represented *equally* among the eleven (11) nominees and to declare them elected directors of the Corporation for the following term. Considering there were only eleven (11) persons nominated to and qualified for the eleven (11) seats in the Board, the Corporate Secretary was instructed to cast, as she did cast, all the votes in favor of the eleven (11) nominees who were thereupon declared directors to serve for a term of one (1) year and until their successors shall have been elected and qualified.

VIII. Appointment of External Auditor

The Chairman then announced that the next item on the agenda is the appointment of the external auditor for the year 2011.

Mr. Romeo de Guzman explained that for the year 2012, the financial statements of the Corporation were audited by Punongbayan & Araullo. He, thereafter, recommended the re-appointment or re-election of Punongbayan & Araullo to be the External Auditor of the Corporation for 2012.

Upon motion made by Ms. Maripet Pantojan and duly seconded by Mr. Tombo, the shareholders adopted the following resolution:

“**RESOLVED**, that the stockholders approve, as they hereby approve, the appointment of Punongbayan & Araullo as the external auditor of P-H-O-E-N-I-X Petroleum Philippines, Inc. for the year 2013 under such terms and conditions as may be approved by the Board of Directors.”

IX. Other Matters

The Chairman then asked whether there are any other matters which may be properly taken up by the stockholders.

The Corporate Secretary, Atty. Cabreros informed the Chairman that as disclosed in the amended Agenda, there is a need for a waiver by the stockholders of the conduct of a rights or public offering with respect to the listing of shares previously subscribed by Phoenix Petroleum Holdings, Inc. (PPHI) in relation to the SEC approved increase of capital stock of the Company in 2012.

Mr. Maceste Uy who took the floor and was recognized by the Chairman asked the reason for the waiver from the stockholders. The Corporate Secretary further explained that the waiver is in compliance with the Rules on Additional Listing imposed by the Philippine Stock Exchange which states that upon payment, any application for

listing of the shares subscribed by a related party is subject to the requirement on rights offering. As previously disclosed, PPHI entered into Subscription Agreement on March 30, 2012 with the Company in connection with its increase in the authorized capital stock in 2012. In order for the Company to list the subscribed shares after payment, there is a need to get the waiver on the rights offering requirement.

After explanation, Ms. Kristine Tan moved for the waiver by the stockholder of the conduct of a rights or public offering with respect to the listing of shares previously subscribed by PPHI. The motion was duly seconded by Mr. Tombo. No objection was made on the floor and the motion was approved as follows:

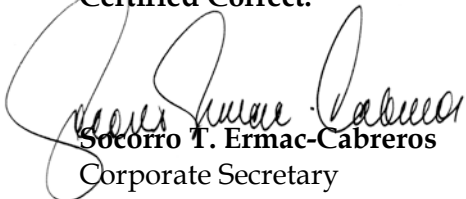
"RESOLVED, the waiver by majority of the minority of the stockholders of the Company or Corporation of the conduct of the rights offering or public offering with respect to the listing of the shares previously subscribed by Phoenix Petroleum Holdings, Inc. (PPHI) under the Subscription Agreement in relation to the increased in authorized capital stock in 2012 is hereby approved."

Thereafter, the Chairman asked the floor if there are any other matters to be taken up. The Corporate Secretary informed the Chairman that Phoenix Foundation would like to present a new audio visual presentation (AVP) for recent developments. The Chairman requested the body to direct their attention to the screen in front of them.

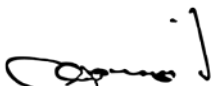
X. Adjournment

There being no further business to transact and upon motion made and duly seconded, the meeting was adjourned.

Certified Correct:


Socorro T. Ermac-Cabreros
Corporate Secretary

Attested:


Domingo T. Uy
Chairman