The purpose of this study was to explain the levels of phonological awareness in preschooler aged 5 and 6 years old. This study also identified reading abilities in preschoolers and described the relationship between reading ability and level of the phonological awareness. This study included 20 subjects aged 5 and 6 years old. Subjects’ verbal responses were analyzed. Research finding showed that there was no difference in the level of phonological awareness between 5 and 6 years old children. However, there was a significant difference in the level of phonological awareness between good and poor reader. Children with good reading abilities demonstrated high level of phonological awareness, meanwhile children with poor reading abilities demonstrated lower level of phonological awareness. This research was hoped to provide more information to various people about the importance of measuring preschoolers’ level phonological awareness in identifying children who have problems in reading. From the clinical aspect, this research showed that the measurement of level of phonological awareness can be used towards screening of children’s reading abilities.