

applied for a Coal Accreditation Certificate with the DOE on April 5, 2019. Under the rules, DOE will issue the Certificate of Accreditation and/or Registration or reject the application within fifteen (15) working days from receipt thereof. Unfortunately, on shipment date, the buyer was unable to submit the said accreditation as it was still pending with the DOE. Thereafter, SMPC discontinued its supply and any trading with said buyer. On July 5, 2019, SMPC has accordingly submitted its verified answer to the DOE with a prayer for the immediate lifting of the cease and desist order/suspension and for the non-imposition of any administrative fine. There is likewise an ongoing discussion with the DOE to have this matter resolved immediately.

SMPC do not expect any material effects on its business, financial condition and operations.

Lastly, kindly be advised that today and in order not to interrupt SMPC's ongoing operation and renege on its contractual commitments to its coal buyers, SMPC have requested reconsideration of the DOE Order and that the implementation thereof be held in abeyance pending resolution of the alleged violation, and allow SMPC to proceed and continue its current trading activities and operations.

We shall appropriately advise the Commission and the Exchange on further developments of the matter.

SIGNATURES

Pursuant to the requirements of the Securities Regulation Code, the issuer has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Issuer : Semirara Mining and Power Corporation

Signature and Title : 
John R. Sadullo
VP Legal & Corporate Secretary

Date : July 10, 2019