



**SEMIRARA
MINING
CORPORATION**

February 12, 2013

THE PHILIPPINE STOCK EXCHANGE, INC.

3rd Floor, Philippine Stock Exchange Plaza
Ayala Triangle, Ayala Avenue, Makati City

Attn.: **Ms. Janet A. Encarnacion**
Head, Disclosure Department

Re: “DOE awarding 8 coal exploration contracts”

Gentlemen:

We refer to the above news article published in the February 12, 2013 issue of the Philippine Daily Inquirer, which reads:

“THE DEPARTMENT of Energy is awarding eight coal companies with service contracts and develop 11 prospective coal blocks, which were auctioned off in 2011 under the Philippine Energy Contracting Round 4.

Also, the DOE has endorsed to Malacañang the awarding of service contracts to five investor groups for the exploration and development of five blocks – including some contested areas, such as blocks 4 and 5, within the West Philippine Sea, according to Energy Undsecretary Ramon Allan V. Oca.

In a briefing yesterday, Oca identified the “winning proponents” for the coal service contracts as Altura Mining for Area 2 (Catanduanes); the Consunji-led Semirara Mining Corp. for Areas 9 (Oriental Mindoro) and 25B (Sarangani); Empire Asia for Area 18B (Surigao del Sur), and SKI Mining for Area 19A (Agusan del Sur and Surigao del Sur).

...

Investments in these service contracts may vary depending on their respective petroleum seismic studies, which may cost at least \$5 million, and exploration well drilling, which could reach up to \$100 million per well.

For coal, the estimated initial expenses for exploration was P1 million per year, Oca said.”

Please be informed that upon verification with the DOE, we have been informed that the Corporation has been awarded coal service contracts for areas mentioned in the newspaper article. In this regard we hereby confirmed the above-quoted news article.

Thank you.

Very truly yours,

SEMIRARA MINING CORPORATION

By:


JOHN B. SADULLO
Corporate Secretary

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