



**SEMIRARA  
MINING  
CORPORATION**

June 3, 2013

**THE PHILIPPINE STOCK EXCHANGE, INC.**

3<sup>rd</sup> Floor, Philippine Stock Exchange Plaza  
Ayala Triangle, Ayala Avenue, Makati City

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

Gentlemen:

Further to our disclosure dated February 12, 2013 on the award by Department of Energy (DOE) to Semirara Mining Corporation (the "Company") of coal exploration contracts. Please be informed that the Company received today a copy of one of its duly executed Coal Operating Contracts dated April 29, 2013 awarded by DOE covering two (2) parcels of coal bearing land located in the Municipality of Bulalacao, Province of Oriental Mindoro with an aggregate area of 7,000 hectares.

The Coal Operating Contract has two (2) phases:

**1. Exploration Phase**

- a. Two (2) years commencing from Effective Date of the contracts, i.e. from signing and execution.
- b. Maybe extended for a maximum of two (2) years
- c. To terminate automatically unless Coal Reserves in Commercial Quantity is delineated.

**2. Development & Production Phase**

- a. If Coal Reserves in Commercial Quantity exists, up to 10 years inclusive of the Exploration Phase, subject to extension of another 10 years.
- b. Thereafter a term for a series of three (3)-year periods, the total of which shall not exceed 12 years.

The Company has committed to spend not less than ₱148,170,900.00 for its Work Programs for the first two years in the conduct of geological investigation, Geodetic Survey, Sub-surface Exploration for the Coal Contract Area.

Thank you.

Very truly yours,

**JOHN R. SADULLO**  
Corporate Information Officer