



4 May 2015

PHILIPPINE STOCK EXCHANGE, INC.

Tower One and Exchange Plaza
Ayala Triangle, Ayala Avenue
Makati City, Philippines

Attention : **JANET A. ENCARNACION**
Head, Disclosure Department

Re : **News Article – “Court stops mining bid”**

Gentlemen:

We refer to the letter of Ms. Sheena Paula H. Pedrieta of the PSE, asking us to clarify or confirm today the quoted statements below in relation to the following news article entitled “Court stops mining bid” posted in *Manila Standard Today (Internet Edition)* on May 4, 2015, as follows:

“The Court of Appeals has junked the petition of MacroAsia Corporation to conduct mining operation in 1,113.98 hectares in Sitio Linao, Brooke’s Point, Palawan.

In an 18-page decision, the CA’s Special 16th Division through Associate Justice Danton Bueser upheld the validity of the resolution issued by the National Commission on Indigenous Peoples denying MacroAsia’s application for issuance of a certification precondition necessary for the latter to proceed with the extraction activities at Brooke’s Point.

The appellate court sided with the NCIP that ‘exploration’ and ‘mining operation and development’ are separate activities, although related, that must undergo separate processes.

‘By failure to conduct a separate field based on investigation on the part of MacroAsia prior to the extraction stage of its mining operation, the NCIP, thus, correctly denied MacroAsia’s application for issuance of certification precondition,’ the CA stressed.

....

In 2006, MacroAsia proceeded with the mining exploration activities and discovered and identified more than 80 million tons of nickel laterite deposits.

....”

We neither confirm nor deny the quoted article above. As of this writing, we have not yet received the decision from the Court of Appeals. Assuming that the article is true, the denial of the application does not perpetually deny us the right to operate nor does it invalidate our MPSA. It merely says that we need to conduct another round of field based investigation or the Free Prior and Informed Consent of the IPs in the area before the

NCIP could grant us the Certification Precondition. Thus, the MPSA remains valid and subsisting.

We trust that this clarifies the news item mentioned above.

Very truly yours,

A handwritten signature in black ink, appearing to read 'M. Moya', is written over a light blue rectangular background.

ATTY. MARIVIC T. MOYA
Compliance Officer / CIO
VP-HR, Legal and
External Relations