



**SEMIRARA  
MINING  
CORPORATION**

January 12, 2010

**THE PHILIPPINE STOCK EXCHANGE, INC.**

4<sup>th</sup> Floor, Philippine Stock Exchange Center  
Exchange Road, Ortigas Center, Pasig City

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

Gentlemen:

We advise that during its meeting today, the Board of Directors of Semirara Mining Corporation ("SCC") approved the conduct of a stock rights offering (the "Offer") of Ninety Two Million Five Hundred Twenty Four Thousand Two Hundred Sixty Six (92,524,266) unclassified common shares (the "Rights Shares") with a par value of One Peso (₱ 1.00) per share or aggregate par value of Ninety Two Million Five Hundred Twenty Four Thousand Two Hundred Sixty Six Pesos (₱ 92,524,266.00) to be issued from the existing authorized capital stock.

Stockholders shall be entitled to subscribe to one (1) Rights Share for every three (3) common shares held as of the Record Date. All Rights Shares shall have identical rights and privileges as SCC's issued shares. The Offer Price will be determined based on the volume weighted average price of SCC's common shares traded in the Philippine Stock Exchange for the 15-day trading period preceding the Pricing Date.

The Issuer has engaged the services of BDO Capital & Investment Corporation ("BDO Capital") to act as underwriter of the Offer for technical compliance purposes of the Philippine Stock Exchange. Any unsold Rights Shares will be taken up and distributed by BDO Capital. In this regard, certain shareholders of SCC, namely DMCI Holdings, Inc., Dacon Corporation and DFC Holdings, Inc. have committed to subscribe to their respective entitlements as well as to purchase, collectively or singly, any Rights Shares that are not otherwise taken up by other qualified shareholders.

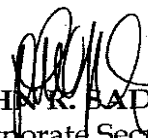
The Rights Offer proceeds are intended to partially finance the Corporation's acquisition of the 600 MW Batangas Coal-Fired Thermal Power Plant, through its wholly-owned subsidiary, SEM-Calaca Power Corporation.

Thank you.

Very truly yours,

**SEMIRARA MINING CORPORATION**

By:

  
**JOHN R. BADULLO**  
Corporate Secretary