



**SEMIRARA
MINING
CORPORATION**

May 20, 2010

THE PHILIPPINE STOCK EXCHANGE, INC.

4th Floor, Philippine Stock Exchange Center
Exchange Road, Ortigas Center, Pasig City

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

Re: SEM-Calaca Power Corporation P9.6 billion Project Debt Facility

Gentlemen:

SEM-Calaca Power Corp., a wholly-owned subsidiary of Semirara Mining Corp. executed a P9.6 billion project debt facility with lenders Banco De Oro Unibank, Inc., Bank of the Philippine Islands, and Philippine National Bank on May 20, 2010. Syndicating the deal were BDO Capital & Investment Corporation as lead arranger and sole bookrunner, together with BPI Capital Corporation, and PNB Capital and Investment Corporation as arrangers.

SEM-Calaca was incorporated on November 19, 2009, primarily to acquire, expand, and maintain power-generating plants, as well as to develop fuel for power generation, and to sell electricity to entities through electricity markets. On December 2, 2009, SEM-Calaca successfully achieved closing under an asset purchase agreement with the Power Sector Assets and Liabilities Management (PSALM) for the acquisition of the 2 x 300 MW Batangas Coal-Fired Thermal Power Plant, including its ancillary facilities, located in Calaca, Batangas at a total cost of \$361.7 million.

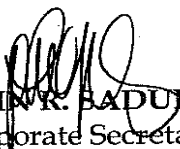
The proceeds from the term loan will be used primarily to refinance loans and shareholders' advances extended to SEM-Calaca for down payment of the power plant's 40% acquisition cost and prepayments made thereafter to PSALM. A portion will also be used to finance SEM-Calaca's permanent working capital requirements.

Thank you.

Very truly yours,

SEMIRARA MINING CORPORATION

By:


JOHN R. BADULLO
Corporate Secretary