

Consunji said they have already taken steps to expand capacity and have already increased it to the current 13 million MT and may soon be able to increase the mine's output to 14 million MT.

'We're aiming at 14 million MT. (But) if we do 13 million we should be happy because the weather is a little bit wet,' he added.

Meanwhile, Consunji said earnings this year should be better than last year as indicated by the firms' performance in the first quarter as well as part of the second quarter.

He explained that growth will come from the higher output of coal, higher volume of electricity produced by with the full operation of its four power plants, as well as the unexpected hike in coal prices."

We clarify the foregoing by restating that Semirara Mining and Power Corporation is investing around P5 billion for infrastructure and heavy mining equipment to increase mine capacity to 16 million tons within 2-3 years from the 12 million tons. Around P2 billion is already included in the 2017 budget to start the building of additional coal storage, expansion of coal conveyor lines, shiploader lines and additional set of mining equipment to support the higher coal production target this year of 13-14 million tons. The Company is optimistic that the demand for coal will continue to grow in the coming years.

Tentative Q1 2017 results indicate to be much better than same period last year. This year's growth is expected to be contributed by higher output and better prices of coal, higher energy generation as all four units of SMPC's power plants are expected to be in full operation after the enhancements made to the units and the achievement of TOC of the 2x150MW CFB plants within the second quarter.

SIGNATURES

Pursuant to the requirements of the Securities Regulation Code, the issuer has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Issuer : Semirara Mining and Power Corporation

Signature and Title : 
JOHN R. SADULLO
VP-Legal & Corporate Secretary

Date : May 3, 2017