

March 7, 2011

The Philippine Stock Exchange, Inc.  
3/F Philippine Stock Exchange Plaza  
Ayala Triangle, Ayala Avenue, Makati City  
Tel No: 6887504

Attention: Ms. Marsha Resurreccion  
Head, Listing Department

Mr. Areson R. I. Cuevas  
Listing Analyst

Re: Semirara Mining Corporation  
Use of Proceeds – change in schedule

Gentlemen:

We refer to the Use of Proceeds for the stock rights offering of Semirara Mining Corporation (the "Company") disclosed in the Prospectus dated June 10, 2010, which provides the following schedule:

Creditor	Amounts	Due Date	Purpose
Marubeni Corporation	\$32.25 million*	4Q2011 and 1Q2012	Equipment purchase

*\*Converted to ₱ using conversion rate of \$1.00 to ₱44.50*

In this regard, please be advised that in order to save on interest payments, the Company has accelerated loan repayment and will apply the remaining PhP600,191,852.41 of the SRO Proceeds for payment due on the First Quarter of 2011 as indicated in the amended schedule below.

Creditor	Amounts	Due Date	Purpose
Marubeni Corporation	\$32.25 million	4Q2010 and 1Q2011	Equipment purchase

Moreover, we wish to add that the Company adhered to the original schedule for the Use of Proceeds for the tugboats and barges, and mining equipment notwithstanding the Exchange previous approval dated July 28, 2010 allowing increase in allocation for tugboats and barges to USD\$15.0 Million and reduced the allocation for mining equipment to USD\$5 Million.

The foregoing changes are consistent with the Company's statement on page 32 of the Prospectus, referring to the originally approved breakdown and schedule of payments, that "The foregoing discussion represents a best estimate of the use of proceeds of the Offer based on the Company's current plans and anticipated expenditures." Attached is the Board resolution pertaining to the approval of the amendment in schedule of payment.

Thank you and kind regards.

Very truly yours,

  
John R. Sidulto  
Corporate Secretary

