

# LEPANTO CONSOLIDATED MINING CO.

BA-Lepanto Building, 8747 Paseo de Roxas, 1226 City of Makati, Philippines

6 December 2011

Disclosure Department  
Listings and Disclosure Group  
Philippine Stock Exchange, Inc.  
PSE Center, Ayala Avenue  
Makati City

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

Re: Update on the Far Southeast Project

**Gentlemen:**

At its briefing to investors on 5 December 2011 in Johannesburg, South Africa (9:00 AM, Johannesburg time/ 3:00 PM, Manila time), Gold Fields Limited ("GFL") reported on its growth projects, including the Far Southeast Project subject of an option agreement between Lepanto Consolidated Mining Company and a wholly-owned subsidiary of GFL. Attached is the relevant extract from such report.

The report of GFL is based on an advanced exploration program being conducted by Far Southeast Gold Resources, Inc., a Lepanto subsidiary. The said report has not been reviewed by a Competent Person within the context of the Philippine Mineral Reporting Code.

Finally, please be advised that this is the disclosure referred to in our request for trading suspension dated 5 December 2011. With this disclosure, we are requesting that trading of LC and LCB shares be resumed immediately.

Very truly yours,

  
**ODETTE A. JAVIER**  
Vice President &  
Asst. Corporate Secretary



Far Southeast, the Philippines



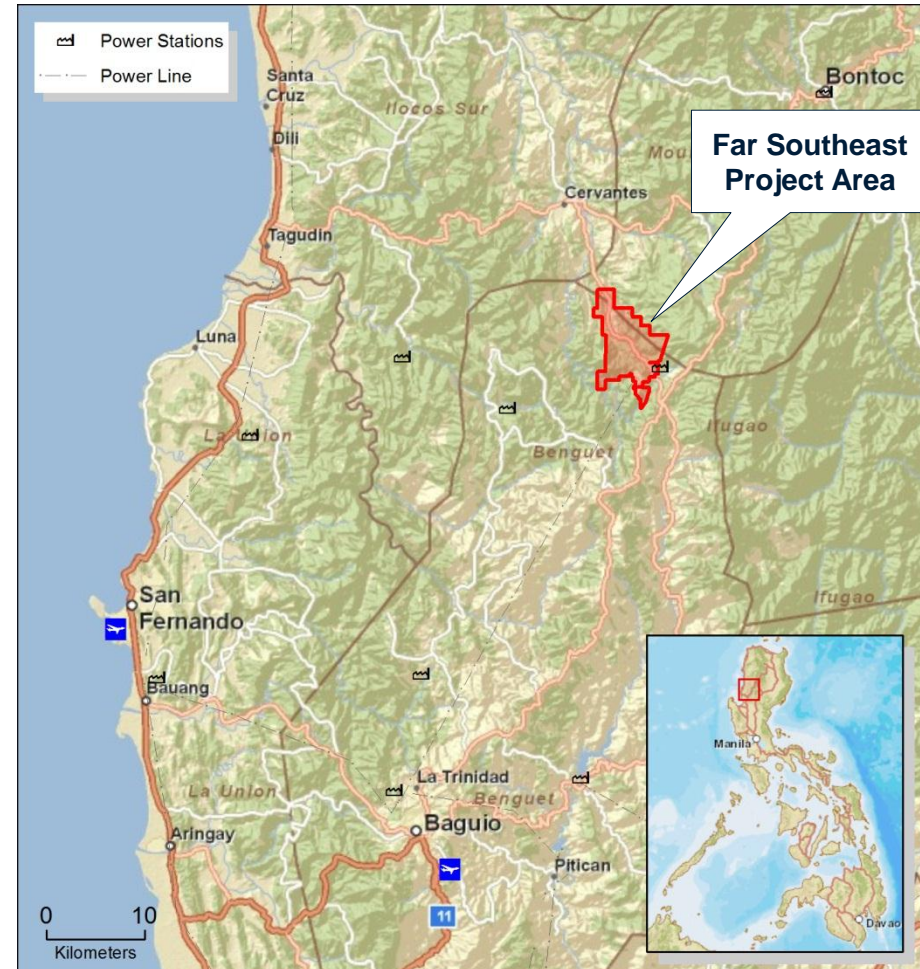
**GOLD FIELDS**



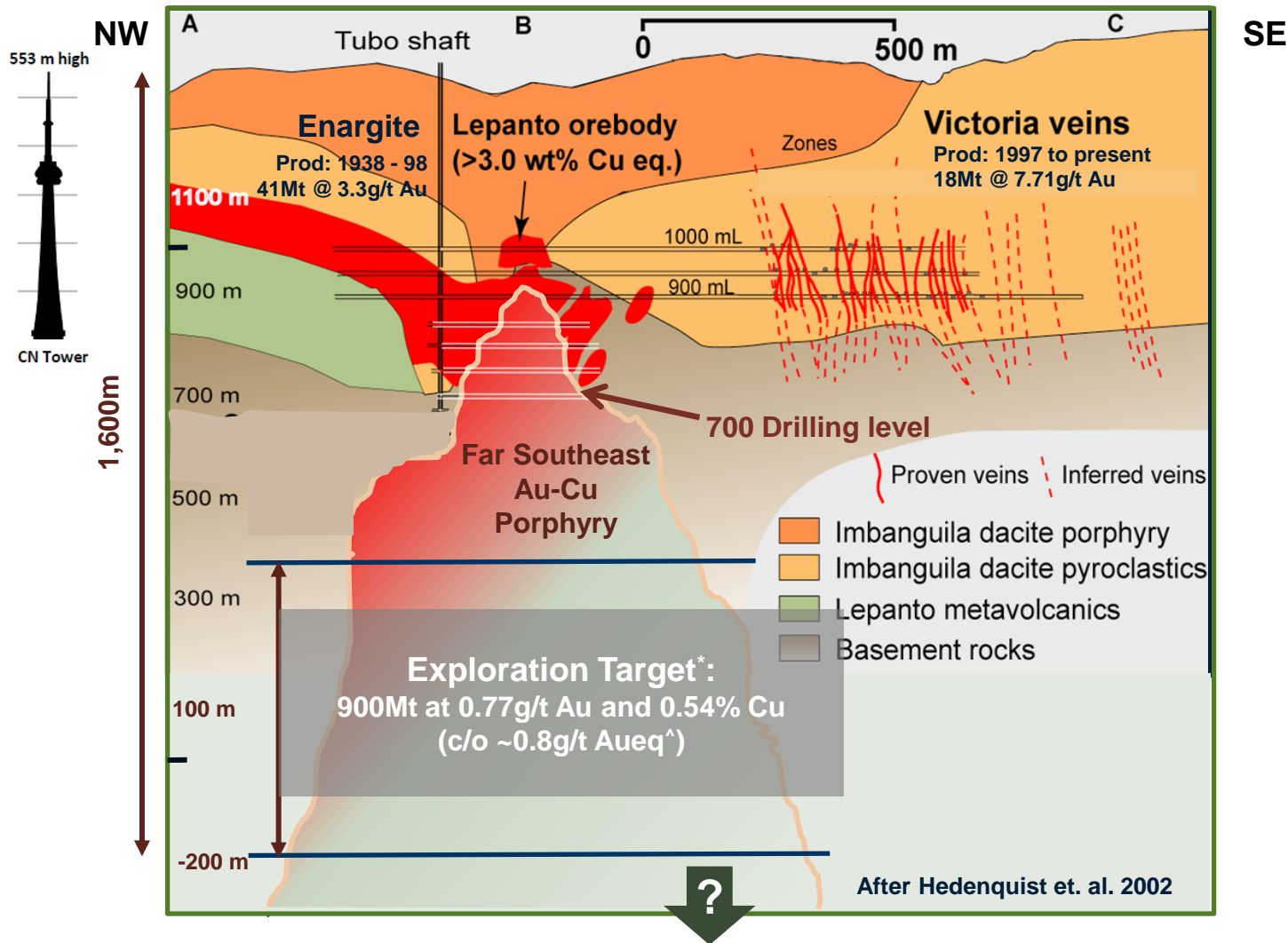
# High quality gold-copper porphyry with significant upside potential

## First Gold Fields resource planned Q2 2012

- Option to acquire 60% interest
  - Option agreement signed Sept 2010 – initial payment US\$54 million
  - Second down-payment made Sept 2011 - US\$66 million
  - Final payment due Q1 2012 – US\$220 million (subject to exploration FTAA license approval)
- 88 holes defined a high grade gold-copper porphyry
- Established infrastructure in a mining district
  - Mining established for 75 years
  - Existing TSF and other infrastructure
  - Generally supportive community
- Gold Fields drilling
  - Proof-of-concept: ~24,000m (17 holes)
  - Exploration: ~12,000m (13 holes)
  - Demonstrated significant potential
  - Limited initially to -200m AMSL



# Geology and resource potential

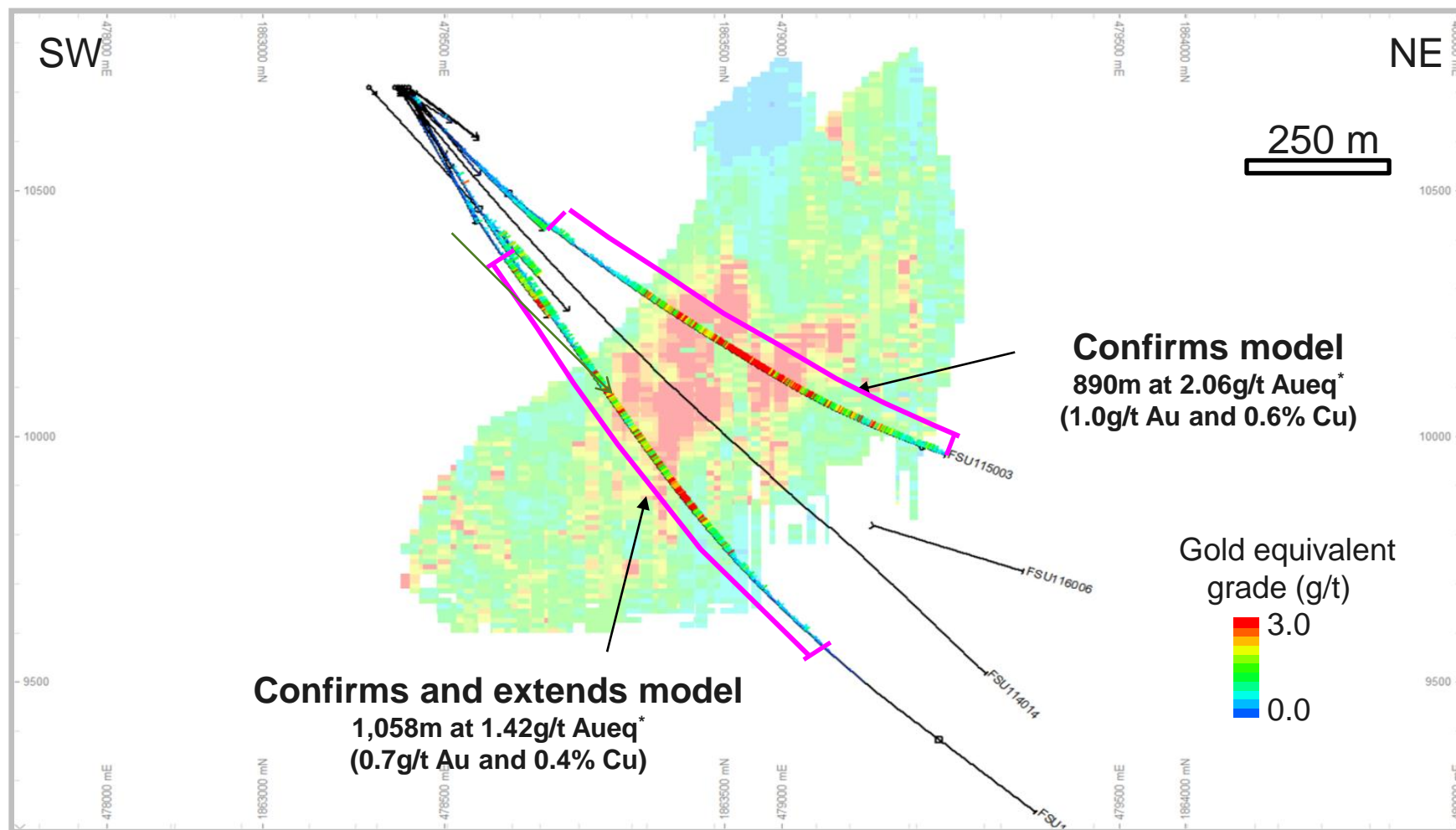


\* Refer to the Exploration Target Statement for the Far Southeast Project in the Appendix

^ Based on the following prices: US\$3.74/lb copper, US\$1,500/oz gold

# Far Southeast, the Philippines

## Proof-of-concept drilling confirms high grade core...

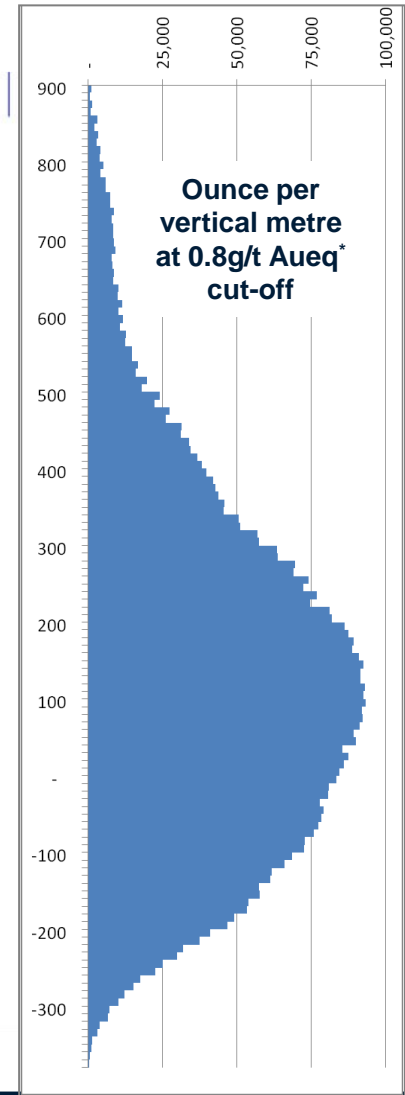
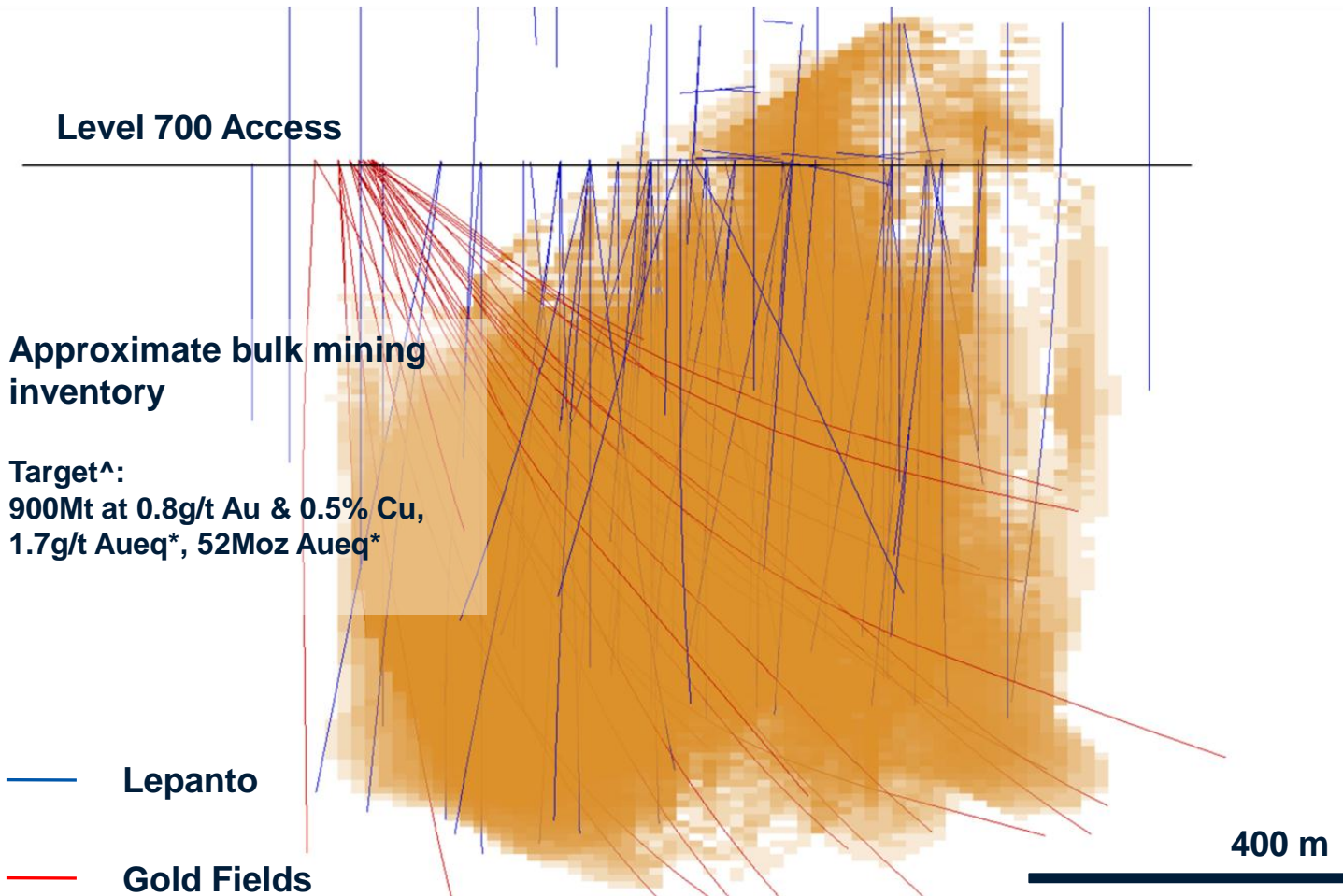


...and extends low grade mineralisation well outboard of high grade core

\* Calculations of Aueq assume gold price of US\$1,000/oz Au, and US\$2.72/lb Cu with no recovery weighting.

# Far Southeast, the Philippines

At a 0.8g/t Aueq\* cut-off (~0.5% Cueq\*)



\* Calculations of Aueq assume gold price of US\$1,500/oz Au, and US\$3.74/lb Cu with no recovery weighting  
 ^ Refer to the Exploration Target Statement for the Far Southeast Project in the Appendix



# Far Southeast, the Philippines

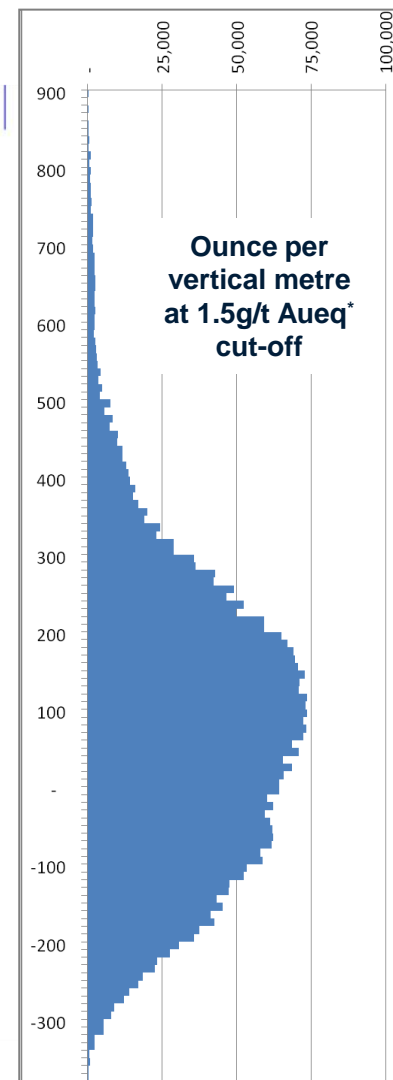
At a 1.5g/t Aueq\* cut-off (~0.9% Cueq\*)

Level 700 Access

Average  
0.9g/t Au & 0.7% Cu,  
2.1g/t Aueq\*

— Lepanto  
— Gold Fields

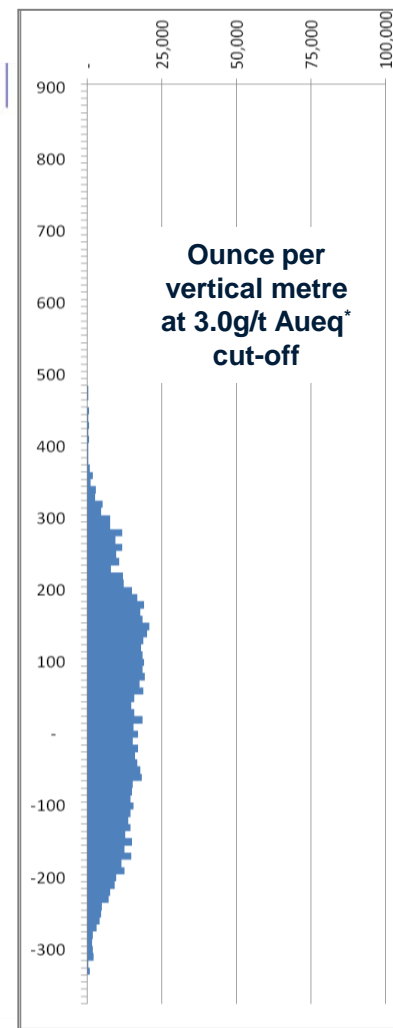
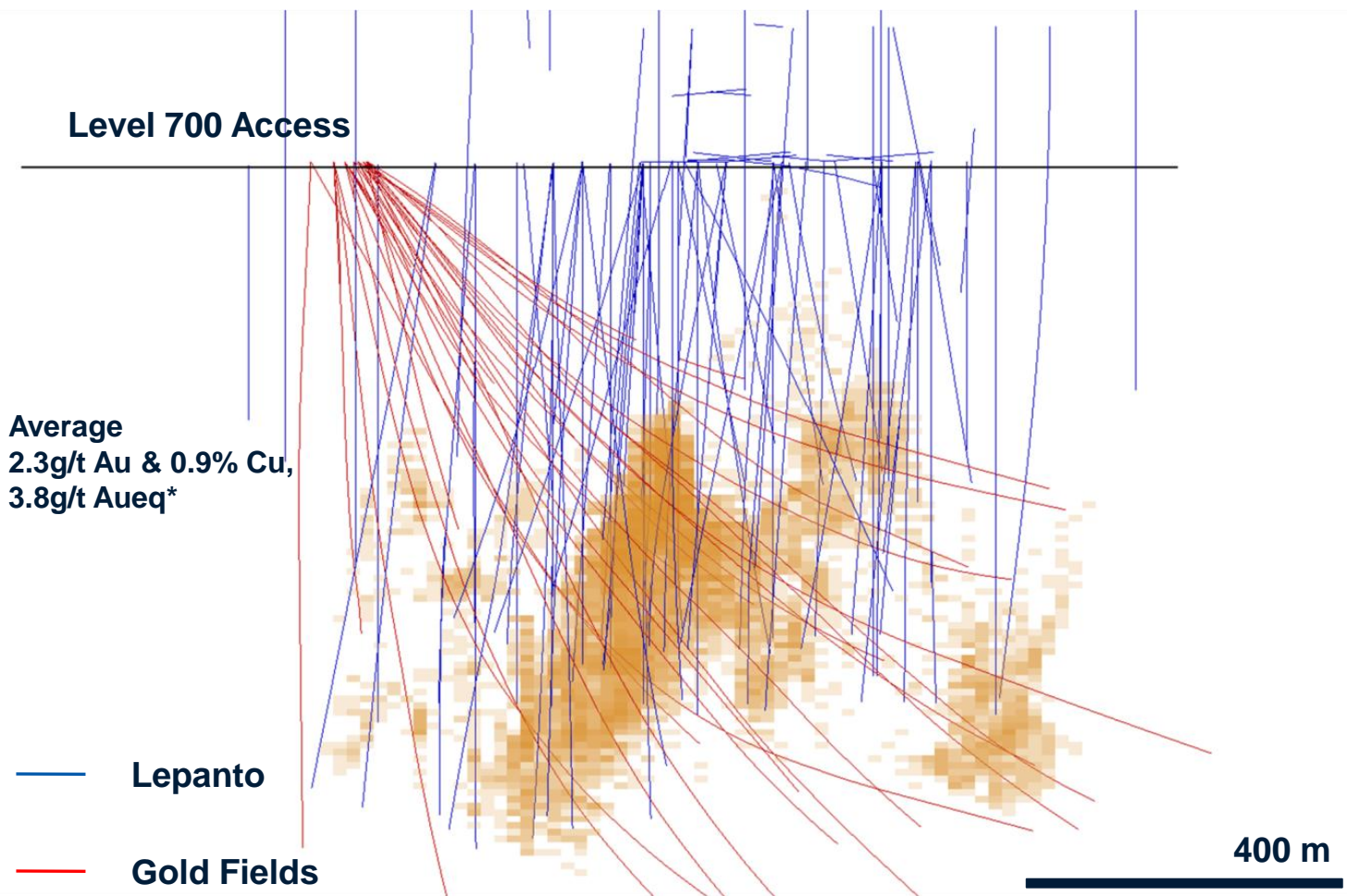
400 m



\* Calculations of Aueq assume gold price of US\$1,500/oz Au, and US\$3.74/lb Cu with no recovery weighting.

# Far Southeast, the Philippines

At a 3.0g/t Aueq\* cut-off (~1.8% Cueq\*)



\* Calculations of Aueq assume gold price of US\$1,500/oz Au, and US\$3.74/lb Cu with no recovery weighting.



# Far Southeast, the Philippines

## Indicative scoping study parameters\*

<b>Resource</b>	<ul style="list-style-type: none"><li>▪ Exploration target<sup>^</sup>: 900Mt at 0.77g/t Au and 0.54% Cu for 52Moz Aueq<sup>#</sup></li><li>▪ Depth of target<sup>^</sup>: +375mAMSL to -200mAMSL i.e. 575m extent</li></ul>
<b>Mining</b>	<ul style="list-style-type: none"><li>▪ Evaluating bulk underground mining: 4Mtpa to 25Mtpa</li><li>▪ Twin decline development</li><li>▪ Twin shaft development</li></ul>
<b>Process</b>	<ul style="list-style-type: none"><li>▪ Conventional copper flotation process plant</li><li>▪ 4Mtpa to 25Mtpa (developing a plan that is socially, environmentally and economically responsible)</li><li>▪ Recoveries: ~90% Cu and ~85% Au</li></ul>
<b>Infrastructure</b>	<ul style="list-style-type: none"><li>▪ Concentrate: Evaluating slurry pipeline and other transport alternatives</li><li>▪ Power: Power purchase agreement through national grid</li><li>▪ TSF: Expansion of existing facility</li></ul>

**First resource and scoping study planned for H1 2012**

\* Preliminary in nature and subject to change with continual advancement of the scoping study (100 % basis)

<sup>^</sup> Refer to the Exploration Target Statement for Far Southeast Project in the Appendix

<sup>#</sup> Calculations of Aueq assume gold price of US\$1,500/oz Au, and US\$3.74/lb Cu with no recovery weighting