



LEPANTO CONSOLIDATED MINING CO.

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

25 January 2017

Disclosure Department

Listings and Disclosure Group
Philippine Stock Exchange, Inc.
4th Floor PSE Centre, Exchange Road
Ortigas Center, Pasig City

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

Re: **Private Placement**

Gentlemen:

The Board of Directors of Lepanto Consolidated Mining Company approved today a private placement of 3,350,000,000 common shares of stock of the corporation ("Private Placement Shares") at a price of P0.15 per share or a total of P502,500,000. Yapster e-Trade, Inc. will take up the Private Placement Shares, which will be subject to a two-year lock-up period.

The amount raised will be used towards further exploration and initial development of the Copper/Gold Project and settlement of outstanding debt.

The Copper/Gold Project is an area adjacent to the current Victoria Project. The company has drilled over 35 kilometers in the area. Drilling continues to increase the resource/reserve with a view to completing a bankable feasibility study as soon as possible.

Very truly yours,

ODETTE A. JAVIER
Vice President and
Asst. Corporate Secretary