

LEPANTO CONSOLIDATED MINING CO.

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

13 September 2012

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: **Update on the Far Southeast Project**

Gentlemen:

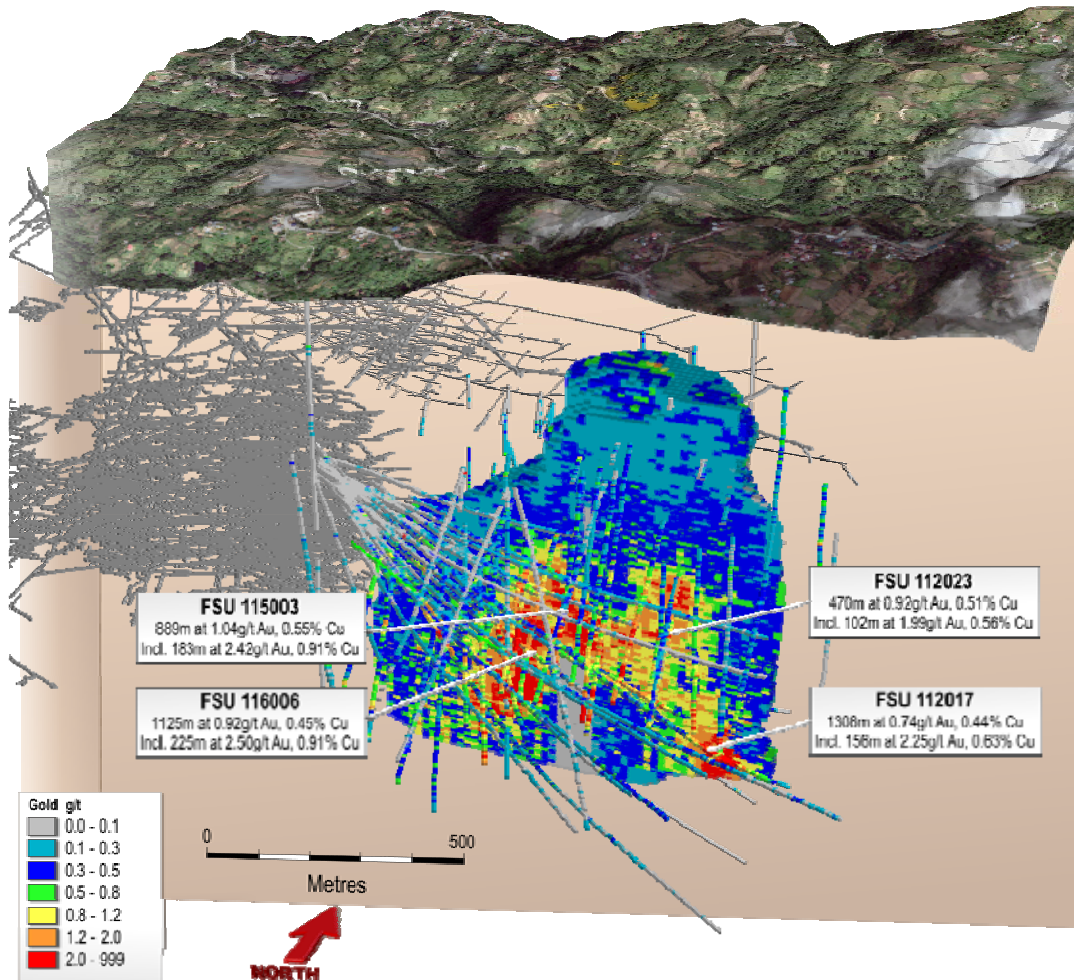
We were advised by Gold Fields Limited ("GFL") today that at the Denver Gold Forum in Colorado, USA, GFL reported on its operations and its growth projects, including the Far Southeast Project subject of an option agreement between Lepanto Consolidated Mining Company and a wholly-owned subsidiary of 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. For now, the said report has not been reviewed by a Competent Person within the context of the Philippine Mineral Reporting Code.

Very truly yours,


ODETTE A. JAVIER
Vice President and
Asst. Corporate Secretary

Far Southeast Project - First Gold Fields declared resource



* Attributable metal is 11.9Moz Au and 2.7Mt Cu to Lepanto and 7.9Moz Au and 1.8Mt Cu to Gold Fields.

** Equivalent calculation based on \$1,650/oz Au & \$8,600t Cu

- Completion of Maiden Inferred Mineral Resource
 - 19.8Moz Au & 4.5Mt Cu*
 - Equivalent - 43.1Moz AuEq**
- Deposit remains open
- Resource drilling progressing well focused on:
 - Upgrading resource confidence
 - Testing new high-value positions
- FPIC and FTAA processes continues
- Community engagement and support remains the highest priority
- PFS timing depends on progress towards community acceptance and FTAA

Far Southeast Project - First Gold Fields declared resource

Mineral Resource Classification	Tonnes (Mt)	Grade Gold (Au g/t)	Metal Gold (Au Moz)	Grade Copper (Cu %)	Metal Copper (Cu Mt)
Measured	-	-	-	-	-
Indicated	-	-	-	-	-
Inferred	891.7	0.7	19.8	0.5	4.5
Total	891.7	0.7	19.8	0.5	4.5

Notes:

1. These Mineral Resources are not Mineral Reserves as an assessment to a minimum of a prefeasibility study is required.
2. The Mineral Resource is reported in accordance with the SAMREC Code.
3. The Mineral Resource is reported within an optimised underground bulk mining shell that is derived using scoping study mining, processing and cost parameters, and commodity prices of USD 1,650/oz Au and USD 8,600/t Cu. All Inferred Resource material within the shell is reported.
4. The Mineral Resource is reported without dilution and ore loss parameters.
5. Rounding-off of figures may result in minor computational discrepancies, where this happens, it is not deemed significant.
6. Lepanto Consolidated Mining Company holds a 60% interest, while Gold Fields holds a 40% interest in the Far Southeast Project. Attributable metal is 11.9Moz Au and 2.7Mt Cu to Lepanto and 7.9Moz Au and 1.8Mt Cu to Gold Fields.