

LEPANTO CONSOLIDATED MINING Co.

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

18 October 2010

Disclosure Department
Listings and Disclosure Group
Philippine Stock Exchange, Inc.
3rd Floor, Philippine Stock Exchange Plaza
Ayala Triangle, Ayala Avenue
Makati City

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

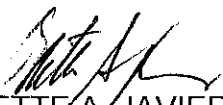
Re: 1:3.3 Stock Rights Offer

Gentlemen:

Please be advised that at the regular meeting of the Board of Directors this afternoon, the Board approved an offer to shareholders as of a record date to be fixed in accordance with the rules of the Philippine Stock Exchange (PSE), to subscribe to one (1) share of Common Stock for every 3.3 shares held on such record date, at the price of P0.30 per share. Record and offer dates will be fixed and announced upon PSE approval of the pertinent listing application. The shares to be offered will come from an increase in the Authorized Capital Stock of the Company from P3.35 billion to P6.64 billion, which was approved by the shareholders during the annual meeting held on April 20, 2009.

The proceeds of the offer, which will amount to P3 billion, more or less, will be utilized for development work on the Victoria Project, retirement of loans, accounts with suppliers and advances from shareholders, and to update the defined retirement benefit obligation.

Very truly yours,


ODETTE A. JAVIER
Vice President and
Asst. Corporate Secretary

cc: SEC