

LEPANTO CONSOLIDATED MINING Co.

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

23 August 2013

Disclosure Department

Listings and Disclosure Group
Philippine Stock Exchange, Inc.
Ayala Triangle, Ayala Avenue
Makati City

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

Re: **Update on the Far Southeast Project**

Gentlemen:


Please be advised that Gold Fields Limited announced on 22 August 2013 the results of their operations for the June 2013 quarter which includes an update on the Far Southeast (FSE) Project, as follows:

At the FSE project in the Philippines the project reached a significant milestone when the indigenous elders of the community voted in favour of the Free Prior Informed Consent (FPIC) for the project by an 84 per cent margin. The FPIC process is expected to be finalised by the end of September 2013 with the signing of a memorandum of agreement with the communities. Thereafter the focus will shift to securing the Financial Technical Assistance Agreement (FTAA), which will enable Gold Fields to exercise its option to acquire an additional 20 per cent of the project, raising its stake to 60 per cent. Work is underway to determine the viability of a smaller, less capital intensive starter operation with a shorter timeline to production. This could entail a long-hole open stoping operation focusing initially on the higher grade portion of the ore body. This study is expected to take at least until June 2014.

In a related development, we are pleased to advise that at the first stockholders' meeting of Far Southeast Gold Resources, Inc. (FSGRI) following Gold Fields' acquisition of a 40% interest, the following were elected to the FSGRI Board:

Felipe U. Yap
Bryan U. Yap
Rene F. Chanyungco
Ethelwoldo E. Fernandez
Augusto C. Villaluna;
Frederick Louw
Tomas D. McKeith

Very truly yours,


ODETTE A. JAVIER
Vice President and
Asst. Corporate Secretary