

LEPANTO CONSOLIDATED MINING CO.

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

20 September 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: Far Southeast Project: Lepanto Signs Option and Shareholders'
Agreement with Gold Fields

Gentlemen:

Felipe U. Yap, Chairman and CEO of Lepanto Consolidated Mining Company, is pleased to announce that the Board of Lepanto has just approved Lepanto's execution of an Option and Shareholders' Agreement ("Agreement") with Gold Fields Switzerland Holding AG ("GFS"), a wholly-owned subsidiary of Gold Fields Limited, in relation to the development and operation of the Far Southeast Project ("Project").

The Agreement would grant GFS an 18-month option to subscribe to new shares of stock of Far Southeast Gold Resources, Inc. ("FSGRI") representing a 20% interest in FSGRI. If the option is exercised by GFS, Lepanto's interest in FSGRI will be reduced from 60% to 40%. The Parties intend to progress the Project under a Financial or Technical Assistance Agreement.


Lepanto will be paid a non-refundable option fee of US\$10 million. The option requires GFS to sole-fund pre-development expenses including exploration and a feasibility study of the Project and contribute US\$110 million into FSGRI. GFS must also contribute its proportionate share of the development cost at which point GFS will receive its 20% interest in FSGRI.

Gold Fields represents that while there has not been sufficient work completed to declare a mineral resource for the Project, drilling undertaken over a number of years indicates the presence of a large, concealed gold-copper mineralised porphyry system. More than

80 diamond drill holes totalling more than 35,000 metres have intersected a mineralised zone with approximate dimensions of 900 metres east-west by 900 metres north-south by 900 metres vertical. Within this zone Gold Fields considers that mineralisation is continuous. While grades are variable, the following historic drill intersections are considered typical of the mineralized zone; 691m at 2.5g/t Au, 0.9% Cu, 906.8m at 1.5g/t Au, 0.5% Cu, 613.1m at 0.8g/t Au, 0.8% Cu, 733.9m at 0.7g/t Au, 0.4% Cu, and 517.4m at 0.6g/t Au, 0.4% Cu.

GFS is a wholly-owned subsidiary of Gold Fields Limited, the fourth largest gold producer in the world with an annual gold production of over 3.5 million ounces. The Gold Fields group is based in South Africa and has 48,500 employees in the 13 countries where it operates. Gold Fields Limited's shares are listed on the stock exchanges of New York, Johannesburg and Dubai. It has a market capitalization of over US\$10 billion.

Very truly yours,


ODETTE A. JAVIER
Vice President and
Asst. Corporate Secretary