



23 March 2016

PHILIPPINE STOCK EXCHANGE, INC.

Tower One and Exchange Plaza
Ayala Triangle, Ayala Avenue
Makati City, Philippines

Attention : **JANET A. ENCARNACION**
Head, Disclosure Department

Re : **News Article – “CA clears MacroAsia’s Brooke’s Point Project”**

Gentlemen:

We refer to the letter of Ms. Hannah Abigail R. De Guzman of the PSE, asking us to clarify or confirm today the quoted statements below in relation to the following news article entitled “CA clears MacroAsia’s Brooke’s Point Project” posted in BusinessMirror (Internet Edition) on March 22, 2016. The article reported in part that:

“THE Court of Appeals (CA) has reversed its ruling issued in April 2015, denying the bid of Lucio Tan’s MacroAsia Corp. to conduct mining operations in an area covering 1,113.98 hectares in Sitio Linao, Brooke’s Point, Palawan.

In a 16-page amended decision penned by Associate Justice Danton Bueser, the CA’s former Special Sixteenth Division granted the motion for reconsideration filed by MacroAsia and directed the National Commission on Indigenous Peoples (NCIP) to issue the certificate of precondition in favor of the mining firm. The certificate is needed before MacroAsia could proceed with the extraction activities at Brooke’s Point.

The CA held that the NCIP committed grave abuse of discretion in disregarding the recommendation.

....

The appellate court held that NCIP’s refusal to issue the certificate was justified considering the failure of MacroAsia to conduct a separate field-based investigation (FBI) prior to the extraction stage of its mining operation. But, in its decision issued on March 14, the CA reversed and set aside NCIP’s resolution, saying that it committed grave abuse of discretion in denying MacroAsia’s application for certificate of precondition.

In reversing its decision, the CA agreed with the contention of MacroAsia that it has complied with all the requirements for the grant of a certificate of precondition for its Mineral Production Sharing Agreement (MPSA) application.

The appellate court explained that it was erroneous for the NCIP to ignore the recommendations of its Free and Prior Informed Consent (FPIC) Team and the Validation Team for the issuance of the certification for precondition.

The reviewing teams created by the NCIP noted the overwhelming approval of the Palawan tribes and the directly affected areas of the mining operations.

....”

We confirm the quoted article above. Our external counsel has received a copy of the said Decision but as of this writing, MacroAsia Corporation has not yet received the official copy of the subject decision from the Court of Appeals.

We trust that this clarifies the news item mentioned above.

Very truly yours,



ATTY. MARIVIC T. MOYA
Compliance Officer/CIO
VP-HR, Legal and External
Relations