



**ATLAS CONSOLIDATED MINING AND DEVELOPMENT CORPORATION**

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6 June 2012

**PHILIPPINE STOCK EXCHANGE**

3F Philippine Stock Exchange Plaza  
Ayala Triangle, Ayala Avenue  
Makati City, Philippines 1226

Attention:

**Ms. JANET A. ENCARNACION**  
*Head, Disclosures Department*

Dear Madam:

Please see attached press release of Atlas Consolidated Mining and Development Corporation regarding the execution by its wholly-owned subsidiary Carmen Copper Corporation of a long-term power purchase agreement with Toledo Power Company.

Very truly yours,

**ATLAS CONSOLIDATED MINING  
AND DEVELOPMENT CORPORATION**

By:

**CARMEN-ROSE A. BASALLO-ESTAMPADOR**  
Compliance Officer

*6 June 2012* –Carmen Copper Corporation (CCC), a wholly-owned subsidiary of Atlas Consolidated Mining and Development Corporation which operates the Toledo copper mine in the province of Cebu, had just signed a twelve-year Electric Power Purchase Agreement (the “EPPA”) with Toledo Power Company (TPC).

Pursuant to the terms of the EPPA, TPC will build and operate a 72-megawatt net output clean coal-fired power plant in Toledo City (the “Plant”) that will guarantee the supply of up to 60 megawatts of electric power to CCC’s mining operations upon its commissioning which is expected by the end of December 2014. The EPPA was entered into to provide for the projected increase in CCC’s power requirements as a result of the intended expansion of its production capacity from 40,000 tonnes of copper ore per day to 60,000 tones of copper ore per day.

While CCC and TPC await the start of the Plant’s operations, they have entered into an Energy Conversion Agreement (the “ECA”) whereby CCC shall supply to TPC the coal needed to generate the electric power required by CCC. The ECA will reduce CCC’s power procurement cost by PhP0.35 per kilowatt-hour. When the Plant comes online, such cost will drop further by PhP0.30 per kilowatt-hour.

Through its partnership with TPC under the EPPA and the ECA, CCC established firm access to a long-term power source in accordance with its cost minimization strategy.