

BenguetCorp

September 5, 2013

PHILIPPINE STOCK EXCHANGE
3rd Floor, Philippine Stock Exchange Plaza
Ayala Triangle, Ayala Avenue
Makati City

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

Gentlemen:

This is in response to your letter dated September 5, 2013, seeking clarification and/or confirmation regarding the news article entitled "Benguet settlement papers turned over to Nadecor" published in the September 4, 2013 internet edition issue of the Business Mirror, which reported in part as follows:

"FOLLOWING the decisions of the Supreme Court (SC) and the Court of Appeals (CA) on the legality of the duly elected board of Nationwide Development Corp. (Nadecor), documents finalizing settlement with Benguet Mining Corp. for the sale of its operating rights in the King-king Copper-Gold Project in Mindanao were already turned over to Nadecor.

In a news conference on Wednesday in Makati City, Nadecor and Toronto Stock Exchange-listed Saint Augustine Gold and Copper Ltd., jointly announced that they have reached a major milestone with the handover of the settlement documents.

The parties said this provides the joint venture a clear title, which allows Nadecor to assign the King-king project mineral production-sharing agreement (MPSA) to the joint venture company, and finalizes Saint Augustine's equity as the joint-venture partner. Likewise, they said this gives a corporate structure within which the project can operate as it moves forwards in development.

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The full and final settlement of Saint Augustine with Benguet Mining was realized on August 30, 2011, for the King-king MPSA with an amended headsof terms agreement that allowed all future payments to be settled with a single, final payment of \$10.25 million. Previous to this, Saint Augustine made a down payment of \$8 million, for a total settlement package of \$18.25 million. "The Benguet settlement was fully paid for by the Saint Augustine Mining, at a cost of \$18 million, and Benguet [Mining] is very happy. This resulted in Benguet posting profits after a long period of drought. So they're on the way to recovery," Calalang told reporters at the news briefing.

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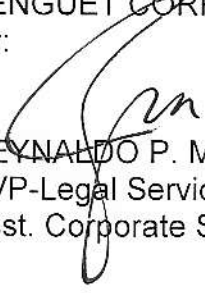
Based on its previous disclosures to the Securities and Exchange Commission (SEC) and Philippine Stock Exchange (PSE) under dates of July 22, 2010, August 31, 2011 and September 13, 2011, the Company had dealings with St. Augustine Mining Ltd., (SAML) under the Heads of Terms dated July 22, 2010 and the Amendment of the Heads of Terms dated August 31, 2011 for accelerated payment of the transfer price of the Kingking project. We are not aware of the relationship between SAML and Saint Augustine Gold and Copper Ltd., nor are we privy to their transactions with NADECOR. Prior to transfer to SAML, the Company held the operating interest in the Kingking project, of which NADECOR is the claimowner.

We hope that we have clarified the above matter to your satisfaction.

Very truly yours,

BENGUET CORPORATION

By:


REYNALDO P. MENDOZA
SVP-Legal Services /
Asst. Corporate Secretary