



Coal Asia Holdings

Reliable energy resources through responsible mining

Coal Asia wishes to provide this update of its operations since it completed all Pre-development work in the 1st quarter of 2014 as committed to its investors and the general public, also in relation to the announcements it made from the very beginning.

Thus, the company finished a comprehensive drilling program on three (3) out of the total ten (10) coal-bearing basins identified in its Davao Oriental's 7,000 hectare Coal Operating Contract. The company further developed mine access roads, erected base camp facilities to include warehouse, mine office, laboratory and others, built a jetty port for ship loading of its coal about 13 kms away from mine site, and has acquired the land where coal mining operation will take place.

Further to this, the company undertook detailed mine planning works, supported by a computer modeling method, to confirm the mineable coal reserves in the identified basins. Bulk sampling tests are also being conducted. The coal resource and reserve estimates have been reported and were validated by the Department of Energy (DOE). Moreover, the DOE has favorably endorsed on January 10, 2014 our coal mining project to the DENR for the issuance of the ECC.

The company's mine operation plans for execution are based on the use of trucks loaded by hydraulic shovels and were designed for an optimized coal release while maintaining a viable waste to coal ratio.

Noteworthy to mention is the projected overall demand for coal in the Mindanao Region, reaching about five million (5,000,000) Metric Tons annually by 2015/16, this in order to feed existing and newly built coal-fired power stations as well as cement plants. The company with its operations in Davao Oriental is thus well positioned to serve this growing industry with a portion of its demand. Add to this the coal requirements in the Visayas Region which stand at around three million (3,000,000) Metric Tons annually, specifically at the Cebu and Panay locations.



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This is a clear indication of the vast market potential for indigenous coal which the company intend to provide for to its clientele.

This project, once in full operation will employ 1,000 personnel both directly and indirectly. This will create much needed jobs and livelihood in the surrounding areas and will uplift the different Barangays and community surrounding it.

With the company having complied with all the prescribed requirements in its filing the application for the issuance of the Environmental Compliance Certificate (ECC) at the Department of Environment and Natural Resources (DENR) it is now only awaiting the release of the signed document in order to proceed with the actual coal mining activities. We are working to capacity and do hope the investing public will have patience as some things are just beyond our control. Nevertheless, we remain hopeful that the ECC will be released without further delay.