



BenguetCorp

January 13, 2010

PHILIPPINE STOCK EXCHANGE
PSE Center, Exchange Road
Ortigas Center, Pasig City

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

Gentlemen:

We write in connection to your January 12, 2010 letter regarding Mr. Raymond H. Ricafort's letter to the Exchange.

At the outset, we would like to point out that the Company has not been declared in default by PNB, the Trustee under the Mortgage Trust Indenture. While the letter sent by PNB states that it is serving formal notice/declaration to Benguet Corporation that the secured obligations covered by the aforementioned Indenture are forthwith due and payable, it does not state that BC is declared in default. The said letter is attached for your perusal, where the critical portion "the secured obligations covered by the Mortgage Trust Indenture are due and payable" was disclosed in our letter to PSE, hence it is clear that the disclosure is proper and sufficient.

Additionally, as we have previously disclosed, the validation process has not yet been completed pending compliance/curing of the deficiencies of the notice requirements on the part of the substituted creditors. In fact BC has made a written offer for the commercial settlement of its debt on October 22, 2009 and October 30, 2009 and amended the same on December 17, 2009 to include a specific timeframe for the settlement. To date, not all the creditors nor a majority of creditors have transmitted their position to the PNB.

Also as previously disclosed, BC already wrote PNB that the notice is premature and unnecessary in light of the amended settlement offer and non-completion of the validation of creditors pursuant to the law and jurisprudence cited in our letter to PNB dated January 11, 2010.

As it is, we decry Mr. Ricafort's obvious aim of using the Exchange as a forum to ventilate internal matters and discussions between BC and its creditors, and to put the Company in a bad light. Mr. Ricafort does not claim to be a stockholder of BC and yet we note that he appears to be very capable of acquiring material non-public information, of which he is neither a party nor privy to. We also note that Mr. Ricafort copy furnished Mr. Janzen Marquez, an alleged stockbroker who

recently has been writing the Exchange to impute malicious allegations against the Company. To put into record, we are informing the Exchange that Mr. Ricafort is the son of Mr. Jose Ricafort, the Chairman of Nationwide Development Corporation ("NADECOR"), and at the same time, NADECOR's financial consultant. NADECOR is the company in dispute with BC over the operation of the Kingking project. Mr. Ricafort's actions beg the question: is Mr. Ricafort acting for some undisclosed parties whose intention is to depress the value of BC shares? Hence, we are requesting that the Exchange investigate Mr. Ricafort as well as his association with Mr. Marquez as their respective letters appears to coincide with movements in BC's share prices and trading volume.

We hope that this letter has clarified our position on the matter.

Very truly yours,

BENGUET CORPORATION

By:

A handwritten signature in black ink, appearing to be 'R. Mendoza', written over a faint circular stamp or watermark.

REYNALDO P. MENDOZA
SVP-Legal & Asst. Corporate Secretary



PNB Trust Banking Group

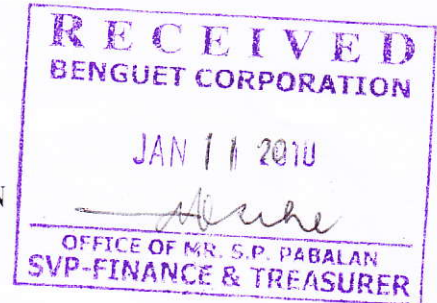
Direct Lines: 526-3669/526-33684 Fax: 526-3412
Trunk Lines: 526-3131 to 70/891-6040 to 70
Locals: 4640 ; 2512; 2513

January 11, 2010

BENGUET CORPORATION
3rd floor Universal Re building
106 Paseo de Roxas, Makati City

Attention:

MR. SALVADOR P. PABALAN
SVP - Finance & Treasurer



Gentlemen:

Subject: Indenture dated December 22, 1993 by and between Benguet Corporation and PNB Trust Banking Group

Pursuant to the written direction of the Majority Creditors under Section 6.02, and in our capacity as Trustee of the above captioned Indenture, we serve this formal notice/declaration to Benguet Corporation, that the secured obligations covered by the aforementioned Indenture are forthwith due and payable.

Very truly yours,

PNB Trust Banking Group
Trustee

By:

ROGEL L. ZENAROSA
Senior Vice President

RAFAEL G. AYUSTE JR.
First Senior Vice President & Trust Officer

Cc: Benguet Corporation Creditors

ASSET POOL A (SPV-AMC), INC. Units 1115-1116, Ayala Tower One & Exchange Plaza, Ayala Ave. Cor. Paseo de Roxas, Makati City	Attention: MR. EDUARDO A. GANA Executive Director
CALYON CREDIT AGRICOLE CIB 14th Floor, Tower 1, The Enterprise Center Ayala Avenue Cor. Paseo de Roxas Makati City	Attention: MS. TERESITA I. ANDRES Chief Operating Officer
ASIA SPECIAL SITUATIONS MTI LTD. ADM Capital 1008 ICBC Tower, 3 Garden Road Central, Hong Kong	Attention: MS. MICHELLE SHI
SOCIAL SECURITY SYSTEM 7/F, SSS Building, East Avenue, Quezon City	Attention: MR. EDGAR B. SOLILAPSI Senior Vice President Investment Group
BANQUE NATIONALE DE PARIS 30 th Flr., Philamlife Tower 8767 Paseo de Roxas, Makati City	Attention: MS. JOSIE CALIMBA Vice President Corporate and Institutional banking
CAMERON GRANDVILLE 2 ASSET MANAGEMENT, INC. FH Corporate Services, Inc. Unit 2803, 28/F, Ayala Life-FGU Ctr. 6811 Ayala Avenue, Makati, 1226 Philippines	Attention: MS. LYN ARCILLA Asset Manager
LAZARD FRERES & COMPANY 120 Broadway, New York New York, USA 10273	Attention: MR. IVAN NEDDS Vice President Emerging Markets/High Yield Group
FINANCIAL RISK RESOLUTION ADVISORY, INC. No. 6 Ozamis St., Muntinlupa City	Attention: MR. ISIDRO C. ALCANTARA Jr. President
ASIA TRUST DEVELOPMENT BANK 11/F, Asia Trust Building 1424 Quezon Avenue, Quezon City	Attention: MR. NORMAN UMALI First Vice President & Trust Officer Trust Department
ASIAN RIM CAPITAL LTD. Suite 1403, 14 th Floor Annapolis Wilshire Plaza Condominium, Annapolis St., San Juan City	Attention: ATTY. MICHAEL C. CHAVEZ
ALTUS TRANSACTIONAL SERVICES, INC. 16/F Ayala Avenue, Makati City	Attention: MR. PAVAN GIDWANI

MERIDIAN (SPV-AMC)
FH Corporate Services, Inc.
Unit 2803, 28/F, Ayala Life-FGU Ctr.
6811 Ayala Avenue, Makati, 1226
Philippines

Attention: **MR. MELODEE EILEEN T. GOPEZ**
Associate Director