CENTURYPEAK
METALS HOLDINGS CORP.

August 12, 2011

PHILIPPINE STOCK EXCHANGE
Disclosure Department
Listings and Disclosure Group
3rd Floor, Philippine Stock Exchange Plaza
Ayala Triangle, Ayala Avenue, Makati City

Attention: **Ms. Janet A. Encarnacion**
Head – Disclosure Department

Madam:

In compliance with Section 17.2(b) of the Revised Disclosure Rules, **CENTURY PEAK METALS HOLDINGS CORPORATION** ("CPM") is pleased to submit herewith its SEC Form 17-Q (Quarterly Report) for the period ended 30 June 2011.

Very truly yours,

Ma. Angela C. Ong
Corporate Information Officer

www.centurypeakmetals.com
TRUNKLINE (632) 856-0999 • FAX (632) 856-4844
Units 1403 & 1404 Equitable Bank Tower Condominium
8751 Paseo de Roxas, Salcedo Village, Makati City, Philippines

Century Peak Metals Holdings Corporation
and Subsidiaries

Interim Consolidated Financial Statements
As of June 30, 2011 (Unaudited) and December 31, 2010
(Audited)
and for the Six Months Ended June 30, 2011 and 2010
(Unaudited)

COVER SHEET

CS200324966

SEC Registration Number

CENTURY PEAK METALS HOLDINGS CORPORATION AND SUBSIDIARIES

(Company's Full Name)

UNITS 1403 & 1404 EQUITABLE BANK TOWER CONDOMINIUM 8751 PASEO DE ROXAS, SALCEDO VILLAGE, MAKATI CITY 1227

(Business Address: No. Street City/Town/Province)

Ma. Angela Ong

(Contact Person)

(02) 856-0999

(Company Telephone Number)

12	31	17-Q	06	30
Month	*Day*	(Form Type)	*Month*	*Day*
(Fiscal Year)			(Annual Meeting)	

(Secondary License Type, If Applicable)

Dept. Requiring this Doc.

Amended Articles Number/Section

Total Amount of Borrowings

196

Total No. of Stockholders

Domestic

Foreign

To be accomplished by SEC Personnel concerned

File Number

LCU

Document ID

Cashier

STAMPS

Remarks: Please use BLACK ink for scanning purposes.

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-Q

QUARTERLY REPORT PURSUANT TO SECTION 17 OF THE SECURITIES REGULATION CODE AND SRC RULE 17(2)(b) THEREUNDER

1. For the quarterly period ended **30 June 2011**

2. Commission identification number **CS200324966** 3. BIR Tax Identification No **228-423-401-000**

4. **CENTURY PEAK METALS HOLDINGS CORPORATION**
   Exact name of issuer as specified in its charter

5. Province, country or other jurisdiction of incorporation or organization **Manila, Philippines**

6. Industry Classification Code: [ ] (SEC Use Only)

7. **Units 1403 & 1404 Equitable Bank Tower, 8751 Paseo De Roxas, Makati City 1227**
   Address of issuer's principal office Postal Code

8. **+63-2-856-0999**
   Issuer's telephone number, including area code

9. **Not Applicable**
   Former name, former address and former fiscal year, if changed since last report

10. Securities registered pursuant to Sections 8 and 12 of the Code, or Sections 4 and 8 of the RSA

Title of each Class	Number of shares of common stock outstanding and amount of debt outstanding
Common	**2,820,330,450**

11. Are any or all of the securities listed on a Stock Exchange?

Yes [✓] No [ ]

If yes, state the name of such Stock Exchange and the class/es of securities listed therein:

Philippine Stock Exchange **Common Stock**

12. Indicate by check mark whether the registrant:

(a) has filed all reports required to be filed by Section 17 of the Code and SRC Rule 17 thereunder or Sections 11 of the RSA and RSA Rule 11(a)-1 thereunder, and Sections 26 and 141 of the Corporation Code of the Philippines, during the preceding twelve (12) months (or for such shorter period the registrant was required to file such reports)

Yes [✓] No [ ]**Report: 17-A**

(b) has been subject to such filing requirements for the past ninety (90) days.

Yes [✓] No [ ]

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PART 1 – FINANCIAL INFORMATION

Item 1. Financial Statements

The interim consolidated financial statements as of June 30, 2011 (Unaudited) and December 31, 2010 (Audited) and for the six months ended June 30, 2011 and 2010 and the related notes to unaudited consolidated financial statements of Century Peak Metals Holdings Corporation and Subsidiaries (collectively referred to as "the Group") are filed as part of this Form 17-Q on pages 3 to 17.

For purposes of segment reporting, the Group has no other reportable segment other than mining and conversion of mineral resources.

There are no other material events subsequent to the end of this interim period that had not been reflected in the unaudited consolidated financial statements filed as part of this report.

Century Peak Metals Holdings Corporation
and Subsidiaries

Interim Consolidated Financial Statements
As of June 30, 2011 (Unaudited) and December 31, 2010 (Audited) and for the Six Months Ended June 30, 2011 and 2010 (Unaudited)

CENTURY PEAK METALS HOLDINGS CORPORATION AND SUBSIDIARIES
INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	Note	**June 30, 2011 (Unaudited)**	December 31, 2010 (Audited)
ASSETS			
Current Assets			
Cash		**₱4,231,081**	₱46,026,214
Trade receivables		**3,457,832**	5,394,881
Inventories		**90,616,270**	79,176,442
Other current assets		**9,327,666**	8,969,696
Total Current Assets		**107,632,849**	139,567,233
Noncurrent Assets			
Available for sale securities		**1,500,000**	1,500,000
Investment properties	*6*	**21,385,768**	21,385,768
Property and equipment – net	*7*	**641,249,859**	643,110,351
Explored mineral resources – net	*8*	**2,015,071,626**	2,015,071,626
Deferred tax assets	*9*	**2,895,303**	2,895,303
Other noncurrent assets	*10*	**206,182,035**	205,987,035
Total Noncurrent Assets		**2,888,284,591**	2,889,950,083
		₱2,995,917,440	₱3,029,517,316
LIABILITIES AND EQUITY			
Current Liabilities			
Accounts payable and other current liabilities		**₱19,694,890**	₱26,503,119
Due to a stockholder	*12*	**141,688,330**	143,086,277
Income tax payable		**–**	780,405
		161,383,220	170,369,801
Noncurrent Liability			
Provision for site rehabilitation costs		**7,362,769**	7,010,715
Equity			
Capital stock	*13*	**2,820,330,450**	2,820,330,450
Additional paid-in capital		**1,931,550**	1,931,550
Retained earnings (Deficit)		**(32,882,097)**	(9,027,339)
Total Equity Attributable to Equity Holders of the Parent		**2,789,379,903**	2,813,234,661
Equity attributable to minority interests		**37,791,548**	38,902,139
Total Equity		**2,827,171,451**	2,852,136,800
		₱2,995,917,440	₱3,029,517,316

See accompanying Notes to Interim Unaudited Consolidated Financial Statements.

CENTURY PEAK METALS HOLDINGS CORPORATION AND SUBSIDIARIES

INTERIM UNAUDITED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	Note	**April 1 to June 30, 2011**	**January 1 to June 30, 2011**	April1 to June 30, 2010	January 1 to June 30, 2010
REVENUE		**₱–**	**₱–**	₱–	₱–
COST OF SALES		**–**	**–**	–	–
GROSS INCOME				–	–
Operating expenses		**(13,813,728)**	**(24,207,235)**	(16,967,985)	(39,846,538)
Foreign exchangeloss		**(176,027)**	**(352,055)**	1,552,851	(156,726)
Interest expense		**(10,018)**	**(573,836)**	(147,461)	(319,924)
Rent income		**–**	**60,000**	10,400	120,000
Interest income		**473**	**10,177**	2,258	45,426
Other income		**97,600**	**97,600**	–	–
LOSS BEFORE INCOME TAX		**(13,901,700)**	**(24,965,349)**	(15,549,937)	(40,157,762)
BENEFIT FROM DEFERRED INCOME TAX	*11*	**–**	**–**	(4,869,466)	(7,384,606)
NET LOSS/TOTAL COMPREHENSIVE LOSS		**(₱13,901,700)**	**(₱24,965,349)**	(₱10,680,471)	(₱32,773,156)
ATTRIBUTABLE TO:					
Equity holders of the parent company		**₱13,208,753**	**₱23,854,758**	₱7,972,835	₱26,093,511
Minority interest		**692,947**	**1,110,591**	2,707,636	6,679,645
		13,901,700	**24,965,349**	₱10,680,471	₱32,773,156
Loss Per Share					
Basic/Diluted	*16*	**₱0.0047**	**₱0.0085**	₱0.0028	₱0.0093

See accompanying Notes to Interim Unaudited Consolidated Financial Statements.

CENTURY PEAK METALS HOLDINGS CORPORATION AND SUBSIDIARIES

INTERIM UNAUDITED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

	Attributable to Equity Holders of the Parent Company				Minority Interest	Total Equity
	Capital Stock	Additional Paid-in Capital	Retained Earnings (Deficit)	Total		
Balance at January 1, 2011	**₱2,820,330,450**	**₱1,931,550**	**(₱9,027,339)**	**₱2,813,234,661**	**₱38,902,139**	**₱2,852,136,800**
Loss for the period	**–**		**(23,854,758)**	**(23,854,758)**	**(1,110,591)**	**(24,965,349)**
Balance at June 30, 2011	**₱2,820,330,450**	**₱1,931,550**	**(₱32,882,097)**	**₱2,789,379,903**	**₱37,791,548**	**₱2,827,171,451**
Balance at January 1, 2010	₱2,820,330,450	₱1,931,550	₱9,633,212	₱2,831,895,212	₱42,254,324	₱2,874,149,536
Loss for the period	–	–	(26,093,511)	(26,093,511)	(6,679,645)	(32,773,156)
Balance at June 30, 2010	₱2,820,330,450	₱1,931,550	(₱16,460,299)	₱2,805,801,701	₱35,574,679	₱2,841,376,380

See accompanying Notes to Interim Unaudited Consolidated Financial Statements.

CENTURY PEAK METALS HOLDINGS CORPORATION AND SUBSIDIARIES
INTERIM UNAUDITED CONSOLIDATED STATEMENTS OF CASH FLOWS

	Note	For the six months ended June30	
		2011	2010
CASH FLOWS FROM OPERATING ACTIVITIES			
Loss before income tax		**(₱24,965,349)**	(₱40,157,762)
Adjustments for:			
Depreciation and amortization		**8,476,495**	7,092,853
Unrealized foreign exchange loss		**40,360**	319,923
Interest expense		**352,054**	156,726
Interest income		**(10,177)**	(45,426)
Operating loss before working capital changes		**(16,106,617)**	(32,633,686)
Decrease (increase) in:			
Trade receivables		**1,896,689**	–
Inventories		**(11,439,828)**	–
Other current assets		**(357,970)**	(130,529)
Increase (decrease) in:			–
Accounts payable and other current liabilities		**(6,808,229)**	(4,120,923)
Due to a stockholder	*12*	**(1,397,947)**	10,254,267
Net cash (used foroperations		**(34,213,902)**	(26,630,871)
Income taxes paik		**(780,405)**	(1,293,484)
Interest received		**10,177**	45,426
Net cash used in operating activities		**(34,984,130)**	(27,878,929)
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of property and equipment		**(6,616,003)**	(29,529,488)
Increase in other noncurrent assets	*10*	**(195,000)**	(138,972,000)
Net cash used in investing activities		**(6,811,003)**	(168,501,488)
NET INCREASE (DECREASE) IN CASH		**(41,795,133)**	(196,380,417)
CASH AT BEGINNING OFPERIOD		**46,026,214**	211,622,843
CASH AT END OF PERIOD		**₱4,231,081**	₱15,242,426

See accompanying Notes to Interim Unaudited Consolidated Financial Statements.

1. **Corporate Information**

Century Peak Metals Holdings Corporation (CPMHC or the Parent Company), formerly Fil-Hispano Corporation, was registered with the Philippine Securities and Exchange Commission (SEC) on December 30, 2003. On February 15, 2008, the SEC approved the change in the Parent Company's corporate name to Century Peak Metals Holdings Corporation.

On April 14, 2008, the SEC approved the amendment of the Parent Company's articles of incorporation changing its primary purpose to promoting, operating, managing, holding, acquiring or investing in corporations or entities that are engaged in mining activities or mining-related activities. Moreover, on March 18, 2010, the SEC approved the amendment of the articles of incorporation adding investing in power and real estate development in the primary purpose of the Corporation.

The Parent Company listed its common shares of stock with the Philippine Stock Exchange on October 6, 2009.

On January 29, 2010, the stockholders approved the change in the Company's office address to Units 1403 & 1404 Equitable Bank Tower, 8751 Paseo de Roxas, Salcedo Village, Makati City from 18/F Security Bank Center, 6776 Ayala Avenue, Makati City.

The consolidated financial statements include the financial statements of the Parent Company, its wholly-owned subsidiary Century Peak Corporation (CPC) and its 55%-owned subsidiary, Century Hua Guang Smelting Incorporated (CHGSI) (collectively referred to as the "Group").

Mineral Rights of CPC
The table below summarizes the Mineral Rights of CPC:

Tenement Designation	Area Covered (hectares)	Location
MPSA-010-92-X	1,198	Casiguran, Loreto, DinagatIslands
MPSA-283-2009-XIII-SMR	3,188	Libjo (Albor), Dinagat Islands
EPA-IVB-139	5,136	Iwahig, Puerto Princesa, Palawan
APSA-086-XIII	660	Acoje, Loreto, Dinagat Islands
Operating Agreement	4,795	Toledo and Pinamungahan, Cebu

CPC acquired Mineral Production Sharing Agreement (MPSA) No. 010-92-X covering its Mineral Rights in Loreto, Province of Dinagat Islands, otherwise known as the Casiguran Nickel Project, by virtue of a Deed of Assignment executed with Casiguran Mining Corporation on May 29, 2006, which was approved by the Department of Environment and Natural Resources (DENR) on December 11, 2006.

In addition to the MPSA over the Casiguran Nickel Project, CPC has a Mineral Right in Libjo (Albor), Dinagat Islands which is covered by MPSA-283-2009-XIII-SMR that was approved on June 19, 2009 by the Department of Environment and Natural Resources.

Furthermore, CPC also has a pending Exploration Permit Application (EPA) designated as EPA-IVB-139 covering its property in Iwahig, Puerto Princesa, Palawan.

Moreover, a Memorandum of Agreement ("MOA") with Maharlika Dragon Mining Corp ("MDMC") assigning to CPC the Operating Agreement executed by and among MDMC, as the operator and Heirs of C.B. Gupana (owners of 52.5%) and CRAU Mineral Resources Corporation (owners of 47.5%) of the adjacent CRAU Property chromite-nickel prospect. Under the MOA, MDMC assigned all its rights, interest and title as an operator of the CRAU Property under the Operating Agreement dated May 5, 2007 to CPC. The operating agreement which is covered by an Application for Mineral Production Sharing Agreement identified as APSA-086-XIII was registered with the MGB. The application is under evaluation by the MGB Central Office.

CPC also entered into a Joint Operating Agreement with the Philippine Mining Development Corporation (PMDC) subject of its winning bid as operating partner to undertake the exploration, development and mining operations of PMDC's Pinamungahan Limestone Property, covering an area of 4,795 hectares located in Toledo and Pinamungahan, Cebu.

2. Basis of Preparation

Statement of Compliance

The unaudited consolidated financial statements as at and for the six months ended June 30, 2011 and 2010 have been prepared in accordance with Philippine Accounting Standards (PAS) 34, Interim Financial Reporting.

The unaudited consolidated financial statements do not include all information and disclosures required in the annual audited consolidated financial statements, and should be read in conjunction with the Company's annual audited consolidated financial statements as at and for the year ended December 31, 2010.

Basis of Measurement

The consolidated financial statements of the Group have been prepared on a historical cost basis. All values are rounded to the nearest peso, unless otherwise indicated.

Functional and Presentation Currency

The consolidated financial statements are presented in Philippine peso, which is the Parent Company's functional currency. Each entity in the Group determines its own functional currency. The functional currency of the subsidiaries is also the Philippine peso.

Use of Estimates and Judgments

The preparation of the consolidated financial statements in conformity with PFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 4.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

3. Changes in Accounting Policies

Adoption of New or Revised Standards, Amendments to Standards and Interpretations

The accounting policies adopted are consistent with those of the previous financial year except for the adoption of the following new, amendments to and revised standards effective January 1, 2011.

- Revised PAS 24, Related Party Disclosures (2009), amends the definition of a related party and modifies certain related party disclosure requirements for government-related entities.

- Improvements to PFRSs 2010 contain 11 amendments to six standards and to one interpretation. The amendments are generally effective for annual periods beginning on or after January 1, 2011. None of these is expected to have a significant effect on the consolidated financial statements of the Group.

  - PFRS 7, Financial Instruments: Disclosures. The amendments add an explicit statement that qualitative disclosure should be made in the context of the quantitative disclosures to better enable users to evaluate an entity's exposure to risks arising from financial instruments. In addition, the IASB amended and removed existing disclosure requirements.

  - PAS 1, Presentation of Financial Statements. The amendments clarify that disaggregation of changes in each component of equity arising from transactions recognized in other comprehensive income is also required to be presented, but may be presented either in the statement of changes in equity or in the notes.

Adoption of these new standards did not have significant impact on the consolidated financial statements.

4. Significant Accounting Judgments, Estimates and Assumptions

The preparation of the consolidated financial statements in compliance with PFRS requires management to make judgments and estimates that affect the amounts reported in the consolidated financial statements and accompanying notes. The judgments and estimates used in the accompanying consolidated financial statements are based upon management's evaluation of relevant facts and circumstances as of the reporting date, giving due consideration to materiality. Actual results could differ from such judgments and estimates. The Group believes that the following represent a summary of these significant judgments and estimates, and related impact and associated risks in the consolidated financial statements:

<u>Judgments</u>

Functional Currency
Each entity determines its own functional currency. Based on the economic substance of the underlying circumstances relevant to the Parent Company and subsidiaries, the functional currency has been determined to be the Philippine peso. The Philippine peso is the currency of the primary economic environment in which the Parent Company and subsidiaries operate. It is the currency that mainly influences the costs of labor, material and other costs.

Determination of Business for Purposes of Accounting for Business Combinations
A business is an integrated set of activities and assets conducted and managed for the purpose of providing: (a) a return to investors; (b) lower costs; or (c) other economic benefits directly and proportionately to policyholders or participants. A business generally consists of inputs, processes applied to those inputs, and resulting outputs that are, or will be, used to generate revenues.

Based on the commercial substance relevant to the acquisitions of the Parent Company of the equity interests in CPC and CHGSI, the Parent Company has determined that both CPC and CHGSI did not constitute as businesses at the time of acquisition (see Note 5). Accordingly, the bringing together of those entities is not accounted for as a business combination within the scope of PFRS 3. When a group of assets that does not constitute a business is acquired, the acquisition cost of the group of assets should be allocated among the individual identifiable assets and liabilities in the group based on their relative fair values.

Legal Contingencies
The estimate of the probable costs for the resolution of possible claims have been developed in consultation with outside counsel handling the Group's defense in these matters and is based upon an analysis of potential results.

There are no on-going litigations filed against the Parent Company and its subsidiaries that would have a material adverse impact on the Group's financial condition and results of operations.

Estimates and Assumptions

Net Realizable Value of Inventories
The Group estimates NRV of its ore inventory by calculating the net selling price less all costs still to be incurred in converting the relevant inventory to saleable product, and delivering it to the customer. Management determines the grade of the material as well as the physical quantities. Grade is determined using x-ray fluorescence results, confirmed through colorimetric and current wet analyses. Quantity is measured using volumetric survey. Net selling price is computed based on quoted prices, adjusted to reflect the level of mineral content, at reporting date. The carrying value of inventories amounted to₱90.6 million and₱79.2 million as at June 30, 2011 and December 31, 2010, respectively.

Useful Lives of Property and Equipment
The Group estimates the useful lives of property and equipment based on the period over which the assets are expected to be available for use. The estimated useful lives of property and equipment are reviewed periodically and are updated if expectations differ from previous estimates due to physical wear and tear, technical or commercial obsolescence and legal or other limits on the use of the property and equipment. In addition, estimation of the useful lives of property and equipment is based on collective assessment of internal technical evaluation and experience with similar assets. It is possible, however, that future results of operations could be materially affected by changes in estimates brought about by changes in factors mentioned above. The amount and timing of recorded depreciation expense for any period would be affected by changes in these factors and circumstances. The carrying values of property and equipment are disclosed in Note 7 to the consolidated financial statements.

Impairment of Nonfinancial Assets
The Group assesses the impairment of its explored mineral resources, property and equipment and investment property whenever events or changes in circumstances indicate that the carrying value of the assets or group of assets may not be recoverable. Factors that the Group considered in deciding when to perform impairment review includes the following, among others:

- The period for which the Group has the right to explore the specific area has expired or will expire in the near future, and is not expected to be renewed;
- Substantive expenditure on further exploration for and evaluation of mineral resources in the specific area is neither budgeted nor planned;
- Exploration for the evaluation of mineral resources in the specific area have not led to the discovery of commercially viable quantities of mineral resources and the entity has decided to discontinue such activities in the specific area;
- Sufficient data exist to indicate that, although a development in the specific area is likely to proceed, the carrying amount of the explored mineral resource is unlikely to be recovered in full from successful development or by sale;
- Significant under-performance of a business or product line in relation to expectations;
- Significant negative industry or economic trends; or
- Significant changes or planned changes in the use of the assets.

Determining the value in use of these nonfinancial assets, which requires the determination of future cash flows expected to be generated from the continued use and ultimate disposition of such assets, requires the Group to make estimates and assumptions that can materially affect the consolidated financial statements. Future events could cause the Group to conclude that the assets are impaired. Any resulting impairment loss could have a material adverse impact on the Group's consolidated financial position and consolidated results of operations. The Group did not recognize any impairment loss on its nonfinancial assets in 2011 and 2010.

The carrying values of investment properties, property and equipment, and explored mineral resources are disclosed in Notes6, 7 and 8, respectively.

Valuation of Explored Mineral Resources
The Group recognized explored mineral resources at its fair value as of initial recognition. The Group estimated the fair value based on the cash flow generation of the relevant mineral property covered by the acquired MPSA. Assumptions and methods used in the estimation are disclosed in Note 8. The amount initially recognized would differ if the Group utilized different valuation methodologies and assumptions. Using a different amount to recognize the explored mineral resources as of initial recognition would affect the periodic amortization expense and any impairment losses which may be subsequently recognized.

Estimating Recoverable Reserves
Recoverable reserves and resource estimates for development projects are, to a large extent, based on the interpretation of geological data obtained from drill holes and other sampling techniques and feasibility studies which derive estimates of costs based upon anticipated tonnage and grades of ores to be mined and processed, the configuration of the ore body, expected recovery rates from the ore, estimated operating costs, estimated climatic conditions and other factors. Proven reserve estimates are attributed to future development projects only where there is a significant commitment to project funding and execution and for which applicable governmental and regulatory approvals have been secured or are reasonably certain to be secured.

All proven reserve estimates are subject to revision, either upward or downward, based on new information, such as from block grading and production activities or from changes in economic factors, including product prices, contract terms or development plans.

Estimates of reserves for undeveloped or partially developed areas are subject to greater uncertainty over their future life than estimates for reserves for areas that are substantially developed and depleted. As an area goes into production, the amount of proven reserves will be subject to future revision once additional information becomes available. As those areas are further developed, new information may lead to revisions. It is possible, however, that future results of operations could be materially affected by changes in estimates brought about by changes in factors mentioned above. The amount and timing of recorded depletion expenses for any period would be affected by changes in these factors and circumstances.

Site Rehabilitation Costs
The Group is legally required to fulfill certain obligations under its MPSAs and ECC issued by the DENR when it abandons depleted mine pits. Significant estimates and assumptions are made in determining the provision for mine rehabilitation as there are numerous factors that will affect the ultimate liability payable. These factors include estimates of the extent and costs of rehabilitation activities, technological changes, regulatory changes, cost increases, and changes in discount rates. Those uncertainties may result in future actual expenditure differing from the amounts currently provided. The provision at reporting date represents management's best estimate of the present value of the future rehabilitation costs required. Assumptions used to compute the site rehabilitation costs are reviewed and updated annually.

5. **Acquisitions of Group of Assets**

CPC

On March 14, 2008, the Parent Company executed a Deed of Exchange with the shareholders of CPC for the acquisition of 100% equity interest in CPC equivalent to ₱40.0 million or 40.0 million shares at ₱1.00 par value in exchange for ₱2.2 billion or 2.180 billion shares at ₱1.00 par value of the Parent Company.

As at acquisition date, management determined that CPC did not constitute a business, as defined by PFRS 3, *Business Combination*. CPC's assets consist mainly of property and equipment contributed by its shareholders and its MPSA No. 010-92-X over the Casiguran Nickel Project. The MPSA over the Casiguran Nickel Project was assigned to CPC from its previous holder on April 9, 2006 and the related ECC was only issued to CPC on November 29, 2007. Management determined that based on the substance of the underlying circumstances at that date, CPC did not constitute a business and, accordingly, was not accounted for as a business combination. The transaction was accounted for as an acquisition of a group of assets, wherein the acquisition cost of the group of assets was allocated among the individual identifiable assets and liabilities in the group based on their relative fair values.

The acquisition cost of the group of assets is allocated to the identifiable assets and liabilities of CPC based on their relative fair values as at the acquisition date as follows:

	Fair Value Allocation
Current Assets:	
Cash	₱796,289
Other current assets	199, 963
Noncurrent Assets:	
Property and equipment	522,718,827
Explored mineral resources	2,016,756,977
Other noncurrent assets	602, 265
Total Assets	2,541,074,321
Liabilities:	
Due to related parties	333,789,510
Accounts payable and other current liabilities	4,633, 275
Provision for site rehabilitation	5,216,536
Total Liabilities	343,639,321
Fair value of group of nets assets acquired/Total acquisition cost	₱2,197,435,000

The acquisition cost includes:

	Amount
Fair value of the shares of stock issued by the Parent Company	₱2,180,000,000
Direct cost	17,435,000
Total acquisition cost	₱2,197,435,000

The fair value of the shares of stock issued by the Parent Company was based on the valuation report prepared by Asian Alliance Investment Corporation which adopted the discounted cash flow method (see Note 8).

CHGSI

CHGSI was incorporated on January 14, 2008. On April 8, 2008, the Parent Company executed a

Deed of Assignment with CHGSI's shareholders (or "CHGSI Investor Group") for the assignment of 54,999,998 shares at ₱1.00 par value, amounting to ₱55.0 million for the acquisition of 55% ownership in CHGSI.

At the date of acquisition, CHGSI did not constitute a business. Its assets mainly consist of cash. Management determined that based on the substance of the underlying circumstances at that date, CHGSI did not constitute a business and, accordingly, was not accounted for as a business combination. Accordingly, the transaction was accounted for as an acquisition of a group of assets, wherein the acquisition cost of the group of assets were allocated among the individual identifiable assets and liabilities in the group based on their relative fair values.

6. Investment Properties

Investment properties consist of two parcels of land and land improvements with aggregate carrying value of ₱21.4 million and the fair value of₱35.4 million as of June 30, 2011 and December 31, 2010. The fair value represents the amount at which the assets could be exchanged between a knowledgeable and willing buyer and seller in an arm's length transaction at the date of valuation.

7. Property and Equipment

The carrying value of property and equipment amounted to ₱641.2 million and ₱643.1 million as at June 30, 2011 and December 31, 2010 respectively.

This account includes mine site development costs include costs incurred in the construction of road network, pier and stockyard. Measurement and recognition of this asset refers to those of property and equipment being used to develop and maintain CPC's mineral right property in Casiguran Property which has indicated various degrees of nickel mineralization.

Mine site development costs, transportation and field equipment were part of the group of assets acquired as discussed in Note 5. These assets are initially recognized in the consolidated statement of financial position based on allocation of the total acquisition cost using their relative fair value. Their fair values were based on appraisal made by an independent appraiser, Royal Asia Appraisal Corporation using either the cost approach or market data approach.

8. Explored Mineral Resources

The explored mineral resources acquired as part of the of group of assets of CPC is measured based on the expected cash flow generation of the explored area of about 400 hectares or 42% of total area covered by the MPSA.

The valuation also considers CPC's existing exploration permit in Puerto Princesa, Palawan covering an estimated area of 5,136.32 hectares and exploration permit application in Albor, Surigaodel Norte with an estimated area of 3,188.25 hectares but without assigning financial or monetary value. Cost from the exploration permits are substantially immaterial and charged to operation. In addition, the valuation did not include any assignment of operating agreement and additional mining tenements that may contain other minerals.

The financial model yielded an expected net present value (NPV) on CPC's group of assets estimated at ₱2.18 billion using an investment hurdle rate of 20%. The NPV computation assumed an average selling price of USD 27,500 per metric ton of pure nickel which considers a 16.2%discount to London Metal Exchange quoted prices; a 15-year production and selling period with a maximum annual production yield of 2 million metric tons; and an average production cost of USD 6.43 per wet metric ton. The valuation was prepared by Asian Alliance Investment

Corporation (AAIC), an independent financial advisor. Subsequently, the Parent Company appointed Multinational Investment Bancorporation (MIB), another independent financial advisor, to render fairness opinion to the valuation. MIB's report dated April 9, 2008 fairly approximates that of AAIC's report.

For purposes of computing the net present value using discounted cash flow method, the valuation of intangible assets involves the extraction of non-replaceable resource.

The assumptions used in the valuation included a number of market factors that are subject to market risk, such as commodity risk and currency risk. Significant changes in the commodity prices and foreign exchange rates would affect the fair value of the explored mineral resources.

The carrying value of explored mineral resources amounted to ₱2,015.1 million as at June30, 2011 and December 31, 2010.

9. Deferred Tax Assets

The components of the Group's deferred tax assets in the consolidated statement of financial position as at June 30, 2011 and December 31, 2010 are as follows:

	Amount
Carryforward benefits of MCIT	₱2,073,889
Income tax effects of:	
NOLCO	179,048
Provision for site rehabilitation, net of the carrying value of the related capitalized rehabilitation cost	668,667
Unrealized foreign exchange loss	(26,301)
	₱2,895,303

10. Other Noncurrent Assets

The other noncurrent assets pertain mainly to advances made to suppliers for the purchase of equipment of CHGSI.

	2011	2010
Advances to suppliers	**₱205,151,500**	₱205,151,500
Others	**1,030,535**	835,535
	₱206,182,035	₱205,987,035

On April 20, 2010, the CHGSI entered into a purchase transaction with a supplier for blast furnace equipments to be used in the smelting process. The purchased equipments are not yet delivered as of June 30, 2011. Total advances made amounted to ₱205.2 million as of June 30, 2011.

At the end of July 2011, the first batch of equipment, amounting to ₱179.0 million was received by CHGSI and remaining equipment are expected to be received within 2011.

11. **Registration with the Board of Investments (BOI); Philippine Economic Zone Authority (PEZA); Mines and Geosciences Bureau (MGB) and Environment Management Bureau (EMB)**

<u>CPC Registration with BOI</u>
On May 7, 2010 CPC was registered with the Board of Investments (BOI) with Certificate of Registration No. 2010-093, on its mining and extraction of nickel ore at Casiguran, Loreto, Province of Dinagat, as a new project on a Non-Pioneer Status under the Omnibus Investments Code of 1987 (Executive Order No. 226).

As a BOI registered entity, CPC is entitled to the following incentives, among others:

a. Tax credit on taxes and duties paid on raw materials and supplies used in producing its export product for a period of ten (10) years from start of commercial operations;

b. Importation of consigned equipment for a period of ten (10) years from date of registration, subject to posting of re-export bond;

c. Exemption from wharfage dues, any export tax, duties, imposts and fees for a ten (10) year period from date of registration; and

d. Simplification of customs procedures for the importation of equipment, spare parts, raw materials and supplies.

<u>CHGSI Registration with PEZA</u>
On October 28, 2009, CHGSI was registered with PEZA under Certificate of Registration No.09-56 for the production of ferro-nickel (pig iron) at the Leyte Industrial Development Estate - Special Economic Zone.

By virtue of its PEZA Registration, CHGSI is entitled, among other incentives, to four (4) years Income Tax Holiday, which shall be reckoned upon its start of commercial operations, as well as tax and duty free importation of its capital equipment and raw materials, subject to its compliance with the terms and conditions of its registration.

Moreover, CHGSI has an approved application with PEZA for its proposed Coking Coal Production Project, and the Supplemental Agreement to its Registration Agreement last 28th October 2009 was signed into effect last March 01, 2011.

<u>CHGSI Registration with MGB and EMB</u>
CHGSI has filed its application for a Mineral Processing Permit (MPP) for its Smelting Plant and is currently under evaluation with the MGB Regional Office, Region 8; while it has already received its Amended Environmental Compliance Certificate (ECC), with Reference Code 1003-0011 issued by the Environmental Management Bureau (EMB), Central Office, to include the installation of a Coking Coal Plant, aside from its smelting plant, also to be located at the Leyte Industrial Development Estate (LIDE) in Isabel, Leyte

12. **Related Party Transactions**

Enterprises and individuals that directly, or indirectly through one or more intermediaries, control, or are controlled by, or under common control with the Group, including holding companies, subsidiaries and fellow subsidiaries are related entities of the Group. Associates and individuals owning, directly or indirectly, an interest in the voting power of the Group that gives them significant influence over the enterprise, key management personnel, including directors and officers of the Group and close members of the family of these individuals and companies associated with these individuals also constitute related entities. Transactions between related parties are accounted for at arm's-length prices or on terms similar to those offered to nonrelated entities in an economically comparable market.

In considering each possible related entity relationship, attention is directed to the substance of the relationship, and not merely the legal form.

Significant related party transactions represent mainly availment of non-interest-bearing advances from a stockholder for working capital purposes. As of June 30, 2011 and December 31, 2010, total outstanding advances from a stockholder amounted to ₱141.7 million and ₱143.1 million, respectively. The advances are payable on demand.

The outstanding balances are unsecured without fixed repayment terms and interest.

13. **Capital Stock**

Details of the Parent Company's capital stock are as follows:

	June 30, 2011 (Unaudited)	December 31, 2010 (Audited)
Number of authorized shares	**3,575,000,000**	3,575,000,000
Par value	**₱1.00**	₱1.00
Number of issued shares	**2,820,330,450**	2,820,330,450
Amount	**₱2,820,330,450**	₱2,820,330,450

14. **Seasonality**

The Company has no significant seasonality or cyclicality in its business operations that would have material effect on the financial condition or results of operations.

15. **Deficit**

Following is the movement of deficit from June 30, 2010 to December 31, 2010:

Balance at June 30, 2010	₱16,460,299
Net income	7,432,960
Balance at December 31, 2010	₱9,027,339

16. **Earnings Per Share Computation**

The following table presents information necessary to calculate earnings per share for the three monthsended June 30, 2011 and 2010:

	April 1 to June 30, 2011	**January 1 to June 30, 2011**	April1 to June 30, 2010	January 1 to June 30, 2010
Net loss attributable to equity holders of the Parent Company (a)	**₱13,208,753**	**₱23,854,758**	₱7,972,835	₱26,093,511
Weighted average number of common shares outstanding (b)	**2,820,330,450**	**2,820,330,450**	2,820,330,450	2,820,330,450
Basic/diluted loss per share (a/b)	**₱0.0047**	**₱0.0085**	₱0.0028	₱0.0093

The Parent Company has no dilutive shares in 2011 and 2010.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

The following discussion and analysis relate to the consolidated financial position and results of operations of CPMHC and its subsidiaries and should be read in conjunction with the accompanying interim unaudited consolidated financial statements and related notes. The Company cautions that its business and financial performance is subject to certain risks and uncertainties. In evaluating the Company's business, investors should carefully consider all of the information contained in "Risk Factors."

2.1 OVERVIEW

Century Peak Metals Holdings Corporation ("CPMHC", the "Company", the "Parent Company", or the "Issuer"), formerly Fil-Hispano Corporation, was registered with the Philippine Securities and Exchange Commission ("SEC") on December 30, 2003. On February 15, 2008, the SEC approved the change in the Company's corporate name to Century Peak Metals Holdings Corporation.

On April 14, 2008, the SEC approved the amendment of the Company's articles of incorporation. Its primary purpose was changed to include promoting, operating, managing, holding, acquiring or investing in corporations or entities that are engaged in mining activities or mining-related activities. The Company further expanded its primary purpose by including investing in real estate development and in power and energy activities. The amendment to its articles of incorporation was approved by the SEC on March 18, 2010. Further amendment to its articles of incorporation to change its principal office address to Units 1403 and 1404 Equitable Bank Tower Condominium, 8751 Paseo de Roxas, Makati City, was approved by SEC on May 27, 2010.

The Company listed its common shares of stock with the Philippine Stock Exchange ("PSE") on October 6, 2009.

The Company has two subsidiaries, its wholly-owned subsidiary Century Peak Corporation ("CPC"), and its 55%-owned subsidiary, Century Hua Guang Smelting Incorporated ("CHGSI").

The Parent Company, CPC and CHGSI are collectively referred to as "the Group".

Century Peak Corporation

CPC is incorporated in the Philippines. It was registered with the SEC on March 30, 2006.

The principal activities of CPC is to invest in and engage in the business of operating and mining of mineral resources in the Philippines such as iron ore, copper, gold, silver, lead, manganese, chromite, nickel, etc. and prospecting, exploring, milling, concentrating, converting, smelting, treating, refining and manufacturing, and preparing for the market, whether export or domestic, and producing and dealing in all its products and by-products, whether export or domestic, and producing and dealing in all its products and by-products of every kind and description and by whatsoever the same can be or may hereafter be produced.

On May 7, 2010, CPC was registered with the Board of Investments (BOI) with Certificate of Registration No. 2010-093, on its mining and extraction of nickel ore at Casiguran, Loreto, Province of Dinagat, as a new project on a Non-Pioneer Status under the Omnibus Investments Code of 1987 (Executive Order No. 226).

Century Hua Guang Smelting Incorporated

CHGSI is incorporated in the Philippines. It wasregistered with the SEC on January 14, 2008.

The principal activities of CHGSI is to invest in and engage in the business of operating and mining mineral resources in the Philippines such as iron ore, copper, gold, silver, lead, manganese, chromite, nickel, etc. and prospecting, exploring, milling, concentrating, converting, smelting, treating, refining and manufacturing, and preparing for the market, whether export or domestic, and producing and dealing in all its products and by-products of every kind and description and by whatsoever process the same can be or may hereafter be produced.

On October 28, 2009, CHGSI was registered with the Philippine Economic Zone Authority ("PEZA") with Certificate of Registration No. 09-56 under Republic Act (RA) No. 7916 as an eco-zone export enterprise to engage in the production of ferro-nickel (pig iron) at the Leyte Industrial Development Estate - Special Economic Zone. Moreover, CHGSI has an approved application with PEZA for its proposed Coking Coal Production Project, and the Supplemental Agreement to its Registration Agreement last 28th October 2009 was signed into effect last March 01, 2011. The Company's Coking Coal Plant project will be a support system to its Ferro-Nickel Smelting Plant. It is CHGSI's approach to making the Ferro-Nickel Smelting Plant as self-sustaining as possible.

CHGSI was issued its Environmental Compliance Certificate (ECC) with reference ECC-1003-0011 last April 16, 2010, by the Environmental Management Bureau (EMB), Central Office and approved by the Department of Environment and Natural Resources (DENR), for its Ferro-Nickel Smelting Plant Project located at the Leyte Industrial Development Estate (LIDE) in Isabel, Leyte. Moreover, it has also received its Amended ECC, to include the installation of a Coking Coal Plant to be located at the Leyte Industrial Development Estate (LIDE) in Isabel, Leyte.

Its application for a Mineral Processing Permit (MPP) for its Smelting Plant is currently under evaluation with the MGB Regional Office, Region 8 for endorsement to DENR Central Office.

2.2 RESULTS OF OPERATIONS

For the three months and six months ended June 30, 2011, CPC presented no revenues relating to its main operations. It is currently mining and stockpiling the mineral ore in anticipation to the smelter project of CHGSI. The unaudited consolidated statement of comprehensive income reported a net loss for the three months and six months ended June 30, 2011 of ₱13.9 million and ₱25.0 million, respectively.

Table 2.1 Interim Unaudited Consolidated Statements of Comprehensive Income

	For the three months ended June 30			For the six months ended June 30		
In thousands, except % change data	2011	2010	% Change	2011	2010	% Change
Revenue	₱–	₱–	–	₱–	₱–	–
Cost of sales	–	–	–	–	–	–
Gross income	–	–	–	–	–	–
Operating expenses	(13,814)	(16,968)	-19	(24,207)	(39,847)	-39
Other income (expenses)	(88)	1,418	-106	(758)	(311)	144
Benefit from deferred income tax	–	4,869	-100	–	7,385	100
Net loss before income tax	(13,902)	(10,681)	30	(24,965)	(32,773)	-24
Net loss attributable to the equity holders of the parent	(₱13,209)	(₱7,973)	66	(₱23,855)	(₱26,094)	-9
Loss per share Basic/Diluted	₱0.0047	₱0.0028	68	₱0.0085	₱0.0093	-9

2.3 OPERATING RESULTS FOR THE SIX MONTHS ENDED JUNE 30, 2011 COMPARED WITH JUNE 30, 2010

During the six months ended June 30, 2011, the Group did not generate revenues and incurred operating expenses of ₱24.2 million compared with ₱39.8 million, 39% lower, at the same period of 2010. The decrease is mainly attributable to the decrease in fuel and oil, transportation, professional fee, taxes and licenses and rentals.

The Group's operating expenses for the six months ended June 30, 2011 pertain mainly todepreciation and amortization, salaries, taxes and licenses and professional fee which represent 35%, 22%, 13% and 6%, respectively of the total operating expenses. The depreciation and amortization pertain mainly to CPC's mine site equipment and site development cost.

2.4 PLAN OF OPERATIONS

Mining Operations

The Group, through CPC, has ongoing exploration work in its properties in the Province of Dinagat Islands and mining activities in selected areas in the same island and has stockpile the ore in anticipation for the forthcoming operation of the smelter located at the Leyte Industrial Development Estate (LIDE).

Management believes that significantly more value will be added to the Groups' raw ore, and therefore shareholder interests will be maximized, by smelting it and selling it as nickel pig iron. This is also in conjunction with the government's plan to prohibit the sale of raw ore by 2016.

Moreover, CPC recently released two Geologic Resource Evaluation Reports, an update to its Casiguran Mine Prospect, Dinagat Island covered by its MPSA 010-92-X and a new Resource Evaluation Report for its Rapid City Parcel II Prospect covered by its MPSA 283-2009-XIII-SMR, both prepared by Dr. Carlo A. Arcilla, an Accredited Competent Person in accordance with the definition of the Philippine Mineral Reporting Code (PMRC).

Based on the reports, the Casiguran Mine Prospect has a combined indicated and measured resource of 9,897,000 DMT with a grade of 1.02% Nickel (at 0.8% nickel cut-off). In addition, new data from the Rapid City Parcel II Prospect reveal a combined indicated and measured resource of 9,067,000 DMT with a grade of 1.07% Nickel (at 0.8% Nickel cut-off). These could represent to 100,000 metric tons of pure nickel and 3.5 million tons of iron in its Casiguran property, and 90,000 tons of pure nickel and 3.8 million tons of iron in their Rapid City property, subject to mining plans and metal recovery parameters.

The management looks forward to continue developing and exploring these mineral properties either on its own or with joint venture partners.

The Smelting Plant Project

Located at the LIDE, the Company's smelting plant project, through its subsidiary CHGSI, will be constructed in three phases. It is important to note that CHGSI was issued its ECC for its Ferro-Nickel smelting plant project last April 16, 2010. With the issuance of the aforementioned ECC, CHGSI shall now commence with the project implementation of its smelting plant at the LIDE.

Earthwork activities are being undertaken for the smelting plant project. Filipino and Chinese engineers are collaborating to prepare the site to receive the equipment which is sourced from the People's Republic of China ("China"). The Company's partners at CHGSI are prepared to provide both technological and financial assistance, in addition to having shown interest in the off take of the output of the smelting plant.

The project is in its pre-operating phase and therefore expenses for construction are not matched by any revenues. The first phase of the smelter project, is targeted to be operational by the second half of 2011. The total project cost is approximately ₱1.0 billion, to which will be added working capital requirements of about ₱200.0 million. These financial requirements are expected to be financed by a combination of debt and equity.

At the initial pre-operating stage, the smelter project is expected to employ 230 persons, at both managerial and production levels. CHGSI expects to employ additional manpower requirements depending on the smelter's capacity.

At the end of July 2011, the first batch of equipment, amounting to ₱179.0 million was received by CHGSI and remaining equipment are expected to be received within 2011.

CHGSI's application for a Mineral Processing Permit (MPP) for its Smelting Plant is currently under evaluation with the MGB Regional Office, Region 8 for endorsement to DENR Central Office.

The Coking Coal Plant Project
Also to be located at the LIDE, CHGSI has an approved application with PEZA for its proposed Coking Coal Production Project, and the Supplemental Agreement to its Registration Agreement last 28th October 2009 was signed into effect last March 01, 2011. The Company's Coking Coal Plant project will be a support system to its Ferro-Nickel Smelting Plant. It is CHGSI's approach to making the Ferro-Nickel Smelting Plant as self-sustaining as possible.

CHGSI has received its Amended Environmental Compliance Certificate (ECC), with Reference Code 1003-0011 issued by the Environmental Management Bureau (EMB), Central Office, to include the installation of a Coking Coal Plant to be located at the Leyte Industrial Development Estate (LIDE) in Isabel, Leyte.

2.5 FINANCIAL CONDITION

Table 2.2Consolidated Statements of Financial Position

In thousands, except % change data	**June 30, 2011 (Unaudited)**	December 31, 2010 (Audited)	% Change
Total current assets	**₱107,632**	₱139,567	-22.9
Total assets	**2,995,917**	3,029,517	-1.1
Current liabilities	**161,383**	170,370	-5.3
Total liabilities	**168,746**	177,381	-4.9
Total equity attributable to equity holders of the parent	**2,789,380**	2,813,235	-0.8
Equity attributable to minority interest	**37,792**	38,902	-2.9
Total equity	**2,827,171**	2,852,137	-0.9
Current assets/Total assets	**0.04**	0.05	
Current ratio	**0.67**	0.82	
Debt to equity ratio	**0.06**	0.06	

The Group has a total consolidated assets amounting to ₱2.99 billion as at June 30, 2011 of which about ₱2.7 billion or 88.7% comprised the Group's property and equipment and explored mineral resources. Property and equipment include mine site development cost which applies to road network, pier, stockyard and land rights amounting to ₱237.4 million, net of related accumulated depreciation. Depreciation is computed using the unit of production method. The liabilities of the Group mainly consist of payables to contractors, suppliers and related parties. The payable to related parties represents advances which were used to finance the operation of the Group.

Total current assets decreased by ₱31.9 or 22.9% million in 2011 from 2010. The decrease is attributed mainly to payments of advances from stockholder and payables to suppliers.

2.5.1 MATERIAL VARIANCES AFFECTING THE BALANCE SHEET

Balance sheet accounts as of June 30, 2011 with variances of plus or minus 5 percent against December 31, 2010 balances are discussed, as follows:

Current Assets

1. The decrease in cash from ₱46.0 million in 2010 to ₱4.2 million in 2011 is attributable mainly to payment for operating expenses and liabilities.
2. The decrease in receivables pertains to collection of receivable from 2010 sales transaction.
3. The increase in inventory pertains to purchase of chromite in the first and second quarter of 2011.

Liabilities and Equity

1. The decrease in accounts payable and other current liabilitiesin 2011 pertains mainly to paymentsof outstanding payables.
2. The decrease in retained earnings pertains mainly to the net loss during the six month period ended inJune 30, 2011.

2.6 LIQUIDITY and CAPITAL RESOURCES

The table below shows the Group's consolidated cash flows for the sixmonths ended June 30, 2011 and 2010:

Table 2.3 Interim Unaudited Consolidated Statement of Cash Flows

	For the six months endedJune 30		
In thousands, except % change data	**2011**	2010	% change
Net cash used in operating activities	**(₱34,984)**	(₱27,879)	25
Net cash used in investing activities	**(6,811)**	(168,501)	-96
Net increase (decrease) in cash	**(41,795)**	(196,380)	-79
Cash at beginning of period	**46,026**	211,623	-78
Cash at end of period	**₱4,231**	₱15,243	-72

The Group has funded its pre-operating expenses through capital-raising exercise that started in October 2007. The Group believes that it has sufficient resources to finance its working capital requirements. The Group expects to regularly undertake shipment of ore and the corresponding management and collection of accounts receivable, and temperance of accounts payable. Capital expenditures such as the additional purchase of property and equipment can be met by the Group via infusions of either equity or debt through the shareholders. All funding for the Group's operations for the next 12 months shall be internally generated. The majority shareholder has committed to continually provide working capital to the Group to assure its continuous operations.

2.7 RISKS

The Group's principal financial instruments comprise of cash. The main purpose of these financial instruments is to finance the Group's operations. The Group has other financial assets and liabilities such as receivables, advances to related parties, and accrued expenses and other current liabilities, which arise directly from its operations.

The main risks arising from the Group's financial instruments are market risk, liquidity risk and credit risk. The market risk exposure of the Group can be further classified to foreign currency risk and commodity price risk. The Board of Directors (BOD) reviews and agrees policies for managing each of these risks and they are summarized below.

Market Risks

Foreign currency risk
The Group's currency exposure relates to foreign currency transactions in which receivables and payables have to be collected and paid.

The following table shows the Group's significant foreign currency-denominated monetary assets and liabilities and their U.S. Dollar (USD) equivalents as at June 30, 2011:

	U.S. Dollar	PhilippinePeso[1]
Current financial assets:		
Cash	$25,642	₱1,111,067
Receivables	79,802	3,457,832
	$105,444	₱4,568,899

[1]The exchange rate used to translate the U.S. dollar amounts into Philippine peso was US$1.00 to ₱43.33, the peso-dollarrate as quoted in the Philippine Dealing System as at June30, 2011.

Commodity price risk
The Group's mine product revenues are based on international commodity quotations (i.e., primarily on London Metal Exchange quotes) over which the Group has no significant influence or control. This exposes the Group's results of operations to commodity price volatilities that may significantly impact its cash flows.

Liquidity Risk
The Group's exposure to liquidity risk relates to raising funds. The Group manages its liquidity profile to be able to finance capital expenditures and service maturing debts. To cover its financing requirements, the Group intends to use internally generated funds and available short-term credit facilities.

As part of its liquidity risk management, the Group regularly evaluates its projected and actual cash flows. It also continuously assesses conditions in the financial markets for opportunities to pursue fund raising activities, in case any requirements arise.

Credit Risk
The Group's credit risk relates to other financial assets of the Group, which comprise mainly cash and cash equivalents and related party receivables. The exposure to credit risk arises from default of the counterparty, with a maximum exposure equal to the carrying amount of these instruments as shown in the following table.

	June 30, 2011	December 31, 2010
Cash and cash equivalents	**₱4,231,081**	₱46,026,214
Trade receivables	**3,457,832**	5,394,881
	₱7,688,913	₱51,421,095

The Group's receivables are not impaired. There were no provisions for impairment in 2011 and 2010.

Cash are considered good quality as these pertain to deposits in reputable banks.

The Group continuously reviews credit policies and processes and implements various credit actions, depending on assessed risks, to minimize credit exposure.
2.8 KEY PERFORMANCE INDICATORS

The Company's management intends to analyze future results of operations through the following key performance indicators, among other measures:

Tonnes Extracted and Ore Grade Sold and Shipped
Tonnes extracted and ore grade are key determinants of sales volume. Higher tonnage and ore grade are directly proportional to revenue level.

Actual Production Cost
Production cost per tonne is a key measure of operating efficiency. A lower unit production cost both in ore extraction and smelting operation will result in the Company meeting, if not exceeding, its profitability targets.

Earnings Per Share
The Company's earnings per share is a key measure of the Company's effectiveness in meeting its financial targets that in turn, will provide investors comparable benchmarks relative to similar companies.

DISTRIBUTION METHODS OF PRODUCTS AND SERVICES
The principal market of the Group for its nickel ore and chromite is China. In addition to its export of nickel and chromite, the Group can also provide value added product in the form of nickel pig iron once the smelting project starts operating. The Group's principal targets are the huge market in China for high-grade nickel pig iron, and Korea for low grade nickel pig iron. The business of the Group is not dependent upon a single customer or a few customers, that the loss of any or more of which would not have a material impact on the Company and its subsidiaries as a whole. The Group has received several Letters of Intent from interested buyers in Xiamen, China and Baotou City, Inner Mongolia for the purchase of the following:

a) 150,000 minimum nickel-chromium iron; b) Lumpy and sandy chromite with an average of 30% to 35% Chrome Oxide; and c) Nickel iron with an average of 1.6% to 2% nickel content. Further, as previously discussed, the Company envisions that with its own smelting plant, it can export more value-added products in the form of nickel pig iron, which will strengthen its competitiveness. The operation of the smelting plant shall be the principal business of its subsidiary, CHGSI. Raw material laterite ores will be sourced primarily from the CPC's mineral property, but is not precluded from processing ore from other sources. The raw materials used in the smelting process are coke and limestone, with coke being a major catalyst in the heating and melting down of the mixture into liquid metal. For this purpose, CHGSI will build its own Coking Coke Plant, which will be a support system to its Ferro-Nickel Smelting Plant. It is CHGSI's approach to making the Ferro-Nickel Smelting Plant as self-sustaining as possible.

Transactions with and /or Dependence on Related Parties
Necessary information on related parties is already disclosed in Note 13 in the notes to the interim consolidated financial statements.

PART II – OTHER INFORMATION

There are no other information not previously reported in SEC Form 17-C that need to be reported in this section.

ANNEX 1

CENTURY PEAK METALS HOLDINGS CORPORATION

SCHEDULE OF AGING OF TRADE RECEIVABLES
As of June 30, 2011
(Unaudited)

		Neither past due	Past due but not impaired	
	Total	nor impaired	180-210 days	211-240 days
Receivables from the sale of Chromite	₱3,457,832	₱3,457,832	₱–	₱–

SIGNATURES

Pursuant to the requirements of the Securities Regulation Code, the issuer has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Registrant: **Century Peak Metals Holdings Corporation**

By:

WILFREDO D. KENG	ENRICO M. TRINIDAD
President and Chief Executive Officer	Chief Finance Officer