

# FIRST PACIFIC COMPANY LIMITED 第一太平有限公司

(Incorporated with limited liability under the laws of Bermuda)

## **Press Release**

Wednesday, 8 May 2019

#### Philex Mining reports P206 million net income for 1Q 2019

The attached press release was released today in Manila by Philex Mining Corporation ("Philex") (PSE: PX), in which First Pacific Group holds an economic interest of approximately 31.2%\*.

Philex is a Philippine-listed company engaged in the exploration and mining of mineral resources and, through investment in Philippine-listed PXP Energy Corporation (PSE: PXP), in energy and hydrocarbon exploration and production.

Further information on Philex can be found at www.philexmining.com.ph and on PXP at www.pxpenergy.com.ph.

\* Two Rivers Pacific Holdings Corporation, a Philippine affiliate of First Pacific, holds an additional 15.0% economic interest in Philex.

\* \* \*

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07 May 2019

#### PHILEX MINING REPORTS P206 MILLION NET INCOME FOR 1Q 2019

#### **HIGHLIGHTS**

- Concentrated efforts to maximize cash generation capabilities of Padcal towards the end of mine life
- Reported net income of P206 Million; Core net loss of P112 Million
- Controlled expenses resulting from cost containment initiatives implemented across the business
- Silangan actively working to complete required underground mining permits
- Ongoing definitive feasibility studies expected to conclude by early third quarter 2019

Manila, Philippines – The Board of Directors of Philex Mining Corporation, today announced a reported net income of P206 million for the first quarter of 2019. Excluding non-recurring gains, core net loss stood at P112 million substantially weighed down by weaker metal production arising from declining ore grades.

"As it nears the end of mine life, we have centered efforts on maximizing the remaining cash generation capacity of Padcal," said Mr. Eulalio B. Austin Jr., President and Chief Executive Officer of Philex Mining Corporation.

Total tonnes milled was at 1.832 million from 2.197 million in the first quarter of 2018. Diminishing mineral grades are typically encountered when drawing ore outside of the core of the deposit. Moreover, metal output was affected by unscheduled maintenance of some mining equipment and forest fire incidents around the mine camp that caused power outages and the immediate deployment of operations personnel to aid in fire suppression. As a result, gold and copper production were at 10,493 ounces and 5.727 million pounds versus previous year's levels of 17,947 ounces and 7.073 million pounds, respectively.

Gross revenues posted at P1.613 billion from P2.373 billion while smelting charges decreased to P137 million from P207 million in the first quarter of 2018. Net revenues came in at P1.476 billion from P2.165 billion in the first quarter of 2018.

Average realized prices for gold and copper were at \$1,304 per ounce and \$2.96 per pound as compared to \$1,338 per ounce and \$3.10 per pound year-on-year.

#### Cost and Expenses

Production costs increased by 1% to P1.074 billion from P1.064 billion in the first quarter of 2018 mainly due to the periodic maintenance of critical mining equipment.

Depletion, depreciation and amortization decreased by 20% to P327 million from P409 million in the first quarter of 2018 was directly attributable to lower tonnage.

Excise taxes and royalties decreased by 34% to P94 million from P143 million in the first quarter of 2018 owing to lower revenues.

General and administrative expenses decreased by 13% to P71 million from P81 million in the first quarter of 2018 due to the continuous implementation of cost rationalization programs across the business.

Looking ahead, the Company will continue to implement operational enhancements to improve its financial performance in the subsequent quarters. Still, its efforts will primarily be focused on the development of its Silangan project.

Meanwhile, the Company is closely coordinating with various regulatory bodies to facilitate compliance with all pertinent submissions and other permitting requirements. It is also in the process of appointing financial equity and project financing advisors for Silangan.

Likewise, the Company expects lead technical consultant Australian-based engineering firm Ausenco to conclude ongoing definitive feasibility studies by early third quarter of this year.

### PHILEX MINING CORPORATION AND SUBSIDIARIES CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

(Amounts in Peso Thousands, except Par Value Per Share)

ASSETS         (Unaudited)         (Audited)           Current Assets         262,398         870,967           Cack and cash equivalents         262,398         300,016           Inventories - net         1,445,348         1,137,581           Advances to a related party         739,484         1,387,375           Derivative assets         899            Other current assets - net         744,185         757,292           Total Current Assets         3,440,407         4,453,226           Property, plant and equipment - net         4,987,243         5,404,049           Financial assets measured at fair value through other         25,771,392         25,447,772           Comprehensive income (FVOCI)         1118,033         118,033           Investment in associates - net         4,444,951         4,455,668           Deferred exploration costs         25,771,392         25,447,772           Pension asset - net         335,6095         359,888           Other noncurrent Assets         36,159,658         36,258,308           TOTAL ASSETS         36,159,658         36,259,308           TOTAL Lassetts         2,152,500         2,155,780           Current Liabilities         2,152,500         2,155,780		March 31 2019	December 31 2018
Cash and cash equivalents         262,398         870,967           Accounts receivable - net         248,093         300,016           Inventories - net         1,445,348         1,137,581           Advances to a related party         739,484         1,387,370           Derivative assets         899         757,292           Other current assets - net         744,185         757,292           Total Current Assets         7744,185         757,292           Property, plant and equipment - net         4,987,243         5,404,049           Financial assets measured at fair value through other         comprehensive income (FVOCI)         118,033         118,033           Investment in associates - net         4,444,951         4,455,668           Deferred exploration costs         25,771,392         25,447,772           Pension asset - net         35,695         355,695           Other noncurrent assets         482,344         472,898           Total Noncurrent Assets         36,159,658         36,258,308           TOTAL ASSETS         39,600,065         40,711,534           Loans payable         2,152,500         2,155,780           Accounts payable and accrued liabilities         1,782,658         1,790,957           Subscription payable	ASSETS	(Unaudited)	(Audited)
Accounts receivable - net Inventories - net Intentories - net	Current Assets		
Inventories - net	Cash and cash equivalents	262,398	870,967
Advances to a related parry         739,484         1,387,370           Derivative assets         899         752,292           Total Current Assets         3,440,407         4,453,226           Noncurrent Assets         4,987,243         5,404,049           Financial assets measured at fair value through other comprehensive income (FVOCI)         118,033         118,033           Investment in associates - net         4,444,951         4,455,668           Deferred exploration costs         25,771,392         25,447,772           Pension asset - net         355,695         359,888           Other noncurrent assets         482,344         472,898           Total Noncurrent Assets         36,159,658         36,258,308           TOTAL ASSETS         39,600,065         40,711,534           LIABILITIES AND EQUITY         2         152,500         2,155,780           Accounts payable         2,152,500         2,155,780           Accounts payable and accrued liabilities         1,782,658         1,790,957           Subscription payable         2,782,050         2,789,813           Accounts payable and accrued liabilities of the Asset and bonds payable and accrued liabilities of the Asset and bonds payable and accrued liabilities of the Asset and bonds payable and accrued liabilities of the Asset and bonds payable and accrued liabilities of	Accounts receivable - net	248,093	300,016
Derivative assets         899         757,292           Other current assets -net         744,185         757,292           Total Current Assets         3,440,407         4,453,226           Noncurrent Assets         Property, plant and equipment - net         4,987,243         5,404,049           Financial assets measured at fair value through other comprehensive income (FVOCI)         118,033         118,033           Investment in associates - net         4,444,951         4,55,668           Deferred exploration costs         25,771,392         25,447,772           Pension asset - net         355,695         359,888           Other noncurrent assets         482,344         472,898           Total Noncurrent Assets         36,159,658         36,259,308           TOTAL ASSETS         39,600,065         40,711,534           Loans payable         2,152,500         2,155,780           Accounts payable and accrued liabilities         1,782,658         1,790,957           Subscription payable         2,651         2,312,981           Total Current Liabilities         2,782,050         2,789,813           Total Current Liabilities - net         2,782,050         2,789,813           Deferred tax liabilities - net         2,782,050         2,789,813	Inventories - net	1,445,348	1,137,581
Other current assets -net         757,292           Total Current Assets         3,440,407         4,553,226           Noncurrent Assets	Advances to a related party	739,484	1,387,370
Total Current Assets         3,440,407         4,453,226           Noncurrent Assets         Property, plant and equipment - net         4,987,243         5,404,049           Financial assets measured at fair value through other comprehensive income (FVOCI)         118,033         118,033           Investment in associates - net         4,444,951         4,455,668           Deferred exploration costs         25,771,392         25,447,772           Pension asset - net         355,695         359,888           Other noncurrent assets         482,344         472,898           Total Noncurrent Assets         36,159,658         36,258,308           TOTAL ASSETS         39,600,065         40,711,534           Liabilities         2,152,500         2,155,780           Accounts payable and accrued liabilities         1,782,658         1,790,957           Subscription payable         2,6531         2,312,981           Accounts payable and accrued liabilities         4,861,689         6,259,718           Noncurrent Liabilities         4,861,689         6,259,718           Noncurrent Liabilities         4,861,689         6,259,718           Noncurrent Liabilities - net         2,782,050         2,789,813           Loans and bonds payable         7,419,259         7,333,096     <	Derivative assets	899	-
Noncurrent Assets           Property, plant and equipment - net         4,987,243         5,404,049           Financial assets measured at fair value through other         118,033         118,033           Investment in associates - net         4,444,951         4,455,685           Deferred exploration costs         25,771,392         25,447,772           Pension asset - net         355,695         359,888           Other noncurrent assets         482,3344         472,898           Total Noncurrent Assets         36,159,658         36,258,308           TOTAL ASSETS         39,600,065         40,711,534           Current Liabilities           Loans payable         2,152,500         2,155,780           Accounts payable and accrued liabilities         1,782,658         1,790,957           Subscription payable         926,531         2,312,981           Total Current Liabilities         4,861,689         6,259,718           Noncurrent Liabilities         2,782,050         2,789,813           Loans and bonds payable         7,419,259         7,333,096           Provision for losses and mine rehabilitation costs         79,584         78,707           Other payables         550,881         550,985           Total Moncurrent Liabi	Other current assets -net	744,185	757,292
Property, plant and equipment - net Financial assets measured at fair value through other comprehensive income (FVOCI)         118,033         118,033           Investment in associates - net         4,444,951         4,455,668           Deferred exploration costs         25,771,392         25,447,772           Pension asset - net         355,695         359,888           Other noncurrent assets         482,344         472,898           Total Moncurrent Assets         36,159,658         36,258,308           TOTAL ASSETS         35,600,065         40,711,534           LIABILITIES AND EQUITY           Current Liabilities         2,152,500         2,155,780           Accounts payable and accrued liabilities         1,782,658         1,790,957           Subscription payable         2,152,500         2,155,780           Accounts payable and accrued liabilities         4,861,689         6,259,718           Total Current Liabilities         4,861,689         6,259,718           Noncurrent Liabilities         2,782,050         2,789,813           Loans and bonds payable         7,419,259         7,333,096           Provision for losses and mine rehabilitation costs         79,584         78,707           Other payables         550,881         550,981	Total Current Assets	3,440,407	4,453,226
Property, plant and equipment - net Financial assets measured at fair value through other comprehensive income (FVOCI)         118,033         118,033           Investment in associates - net         4,444,951         4,455,668           Deferred exploration costs         25,771,392         25,447,772           Pension asset - net         355,695         359,888           Other noncurrent assets         482,344         472,898           Total Moncurrent Assets         36,159,658         36,258,308           TOTAL ASSETS         35,600,065         40,711,534           LIABILITIES AND EQUITY           Current Liabilities         2,152,500         2,155,780           Accounts payable and accrued liabilities         1,782,658         1,790,957           Subscription payable         2,152,500         2,155,780           Accounts payable and accrued liabilities         4,861,689         6,259,718           Total Current Liabilities         4,861,689         6,259,718           Noncurrent Liabilities         2,782,050         2,789,813           Loans and bonds payable         7,419,259         7,333,096           Provision for losses and mine rehabilitation costs         79,584         78,707           Other payables         550,881         550,981	Nanaumant Assats		
Financial assets measured at fair value through other comprehensive income (FVOCI)         118,033         118,033           Investment in associates - net Deferred exploration costs         25,771,392         25,447,772           Pension asset - net Sets         355,695         359,888           Other noncurrent assets         482,344         472,898           Total Noncurrent Assets         36,159,658         36,259,308           TOTAL ASSETS         39,600,065         40,711,534           LIABILITIES AND EQUITY         Current Liabilities         2,152,500         2,155,780           Accounts payable Accounts payable and accrued liabilities         1,782,658         1,790,957           Subscription payable         926,531         2,312,981           Total Current Liabilities         4,861,689         6,259,718           Noncurrent Liabilities - net         2,782,050         2,789,813           Loans and bonds payable         7,419,259         7,333,096           Provision for losses and mine rehabilitation costs         79,584         78,707           Other payables         550,881         550,981           Total Noncurrent Liabilities         10,831,774         10,752,611           Total Liabilities         10,831,774         10,752,611           Total Liabilities         10,5		4 007 242	F 404 040
comprehensive income (FVOCI)         118,033         118,033           Investment in associates - net         4,444,951         4,455,668           Deferred exploration costs         25,771,392         25,477,772           Pension asset - net         355,695         359,888           Other noncurrent assets         482,344         472,898           TOTAL ASSETS         36,159,658         36,258,308           TOTAL ASSETS         39,600,065         40,711,534           LIABILITIES AND EQUITY           Current Liabilities           Loans payable         2,152,500         2,155,780           Accounts payable and accrued liabilities         1,782,658         1,790,957           Subscription payable         926,531         2,312,981           Total Current Liabilities         4,861,689         6,259,718           Noncurrent Liabilities - net         2,782,050         2,789,813           Loans and bonds payable         7,419,259         7,333,096           Provision for losses and mine rehabilitation costs         79,584         78,707           Other payables         550,881         550,995           Total Noncurrent Liabilities         10,831,774         10,752,611           Total Liabilities         1,249,	· · · · · · · · · · · · · · · · · · ·	4,987,243	5,404,049
Investment in associates - net   4,444,951   2,455,668   Deferred exploration costs   25,771,392   25,447,772   Pension asset - net   355,695   359,888   Total Noncurrent assets   482,344   472,898   Total Noncurrent Assets   36,159,658   36,258,308   TOTAL ASSETS   39,600,065   40,711,534   TOTAL ASSETS   2,152,500   2,155,780   Accounts payable and accrued liabilities   1,782,658   1,790,957   30,500,007   2,155,780   4,861,689   6,259,718   4,861,689   6,259,718   4,861,689   6,259,718   4,861,689   6,259,718   4,861,689   6,259,718   4,861,689   6,259,718   4,861,689   6,259,718   4,861,689   6,259,718   4,861,689   6,259,718   4,861,689   6,259,718   4,861,689   6,259,718   4,861,689   6,259,718   4,861,689   6,259,718   4,861,689   6,259,718   4,861,689   6,259,718   4,861,689   6,259,718   4,861,689   6,259,718   4,861,689   6,259,718   4,861,689   6,259,718   4,861,689   6,259,718   4,861,689   6,259,718   4,861,689   6,259,718   4,861,689   6,259,718   4,861,689   6,259,718   4,861,689   6,259,718   4,861,689   6,259,718   4,861,689   6,259,718   4,861,689   6,259,718   4,861,689   6,259,718   4,861,689   6,259,718   4,861,689   6,259,718   4,861,689   6,259,718   4,861,689   6,259,718   4,861,689   6,259,718   4,861,689   6,259,718   4,861,689   6,259,718   4,861,689   6,259,718   4,861,689   6,259,718   4,861,689   6,259,718   4,861,689   6,259,718   4,861,689   6,259,718   4,861,689   6,259,718   4,861,689   6,259,718   4,861,689   6,259,718   4,861,689   6,259,718   6,259,718   6,259,718   6,259,718   6,259,718   6,259,718   6,259,718   6,259,718   6,259,718   6,259,718   6,259,718   6,259,718   6,259,718   6,259,718   6,259,718   6,259,718   6,259,718   6,259,718   6,259,718   6,259,718   6,259,718   6,259,718   6,259,718   6,259,718   6,259,718   6,259,718   6,259,718   6,259,718   6,259,718   6,259,718   6,259,718   6,259,718   6,25		440.022	440.022
Deferred exploration costs         25,771,392         25,447,772           Pension asset - net         355,695         359,888           Other noncurrent assets         482,344         472,898           TOTAI Noncurrent Assets         36,159,658         36,258,308           TOTAL ASSETS         39,600,065         40,711,534           LIABILITIES AND EQUITY           Current Liabilities           Loans payable         2,152,500         2,155,780           Accounts payable and accrued liabilities         1,782,658         1,790,957           Subscription payable         926,531         2,312,981           Total Current Liabilities         4,861,689         6,259,718           Noncurrent Liabilities - net         2,782,050         2,789,813           Loans and bonds payable         7,419,259         7,333,096           Provision for losses and mine rehabilitation costs         79,584         78,707           Other payables         550,881         550,995           Total Noncurrent Liabilities         10,831,774         10,752,611           Total Liabilities         4,940,399         4,940,399           Additional paid-in capital         1,143,981         1,43,981           Retained Earnings         10,500,000			
Pension asset - net         355,695         359,888           Other noncurrent assets         482,344         472,898           Total Noncurrent Assets         36,159,658         36,258,308           TOTAL ASSETS         39,600,065         40,711,534           LIABILITIES AND EQUITY           Current Liabilities           Loans payable         2,152,500         2,155,780           Accounts payable and accrued liabilities         1,782,658         1,790,957           Subscription payable         926,531         2,312,981           Total Current Liabilities         4,861,689         6,259,718           Noncurrent Liabilities         2,782,050         2,789,813           Loans and bonds payable         7,419,259         7,333,096           Provision for losses and mine rehabilitation costs         79,584         78,707           Other payables         550,881         550,981           Total Noncurrent Liabilities         10,831,774         10,752,611           Total Liabilities         10,831,774         10,752,611           Total Liabilities         4,490,399         4,940,399           Additional paid-in capital         1,143,981         1,143,981           Retained Earnings         4,410,445			
Other noncurrent assets         482,344         472,898           Total Noncurrent Assets         36,159,658         36,258,308           TOTAL ASSETS         39,600,065         40,711,534           LIABILITIES AND EQUITY           Current Liabilities           Loans payable         2,152,500         2,155,780           Accounts payable and accrued liabilities         1,782,658         1,790,957           Subscription payable         926,531         2,312,981           Total Current Liabilities         4,861,689         2659,718           Noncurrent Liabilities         2,782,050         2,789,813           Loans and bonds payable         7,419,259         7,333,096           Provision for losses and mine rehabilitation costs         79,584         78,707           Other payables         550,881         550,995           Total Noncurrent Liabilities         10,831,774         10,752,611           Total Isabilities         10,831,774         10,752,611           Total Liabilities         4,940,399         4,940,399         4,940,399           Additional paid-in capital         1,143,981         1,143,981           Retained Earnings         1,050,000         10,500,000           Net unrealized gain on financial assets	•		
Total Noncurrent Assets         36,159,658         36,258,308           TOTAL ASSETS         39,600,065         40,711,534           LIABILITIES AND EQUITY           Current Liabilities         2,152,500         2,155,780           Accounts payable         2,152,501         2,155,780           Accounts payable and accrued liabilities         1,782,658         1,790,957           Subscription payable         926,531         2,312,981           Total Current Liabilities         4,861,689         6,259,718           Noncurrent Liabilities - net         2,782,050         2,789,813           Loans and bonds payable         7,419,259         7,333,096           Provision for losses and mine rehabilitation costs         79,584         78,707           Other payables         550,881         550,995           Total Noncurrent Liabilities         10,831,774         10,752,611           Total Liabilities         15,693,463         17,012,329           Equity Attributable to Equity Holders of the Parent Company         4,940,399         4,940,399           Additional paid-in capital         1,143,981         1,143,981           Retained Earnings         10,500,000         10,500,000           Unappropriated         4,410,445         4,203,947<		,	•
TOTAL ASSETS         40,711,534           LIABILITIES AND EQUITY           Current Liabilities           Loans payable         2,152,500         2,155,780           Accounts payable and accrued liabilities         1,782,658         1,790,957           Subscription payable         926,531         2,312,981           Total Current Liabilities         4,861,689         6,259,718           Noncurrent Liabilities net         2,782,050         2,789,813           Loans and bonds payable         7,419,259         7,333,096           Provision for losses and mine rehabilitation costs         79,584         78,707           Other payables         550,881         550,995           Total Noncurrent Liabilities         10,831,774         10,752,611           Total Liabilities         15,693,463         17,012,329           Equity Attributable to Equity Holders of the Parent Company         4,940,399         4,940,399           Additional paid-in capital         1,143,981         1,143,981           Retained Earnings         4,410,445         4,203,947           Unappropriated         4,410,445         4,203,947           Appropriated         1,050,000         10,500,000           Net unrealized gain on financial assets m			
LIABILITIES AND EQUITY           Current Liabilities           Loans payable         2,152,500         2,155,780           Accounts payable and accrued liabilities         1,782,658         1,790,957           Subscription payable         926,531         2,312,981           Total Current Liabilities         4,861,689         6,259,718           Noncurrent Liabilities - net         2,782,050         2,789,813           Loans and bonds payable         7,419,259         7,333,096           Provision for losses and mine rehabilitation costs         79,584         78,707           Other payables         550,881         550,995           Total Noncurrent Liabilities         10,831,774         10,752,611           Total Liabilities         15,693,463         17,012,329           Equity Attributable to Equity Holders of the Parent Company         4,940,399         4,940,399           Additional paid-in capital         1,143,981         1,143,981           Retained Earnings         Unappropriated         4,410,445         4,203,947           Appropriated         4,410,445         4,203,947           Appropriated         10,500,000         10,500,000           Net unrealized gain on financial assets measured at FVOCI         35,341         35,341 <td></td> <td></td> <td></td>			
Current Liabilities         2,152,500         2,155,780           Accounts payable and accrued liabilities         1,782,658         1,790,957           Subscription payable         926,531         2,312,981           Total Current Liabilities         4,861,689         6,259,718           Noncurrent Liabilities         50,782,050         2,789,813           Loans and bonds payable         7,419,259         7,333,096           Provision for losses and mine rehabilitation costs         79,584         78,707           Other payables         550,881         550,995           Total Noncurrent Liabilities         10,831,774         10,752,611           Total Liabilities         15,693,463         17,012,329           Equity Attributable to Equity Holders of the Parent Company         2         2           Capital Stock - P1 par value         4,940,399         4,940,399           Additional paid-in capital         1,143,981         1,143,981           Retained Earnings         Unappropriated         4,410,445         4,203,947           Appropriated         4,410,445         4,203,947           Appropriated         10,500,000         10,500,000           Net unrealized gain on financial assets measured at FVOCI         35,341         35,341	TOTAL ASSETS	39,600,065	40,711,534
Current Liabilities         2,152,500         2,155,780           Accounts payable and accrued liabilities         1,782,658         1,790,957           Subscription payable         926,531         2,312,981           Total Current Liabilities         4,861,689         6,259,718           Noncurrent Liabilities         50,782,050         2,789,813           Loans and bonds payable         7,419,259         7,333,096           Provision for losses and mine rehabilitation costs         79,584         78,707           Other payables         550,881         550,995           Total Noncurrent Liabilities         10,831,774         10,752,611           Total Liabilities         15,693,463         17,012,329           Equity Attributable to Equity Holders of the Parent Company         2         2           Capital Stock - P1 par value         4,940,399         4,940,399           Additional paid-in capital         1,143,981         1,143,981           Retained Earnings         Unappropriated         4,410,445         4,203,947           Appropriated         4,410,445         4,203,947           Appropriated         10,500,000         10,500,000           Net unrealized gain on financial assets measured at FVOCI         35,341         35,341	LIABILITIES AND FOLITY		
Loans payable         2,152,500         2,155,780           Accounts payable and accrued liabilities         1,782,658         1,790,957           Subscription payable         926,531         2,312,981           Total Current Liabilities         4,861,689         6,259,718           Noncurrent Liabilities         2,782,050         2,789,813           Loans and bonds payable         7,419,259         7,333,096           Provision for losses and mine rehabilitation costs         79,584         78,707           Other payables         550,881         550,995           Total Noncurrent Liabilities         10,831,774         10,752,611           Total Liabilities         15,693,463         17,012,329           Equity Attributable to Equity Holders of the Parent Company         4,940,399         4,940,399           Additional paid-in capital         1,143,981         1,143,981           Retained Earnings         4,410,445         4,203,947           Unappropriated         4,410,445         4,203,947           Appropriated         10,500,000         10,500,000           Net unrealized gain on financial assets measured at FVOCI         35,341         35,341           Equity conversion option         1,225,518         1,225,518           Cumulative gain on hedging	•		
Accounts payable and accrued liabilities         1,782,658         1,790,957           Subscription payable         926,531         2,312,981           Total Current Liabilities         4,861,689         6,259,718           Noncurrent Liabilities         2         7           Deferred tax liabilities - net         2,782,050         2,789,813           Loans and bonds payable         7,419,259         7,333,096           Provision for losses and mine rehabilitation costs         79,584         78,707           Other payables         550,881         550,995           Total Noncurrent Liabilities         10,831,774         10,752,611           Total Liabilities         15,693,463         17,012,329           Equity Attributable to Equity Holders of the Parent Company         4,940,399         4,940,399           Additional paid-in capital         1,143,981         1,143,981           Retained Earnings         Unappropriated         4,410,445         4,203,947           Appropriated         4,410,445         4,203,947           Appropriated         10,500,000         10,500,000           Net urrealized gain on financial assets measured at FVOCI         35,341         35,341           Equity conversion option         1,225,518         1,225,518		2 152 500	2 155 780
Subscription payable         926,531         2,312,981           Total Current Liabilities         4,861,689         6,259,718           Noncurrent Liabilities         50,259,718           Deferred tax liabilities - net         2,782,050         2,789,813           Loans and bonds payable         7,419,259         7,333,096           Provision for losses and mine rehabilitation costs         79,584         78,707           Other payables         550,881         550,995           Total Noncurrent Liabilities         10,831,774         10,752,611           Total Liabilities         15,693,463         17,012,329           Equity Attributable to Equity Holders of the Parent Company         4,940,399         4,940,399           Capital Stock - P1 par value         4,940,399         4,940,399           Additional paid-in capital         1,143,981         1,143,981           Retained Earnings         Unappropriated         4,410,445         4,203,947           Appropriated         4,410,445         4,203,947           Appropriated         4,410,445         4,233,941           Equity conversion option         1,225,518         1,225,518           Cumulative gain on hedging instruments         899         -           Net revaluation surplus         1,572,			
Total Current Liabilities         4,861,689         6,259,718           Noncurrent Liabilities         Deferred tax liabilities - net         2,782,050         2,789,813           Loans and bonds payable         7,419,259         7,333,096           Provision for losses and mine rehabilitation costs         79,584         78,707           Other payables         550,881         550,995           Total Noncurrent Liabilities         10,831,774         10,752,611           Total Liabilities         15,693,463         17,012,329           Equity Attributable to Equity Holders of the Parent Company         4,940,399         4,940,399           Capital Stock - P1 par value         4,940,399         4,940,399           Additional paid-in capital         1,143,981         1,143,981           Retained Earnings         Unappropriated         4,410,445         4,203,947           Appropriated         4,410,445         4,203,947           Appropriated         10,500,000         10,500,000           Net unrealized gain on financial assets measured at FVOCI         35,341         35,341           Equity conversion option         1,225,518         1,225,518           Cumulative gain on hedging instruments         899         -           Net revaluation surplus         1,572,385			
Noncurrent Liabilities           Deferred tax liabilities - net         2,782,050         2,789,813           Loans and bonds payable         7,419,259         7,333,096           Provision for losses and mine rehabilitation costs         79,584         78,707           Other payables         550,881         550,995           Total Noncurrent Liabilities         10,831,774         10,752,611           Total Liabilities         15,693,463         17,012,329           Equity Attributable to Equity Holders of the Parent Company         4,940,399         4,940,399           Capital Stock - P1 par value         4,940,399         4,940,399           Additional paid-in capital         1,143,981         1,143,981           Retained Earnings         Unappropriated         4,410,445         4,203,947           Appropriated         4,410,445         4,203,947           Appropriated         10,500,000         10,500,000           Net unrealized gain on financial assets measured at FVOCI         35,341         35,341           Equity conversion option         1,225,518         1,225,518           Cumulative gain on hedging instruments         899         -           Net revaluation surplus         1,572,385         1,572,385           Effect of transactions with no			
Deferred tax liabilities - net         2,782,050         2,789,813           Loans and bonds payable         7,419,259         7,333,096           Provision for losses and mine rehabilitation costs         79,584         78,707           Other payables         550,881         550,995           Total Noncurrent Liabilities         10,831,774         10,752,611           Total Liabilities         15,693,463         17,012,329           Equity Attributable to Equity Holders of the Parent Company         4,940,399         4,940,399           Capital Stock - P1 par value         4,940,399         4,940,399           Additional paid-in capital         1,143,981         1,143,981           Retained Earnings         Unappropriated         4,410,445         4,203,947           Appropriated         4,410,445         4,203,947           Appropriated         10,500,000         10,500,000           Net unrealized gain on financial assets measured at FVOCI         35,341         35,341           Equity conversion option         1,225,518         1,225,518           Cumulative gain on hedging instruments         899         -           Net revaluation surplus         1,572,385         1,572,385           Effect of transactions with non-controlling interests         77,892         77,892		4,001,005	0,233,710
Loans and bonds payable       7,419,259       7,333,096         Provision for losses and mine rehabilitation costs       79,584       78,707         Other payables       550,881       550,995         Total Noncurrent Liabilities       10,831,774       10,752,611         Total Liabilities       15,693,463       17,012,329         Equity Attributable to Equity Holders of the Parent Company       Variable of the Parent Company       Variable of the Parent Company         Capital Stock - P1 par value       4,940,399       4,940,399         Additional paid-in capital       1,143,981       1,143,981         Retained Earnings       Unappropriated       4,410,445       4,203,947         Appropriated       10,500,000       10,500,000         Net unrealized gain on financial assets measured at FVOCI       35,341       35,341         Equity conversion option       1,225,518       1,225,518         Cumulative gain on hedging instruments       899       -         Net revaluation surplus       1,572,385       1,572,385         Effect of transactions with non-controlling interests       77,892       77,892         Non-controlling Interests       (258)       (258)         Total equity       23,906,602       23,699,205		2 782 050	2 789 813
Provision for losses and mine rehabilitation costs         79,584         78,707           Other payables         550,881         550,995           Total Noncurrent Liabilities         10,831,774         10,752,611           Total Liabilities         15,693,463         17,012,329           Equity Attributable to Equity Holders of the Parent Company         V         V           Capital Stock - P1 par value         4,940,399         4,940,399           Additional paid-in capital         1,143,981         1,143,981           Retained Earnings         V         4,410,445         4,203,947           Appropriated         4,410,445         4,203,947           Appropriated         10,500,000         10,500,000           Net unrealized gain on financial assets measured at FVOCI         35,341         35,341           Equity conversion option         1,225,518         1,225,518           Cumulative gain on hedging instruments         899         -           Net revaluation surplus         1,572,385         1,572,385           Effect of transactions with non-controlling interests         77,892         77,892           Non-controlling Interests         (258)         (258)           Total equity         23,906,602         23,699,205			
Other payables         550,881         550,995           Total Noncurrent Liabilities         10,831,774         10,752,611           Total Liabilities         15,693,463         17,012,329           Equity Attributable to Equity Holders of the Parent Company         4,940,399         4,940,399           Capital Stock - P1 par value         4,940,399         4,940,399           Additional paid-in capital         1,143,981         1,143,981           Retained Earnings         Unappropriated         4,410,445         4,203,947           Appropriated         10,500,000         10,500,000           Net unrealized gain on financial assets measured at FVOCI         35,341         35,341           Equity conversion option         1,225,518         1,225,518           Cumulative gain on hedging instruments         899         -           Net revaluation surplus         1,572,385         1,572,385           Effect of transactions with non-controlling interests         77,892         77,892           Non-controlling Interests         (258)         (258)           Total equity         23,906,602         23,699,205			
Total Noncurrent Liabilities         10,831,774         10,752,611           Total Liabilities         15,693,463         17,012,329           Equity Attributable to Equity Holders of the Parent Company         4,940,399         4,940,399           Capital Stock - P1 par value         4,940,399         4,940,399           Additional paid-in capital         1,143,981         1,143,981           Retained Earnings         Unappropriated         4,410,445         4,203,947           Appropriated         10,500,000         10,500,000           Net unrealized gain on financial assets measured at FVOCI         35,341         35,341           Equity conversion option         1,225,518         1,225,518           Cumulative gain on hedging instruments         899         -           Net revaluation surplus         1,572,385         1,572,385           Effect of transactions with non-controlling interests         77,892         77,892           Non-controlling Interests         (258)         (258)           Total equity         23,906,602         23,699,205		*	
Total Liabilities         15,693,463         17,012,329           Equity Attributable to Equity Holders of the Parent Company			
Equity Attributable to Equity Holders of the Parent Company         Capital Stock - P1 par value       4,940,399       4,940,399         Additional paid-in capital       1,143,981       1,143,981         Retained Earnings       Unappropriated       4,410,445       4,203,947         Appropriated       10,500,000       10,500,000         Net unrealized gain on financial assets measured at FVOCI       35,341       35,341         Equity conversion option       1,225,518       1,225,518         Cumulative gain on hedging instruments       899       -         Net revaluation surplus       1,572,385       1,572,385         Effect of transactions with non-controlling interests       77,892       77,892         Non-controlling Interests       (258)       (258)         Total equity       23,906,602       23,699,205			
Capital Stock - P1 par value       4,940,399       4,940,399         Additional paid-in capital       1,143,981       1,143,981         Retained Earnings       10,500,000       10,500,000         Unappropriated       10,500,000       10,500,000         Net unrealized gain on financial assets measured at FVOCI       35,341       35,341         Equity conversion option       1,225,518       1,225,518         Cumulative gain on hedging instruments       899       -         Net revaluation surplus       1,572,385       1,572,385         Effect of transactions with non-controlling interests       77,892       77,892         Non-controlling Interests       (258)       (258)         Total equity       23,906,602       23,699,205	Total Elabilities		17,012,323
Additional paid-in capital       1,143,981       1,143,981         Retained Earnings       Unappropriated       4,410,445       4,203,947         Appropriated       10,500,000       10,500,000         Net unrealized gain on financial assets measured at FVOCI       35,341       35,341         Equity conversion option       1,225,518       1,225,518         Cumulative gain on hedging instruments       899       -         Net revaluation surplus       1,572,385       1,572,385         Effect of transactions with non-controlling interests       77,892       77,892         Non-controlling Interests       (258)       (258)         Total equity       23,906,602       23,699,205	Equity Attributable to Equity Holders of the Parent Company		
Retained Earnings         Unappropriated       4,410,445       4,203,947         Appropriated       10,500,000       10,500,000         Net unrealized gain on financial assets measured at FVOCI       35,341       35,341         Equity conversion option       1,225,518       1,225,518         Cumulative gain on hedging instruments       899       -         Net revaluation surplus       1,572,385       1,572,385         Effect of transactions with non-controlling interests       77,892       77,892         Non-controlling Interests       (258)       (258)         Total equity       23,906,602       23,699,205	Capital Stock - P1 par value	4,940,399	4,940,399
Unappropriated       4,410,445       4,203,947         Appropriated       10,500,000       10,500,000         Net unrealized gain on financial assets measured at FVOCI       35,341       35,341         Equity conversion option       1,225,518       1,225,518         Cumulative gain on hedging instruments       899       -         Net revaluation surplus       1,572,385       1,572,385         Effect of transactions with non-controlling interests       77,892       77,892         Non-controlling Interests       (258)       (258)         Total equity       23,906,602       23,699,205	Additional paid-in capital	1,143,981	1,143,981
Appropriated       10,500,000       10,500,000         Net unrealized gain on financial assets measured at FVOCI       35,341       35,341         Equity conversion option       1,225,518       1,225,518         Cumulative gain on hedging instruments       899       -         Net revaluation surplus       1,572,385       1,572,385         Effect of transactions with non-controlling interests       77,892       77,892         Non-controlling Interests       (258)       (258)         Total equity       23,906,602       23,699,205	Retained Earnings		
Net unrealized gain on financial assets measured at FVOCI       35,341       35,341         Equity conversion option       1,225,518       1,225,518         Cumulative gain on hedging instruments       899       -         Net revaluation surplus       1,572,385       1,572,385         Effect of transactions with non-controlling interests       77,892       77,892         Non-controlling Interests       (258)       (258)         Total equity       23,906,602       23,699,205	Unappropriated	4,410,445	4,203,947
Equity conversion option       1,225,518       1,225,518         Cumulative gain on hedging instruments       899       -         Net revaluation surplus       1,572,385       1,572,385         Effect of transactions with non-controlling interests       77,892       77,892         23,906,860       23,699,463         Non-controlling Interests       (258)       (258)         Total equity       23,906,602       23,699,205	Appropriated	10,500,000	10,500,000
Cumulative gain on hedging instruments       899       -         Net revaluation surplus       1,572,385       1,572,385         Effect of transactions with non-controlling interests       77,892       77,892         23,906,860       23,699,463         Non-controlling Interests       (258)       (258)         Total equity       23,906,602       23,699,205	Net unrealized gain on financial assets measured at FVOCI	35,341	35,341
Net revaluation surplus         1,572,385         1,572,385           Effect of transactions with non-controlling interests         77,892         77,892           23,906,860         23,699,463           Non-controlling Interests         (258)         (258)           Total equity         23,906,602         23,699,205	Equity conversion option	1,225,518	1,225,518
Effect of transactions with non-controlling interests         77,892         77,892           23,906,860         23,699,463           Non-controlling Interests         (258)         (258)           Total equity         23,906,602         23,699,205	Cumulative gain on hedging instruments	899	-
Non-controlling Interests       23,906,860       23,699,463         (258)       (258)         Total equity       23,906,602       23,699,205	Net revaluation surplus	1,572,385	1,572,385
Non-controlling Interests       23,906,860       23,699,463         (258)       (258)         Total equity       23,906,602       23,699,205	Effect of transactions with non-controlling interests	77,892	77,892
Non-controlling Interests         (258)         (258)           Total equity         23,906,602         23,699,205			23,699,463
	Non-controlling Interests		(258)
TOTAL LIABILITIES & EQUITY 39,600,065 40,711,534	Total equity	23,906,602	23,699,205
	TOTAL LIABILITIES & EQUITY	39,600,065	40,711,534

## PHILEX MINING CORPORATION AND SUBSIDIARIES CONSOLIDATED STATEMENTS OF INCOME FOR THE THREE MONTHS ENDED MARCH 31, 2019 AND 2018

(Amounts in Peso Thousands, except Earnings Per Share)

### THREE MONTHS ENDED MARCH 31

	IVIARCE	WARCH 31	
	2019	2018	
REVENUES - NET	1,475,697	2,165,298	
COSTS AND EXPENSES			
Production costs	1,074,224	1,063,565	
Depletion, depreciation and amortization	326,983	408,780	
General and administrative expenses	70,888	81,484	
Excise taxes and royalties	93,874	143,079	
	1,565,969	1,696,908	
INCOME (LOSS) FROM OPERATIONS	(90,272)	468,390	
OTHER INCOME(CHARGES)			
Foreign exchange gains (losses) - net	941	(61,726)	
Interest income - net	231	317	
Share in net losses of associates	(10,717)	(6,463)	
Others - net	303,509	32,806	
	293,964	(35,066)	
INCOME BEFORE INCOME TAX	203,692	433,324	
PROVISION FOR (BENEFIT FROM) INCOME TAX			
Current	-	61,657	
Deferred	(2,806)	68,900	
	(2,806)	130,557	
NET INCOME	206,498	302,767	
NET INCOME ATTRIBUTABLE TO:			
Equity holders of the Parent Company	206,498	302,767	
Non-controlling interests	-	-	
<b>G</b>	206,498	302,767	
CORE NET INCOME (LOSS)	(111,589)	345,976	
BASIC EARNINGS PER SHARE	0.0418	0.0613	
DILUTED EARNINGS PER SHARE	0.0418	0.0613	
CORE NET INCOME (LOSS) PER SHARE	(0.0226)	0.0700	
CORL INLI INCOINE (LOSS) FER SHARE	(0.0220)	0.0700	