

Philex Mining Corporation
Revised Corporate Governance Committee Charter

I. Introduction

This Charter of the Corporate Governance Committee (the “Committee”) of **Philex Mining Corporation** (the “Company”) sets forth the Committee’s purposes, authority, duties and responsibilities, structure and procedures, which shall guide the Committee as prescribed by the Revised Manual on Corporate Governance (“RMCG”). The Committee shall conduct an annual review and assessment of this Charter, and recommend to the Company’s Board of Directors (the “Board”) revisions, as it may deem necessary and beneficial to the efficient performance of its functions.

II. Purposes, Authority, Duties and Responsibilities

1. Purpose

The primary purpose of the Committee is to assist the Board in performing the corporate governance duties as required under the CG Manual, Code of Corporate Governance of the Securities and Exchange Commission (SEC), and the Corporate Governance Guidelines and the listing rules of the Philippine Stock Exchange (PSE).

2. Authority

- 2.1 The Committee shall report directly to the Board on its decision or recommendation.
- 2.2 The Committee may require Management to provide it with such corporate records and other documents as may be necessary or appropriate for the Committee to discharge its functions effectively.
- 2.3 The Committee is authorized to obtain external legal and other independent professional firms with relevant experience and expertise, to assist and advise the Committee on matters it considers necessary. The Committee shall in consultation with the Board have authority to approve all reasonable related fees and terms of engagement of the external advisers/consultants, which fees shall be borne by the Company.

3. Duties and Responsibilities

The Committee is tasked with ensuring compliance with and proper observance of the corporate governance principles and practices. It has the following duties and functions, among others:

- a. Oversees the implementation of the corporate governance framework and periodically reviews the said framework to ensure that it remains appropriate in light of material changes to the Company's size, complexity and business strategy, as well as its business and regulatory environments;
- b. Oversees the periodic performance evaluation of the Board and its committees as well as selected key officers of the Company (Chief Executive Officer; Chief Compliance Officer; Chief Risk Officer and Chief Audit Executive), and conducts an annual self-evaluation of its performance;
- c. Ensures that the results of the Board evaluation are shared, discussed, and that concrete action plans are developed and implemented to address the identified areas for improvement;
- d. Recommends continuing education/training programs for directors;
- e. Adopts corporate governance policies and ensures that these are reviewed and updated regularly, and consistently implemented in form and substance;
- f. Proposes and plans relevant trainings for the members of the Board;

III. Composition

1. The Committee shall have a minimum of three (3) Members, each of whom, including the Chairman thereof shall be appointed by the Board.
2. The majority of the members of the Committee (the "Members") shall be independent non-executive directors of the Company.
3. The office of a Member shall *ipso facto* be vacated:
 - i. if he resigns as a Member of the Committee or of the Board;
 - ii. if he is removed by a resolution of the Board;
 - iii. if he is declared to be incompetent or of unsound mind; or
 - iv. if he is subsequently disqualified from becoming a Member.

A Member shall be disqualified from being part of the Committee during the remainder of his tenure if, upon determination by the Board or Nomination Committee, he ceases to meet the qualifications for directorship, or he becomes disqualified from directorship based on any grounds for disqualification set forth in the Company's RMCG.

4. The Board may, from time to time, vary the composition of the Committee as may be required by the Securities and Exchange Commission (SEC) or other codes, rules and regulations as may be prescribed by the applicable regulatory authority.
5. The Company's Corporate Secretary or his/her nominee shall be the Secretary of the Committee.

IV. Committee Procedures

1. Meetings

1.1 Frequency

The Committee shall meet at least once in a calendar year. In addition, the Committee's Chairman may convene additional meetings at his discretion, and at such other time as the Committee may consider appropriate and necessary to perform its responsibilities.

1.2 Notice

- a. Notice of any meetings of the Committee will be given at least five (5) days prior to any such meeting being held unless all Members unanimously waive such notice; provided however that the Chairman of the Committee, *motu proprio* or at the request of the Chairman of the Board or of the CEO, may call the meeting at shorter notice when the circumstances so require. Irrespective of the length of notice being given, attendance in a meeting by a Member shall be deemed a waiver of the notice requirement.
- b. Each Member shall give to the Secretary of the Committee a mailing address, an electronic mail address (e-mail) and a facsimile number for the service of notices of meetings of the Committee.
- c. Notice of a meeting of the Committee shall be deemed duly served upon a Member if it is given to him personally, or sent to him by mail, e-mail or facsimile transmission to his address or facsimile number on file with by the Secretary of the Committee.

1.3 Quorum

A majority of the members of the Committee shall constitute a quorum, provided that the majority must always include an independent, non-executive director.

If after the lapse of thirty (30) minutes from the scheduled time of the meeting, a quorum is not reached, the meeting shall be adjourned until such date, time and place as the Chairman may determine.

2. Attendance

- 2.1 The Committee may invite the Chairman of the Board, other Directors, external advisers and/or any other persons who have specific responsibility for, or

interest or expertise in, the subject under review to attend all or part of any meetings of the Committee.

2.2 Members may participate in a meeting through tele/ videoconferencing in accordance with the provisions of Securities and Exchange Commission Memorandum Circular No. 15 dated November 20, 2001.

2.3 Only Members are entitled to vote at Committee meetings.

2.4 In the absence of the Chairman and/or an appointed deputy, the remaining Members present shall elect one of the Members to chair the Committee meeting.

3. Escalation

The Committee shall timely refer to the Board its recommendations or decisions which require ratification or approval by the Board or as it may deem necessary or proper.

4. Resolutions

4.1 Every resolution of at least a majority of the Members present during the meeting at which a quorum is present shall be valid.

4.2 A resolution in writing signed by all Members shall be as valid and effective for all purposes as a resolution of the Committee passed at a meeting of the Committee duly convened, held and constituted. A written notification of confirmation of such resolution in writing sent by a Member shall be deemed to be his signature to such resolution in writing for such purpose. Such resolution in writing may be signed in counterparts.

5. Minutes and Records

5.1 The Secretary of the Committee shall keep full minutes of all Committee meetings. Draft minutes of meetings of the Committee shall be sent to all Members for their comments within a reasonable time after the meeting. Final version of the minutes, duly signed by the Chairman, shall be sent to all Members for their records.

5.2 The Secretary of the Committee shall keep the following records:
a. appointments and resignation of the Members;
b. all agenda and other documents sent to the Members;

- c. minutes of proceedings and meetings of the Committee; and,
- d. such other documents as may be necessary in the performance of the Committee's functions.

5.3 Any such records shall be open for inspection by any Member at reasonable hours on business days. Demands for inspection must be made in good faith and for a legitimate purpose. Any cost arising from the conduct of inspection shall be borne by the Member requesting for inspection.

5.4 Minutes of any meeting of the Committee, if purported to be signed by the Chairman of such meeting, or by the Chairman of the next succeeding meeting, shall be conclusive evidence of the proceedings and resolutions of such meeting.

V. Remuneration of Members

Except for the reasonable per diems approved by the Board for such purposes, no fees or other remuneration shall be payable to the Members in respect of their services under this Charter.

No fees or compensation shall be paid directly or indirectly to any Member or his firm for consultancy or advisory services rendered to the Company directly by the Member or indirectly through his firm. However, this prohibition shall not apply to ordinary compensation paid to a Member or his firm in respect of any business relationship or transaction determined to be at arm's length terms and could not materially interfere with or influence the exercise of his independent judgment.

VI. Amendment

This Charter shall not be amended, altered or varied unless such amendment, alteration or variation shall have been approved by a resolution of the Board.