



Confirmation statement from Philex's Audit Committee:

July 31, 2017

The Audit and Risk Management Committee  
First Pacific Company Limited  
24<sup>th</sup> Floor, Two Exchange Square  
8 Connaught Place  
Hong Kong

Dear Committee Members,

This is to inform you that the Audit Committee of Philex Mining Corporation ("Philex") has conducted a review of the effectiveness of the Philex Group's (including its subsidiaries, except PXP Energy) internal control systems for the six-month period ended 30 June 2017. The review covered all material controls, including financial, operational and compliance controls.

Please refer to the attached summary report for the six-month period ended 30 June 2017 highlighting the major internal control issues and the remedial actions taken.

Based on our review of the internal audit reports, and discussion with the internal and external auditors and with the Management, we would like to confirm that the internal controls (including financial, operational and compliance controls) of the Philex Group are adequate and effective.

We have not noticed any material deviation from local as well as Hong Kong Listing Rules requirements, including Inside Information.

We hope that this letter is sufficient for your requirements.

Sincerely yours,

A handwritten signature in black ink, appearing to read "Oscar J. Hilado", written over a horizontal line.

Oscar J. Hilado  
Chairman of the Audit Committee  
Philex Mining Corporation

A handwritten signature in black ink, appearing to read "Geraldine B. Ateo-an", written over a horizontal line.

Geraldine B. Ateo-an  
Head of the Internal Audit Department  
Philex Mining Corporation