



May 16, 2016

PHILIPPINE STOCK EXCHANGE, INC.

Tower One & Exchange Plaza
Ayala Avenue, Makati City
Makati City

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

Gentlemen:

Philex Mining Corporation (the Company) is pleased to announce that the Department of Environment and Natural Resources (DENR), through the Mines and Geosciences Bureau (MGB), in a Letter received today, has issued the Final Approval of the Amended Mining Project Feasibility Study for a surface mining method, in connection with the approved Declaration of Mining Project Feasibility (DMPF) of Silangan Mindanao Mining Co., Inc. (SMMCI) under the Mineral Production Sharing Agreement (MPSA) No. 149-99-XIII.

The MGB issued the final approval after reviewing the pertinent documents, which determined that SMMCI complied with all the conditions required thereof.

For information.

Very truly yours,

Original Signed
DANNY Y. YU
SVP – Finance