



February 26, 2015

REMINDER TO NON-RESIDENT FOREIGN CORPORATE & INDIVIDUAL STOCKHOLDERS

On February 25, 2015, the Board of Directors of Philex Mining Corporation (the "Company") declared a cash dividend amounting to **Two Centavos (PhP0.02)** Philippine currency per share for stockholders of record as of **March 11, 2015**, payable on **March 25, 2015**.

In this connection, the Company's non-resident foreign corporate and individual stockholders are hereby reminded of the Company's earlier advisories regarding the provisions of the Philippine National Internal Revenue Code (the "Tax Code") on the applicable withholding tax rates.

Non-resident alien individuals *engaged in trade or business* in the Philippines are subject to a final withholding tax on dividends at the rate of 20%. A non-resident alien individual who comes to the Philippines and stays for an aggregate period of more than 180 days during any calendar year is considered engaged in trade or business in the Philippines. A non-resident alien individual *not* engaged in trade or business in the Philippines is subject to a final withholding tax on dividends at the rate of 25%, subject to applicable preferential tax rates under tax treaties in force between the Philippines and the country of domicile of such non-resident alien individual.

Dividends received by a non-resident foreign corporation are subject to a final withholding tax at the rate of 30%. This is also subject to applicable preferential tax rates under tax treaties in force between the Philippines and the country of domicile of such non-resident foreign corporations.

Under the tax sparing clause of the Tax Code, a reduced rate of 15% may also apply to dividends received by non-resident foreign corporations if the country in which the non-resident foreign corporation is domiciled imposes no taxes on foreign-sourced dividends; or if such country allows a credit equivalent to 15% against the tax due from the non-resident corporation taxes which are deemed to have been paid in the Philippines.

Eligible shareholders who wish to avail of the preferential tax treaty or tax sparing rates must submit the required documents to the Company's stock transfer agent, Stock Transfer Services, Inc. (the "Transfer Agent") in such a manner as to ensure receipt thereof by the Transfer Agent on or before **March 16, 2015** at the address indicated below. In this regard, we encourage the submission of documents by courier to facilitate timely receipt. The list of the documents required to avail of the preferential rates are attached.

The regular statutory tax rates will apply to shareholders with incomplete and/or late submissions. Eligible shareholders who failed to avail of the preferential rates may nevertheless pursue a claim for tax refund with the BIR and/or the tax court with the assistance of their local tax counsel.

For further information, please refer to www.philexmining.com.ph. You may also email or call the following persons for further clarification: