



June 25, 2015

PHILIPPINE STOCK EXCHANGE, INC.
3/F Tower One & Exchange Plaza
Ayala Triangle, Ayala Avenue, Makati City

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

Gentlemen:

This is in reply to your letter dated June 25, 2015 requesting the Company's clarification on and/or confirmation of the news article posted in Malaya Business Insight (Internet Edition) on June 25, 2015 entitled "Philex's Padcal Mine Good for Another 25 Years", which you quoted in part, as follows:

"Philex Mining Corp. yesterday said that its Padcal mine is good for another 25 years according to Eulalio Austin, president and chief executive. Padcal mine life was earlier estimated to last only up to 2020.

..."

The Company would like to clarify the statement in the above news article. Currently, the Padcal Mine has a declared life of up to 2020 but there is a likelihood that it will go beyond 2020 depending on the results of the ongoing technical study on the recently disclosed new resources of Padcal at 600-800 Meter Level of 111 million tonnes. This technical study will determine the additional years Padcal will have after year 2020.

Very truly yours,

Original Signed
DANNY Y. YU
SVP - Finance