

**SECURITIES AND EXCHANGE COMMISSION
SEC FORM 17-C
CURRENT REPORT UNDER SECTION 17
OF THE SECURITIES REGULATION CODE
AND SRC RULE 17.2(c) THEREUNDER**

1. **April 27, 2023**
Date of Report (Date of earliest event reported)
2. SEC Identification Number **10044** 3. BIR Tax Identification No. **000-283-731-000**
4. **PHILEX MINING CORPORATION**
Exact name of issuer as specified in its charter
5. Philippines
Province, country or other jurisdiction of incorporation
6. (SEC Use Only)
Industry Classification Code:
7. **2nd Floor LaunchPad, Reliance Street corner Sheridan Street,**
Mandaluyong City, Metro Manila
Address of principal office
8. **(632) 8631-1381 to 88**
Issuer's telephone number, including area code
9. **N/A**
Former name or former address, if changed since last report
10. Securities registered pursuant to Sections 8 and 12 of the SRC or Sections 4 and 8 of the RSA

Title of Each Class	Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding
Common Share	5,782,399,068

11. Indicate the item numbers reported herein:

Item 9. Other Events

Press Release: PHILEX MINING POSTS PHP388 MILLION CORE NET INCOME FOR 1Q2023

SIGNATURES

Pursuant to the requirements of the Securities Regulation Code, the issuer has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

PHILEX MINING CORPORATION

Issuer

April 27, 2023

Date

(Original Signed)

ROMEO B. BACHOCO

Chief Finance Officer & Chief Compliance Officer



27 April 2023

PRESS RELEASE

PHILEX MINING POSTS PHP388 MILLION CORE NET INCOME FOR 1Q2023

HIGHLIGHTS

- **Core Net Income 1Q2023 reached Php388 million compared with Php676 million in 1Q2022**
- **EBITDA declined to Php635 million for 1Q2023 from P1.182 billion in 1Q2022**
- **Favorable metal prices and foreign exchange rates continued to keep the level of revenues and core net income at profitable levels since the previous year**

(MANILA, PHILIPPINES) – Philex Mining Corporation (the “Company” or “Philex”), one of the oldest and largest gold and copper producers in Southeast Asia, and a leader in right and principled mining, generated Php388 million Core Net Income and EBITDA of Php635 million for 1Q2023 against the backdrop of favorable gold prices and foreign exchange rates that kept them within safe margins as a continuation from the previous year. However lower metal output held back these positive trends.

The production level in 1Q2023 realized operating revenues of Php2.105 billion, lower than the Php2.528 billion for the same period in 2022. Gold prices in first quarter were higher at US\$1,889 per ounce while copper was slightly lower at US\$4.00 per pound. Operating costs were slightly lower than 1Q2022 at Php1.636 billion.

PRODUCTION

Tonnage milled for 1Q2023 was 6% lower at 1.706 million tonnes from 1.822 million tonnes in 1Q2022 as the Company continues to address issues with the grinding equipment at the mill plant. The requested replacement parts have already been ordered. Ore grades for Gold and Copper continue to hold to the same levels as in 1Q2022. Gold output for 1Q2023 was 17% lower at 10,062 ounces versus 12,097 ounces in 1Q2022. On the other hand, Copper output for 1Q2023 was 11% lower at 5.531 million pounds versus 6.181 million pounds in 1Q2022.

OPERATING EXPENSES AND EBITDA

Total operating costs and expenses for 1Q2023 stood at Php1.636 billion, at a similar level for the same period in 1Q2022 at Php1.655 billion. The increases in the purchase costs of the materials

and supplies as well as equipment parts and repairs were offset by the continued implementation of the efficiency measures in operations. Higher power rates increased operating costs and expenses despite lower production level.

EBITDA generated for 1Q2023 reached Php635 million, or 46% lower than the Php1.182 billion in 1Q2022.

OUTLOOK AND THE SILANGAN PROJECT

The current global commodity outlook has turned bullish for Gold – in the face of geopolitical risks, recession and economic uncertainty – but bearish for Copper, in spite of the latter's foreseen surge in demand due to its use in green technology. Price levels though were sustained within safe margins, has provided the Company with the breathing space to pursue its recovery program and much-needed repairs on its ageing equipment.

Development works on the Silangan Project in Surigao del Norte are currently underway and are on schedule with completion of the construction of the east decline portal towards the end of the 1Q2023. Final preparations for the commencement of the development of the tunnel is on-going with the arrival of tunnelling equipment and accessories. Tunnelling works will commence in May 2023.

The Company will likewise continue with its funding plan for Silangan commenced last year with the Stock Rights Offering. This involves a debt syndication effort and fresh capital infusion from the Company's cash reserves. The Company is in the final stages of the debt syndication process with several financial institutions.

"We will continue to push the frontier of the Silangan development, pursue improvements towards our recovery program and sustain the extension of the life of our Padcal mine," according to Philex President and CEO Eulalio B. Austin, Jr. "Resilience is still the name of the game as we look for other business opportunities and for more participation in the 'green metals space'. Time and again, the Company and its people have shown that they were able to withstand the challenges of the times with much fortitude, and this year won't be any different."

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Disclaimer on Forward Looking Statements

This press release may contain forward looking statements with respect to the results of operations and business of Philex Mining Corporation ("PX"). Such forward looking statements involve known and unknown risks, uncertainties, and other factors which may cause the actual performance of PX to be different from any future performance implied.

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PHILEX MINING CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF INCOME - UNAUDITED

(Amounts in Peso Thousands, Except Earnings Per Share)

	Three Months Ended	
	March 31	
	2023	2022
REVENUES	P 2,105,356	P 2,528,194
COSTS AND EXPENSES		
Production costs	1,260,757	1,094,562
Depletion, amortization and depreciation	167,081	331,425
Excise taxes and royalties	145,168	163,397
General and administrative expenses	63,338	66,004
	<u>1,636,344</u>	<u>1,655,388</u>
OTHER (CHARGES) INCOME		
Foreign exchange gain - net	26,234	18,950
Interest income	5,134	667
Share in net losses of associates	(5,372)	(5,428)
Others - net	(16,023)	(20,140)
	<u>9,973</u>	<u>(5,951)</u>
INCOME BEFORE INCOME TAX	478,985	866,856
PROVISION FOR (BENEFIT FROM) INCOME TAX		
Current	121,750	224,870
Deferred	(32,338)	(48,402)
	<u>89,412</u>	<u>176,468</u>
NET INCOME	P 389,573	690,387
NET INCOME ATTRIBUTABLE TO:		
Equity holders of the Parent Company	389,573	690,387
Non-controlling interests	-	-
	<u>P 389,573</u>	<u>690,387</u>
CORE NET INCOME	P 387,897	P 676,174
BASIC/DILUTED EARNINGS PER SHARE	P 0.067	P 0.140
CORE NET INCOME PER SHARE	P 0.067	P 0.137
EBITDA	P 634,964	P 1,182,195

PHILEX MINING CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(Amounts in Peso Thousands, except Par Value Per Share)

	March 31 2023 (Unaudited)	December 31 2022 (Audited)
ASSETS		
Current Assets		
Cash and cash equivalents	P 4,047,137	P 3,925,296
Accounts receivable - net	660,072	580,621
Inventories - net	1,023,168	1,151,089
Derivative assets	13,143	-
Other current assets - net	931,561	765,754
Total Current Assets	6,675,081	6,422,760
Noncurrent Assets		
Deferred exploration costs	29,704,768	29,491,920
Investment in associates - net	3,600,304	3,605,677
Property, plant and equipment - net	2,742,310	2,729,865
Pension asset - net	342,950	340,725
Financial assets measured at fair value through other comprehensive income (FVOCI)	145,207	145,207
Other noncurrent assets	527,972	522,595
Total Noncurrent Assets	37,063,511	36,835,989
TOTAL ASSETS	P 43,738,592	P 43,258,749
LIABILITIES AND EQUITY		
Current Liabilities		
Loans and bonds payable	P 1,576,440	P 1,616,895
Accounts payable and accrued liabilities	2,774,985	2,670,983
Subscription payable	2,767	2,767
Income tax payable	246,101	124,351
Dividends payable	341,581	343,346
Total Current Liabilities	4,941,874	4,758,342
Noncurrent Liabilities		
Bonds Payable	5,979,819	5,907,961
Deferred tax liabilities - net	1,692,887	1,720,847
Provision for losses and mine rehabilitation costs	2,342	2,342
Total Noncurrent Liabilities	7,675,048	7,631,150
Total Liabilities	12,616,922	12,389,492
Equity Attributable to Equity Holders of the Parent Company		
Capital stock - P1 par value	5,782,399	5,782,399
Additional paid-in capital	2,885,163	2,885,163
Retained earnings		
Unappropriated	8,763,771	8,493,736
Appropriated	10,500,000	10,500,000
Net unrealized gain on financial assets measured at FVOCI and derivative	37,248	54,870
Equity Conversion option	857,863	857,863
Equity Reserves	367,655	367,655
Net revaluation surplus	1,849,971	1,849,971
Effect of transactions with non-controlling interests	77,892	77,892
	31,121,962	30,869,549
Non-controlling Interests	(292)	(292)
Total Equity	31,121,671	30,869,257
TOTAL LIABILITIES & EQUITY	P 43,738,592	P 43,258,749

