



Confirmation statement from Philex's Risk Committee:

February 24, 2017

The Audit and Risk Management Committee

First Pacific Company Limited
24th Floor, Two Exchange Square
8 Connaught Place
Hong Kong

Dear Committee Members,

This is to inform you that the Risk Committee of Philex Mining Corporation (Philex) has conducted a review of the effectiveness of Philex Group's (including its subsidiaries, major associated companies and joint ventures, except Philex Petroleum) Enterprise Risk Management (ERM) systems for the six-month period ended 31 December 2016. The review identified material strategic, financial, operational and compliance risks.

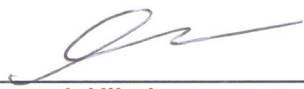
Please refer to the attached summary report for the six-month period ended 31 December 2016 highlighting the key enterprise risks identified and the corresponding mitigation measures to address those risks.

Based on our review of Philex's ERM process, reviewing the periodic ERM report and discussions with the Head of Risk Management & Export Department as well as the external auditors, we have assured ourselves the material risks are periodically identified, evaluated, managed and reported appropriately by the Management.

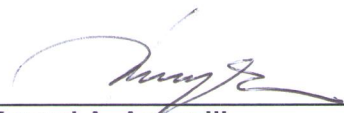
We have not noticed any material deviation from local as well as Hong Kong Listing Rules requirements, including Inside Information.

We hope that this letter suffice your requirements.

Sincerely yours,



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



Manuel A. Agcaoili
Chief Risk Officer
Philex Mining Corporation