



Confirmation statement from Philex's Risk Committee:

July 31, 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 Board Risk Oversight Committee of Philex Mining Corporation ("Philex") has conducted a review of the effectiveness of the Philex Group's (including its subsidiaries and joint ventures, except PXP Energy) Enterprise Risk Management ("ERM") systems for the six-month period ended 30 June 2017. The review covered all material strategic, financial, operational and compliance risks.

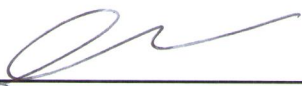
Please refer to the attached summary report for the six-month period ended 30 June 2017 highlighting the key enterprise risks identified and the corresponding mitigation measures to address these risks.

Based on our evaluation of Philex's ERM process, reviewing the periodically ERM report and discussions with the Chief Risk Officer as well as the external auditors, we have assured ourselves that the material risks are periodically identified, evaluated, managed and reported appropriately by the Management.

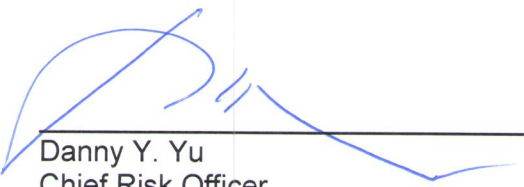
We have not noticed any material deviation from local as well as Hong Kong Listing Rules requirements, including Inside Information.

We hope that this letter is sufficient for your requirements.

Sincerely yours,



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



Danny Y. Yu
Chief Risk Officer
Philex Mining Corporation