

# 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. Date of Report (Date of earliest event reported)  
Apr 10, 2019
2. SEC Identification Number  
10044
3. BIR Tax Identification No.  
000283731000
4. Exact name of issuer as specified in its charter  
Philex Mining Corporation
5. Province, country or other jurisdiction of incorporation  
Philippines
6. Industry Classification Code(SEC Use Only)
7. Address of principal office  
2ND FLOOR LAUNCHPAD BLDG.,, RELIANCE COR. SHERIDAN STS.,  
MANDALUYONG CITY  
Postal Code  
1550
8. Issuer's telephone number, including area code  
(632) 6311381
9. Former name or former address, if changed since last report  
N/A
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 Shares	4,940,399,068
11. Indicate the item numbers reported herein  
17-C

*The Exchange does not warrant and holds no responsibility for the veracity of the facts and representations contained in all corporate disclosures, including financial reports. All data contained herein are prepared and submitted by the disclosing party to the Exchange, and are disseminated solely for purposes of information. Any questions on the data contained herein should be addressed directly to the Corporate Information Officer of the disclosing party.*



# Philex Mining Corporation

## PX

**PSE Disclosure Form 4-30 - Material Information/Transactions**  
***References: SRC Rule 17 (SEC Form 17-C) and***  
***Sections 4.1 and 4.4 of the Revised Disclosure Rules***

### Subject of the Disclosure

SUMMARY OF ESTIMATED MINERAL RESERVES AND RESOURCES FOR PADCAL MINE AS OF DECEMBER 31, 2018

### Background/Description of the Disclosure

Please see attached

### Other Relevant Information

None

**Filed on behalf by:**

<b>Name</b>	Paul Cheah
<b>Designation</b>	Investor Relations and Risk Management Head

TO: ALL CONCERNED

CC: MVP, EBA, JR., DYY, RPB, VMAY, RPM, MLA, File

FROM: R. S. DOLIPAS, II

DATE: April 9, 2019

SUBJECT: Summary of Remaining Proved Reserves as of December 31, 2018

The remaining proved reserves as of December 31, 2018 are tabulated below:

PROVED RESERVES					
As of December 31, 2018					
ORE SOURCES	Tonnes MT	Cu %	Au Grams/Tonne	Recoverable Cu (000 lbs)	Recoverable Au (oz)
798-ML	20,500,000	0.18	0.24	65,200	128,000
782-ML	6,400,000	0.18	0.24	20,200	40,000
760-ML	2,600,000	0.21	0.45	9,500	30,000
<b>Total Reserves</b>	<b>29,500,000</b>	<b>0.18</b>	<b>0.26</b>	<b>94,900</b>	<b>198,000</b>

**Notes:**

- Geovia GEMS™ and PCBC™ software were used in the above estimate with the following parameters:

<b>Metal Prices:</b>	Cu: 3.00 US\$/lb	<b>Conversion Factor for</b>	0.632
	Au: 1,300 US\$/oz	<b>Gold grade to CuEq:</b>	
<b>Metal Recoveries:</b>	Cu: 80%	<b>Operating Cost per Tonne:</b>	PhP 842.00
	Au: 80%	<b>Break-even Grade (%CuEq):</b>	0.300
<b>Forex (PhP to US\$):</b>	PhP 53.00		

- The cost per MT of PhP842 is the actual operating cost of the Company for the year 2018 and is the forecast cost until year 2022.
- Meanwhile, the FOREX of PhP53/US\$ is the projection of the Company and is higher by 4% compared to last year's PhP51/US\$.
- Comparing to the End-2017 reserves declaration, the dip in gold grade is due to the discontinuation of development of a portion of 760-ML and the whole mining levels of 730-ML, and 700-ML, as follows:

**Proved Reserves, Lower Levels**

Level	End 2017	End 2018
760-ML	12,100,000	2,600,000
730-ML	7,100,000	0
700-ML	3,900,000	0
<b>Total</b>	<b>23,100,000</b>	<b>2,600,000</b>

- Development of majority of 760-ML reserves has been discontinued to selectively mine higher grade areas only.
  - 730-ML and 700-ML development has been discontinued considering high operational risk and additional costs of mining below the 745-ML mine drainage level, including economic viability of commissioning new mining levels this close to end of mine life 2022.
- Additional reserves from 798-ML are to be extracted from additional blocks at the mining level.

**Proved Reserves, 798-ML**

Level	End 2017	End 2018
798-ML	20,800,000	20,400,000

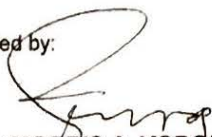
This is for your information and reference.



**RICARDO S. DOLIPAS, II**


**RSDII-M-001-19**

Noted by:



**VIC MORRIS A. YODONG**  
Resident Manager

This estimate was prepared by Engr. Ricardo S. Dolipas, II (BSEM) who is the current General Manager for Technical Services for Philex Mining Corporation, Padcal Operations. Engr. Dolipas is a Competent Person under the definition of the Philippine Mineral Reporting Code (PMRC) and has 25 years of experience as to the type of deposit and style of mining. He is a licensed mining engineer with Professional Regulation Commission (PRC) registration number 0002513 and accreditation number EM 0002513-021/13. He has given his consent to the Public Reporting of this statement concerning Mineral Reserve estimation.

 <b>PHILEX MINING CORPORATION</b>	<b>To</b> : E. B. Austin, Jr <b>From</b> : Noel C. Oliveros <b>Subject</b> : Summary of Remaining Mineral Resource Estimate (MRE) for Padcal Mine as of December 31, 2018	<b>Date:</b> 08 April 2019 <b>Cc</b> : DYY/VMAY/PMN/ RPM/RSD/MLA/VBM/ RPPS/FQC/GGF
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Padcal Mine	Classification	Tonnes	Cu %	Au g/t	Contained Cu (lbs.)	Contained Au (ozs.)
782ML	Measured + Indicated	10,300,000	0.22	0.34	51,200,000	114,000
798ML	Measured + Indicated	25,100,000	0.20	0.35	112,900,000	283,000
<b>Subtotal</b>	<b>Measured + Indicated</b>	<b>35,400,000</b>	<b>0.21</b>	<b>0.35</b>	<b>164,100,000</b>	<b>397,000</b>
800-700ML	Measured + Indicated	60,500,000	0.19	0.37	255,100,000	710,000
<b>Total</b>	<b>Measured + Indicated</b>	<b>95,900,000</b>	<b>0.20</b>	<b>0.36</b>	<b>419,200,000</b>	<b>1,107,000</b>

**Notes:**

1. Leapfrog ARANZ™ and Geovia Gems™ softwares were used to generate the resource estimate based on the current Padcal Mine economic parameters:

<b>Metal</b>	Cu:	3.00 US\$/lb
<b>Prices:</b>	Au:	1300 US\$/Oz

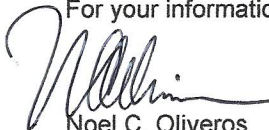
<b>Metal</b>	Cu:	80%
<b>Recoveries:</b>	Au:	80%

<b>Forex (Php to USD):</b>	53.00 PhP
<b>Operating Cost per MT:</b>	842.00 Php

These parameters were used to derive the copper equivalent conversion factor of 0.632 and the cut-off grade of 0.3% copper equivalent was used in reporting the remaining resource.

2. Mineral Resource reported is based on the February 2019 Resource block model prepared by Philex, incorporating data from development sampling and infill holes at the start of the year. Details of the estimation methodology is available in the accompanying PMRC compliant MRE report.
3. While the reported resource table details the available resource as of the end of 2018, the updated data from 2019 does not have any effect on the tonnage computations while providing a more reliable estimate of the grades within the approved mine plan.
4. To be able to meet the requirement of "reasonable prospects for eventual economic extraction" the estimates up to 700ML have been reported. However, the resource at 800-700ML are currently largely unavailable for production due to high operational risks and additional costs of mining. Studies are constantly being undertaken to try to develop methodologies to circumvent these challenges.
5. Mineral Resource Estimates followed the terminology and guidelines set forth in the Philippine Mineral Reporting Code ("PMRC").
6. Total resources include proved reserves.
7. All tonnage information has been rounded to reflect the relative uncertainty in the estimates; there may therefore be small differences in the totals.

For your information and reference.

  
Noel C. Oliveros

*This resource statement was prepared by Mr. Noel C. Oliveros, Exploration Division Manager of Philex Mining Corporation, who has sufficient experience relevant to the style of mineralization of St. Tomas II Porphyry Copper Deposit. Mr. Oliveros is a Competent Person for Exploration and Mineral Resource Estimation under the definition of the Philippine Mineral Reporting Code (PMRC). He is a professional Geologist with PRC License No. 1285 and accreditation number Geology CP-07-08-07. He has given his consent to the Public Reporting of this statement concerning Mineral Resource Estimation.*