

PHILEX MINING CORPORATION
Notice of Annual Meeting of Stockholders

TO OUR STOCKHOLDERS:

Please be informed that the **Annual Meeting of the Stockholders of PHILEX MINING CORPORATION** will be held on **Wednesday, June 29, 2016** at **2:30 p.m.** at the **Marco Polo Ortigas Manila, Meralco Avenue and Sapphire Street, Ortigas Centre, Pasig City, Metro Manila 1600** (the "Annual Stockholders' Meeting"). The order of business thereat will be as follows:

1. Call to Order
2. Proof of Required Notice of the Meeting
3. Certification of Quorum
4. Reading and Approval of the Minutes of the June 24, 2015 Stockholders' Meeting and Action Thereon
5. Presentation of Annual Report and Audited Financial Statements for the Year Ended December 31, 2015 and Action Thereon
6. Ratification and approval of the acts of the Board of Directors and Executive Officers during the corporate year 2015 – 2016
7. Approval of the amendment of Article III of the By-Laws re: corporate officers
8. Appointment of Independent Auditors
9. Appointment of election inspectors to serve until the close of the next annual meeting
10. Election of Directors, including Independent Directors
11. Other Matters

A brief statement of the rationale and explanation for each Agenda item which requires shareholders' approval is contained in **Annex "A"** of this Notice. The Information Statement accompanying this Notice contains more detail regarding the rationale and explanation for each of such Agenda items.

For the purpose of the meeting, only stockholders of record at the close of business on **April 15, 2016** will be entitled to vote thereat. Please bring some form of identification, such as passport, driver's license, or company I.D. in order to facilitate registration, which will start at 1:00 p.m.

Any stockholder who cannot attend the meeting in person and desires to be represented thereat is requested to date and sign the proxy enclosed herewith and mail it back using the return envelope. The proxy should be mailed in time so as to be received by the Corporate Secretary on or before **June 20, 2016**, which is the deadline for submission of proxies. Proxy validation will commence on June 24, 2016 at 10:00 a.m. at the offices of Stock Transfer Services, Inc. at 34th Floor, Rufino Plaza, Ayala Avenue, Makati City.

Secured electronic or online voting in absentia is available to certificated shareholders. Certificated shareholders who wish to vote online can log on to <http://www.philexmining.com.ph/investor-relations/vote-online> to cast their online ballots. Online voting instructions are attached to this Notice as **Annex "B"**.

Certificated shareholders are given until 2:00 p.m. of June 29, 2016, the day of the Meeting, to cast their online ballots.

Copies of the Minutes of the previous stockholders' meetings are available on the Company's website (www.philexmining.com.ph) and will be available for examination during office hours at the office of the Corporate Secretary.

BARBARA ANNE C. MIGALLOS
Corporate Secretary

**EXPLANATION AND RATIONALE
For each item on the Agenda of the
2016 Annual Stockholders' Meeting of
PHILEX MINING CORPORATION
requiring the vote of stockholders**

AGENDA

1. Call to Order

The Chairman will formally open the 2016 Annual Stockholders' Meeting. The Directors and Officers of the Company will be introduced.

2. Proof of Required Notice of the Meeting

The Corporate Secretary will certify that copies of this Notice and the Information Statement have been duly sent to stockholders of record as of April 15, 2016.

3. Certification of Quorum

The Corporate Secretary will attest whether a quorum is present for the meeting.

4. Reading of the Minutes of the June 24, 2015 Stockholders' Meeting and Action Thereon

Shareholders may examine the Minutes of the previous annual stockholders' meeting in accordance with Sec. 74 of the Corporation Code. The Minutes are available on the Company's website.

Resolution to be adopted: Shareholders will vote for the adoption of a resolution approving the minutes of the June 24, 2015 annual stockholders' meeting.

5. Presentation of the Annual Report and Audited Financial Statements for the Year ended December 31, 2015 and Action Thereon

The annual report and the financial statements of the Company, audited by the Company's independent external auditors, Sycip Gorres Velayo & Company (SGV), will be presented. The report will include a summary of the 2015 Audited Financial Statements, a copy of which accompanies this Notice and the Information Statement. Copies of this Information Statement and the Audited Financial Statements for the year ended December 31, 2015 are also available on the Company's website.

There will be an **OPEN FORUM** after the presentation. A shareholder, upon identifying himself or herself, may raise questions that are relevant or express an appropriate comment.

Resolution to be adopted: Shareholders will vote for the adoption of a resolution approving the Annual Report and the Audited Financial Statements for the year ended December 31, 2015.

6. Ratification and Approval of the Acts of the Board of Directors and Executive Officers During the Corporate Year 2015 - 2016

Actions by the Board of Directors and by the Officers are contained in the Information Statement or are referred to in the Annual Report.

Resolution to be adopted: Shareholders will vote for the adoption of a resolution ratifying and approving the acts of the Board of Directors and Officers.

7. Amendment of Article III of the Company's By-Laws re: corporate officers

On April 27, 2016, the Board of Directors approved the amendment of Article III of the Company's By-Laws to provide that the President shall be Chief Executive Officer, and to expressly provide for Senior Vice Presidents.

The amendment of the By-Laws to provide that the President shall be the Chief Executive Officer is consistent with present situation in the Company, and with the corporate governance best practice to have the positions of Chairman and of the Chief Executive Officer held by different persons. Mr. Manuel V. Pangilinan was previously Chairman and Chief Executive Officer until he relinquished the position of Chief Executive Officer in 2013. Mr. Eulalio B. Austin, Jr., previously President and Chief Operating Officer, has since been the Company's President and Chief Executive Officer.

Article III of the By-Laws also provides for Vice-Presidents (in the plural) but does not mention Senior Vice Presidents. The position of "Senior Vice President" is a classification of the position of Vice President, but for clarity, the proposal is to amend the By-Laws to expressly provide for Senior Vice Presidents.

Resolution to be adopted: Shareholders will vote for the adoption of a resolution to approve the amendment of Article III of the Company's By-Laws to provide that the President shall be Chief Executive Officer, and to expressly provide for Senior Vice Presidents.

8. Appointment of Independent Auditors

The Audit Committee screened the nominees for independent external auditor and endorsed the appointment of Sycip Gorres Velayo and Company (SGV) as the Company's independent external auditors for the year 2016.

Resolution to be adopted: Shareholders will vote on a resolution for the appointment of said auditing firm as independent external auditor of the Company for 2016.

9. Appointment of election inspectors to serve until the close of the next annual meeting

An independent party will be appointed by the shareholders to serve as election inspectors responsible for counting and/or validating the votes cast for all shareholders' meetings held in the ensuing year until the next annual meeting. In 2015 and in previous years, representatives of the independent external auditor were appointed. This practice will be followed this year.

Resolution to be adopted: Shareholders will vote on a resolution approving the appointment of election inspectors to serve until the close of the next annual meeting.

10. Election of Directors, including Independent Directors

The Final List of Candidates for election as directors, as prepared by the Nominations Committee in accordance with the Company's By-Laws and Manual on Corporate Governance, will be presented to the shareholders, and the election of directors will be held.

11. Other Matters

Matters that are relevant to and appropriate for the annual stockholders' meeting may be taken up. No resolution, other than the resolutions explained in the Notice and the Information Statement, will be submitted for voting by the shareholders.

12. Adjournment

**ONLINE VOTING INSTRUCTIONS
For 2016 Annual Stockholders' Meeting of
PHILEX MINING CORPORATION**

Secured electronic or online voting in absentia for the 2016 Annual Stockholders' Meeting of PHILEX MINING CORPORATION is available to certificated shareholders of record as of April 15 2016. Instructions for online voting are provided below.

1. Log on to <http://www.philexmining.com.ph/investor-relations/vote-online>.

2. Key in your STOCKHOLDER NUMBER on the box labeled "STOCKHOLDER NUMBER". Please refer to the envelope on which this Notice was enclosed to get your STOCKHOLDER NUMBER. Your STOCKHOLDER NUMBER is next to your name, on the addressee box of the envelope.

Upon entering the correct STOCKHOLDER NUMBER, your stockholder details (i.e. name, address, and number of shares held) will appear at the top of the page. The online ballot showing "Items Requiring Shareholder Approval" will also appear.

3. For each item requiring shareholders' approval, click the appropriate box or boxes to indicate your vote. For all items except the election of directors, click only one box opposite "YES", "NO" or "ABSTAIN" to indicate your vote. For the election of directors, stockholders may vote up to 9 regular directors, and 2 independent directors. Click the boxes opposite the names of the chosen nominees to indicate your vote.

4. To submit the online ballot, click the "SUBMIT" button on the lower left hand portion of the page. Shareholders are requested to read the reminders at the bottom of the page before submitting their online ballots.

Once your online ballot is submitted, the page will indicate that "Your Ballot Has Been Cast."

5. Online ballots will be accepted until **2:00 p.m. on June 29, 2016**, the day of the Annual Stockholders' Meeting.

6. Online ballots will be tabulated at the Meeting together with ballots filled out during the said Meeting. Results of the voting by shareholders will be announced for each item on the Agenda requiring the vote of shareholders, and shall be duly disclosed and shall be made available on the Company's website on the business day following the meeting.

For any questions or concerns, kindly contact Mr. Rolando S. Bondoy, Division Manager - Investor Relations, at (632) 631-1381 to 88, or via email at philex@philexmining.com.ph.