

 PHILEX MINING CORPORATION	Finance Division	EFFECTIVE DATE: 06/25/2014	VERSION: 002
		DOCUMENT NO.: CGO.14.07	PAGE NO.: 1 of 6
Title: <p style="text-align: center;">Amended Policy on Dealings in Company Shares of Stock</p>			

Background

The Board of Directors at their regular meeting held on 26 October 2010 adopted the policy on dealings of corporate insiders in shares of stock of the Company as embodied in the Policy on Dealings in Company Shares of Stock dated November 4, 2010 ("Policy").

This constitutes the amended Policy on Dealings of Company Shares of Stock ("Amended Policy"). Objective is to enhance corporate governance practices and improve compliance with Philippine Stock Exchange (PSE) requirements, amendments are hereunder introduced (with underline) and presented together with the original text of the policy for completeness. All annexes of Policy will be adopted and retained in this Amended Policy.

To wit:

Policy Statement

Consistent with Philex Mining Corporation's ("PMC" or the "Company") adherence to the principles of good corporate governance, this Policy is issued to provide guidelines on dealings of corporate insiders in shares of stock of the Company.

Coverage

This Policy applies to and shall be implemented by all members of the Board of Directors (each a "Director" and collectively, the "Directors"), Employees (each, an "Employee" and collectively, the "Employees"), and Consultant/s of PMC.

Detailed Policy Statements

1. Consistent with the rule that it is unlawful for a corporate insider to sell or buy a security of the issuer while in possession of material information that is not generally available to the public, corporate insiders of PMC shall not buy or sell shares of the Company during the following periods:

 PHILEX MINING CORPORATION	Finance Division	EFFECTIVE DATE: 06/25/2014	VERSION: 002
		DOCUMENT NO.: CGO.14.07	PAGE NO.: 2 of 6
Title: <p style="text-align: center;">Amended Policy on Dealings in Company Shares of Stock</p>			

A. For Periodic Company Disclosures/Reports

(1) On the Monthly Production Report, the target date for the disclosure of which is the fifth (5th) day of the following month.

- For all officers and staff of the Company involved in the preparation of, or receiving, this report, the black-out period commences from the time the mine report is prepared and until two (2) full trading days after disclosure.

- For others: the black-out period commences on the trading day when the disclosure is made.

(2) For Quarterly and Half-Year Financial Results: From fifteen (15) calendar days before disclosure up to two (2) full trading days after. Disclosure date is presumed to be the date of the Board meeting immediately following the end of each quarter.

(3) For Annual Financial Results: From thirty (30) calendar days before disclosure up to two (2) full trading days after. Disclosure date is presumed to be the date of the following year's February Board meeting.

B. For Other Price-Sensitive Information

Insiders should not trade from the time he/she comes into possession of any material information up to two (2) full trading days after the information is disclosed to the public.

For those who were not previously privy to such material information, the blackout period will commence immediately on the day the disclosure is made up to two (2) full trading days from such disclosure.

The Company will make the proper notification if it is anticipated that there will be a change in the disclosure dates for the periodic Company disclosures/reports as mentioned above. Where applicable, copies of the disclosures will be disseminated to all concerned immediately upon release to the PSE.



Title:

**Amended Policy on Dealings
in Company Shares of Stock**

Insiders are, however, advised to double check for any new disclosures posted at the Company or PSE website before making any trade as additional precautionary measure to avoid violation of the black-out rule.

For reference, attached to the Policy as Annex A are the definition of corporate insiders and of material information, and the relevant provisions of the Securities Regulations Code (SRC) and the PSE Disclosure Rules.

The discussions in the previous memos on this matter dated October 27, 2010, September 9, 2009, and August 7, 2007 are to be taken as part of the foregoing policy statement where there is no inconsistency or contradiction.

2. As matter of policy, all concerned Directors, Employees & Consultants are required to report to the Compliance Officer their dealings in company shares within two (2) business days from date of transaction.
3. The Company shall report director's dealings in company shares within three (3) business days from date of transaction to the PSE.

Repeal

All existing policies, systems, practices, and related implementing guidelines concerning the same matters covered by this Policy are deemed superseded by this Policy. In the event of any inconsistency between the policy and guidelines contained in this Policy and the terms of other existing policies, systems, practices and related implementing guidelines, this Policy shall prevail.

Questions

For any questions about this policy or in the determination of whether a situation violates or potentially violates this policy, you may approach the CGO.

Effectivity

This Policy shall take effect immediately.



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Prepared and Reviewed By:	Endorsed For Board Approval By:	Endorsed For Board Approval By:
<p><i>(Original signed)</i> Danny Y. Yu Compliance Officer & Chief Finance Officer (CFO) Date: _____</p> <p><i>(Original signed)</i> Jeffrey R. Balmores Manager / Deputy Compliance Officer Date: _____</p>	<p><i>(Original signed)</i> Eulalio B. Austin, Jr. President & Chief Executive Officer (CEO) Date: _____</p>	<p><i>(Original signed)</i> Marilyn V. Aquino Chairman, Corporate Governance Committee Date: _____</p>

**APPROVED BY THE BOARD OF DIRECTORS
ON JUNE 25, 2014**

 PHILEX MINING CORPORATION	Finance Division	EFFECTIVE DATE: 06/25/2014	VERSION: 002
		DOCUMENT NO.: CGO.14.07	PAGE NO.: 5 of 6
Title: <p style="text-align: center;">Amended Policy on Dealings in Company Shares of Stock</p>			

Annex "A"

I. Definition of Corporate Insiders (Sec. 3.8, SRC)

"Insider" means:

- a) The issuer itself;
- b) A director or officer of, or a person controlling, the issuer;
- c) A person whose relationship or former relationship to the issuer gives or gave him access to material information about the issuer or the security that is not generally available to the public;
- d) A government employee, or director or officer of an exchange, clearing agency and/or self-regulatory organization who has access to material information about the issuer that is not generally known to the public; or
- e) A person who learns such information by communication from any of the foregoing insiders.

II. Definition of Material Information (Sec. 27.2, SRC)

"For purposes of this Section¹, information is "material nonpublic" if:

- a) It has not been generally disclosed to the public and would likely affect the market price of the security after being disseminated to the public and the lapse of a reasonable time for the market to absorb the situation; or
- b) would be considered by a reasonable person important under the circumstances in determining his course of action whether to buy, sell, or hold a security."

III. Insider's duty to disclose when trading (Sec. 27.1, SRC)

¹ Re Insider's Duty to Disclose, please see No. III

 PHILEX MINING CORPORATION	Finance Division	EFFECTIVE DATE: 06/25/2014	VERSION: 002
		DOCUMENT NO.: CGO.14.07	PAGE NO.: 6 of 6
Title: <p style="text-align: center;">Amended Policy on Dealings in Company Shares of Stock</p>			

“It shall be unlawful for an insider to sell or buy a security of the issuer while in possession of material information with respect to the security or the issuer that is not generally available to the public, unless:

- a) The insider proves information not gained from such relationship; or
- b) If the other party selling to or buying from the insider (or his agent) is identified, the insider proves:
 - (i) that he disclosed the information to the other party,
 - (ii) that he had reason to believe that the other party otherwise is also in possession of the information.

“A purchase or sale of a security of the issuer made by an insider defined in Subsection 3.8, or such insider’s spouse or relatives by consanguinity or affinity within the second degree, legitimate or common law, shall be presumed to have been effected while in possession of material non-public information if transacted after such information came into existence but prior to dissemination of such information to the public and the lapse of a reasonable time for the market to absorb such information; provided however, that this presumption shall be rebutted upon a showing by the purchaser or seller that he was not aware of the material nonpublic information at the time of the purchase or sale.”

IV. Duty to keep information confidential (Sec. 27.3, SRC)

“It shall be unlawful for any insider to communicate material non-public information about the issuer or the security to any person who, by virtue of the communication, becomes an insider as defined in Subsection 3.8, where the insider communicating the information knows or has reason to believe that such person will likely buy or sell a security of the issuer while in possession of such information.”

V. Black Out Rule (Sec. 13.2, PSE Disclosure Rules)

“A Director or Principal Officer of an Issuer must not deal in the Issuer’s securities during the period within which material non-public information is obtained and up to two full trading days after the price-sensitive is disclosed.”