



March 13, 2020

PHILIPPINE STOCK EXCHANGE, INC.

6/F Philippine Stock Exchange Tower
5th Avenue cor. 28th Street
Bonifacio Global City, Taguig

Attention: **MS. JANET A. ENCARNACION**
Head, Disclosure Department

Gentlemen:

In compliance with the Securities and Exchange Commission's Notice dated March 12, 2020, attached is the report on the risks, mitigating measures and impact of the COVID-19 on business operations.

The Company is taking the necessary measure to mitigate potential impact on its business operations.

Very truly yours,

(Original Signed)
ROMEO B. BACHOCO
Chief Financial Officer

Asset	Risk / Event	Mitigating Measures	Potential Consequence / Impact
Employee-Corporate and Mine Site	Exposure to Covid19	<p>Communicate and enforce preventive measures within the work area against Covid-19, to wit:</p> <ul style="list-style-type: none"> • Remote working or work from home scheme with departmental skeletal force, if needed • Teleconference or online messaging for internal communication • Implement No Visitors Policy (including relatives and friends) • Maintain 1 meter distance and no physical contact (e.g. no shake hands) • Maintain sanitary essentials like alcohol / hand sanitizers at entry points (e.g. lobby) <p>Teleconference – No face to face contact with third parties</p> <p>Encourage employees to do initial self-assessment on symptoms and advise HR when symptoms are present</p> <p>Specific Measures at the Mine site and Corporate Office</p> <ul style="list-style-type: none"> • Thermal Scanning of all employees at the portal and entrances of work areas. • Self- quarantine of employees with travel history to identified places with confirmed/suspected CoViD-19 cases <p>Specific Measures at Poro Point</p> <ul style="list-style-type: none"> • PMC Employees are not allowed to enter the vessel once docked at Philex berth. • All operational crew/operators/supervisors nearly 	<p>Work interruption</p> <p>Delay in performing works</p> <p>Non-attainment of production targets</p>

		<p>assigned at Pier Loading Area must wear PPE's (mask/hand gloves)</p> <ul style="list-style-type: none"> PMC security to ensure that all vessel crew will not step down in the pier platform as compliance to the recommendation of port authorities. 	
Copper Concentrate Shipment	<p>Unavailability of vessel</p> <p>Delay in loading of concentrates due to 14-day quarantine for personnel</p>	<p>Close coordination with the shipping line to identify alternative vessel</p>	<p>Higher shipping cost from alternative shipping lines</p> <p>Additional costs for demurrage</p>
Materials, Supplies and Spare Parts	Supply Chain Risks	<p>Coordination with suppliers and service providers for alternative sourcing of raw materials and manpower</p> <p>Advance delivery of needed materials</p> <p>Reuse of parts of mothballed equipment while waiting for delivery of orders</p> <p>Fabrication of needed parts at mine site</p>	<p>Delayed , shortage and insufficient supply of materials and spare parts which may lead to delay or inefficient production process</p>