



October 23, 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:

Philex Mining Corporation (the "Company") will temporarily suspend its underground operations for at least 2 days (October 23-24, 2020) to implement measures to minimize the risk of community transmission of COVID19 to its employees and their families who lives within the Padcal Minesite. Several employees of Philex were tested positive for COVID19 and were immediately given medical assistance, isolated and quarantined in accordance with the guidelines of the LGU, IATF and DOH. Some employees were isolated and quarantined in the medical and isolation facilities within the Minesite while some were sent to Baguio General Hospital for proper medical management.

The Company plans to complete the mass testing of 1,000 of its employees who had potential exposure and the results of the first batch covering 64 employees resulted in 6 positive cases. The results of the mass testing of the second batch, covering 236 employees, will be known by tomorrow, Saturday. Further, the mass testing of the 700 employees, comprising the third batch, will be known by Sunday morning. Total positive cases as of today in the Minesite is 26, consisting of both employees and from community. Most of the affected employees are from underground operations and Management is taking additional precaution to avoid transmission to its employees in the surface operations.

Contact tracing had been implemented to identify employees and their dependents who may have had close contact with the COVID19 positive persons. Additional isolation and quarantine facilities are being readied for any eventualities.

At this time, given the uncertainty of the extent of the infection in the Minesite, and pending the results of the mass testing, it is premature for Management to determine the potential impact to its operations and financial results. Management plan to resume operations by Sunday afternoon.

#### Other Measures Undertaken to Mitigate Risks

The Management have undertaken more stringent measures to contain the spread of COVID19 in the Minesite. These includes, among others, wearing of facemasks and faceshields, observance of social distancing all the time, implementation of 24 hour curfew , strict inspection at the main gate, and disinfection activities in work areas.

Very truly yours,

(Original Signed)

ROMEO B. BACHOCO

Chief Financial Officer