

October 29, 2020

### PRESS RELEASE

### PHILEX SUSTAINS POSITIVE RESULTS: PHP462 MILLION IN 3Q2020 CORE NET INCOME REALIZED, BRINGING 9M2020 CORE NET INCOME TO PHP865 MILLION

### HIGHLIGHTS

- 3Q2020 Core Net Income at Php462 million, significantly higher compared with 3Q2019's Php58 million
- 9M2020 Core Net Income at Php865 million, substantially ahead of 9M2019 Core Net Income of Php39 million
- Quarterly revenues accelerate with gold and copper prices trending upward; gold ore grades augmented production output
- 3Q2020 Core EBITDA at Php910 million, 92% higher than 3Q2019; 9M2020 EBITDA at Php2.038 billion versus Php1.135 billion for 9M2019
- Positive outlook boosted by Government pronouncements urging revival of the mining industry as a means to enhance economic recovery amidst the pandemic

**Manila, Philippines** – The Board of Directors of Philex Mining Corporation (PSE:PX) (the "Company" or "Philex") today announced that the Company registered a new high quarterly Core Net Income, and ended the first nine months of the year on an encouraging note.

The Company posted Core Net Income of Php865 million for 9M2020, after generating Core Net Income of Php462 million for 3Q2020, significantly higher than the Php58 million for the same period last year. The Core Net Income on a year-to-date September basis was significantly above 9M2019's Php39 million. This was due to the increasing operating revenues brought about by favorable gold and copper prices despite the COVID-19 pandemic, and higher gold output mainly from higher ore grades. Core Net Income of Php462 million for 3Q2020 rose ahead of the first quarter's Php103 million and the second quarter's Php300 million.

Third quarter Net Income figures were also significantly higher compared with the first two quarters of the year. The Q32020 Reported Net Income of P495 million was higher than the Php102 million of the first quarter and the Php322 million in the second quarter of 2020. Reported net income for 3Q2020 of Php495 million was also higher than the Php48 million of 3Q2019. This brought 9M2020's Reported Net Income to Php920 million, higher compared with the Php439 million for 9M2019.

### Production and Revenues

Gold output for 3Q2020 at 14,804 ounces was slightly higher by 2% than 3Q2019's 14,450 ounces. This was mainly due to higher ore grades despite the lower tonnage, while copper

production for 3Q2020 of 6.699 million pounds was lower than 3Q2019's 6.851 million pounds, also due to lower tonnage.

The actual tonnage for 3Q2020 of 1.985 million tonnes was 7% lower than last year's 2.134 million tonnes for the same quarter. Actual blended metal grades for gold of 0.292 g/t and copper of 0.189% were higher than 0.272 g/t for gold and 0.179% for copper for 3Q2019, respectively. Unrelenting efforts are continuously exerted to sustain higher tonnage on a year-to-date basis, and to execute the mining plan and mill operations to achieve better blended metal grades. The actual tonnes milled for 3Q2020 was at 1.985 million, slightly higher than the first quarter's 1.969 million tonnes but lower than the second quarter's 2.002 million tonnes. This was mainly attributed to power outages due to adverse weather condition.

Production results for 9M2020 of 43,136 ounces for gold and 20.240 million pounds for copper were higher by 13% than 9M2019's gold output of 38,125 ounces and by 7% than copper output of 18.859 million pounds, again mainly due to higher ore grades and higher tonnage. The tonnage for 9M2020 of 5.956 million tonnes was slightly higher than 5.939 million tonnes produced for 9M2019.

The third quarter also saw an increase in operating revenues, net of smelting charges, by 22% at Php2.174 billion compared to last year's Php1.777 billion, mainly due to the 33% and 11% increase in gold and copper prices, respectively, and 2% higher gold output.

The favorable prices of gold and copper significantly accounted for the Company's higher revenues, bringing the year-to-date operating revenues, net of smelting charges, to Php5.854 billion, 20% higher than last year's Php4.866 billion. The increase of 13% and 7% in gold and copper output, respectively, also contributed to higher revenues.

# **Operating Costs and Expenses**

Operating costs and expenses for 3Q2020 stood at Php1.582 billion, 6% lower than the Php1.677 billion of the third quarter of 2019. 9M2020 operating costs and expenses were pegged at Php4.686 billion, down from the previous year's Php4.809 billion. This reduction was due to the continuous effort of the Company to minimize operating costs and rationalize expenses, and manage the global impact of the pandemic on costs of commodities and products.

# COVID-19 2020

The Company was allowed to remain operational for the nine months that the country was placed under various levels of Community Quarantine, because Philex is to an export-oriented enterprise. This was done in accordance with the guidelines laid down by the Government Inter-Agency Task Force for the Management of Emerging Infectious Diseases (IATF-EID), the National Task Force against COVID-19 (NTF COVID-19) and the local government units concerned.

Even with the recent government-mandated relaxation of quarantine classifications at the provincial, city, and municipal levels, where lockdowns were already more localized, the Company continued to observe and implement the required minimum health standards within the Padcal mine camp and at the Mandaluyong corporate office.

This stringent observance of health and safety protocols did not deter the infection of some of the Company's employees. The Company however acted swiftly and carefully in taking the necessary measures to contain, isolate, and trace the virus as well as to treat and care for those who had been afflicted.

With the proper crisis management team and plan in place, the Company was able to keep the levels of infection and transmission to the barest minimum.

# <u>OUTLOOK</u>

The global demand for mineral products in this age of the pandemic will continue to grow, thus creating favorable momentum for metal prices to maintain healthy levels.

This positive outlook is further bolstered by recent Government pronouncements "encouraging the revival of the mining industry" as one means to recover from the economic effect of this pandemic.

"The favorable outlook both at the global and national levels will benefit the continued operations of the Padcal mine and will likely attract interest of investors in the Silangan Project: As for the full year outlook, we expect 2020 to show substantially higher profits versus 2019", according to Mr. Eulalio B Austin, Jr, President and CEO.

------0 ------

For Further information, please contact:

Romeo B. Bachoco - Chief Finance Officer Email: rbbachoco@philexmining.com.ph Phone: +63 2 8631 1381

### PHILEX MINING CORPORATION AND SUBSIDIARIES CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

(Amounts in Peso Thousands, except Par Value Per Share)

ASSETS   (Unaudited)   (Audited)     Carrent Assets   Cash and cash equivalents   P   988,393   P   795,709     Accounts receivable - net   388,211   416,154     Inventories - net   1,706,959   1,043,788     Other current assets   607,067   665,768     Total Current Assets   3,690,630   2,921,379     Noncurrent Assets   2,938,148   3,185,283     Financial assets measured at fair value through other comprehensive income (FVOCI)   120,898   20,898     Deferred exploration costs   27,144,092   26,616,343   622,710     Other noncurrent assets   500,810   622,770   0     Total Noncurrent Assets   33,058,519   37,598,727     LABILITIES AND EQUITY   2,531,750   16,6331   166,531     Loans payable   1,988,295   2,531,750   3,284     Derivative liabilities   1,726,860   1,608,003   3,284     Derivative liabilities   1,726,860   1,608,003   3,284     Derivative liabilities   1,522,655   4,929,200   Noncurrent		September 30 2020	December 31 2019		
Cash and cash equivalents   P   988,393   P   795,709     Accounts receivable - net   1,706,559   1,043,748     Inventories - net   1,706,559   1,043,748     Other current assets -net   607,067   665,768     Total Current Assets   3,590,630   2,921,379     Noncurrent Assets   2,938,148   3,185,283     Financial assets measured at fair value through other comprehensive income (FVOCI)   120,898   120,898     Investment in associates - net   4,168,029   4,208,339     Deferred exploration costs   27,140,992   26,616,343     Proison asset - net   199,012   23,775     Other noncurrent assets   350,057,889   34,977,348     TOTAL ASSETS   38,758,519   37,898,727     LIABILITIES AND EQUITY   Current Liabilities   1,668,631   166,631     Loans payable   1,726,860   1,608,003   Subscription payable   1,62,43     Noncurrent Liabilities   4,552,655   4,929,200   Noncurrent Liabilities   10,060     Noncurrent Liabilities - net   2,312,723   2,218,550	ASSETS	(Unaudited)	(Audited)		
Accounts receivable - net   388,211   416,154     Inventories - net   1,706,959   1,043,748     Other current assets   3,600,630   2,921,379     Noncurrent Assets   3,600,630   2,921,379     Noncurrent Assets   3,600,630   2,921,379     Noncurrent Assets   3,600,630   2,921,379     Noncurrent Assets   2,038,148   3,185,283     Financial assets measured at fair value through other comprehensive income (FVOCI)   120,898   120,898     Investment in associates - net   4,168,029   4,208,339     Deferred exploration costs   27,140,992   26,616,343     Pension asset - net   199,012   223,775     Other noncurrent Assets   35,067,889   34,977,348     TOTAL ASSETS   38,758,519   37,898,727     LIABILITIES AND EQUITY   Current Liabilities   1,726,860   1,608,003     Subscription payable   106,683   186,531   186,531     Income tax payable and accrued liabilities   1,726,860   1,608,003     Subscription payable   554,337   549,632     To	Current Assets				
Inventories - net   1,706,959   1,043,748     Other current assets - net   607,067   665,768     Total Current Assets   3,690,630   2,921,379     Noncurrent Assets   120,898   3,185,283     Property, plant and equipment - net   2,938,148   3,185,283     Investment in associates - net   4,168,029   4,208,339     Deferred exploration costs   27,140,992   26,616,343     Pension asset - net   199,012   223,775     Other noncurrent Assets   35,067,889   34,977,348     TOTAL ASSETS   38,758,519   37,898,727     LIABILITIES AND EQUITY   Euronet Liabilities   1,726,860   1,608,003     Subscription payable   100,069   53,284   Derivative liability     Derivative liabilities   1,726,865   4,229,200     Noncurrent Liabilities   4,552,655   4,929,200     Noncurrent Liabilities   2,312,713   2,218,550     Loans payable   100,069   53,284     Derivative liabilities - net   2,312,723   2,218,550     Loans and bonds payable	Cash and cash equivalents	P 988,393	P 795,709		
Other current assets -net   607,067   665,768     Total Current Assets   3,690,630   2,921,379     Noncurrent Assets   2,938,148   3,185,283     Financial assets measured at fair value through other comprehensive income (FVOCI)   120,898   120,898     Investment in associates - net   4,168,029   4,208,339     Deferred exploration costs   27,140,992   26,61343     Pension asset - net   199,012   223,775     Other noncurrent Assets   500,810   622,710     Total Noncurrent Assets   35,067,889   34,977,348     TOTAL ASSETS   38,758,519   37,898,727     LIABILITIES AND EQUITY   Current Liabilities   1,626,831   1,608,003     Subscription payable and accrued liabilities   1,726,860   1,608,003   Subscription payable   100,006   53,284     Derivative liabilities   4,552,655   4,992,200   Noncurrent Liabilities   4,552,655   4,929,200     Noncurrent Liabilities   10,382,994   10,000,599   Total Current Liabilities   10,382,994   10,000,599     Total Noncurrent Liabilities   10,382,99	Accounts receivable - net	388,211	416,154		
Total Current Assets   3,690,630   2,921,379     Noncurrent Assets   Property, plant and equipment - net   2,938,148   3,185,283     Financial assets measured at fair value through other comprehensive income (FVOCI)   120,898   120,898     Investment in associates - net   4,168,029   4,208,339     Deferred exploration costs   27,140,992   26,613,433     Pension asset - net   199,012   223,775     Other noncurrent assets   35,067,889   34,977,348     TOTAL ASSETS   38,758,513   37,898,727     LIABILITIES AND EQUITY   Current Liabilities   1,726,860   1,608,003     Subscription payable   100,069   53,284   2,001,837     Noncurrent Liabilities   1,726,860   1,608,003   3,029     Subscription payable   100,069   53,284   2,000     Noncurrent Liabilities   4,552,655   4,929,200     Noncurrent Liabilities   2,312,773   2,218,550     Loans and bonds payable   8,054,238   7,743,020     Provision for losses and mine rehabilitation costs   16,033   39,029	Inventories - net	1,706,959	1,043,748		
Noncurrent Assets   Description   Description     Property, plant and equipment - net   2,938,148   3,185,283     Financial assets measured at fair value through other comprehensive income (FVOCI)   120,898   120,898     Investment in associates - net   4,168,029   4,208,339     Deferred exploration costs   27,140,992   26,616,343     Pension asset - net   199,012   223,775     Other noncurrent assets   500,810   622,710     Total Noncurrent Assets   35,067,889   34,977,348     TOTAL ASSETS   38,758,519   37,898,727     LIABILITIES AND EQUITY   Current Liabilities   1,988,295   2,531,750     Accounts payable   166,831   186,531   186,531     Income tax payable   100,069   53,284   Derivative liabilities   4,552,655   4,929,200     Noncurrent Liabilities   2,312,723   2,218,550   Loans and bonds payable   54,357   549,632     Total Current Liabilities - net   2,312,723   2,218,550   Loans and bonds payable   8,054,238   7,743,020     Provision for losses and mine rehabilitatio	Other current assets -net	607,067	665,768		
Property, plant and equipment - net   2,938,148   3,185,283     Financial assets measured at fair value through other comprehensive income (FVOCI)   120,898   120,898     Investment in associates - net   4,168,029   4,208,339     Deferred exploration costs   27,140,992   26,616,343     Pension asset - net   199,012   223,775     Other noncurrent assets   500,810   622,710     Total Noncurrent Assets   35,067,889   34,977,348     TOTAL ASSETS   38,758,519   37,898,727     LIABILITIES AND EQUITY   Loans payable   1,66,831   186,531     Income tax payable and accrued liabilities   1,726,860   1,608,003     Subscription payable   166,831   186,531     Income tax payable   554,357   549,632     Total Current Liabilities   4,552,655   4,929,200     Noncurrent Liabilities   2,312,723   2,218,550     Loans and bonds payable   564,328   7,743,020     Provision for losses and mine rehabilitation costs   16,033   39,029     Total Liabilities   14,935,649   14,929,799	Total Current Assets	3,690,630	2,921,379		
Property, plant and equipment - net   2,938,148   3,185,283     Financial assets measured at fair value through other comprehensive income (FVOCI)   120,898   120,898     Investment in associates - net   4,168,029   4,208,339     Deferred exploration costs   27,140,992   26,616,343     Pension asset - net   199,012   223,775     Other noncurrent assets   500,810   622,710     Total Noncurrent Assets   35,067,889   34,977,348     TOTAL ASSETS   38,758,519   37,898,727     LIABILITIES AND EQUITY   Loans payable   1,66,831   186,531     Income tax payable and accrued liabilities   1,726,860   1,608,003     Subscription payable   166,831   186,531     Income tax payable   554,357   549,632     Total Current Liabilities   4,552,655   4,929,200     Noncurrent Liabilities   2,312,723   2,218,550     Loans and bonds payable   564,328   7,743,020     Provision for losses and mine rehabilitation costs   16,033   39,029     Total Liabilities   14,935,649   14,929,799					
Financial assets measured at fair value through other comprehensive income (FVOCI)   120,898   120,898     Investment in associates - net   4,168,029   4,208,339     Deferred exploration costs   27,140,992   26,616,343     Pension asset - net   199,012   223,775     Other noncurrent assets   500,810   622,710     Total Noncurrent Assets   35,067,889   34,977,348     TOTAL ASSETS   38,758,519   37,898,727     LIABILITIES AND EQUITY   Current Liabilities   1,726,860   1,608,003     Current Liabilities   1,726,860   1,608,003   Subscription payable   166,831   186,531     Income tax payable   100,069   53,284   Derivative liability   16,243   -     Dividends payable   554,357   549,632   549,632   549,632     Noncurrent Liabilities   100,0069   53,284   Derivative liability   16,243   -     Deferred tax liabilities - net   2,312,723   2,218,550   Loans and bonds payable   8,054,238   7,743,020     Provision for losses and mine rehabilitation costs   10,382,994	Noncurrent Assets				
comprehensive income (FVOCI)   120,993   1120,993   1120,998     Investment in associates - net   4,168,029   4,208,339     Deferred exploration costs   27,140,992   26,616,343     Pension asset - net   199,012   223,775     Other noncurrent assets   500,810   622,710     Total Noncurrent Assets   35,067,889   34,977,348     TOTAL ASSETS   38,758,519   37,898,727     LIABILITIES AND EQUITY   100,069   5,284     Loans payable   1,988,295   2,531,750     Accounts payable and accrued liabilities   1,726,860   1,608,003     Subscription payable   166,831   186,531     Income tax payable   100,069   53,284     Derivative liabilities   4,552,655   4,929,200     Noncurrent Liabilities   2,312,723   2,218,550     Loans and bonds payable   554,337   549,632     Total Noncurrent Liabilities   10,382,994   10,000,599     Total Noncurrent Liabilities   10,382,994   10,000,599     Total Noncurrent Liabilities   16,633   39,		2,938,148	3,185,283		
comprehensive income (FVOCI)   4,168,029   4,208,339     Investment in associates - net   27,140,992   26,616,343     Pension asset - net   199,012   223,775     Other noncurrent assets   500,810   622,710     Total Noncurrent Assets   35,067,889   34,977,348     TOTAL ASSETS   38,758,519   37,898,727     LIABILITIES AND EQUITY   Current Liabilities   1,726,860   1,608,003     Loans payable   166,831   186,531   income tax payable   100,069   53,284     Derivative liability   162,423   -   Dividends payable   554,357   549,632     Total Current Liabilities   4,552,655   4,929,200   Noncurrent Liabilities   -     Deferred tax liabilities - net   2,312,723   2,218,550   Loans and bonds payable   8,054,238   7,743,020     Provision for losses and mine rehabilitation costs   16,033   39,029   10,000,599     Total Noncurrent Liabilities   14,935,649   14,929,799   Additional paid-in capital   1,143,981   1,432,981     Retained Earnings   10,500,000	Financial assets measured at fair value through other	120 898	120 898		
Deferred exploration costs   27,140,992   26,616,343     Pension asset - net   199,012   223,775     Other noncurrent assets   500,810   622,710     Total Noncurrent Assets   35,067,889   34,977,348     TOTAL ASSETS   38,758,519   37,898,727     LIABILITIES AND EQUITY   Current Liabilities   1,726,860   1,608,003     Subscription payable   166,831   186,531   186,531     Income tax payable   100,069   53,284   -     Dividends payable   554,357   549,632   -     Total Current Liabilities   4,552,655   4,929,200   Noncurrent Liabilities   39,029     Deferred tax liabilities   10,382,994   10,000,599   10,000,599     Total Noncurrent Liabilities   14,935,649   14,929,799     Additional paid-in capital   1,143,981   1,143,981     Retained Earnings   10,500,000   10,500,000     Unappropriated   4,341,466   3,471,281     Appropriated   4,341,466   3,471,281     Appropriated   10,500,000	comprehensive income (FVOCI)	120,898	120,898		
Pension asset - net   199,012   223,775     Other noncurrent assets   500,810   622,710     Total Noncurrent Assets   35,067,889   34,977,348     TOTAL ASSETS   38,758,519   37,898,727     LIABILITIES AND EQUITY   2,531,750   Accounts payable and accrued liabilities   1,726,860   1,608,003     Loans payable   100,069   53,284   Derivative liabilities   4,552,655   4,929,200     Noncurrent Liabilities   4,552,655   4,929,200   Noncurrent Liabilities   2,218,550     Derivative liabilities - net   2,312,723   2,218,550   Loans and bonds payable   8,054,238   7,743,020     Provision for losses and mine rehabilitation costs   16,033   39,029   10,000,599     Total Kabilities   14,935,649   14,929,799   10,000,599     Total Liabilities   1,143,981   1,143,981   1,143,981     Retained Earnings   10,500,000   10,500,000   10,500,000     Unappropriated   4,341,466   3,471,281   Appropriated   10,572,385   1,572,385     Unappropriated   10,500	Investment in associates - net	4,168,029	4,208,339		
Other noncurrent assets   500,810   622,710     Total Noncurrent Assets   35,067,889   34,977,348     TOTAL ASSETS   36,758,519   37,898,727     LIABILITIES AND EQUITY   Image: Construct Const	Deferred exploration costs	27,140,992	26,616,343		
Total Noncurrent Assets   35,067,889   34,977,348     TOTAL ASSETS   38,758,519   37,898,727     LIABILITIES AND EQUITY   Uurrent Liabilities   1,988,295   2,531,750     Accounts payable and accrued liabilities   1,726,860   1,608,003     Subscription payable   100,069   53,284     Derivative liability   16,243   -     Dividends payable   554,357   549,632     Total Current Liabilities   4,552,655   4,929,200     Noncurrent Liabilities - net   2,312,723   2,218,550     Loans and bonds payable   10,382,994   10,000,599     Total Current Liabilities   10,382,994   10,000,599     Total Liabilities   14,935,649   14,929,799     Additional paid-in capital   1,143,981   1,143,981     Retained Earnings   10,500,000   10,500,000     Unappropriated   4,341,466   3,471,281     Appropriated   1,0500,000   10,500,000     Net unrealized gain on financial assets measured at FVOCI   3,7745   3,7745     Equity conversion option   1,225,518 </td <td>Pension asset - net</td> <td>199,012</td> <td>223,775</td>	Pension asset - net	199,012	223,775		
TOTAL ASSETS   38,758,519   37,898,727     LIABILITIES AND EQUITY   Current Liabilities   1,988,295   2,531,750     Loans payable   1,988,295   2,531,750     Accounts payable and accrued liabilities   1,726,860   1,608,003     Subscription payable   100,069   53,284     Derivative liability   16,243   -     Dividends payable   554,357   549,632     Total Current Liabilities   4,552,655   4,929,200     Noncurrent Liabilities - net   2,312,723   2,218,550     Loans and bonds payable   8,054,238   7,743,020     Provision for losses and mine rehabilitation costs   10,382,994   10,000,599     Total Noncurrent Liabilities   10,382,994   10,000,599     Total Liabilities   14,935,649   14,929,799     Additional paid-in capital   1,143,981   1,143,981     Retained Earnings   10,500,000   10,500,000     Unappropriated   4,341,466   3,471,281     Appropriated   10,500,000   10,500,000     Net urevalized gain on financial assets measured at FVOCI	Other noncurrent assets	500,810	622,710		
LIABILITIES AND EQUITY     Current Liabilities     Loans payable   1,988,295   2,531,750     Accounts payable and accrued liabilities   1,726,860   1,608,003     Subscription payable   166,831   186,531     Income tax payable   100,069   53,284     Derivative liability   16,243   -     Dividends payable   554,357   549,632     Total Current Liabilities   4,552,655   4,929,200     Noncurrent Liabilities   2,312,723   2,218,550     Loans and bonds payable   8,054,238   7,743,020     Provision for losses and mine rehabilitation costs   16,033   39,029     Total Noncurrent Liabilities   10,382,994   10,000,599     Total Liabilities   14,935,649   14,929,799     Equity Attributable to Equity Holders of the Parent Company   Equity Attributable to Equity Holders of the Parent Company     Capital Stock - Php1 par value   4,940,399   4,940,399     Additional paid-in capital   1,143,981   1,143,981     Retained Earnings   10,500,000   10,500,000     Unappropriated	Total Noncurrent Assets	35,067,889	34,977,348		
Current Liabilities   1,988,295   2,531,750     Accounts payable and accrued liabilities   1,726,860   1,608,003     Subscription payable   166,831   186,531     Income tax payable   100,069   53,284     Derivative liability   16,243   -     Dividends payable   554,357   549,632     Total Current Liabilities   4,552,655   4,929,200     Noncurrent Liabilities - net   2,312,723   2,218,550     Loans and bonds payable   8,054,238   7,743,020     Provision for losses and mine rehabilitation costs   16,033   39,029     Total Noncurrent Liabilities   10,382,994   10,000,599     Total Liabilities   14,935,649   14,929,799     Additional paid-in capital   1,143,981   1,143,981     Retained Earnings   10,500,000   10,500,000     Unappropriated   4,341,466   3,471,281     Appropriated   10,500,000   10,500,000     Net unrealized gain on financial assets measured at FVOCI   37,745   37,745     Cumulative loss on hedging instruments   (16,243)	TOTAL ASSETS	38,758,519	37,898,727		
Current Liabilities   1,988,295   2,531,750     Accounts payable and accrued liabilities   1,726,860   1,608,003     Subscription payable   166,831   186,531     Income tax payable   100,069   53,284     Derivative liability   16,243   -     Dividends payable   554,357   549,632     Total Current Liabilities   4,552,655   4,929,200     Noncurrent Liabilities - net   2,312,723   2,218,550     Loans and bonds payable   8,054,238   7,743,020     Provision for losses and mine rehabilitation costs   16,033   39,029     Total Noncurrent Liabilities   10,382,994   10,000,599     Total Liabilities   14,935,649   14,929,799     Additional paid-in capital   1,143,981   1,143,981     Retained Earnings   10,500,000   10,500,000     Unappropriated   4,341,466   3,471,281     Appropriated   10,500,000   10,500,000     Net unrealized gain on financial assets measured at FVOCI   37,745   37,745     Cumulative loss on hedging instruments   (16,243)	LIABILITIES AND EQUITY				
Accounts payable and accrued liabilities 1,726,860 1,608,003   Subscription payable 166,831 186,531   Income tax payable 100,069 53,284   Derivative liability 16,243 -   Dividends payable 554,357 549,632   Total Current Liabilities 4,552,655 4,929,200   Noncurrent Liabilities 2,312,723 2,218,550   Loans and bonds payable 8,054,238 7,743,020   Provision for losses and mine rehabilitation costs 16,033 39,029   Total Noncurrent Liabilities 10,382,994 10,000,599   Total Liabilities 14,935,649 14,929,799   Equity Attributable to Equity Holders of the Parent Company 2 2   Capital Stock - Php1 par value 4,940,399 4,940,399   Additional paid-in capital 1,143,981 1,143,981   Retained Earnings 10,500,000 10,500,000   Unappropriated 10,500,000 10,500,000   Net unrealized gain on financial assets measured at FVOCI 37,745 37,745   Equity conversion option 1,225,518 1,225,518 1,225,518   <	Current Liabilities				
Accounts payable and accrued liabilities 1,726,860 1,608,003   Subscription payable 166,831 186,531   Income tax payable 100,069 53,284   Derivative liability 16,243 -   Dividends payable 554,357 549,632   Total Current Liabilities 4,552,655 4,929,200   Noncurrent Liabilities 2,312,723 2,218,550   Loans and bonds payable 8,054,238 7,743,020   Provision for losses and mine rehabilitation costs 16,033 39,029   Total Noncurrent Liabilities 10,382,994 10,000,599   Total Liabilities 14,935,649 14,929,799   Equity Attributable to Equity Holders of the Parent Company 2 2   Capital Stock - Php1 par value 4,940,399 4,940,399   Additional paid-in capital 1,143,981 1,143,981   Retained Earnings 10,500,000 10,500,000   Unappropriated 10,500,000 10,500,000   Net unrealized gain on financial assets measured at FVOCI 37,745 37,745   Equity conversion option 1,225,518 1,225,518 1,225,518   <	Loans pavable	1.988.295	2.531.750		
Subscription payable   166,831   186,531     Income tax payable   100,069   53,284     Derivative liability   16,243   -     Dividends payable   554,357   549,632     Total Current Liabilities   4,552,655   4,929,200     Noncurrent Liabilities   4,552,655   4,929,200     Noncurrent Liabilities   2,312,723   2,218,550     Loans and bonds payable   8,054,238   7,743,020     Provision for losses and mine rehabilitation costs   16,033   39,029     Total Noncurrent Liabilities   10,382,994   10,000,599     Total Liabilities   14,935,649   14,929,799     Equity Attributable to Equity Holders of the Parent Company   Equity Attributable to Equity Holders of the Parent Company     Capital Stock - Php1 par value   4,940,399   4,940,399     Additional paid-in capital   1,143,981   1,143,981     Retained Earnings   10,500,000   10,500,000     Unappropriated   10,500,000   10,500,000     Net unrealized gain on financial assets measured at FVOCI   37,745   1,725,518     Cumulative lo					
Income tax payable   100,069   53,284     Derivative liability   16,243   -     Dividends payable   554,357   549,632     Total Current Liabilities   4,552,655   4,929,200     Noncurrent Liabilities   2,312,723   2,218,550     Loans and bonds payable   8,054,238   7,743,020     Provision for losses and mine rehabilitation costs   16,033   39,029     Total Noncurrent Liabilities   10,382,994   10,000,599     Total Liabilities   14,935,649   14,929,799     Equity Attributable to Equity Holders of the Parent Company   2   2     Capital Stock - Php1 par value   4,940,399   4,940,399     Additional paid-in capital   1,143,981   1,143,981     Retained Earnings   10,500,000   10,500,000     Unappropriated   10,500,000   10,500,000     Net unrealized gain on financial assets measured at FVOCI   37,745   37,745     Equity conversion option   1,225,518   1,225,518     Cumulative loss on hedging instruments   (16,243)   -     Net revaluation surplus <td< td=""><td></td><td></td><td></td></td<>					
Derivative liability16,243-Dividends payable554,357549,632Total Current Liabilities4,552,6554,929,200Noncurrent Liabilities2,312,7232,218,550Loans and bonds payable8,054,2387,743,020Provision for losses and mine rehabilitation costs16,03339,029Total Noncurrent Liabilities10,382,99410,000,599Total Liabilities14,935,64914,929,799Equity Attributable to Equity Holders of the Parent CompanyCapital Stock - Php1 par value4,940,3994,940,399Additional paid-in capital1,143,9811,143,981Retained Earnings10,500,00010,500,000Unappropriated4,341,4663,471,281Appropriated10,500,00010,500,000Net unrealized gain on financial assets measured at FVOCI37,74537,745Equity conversion option1,225,5181,225,518Cumulative loss on hedging instruments(16,243)-Net revaluation surplus1,572,3851,572,385Effect of transactions with non-controlling interests77,89277,89223,823,14322,969,201Non-controlling Interests(273)(273)Total Equity23,822,87022,968,928					
Dividends payable554,357549,632Total Current Liabilities4,552,6554,929,200Noncurrent Liabilities2,312,7232,218,550Loans and bonds payable8,054,2387,743,020Provision for losses and mine rehabilitation costs16,03339,029Total Noncurrent Liabilities10,382,99410,000,599Total Liabilities14,935,64914,929,799Capital Stock - Php1 par value4,940,3994,940,399Additional paid-in capital1,143,9811,143,981Retained EarningsUnappropriated4,341,4663,471,281Appropriated10,500,00010,500,000Net unrealized gain on financial assets measured at FVOCI37,74537,745Equity conversion option1,225,5181,225,518Cumulative loss on hedging instruments(16,243)-Net revaluation surplus1,572,3851,572,385Effect of transactions with non-controlling interests77,89277,892Za,823,14322,969,20123,822,87022,968,928			-		
Total Current Liabilities4,552,6554,929,200Noncurrent LiabilitiesDeferred tax liabilities - net2,312,7232,218,550Loans and bonds payable8,054,2387,743,020Provision for losses and mine rehabilitation costs16,03339,029Total Noncurrent Liabilities10,382,99410,000,599Total Liabilities14,935,64914,929,799Capital Stock - Php1 par value4,940,3994,940,399Additional paid-in capital1,143,9811,143,981Retained EarningsUnappropriated4,341,4663,471,281Appropriated10,500,00010,500,000Net unrealized gain on financial assets measured at FVOCI37,74537,745Equity conversion option1,225,5181,225,518Cumulative loss on hedging instruments(16,243)-Net revaluation surplus1,572,3851,572,385Effect of transactions with non-controlling interests77,89277,892Z3,823,14322,969,20123,822,87022,968,928			549 632		
Noncurrent LiabilitiesDeferred tax liabilities - net2,312,7232,218,550Loans and bonds payable8,054,2387,743,020Provision for losses and mine rehabilitation costs16,03339,029Total Noncurrent Liabilities10,382,99410,000,599Total Liabilities14,935,64914,929,799Equity Attributable to Equity Holders of the Parent CompanyCapital Stock - Php1 par value4,940,3994,940,399Additional paid-in capital1,143,9811,143,981Retained Earnings00,500,00010,500,000Unappropriated4,341,4663,471,281Appropriated10,500,00010,500,000Net unrealized gain on financial assets measured at FVOCI37,74537,745Equity conversion option1,225,5181,225,518Cumulative loss on hedging instruments(16,243)-Net revaluation surplus1,572,3851,572,385Effect of transactions with non-controlling interests77,89277,89223,823,14322,969,20123,822,87022,968,928					
Deferred tax liabilities - net2,312,7232,218,550Loans and bonds payable8,054,2387,743,020Provision for losses and mine rehabilitation costs16,03339,029Total Noncurrent Liabilities10,382,99410,000,599Total Liabilities14,935,64914,929,799Equity Attributable to Equity Holders of the Parent CompanyCapital Stock - Php1 par value4,940,3994,940,399Additional paid-in capital1,143,9811,143,981Retained Earnings10,500,00010,500,000Unappropriated4,341,4663,471,281Appropriated10,500,00010,500,000Net unrealized gain on financial assets measured at FVOCI37,74537,745Equity conversion option1,225,5181,225,518Cumulative loss on hedging instruments(16,243)-Net revaluation surplus1,572,3851,572,385Effect of transactions with non-controlling interests77,89277,892Z3,823,14322,969,20123,822,87022,968,928		4,332,033	4,525,200		
Loans and bonds payable8,054,2387,743,020Provision for losses and mine rehabilitation costs16,03339,029Total Noncurrent Liabilities10,382,99410,000,599Total Liabilities14,935,64914,929,799Equity Attributable to Equity Holders of the Parent CompanyCapital Stock - Php1 par value4,940,3994,940,399Additional paid-in capital1,143,9811,143,981Retained Earnings10,500,00010,500,000Unappropriated4,341,4663,471,281Appropriated10,500,00010,500,000Net unrealized gain on financial assets measured at FVOCI37,74537,745Equity conversion option1,225,5181,225,518Cumulative loss on hedging instruments(16,243)-Net revaluation surplus1,572,3851,572,385Effect of transactions with non-controlling interests77,89277,892Non-controlling Interests(273)(273)Total Equity23,822,87022,968,928		2 312 723	2 218 550		
Provision for losses and mine rehabilitation costs16,03339,029Total Noncurrent Liabilities10,382,99410,000,599Total Liabilities14,935,64914,929,799Equity Attributable to Equity Holders of the Parent CompanyCapital Stock - Php1 par value4,940,3994,940,399Additional paid-in capital1,143,9811,143,981Retained Earnings10,500,00010,500,000Unappropriated4,341,4663,471,281Appropriated10,500,00010,500,000Net unrealized gain on financial assets measured at FVOCI37,74537,745Equity conversion option1,225,5181,225,518Cumulative loss on hedging instruments(16,243)-Net revaluation surplus1,572,3851,572,385Effect of transactions with non-controlling interests77,89277,892Non-controlling Interests(273)(273)Total Equity23,822,87022,968,928					
Total Noncurrent Liabilities10,382,99410,000,599Total Liabilities14,935,64914,929,799Equity Attributable to Equity Holders of the Parent CompanyCapital Stock - Php1 par value4,940,3994,940,399Additional paid-in capital1,143,9811,143,981Retained Earnings10,500,00010,500,000Unappropriated4,341,4663,471,281Appropriated10,500,00010,500,000Net unrealized gain on financial assets measured at FVOCI37,74537,745Equity conversion option1,225,5181,225,518Cumulative loss on hedging instruments(16,243)-Net revaluation surplus1,572,3851,572,385Effect of transactions with non-controlling interests77,89277,892Non-controlling Interests(273)(273)Total Equity23,822,87022,968,928					
Total Liabilities14,935,64914,929,799Equity Attributable to Equity Holders of the Parent CompanyCapital Stock - Php1 par value4,940,3994,940,399Additional paid-in capital1,143,9811,143,981Retained Earnings10,500,00010,500,000Unappropriated4,341,4663,471,281Appropriated10,500,00010,500,000Net unrealized gain on financial assets measured at FVOCI37,74537,745Equity conversion option1,225,5181,225,518Cumulative loss on hedging instruments(16,243)-Net revaluation surplus1,572,3851,572,385Effect of transactions with non-controlling interests77,89277,892Non-controlling Interests(273)(273)Total Equity23,822,87022,968,928					
Fequity Attributable to Equity Holders of the Parent CompanyCapital Stock - Php1 par value4,940,3994,940,399Additional paid-in capital1,143,9811,143,981Retained Earnings10,500,00010,500,000Unappropriated10,500,00010,500,000Net unrealized gain on financial assets measured at FVOCI37,74537,745Equity conversion option1,225,5181,225,518Cumulative loss on hedging instruments(16,243)-Net revaluation surplus1,572,3851,572,385Effect of transactions with non-controlling interests77,89277,892Non-controlling Interests(273)(273)Total Equity23,822,87022,968,928		10,302,334	10,000,000		
Capital Stock - Php1 par value 4,940,399 4,940,399   Additional paid-in capital 1,143,981 1,143,981   Retained Earnings 4,341,466 3,471,281   Unappropriated 4,341,466 3,471,281   Appropriated 10,500,000 10,500,000   Net unrealized gain on financial assets measured at FVOCI 37,745 37,745   Equity conversion option 1,225,518 1,225,518   Cumulative loss on hedging instruments (16,243) -   Net revaluation surplus 1,572,385 1,572,385   Effect of transactions with non-controlling interests 77,892 77,892   Non-controlling Interests (273) (273)   Total Equity 23,822,870 22,968,928	Total Liabilities	14,935,649	14,929,799		
Capital Stock - Php1 par value 4,940,399 4,940,399   Additional paid-in capital 1,143,981 1,143,981   Retained Earnings 4,341,466 3,471,281   Unappropriated 4,341,466 3,471,281   Appropriated 10,500,000 10,500,000   Net unrealized gain on financial assets measured at FVOCI 37,745 37,745   Equity conversion option 1,225,518 1,225,518   Cumulative loss on hedging instruments (16,243) -   Net revaluation surplus 1,572,385 1,572,385   Effect of transactions with non-controlling interests 77,892 77,892   Non-controlling Interests (273) (273)   Total Equity 23,822,870 22,968,928	Equity Attributable to Equity Holders of the Parent Company				
Additional paid-in capital1,143,9811,143,981Retained Earnings1,143,9811,143,981Unappropriated4,341,4663,471,281Appropriated10,500,00010,500,000Net unrealized gain on financial assets measured at FVOCI37,74537,745Equity conversion option1,225,5181,225,518Cumulative loss on hedging instruments(16,243)-Net revaluation surplus1,572,3851,572,385Effect of transactions with non-controlling interests77,89277,892Non-controlling Interests(273)(273)Total Equity23,822,87022,968,928		4 0 40 200	4 0 4 0 200		
Retained Earnings   Unappropriated 4,341,466 3,471,281   Appropriated 10,500,000 10,500,000   Net unrealized gain on financial assets measured at FVOCI 37,745 37,745   Equity conversion option 1,225,518 1,225,518   Cumulative loss on hedging instruments (16,243) -   Net revaluation surplus 1,572,385 1,572,385   Effect of transactions with non-controlling interests 77,892 77,892   Non-controlling Interests (273) (273)   Total Equity 23,822,870 22,968,928					
Unappropriated   4,341,466   3,471,281     Appropriated   10,500,000   10,500,000     Net unrealized gain on financial assets measured at FVOCI   37,745   37,745     Equity conversion option   1,225,518   1,225,518     Cumulative loss on hedging instruments   (16,243)   -     Net revaluation surplus   1,572,385   1,572,385     Effect of transactions with non-controlling interests   77,892   77,892     Non-controlling Interests   (273)   (273)     Total Equity   23,822,870   22,968,928		1,143,981	1,143,981		
Appropriated   10,500,000     Net unrealized gain on financial assets measured at FVOCI   37,745     Equity conversion option   1,225,518     Cumulative loss on hedging instruments   (16,243)     Net revaluation surplus   1,572,385     Effect of transactions with non-controlling interests   77,892     Non-controlling Interests   (273)     Total Equity   23,822,870	-		0.474.004		
Net unrealized gain on financial assets measured at FVOCI   37,745   37,745     Equity conversion option   1,225,518   1,225,518     Cumulative loss on hedging instruments   (16,243)   -     Net revaluation surplus   1,572,385   1,572,385     Effect of transactions with non-controlling interests   77,892   77,892     Non-controlling Interests   (273)   (273)     Total Equity   23,822,870   22,968,928					
Equity conversion option 1,225,518 1,225,518   Cumulative loss on hedging instruments (16,243) -   Net revaluation surplus 1,572,385 1,572,385   Effect of transactions with non-controlling interests 77,892 77,892   Non-controlling Interests (273) (273)   Total Equity 23,822,870 22,968,928					
Cumulative loss on hedging instruments (16,243) -   Net revaluation surplus 1,572,385 1,572,385   Effect of transactions with non-controlling interests 77,892 77,892   Non-controlling Interests (273) (273)   Total Equity 23,822,870 22,968,928	-				
Net revaluation surplus   1,572,385   1,572,385     Effect of transactions with non-controlling interests   77,892   77,892     23,823,143   22,969,201     Non-controlling Interests   (273)   (273)     Total Equity   23,822,870   22,968,928			1,225,518		
Effect of transactions with non-controlling interests   77,892   77,892     23,823,143   22,969,201   23,823,143   22,969,201     Non-controlling Interests   (273)   (273)     Total Equity   23,822,870   22,968,928			-		
Non-controlling Interests   23,823,143   22,969,201     Total Equity   (273)   (273)     23,822,870   22,968,928			1,572,385		
Non-controlling Interests   (273)   (273)     Total Equity   23,822,870   22,968,928	Effect of transactions with non-controlling interests				
Total Equity 23,822,870 22,968,928		23,823,143	22,969,201		
	Non-controlling Interests	(273)			
TOTAL LIABILITIES & EQUITY   P 38,758,519   P 37,898,727		23,822,870	22,968,928		
	TOTAL LIABILITIES & EQUITY	P 38,758,519	P 37,898,727		

### PHILEX MINING CORPORATION AND SUBSIDIARIES COMPARATIVE CONSOLIDATED STATEMENTS OF INCOME FOR THE PERIOD ENDED SEPTEMBER 30, 2020

(Amounts in Peso Thousands, except Earnings Per Share)

		UNAUDITED								
		2020				2019				
		1Q		2Q		3Q		9M		9M
REVENUES	<u>P</u> :	1,712,538	Ρ	1,967,411	Ρ	2,174,369	Ρ	5,854,318	Ρ	4,866,176
COSTS AND EXPENSES										
Production costs	:	1,064,747		1,028,492		1,041,553		3,134,793		3,215,518
Depletion, depreciation and amortization		295,231		329,894		315,759		940,884		1,065,089
Excise taxes and royalties		118,570		133,769		157,714		410,053		320,163
General and administrative expenses		73,276		60,158		66,705		200,139		208,243
		1,551,824		1,552,313		1,581,731		4,685,869		4,809,013
INCOME FROM OPERATIONS		160,714		415,098		592,638		1,168,449		57,163
OTHER INCOME(CHARGES)										
Foreign exchange gains (losses) - net		(594)		32,486		55,405		87,297		46,069
Interest income - net		148		218		276		642		913
Share in net losses of associates		(13,609)		(13,609)		(13,093)		(40,311)		(24,510)
Others - net		(27,837)		(27,106)		5,137		(49,806)		413,271
		(41,892)		(8,011)		47,725		(2,178)		435,743
INCOME BEFORE INCOME TAX		118,822		407,087		640,363		1,166,271		492,906
PROVISION FOR (BENEFIT FROM) INCOME TAX										
Current		(5,929)		65,917		58,716		160,076		32,173
Deferred		22,449		18,923		86,605		86,606		21,760
		16,520		84,840		145,321		246,682		53,933
NET INCOME	Р	102,302		322,247	Р	495,042	Р	919,589	Р	438,973
NET INCOME ATTRIBUTABLE TO:										
Equity holders of the Parent Company		102,302		322,247		495,042		919,589		438,973
Non-controlling interests		-		-		-		-		-
	Р	102,302	Р	322,247	Р	495,042	Р	919,589	Р	438,973
CORE NET INCOME	Р	102,718	Р	299,506	Р	462,388	Р	864,612	Ρ	39,198
BASIC/DILUTED EARNINGS PER SHARE	Р	0.0207	Р	0.0652	Р	0.1002	Р	0.1861	Ρ	0.0889
CORE NET INCOME PER SHARE	Р	0.0208	Ρ	0.0606	Ρ	0.0936	Р	0.1750	Ρ	0.0079
EBITDA	Р	418,684	Ρ	708,459	Ρ	910,368	Ρ	2,037,511	Ρ	1,134,684