

TO: **ALL CONCERNED**

CC: MVP, EBA, JR., RBB, VMAY, RPM, File

FROM: R. S. DOLIPAS, II

DATE: February 18, 2021

SUBJECT: **Summary of Remaining Proved Reserves as of December 31, 2020**

The remaining proved reserves as of December 31, 2020 are tabulated below:

| PROVED RESERVES | | | | | |
|-------------------------|-------------------|-------------|-------------------|-----------------------------|------------------------|
| As of December 31, 2020 | | | | | |
| ORE SOURCES | Tonnes MT | Cu % | Au Grams/Tonne | Recoverable Cu (000 lbs) | Recoverable Au (oz) |
| 798-ML | 12,600,000 | 0.18 | 0.27 | 40,600 | 83,900 |
| 782-ML | 3,090,000 | 0.19 | 0.21 | 10,100 | 16,100 |
| 760-ML | 1,730,000 | 0.16 | 0.39 | 4,900 | 16,700 |
| Total Reserves | 17,420,000 | 0.18 | 0.27 | 55,600 | 116,700 |

Notes:

1. Geovia GEMSTTM and PCBCTM software were used in the above estimate with the following parameters:

| | | | |
|-----------------------------|-------------------|----------------------------------|------------|
| Metal Prices: | Cu: 3.00 US\$/lb | Conversion Factor for | 0.875 |
| | Au: 1,800 US\$/oz | Gold grade to CuEq: | |
| Metal Recoveries: | Cu: 80% | Operating Cost per Tonne: | PhP 882.00 |
| | Au: 80% | Break-even Grade (%CuEq): | 0.347 |
| Forex (PhP to US\$): | PhP 48.00 | | |

2. The cost per MT of PhP882 is the budgeted operating cost of the Company for the year 2021.
3. Metal prices of \$3.00/lb copper and \$1,800/oz gold are the projections of the Company until the life of mine.
4. Meanwhile, the FOREX of PhP48.0/US\$ is the projection of the Company and is lower by 7% compared to last year's PhP51.5/US\$.

This is for your information and reference.



RICARDO S. DOLIPAS, II

RSDII-M-001-21

Noted by: 

VIC MORRIS A. YODONG
Resident Manager

This estimate was prepared by Engr. Ricardo S. Dolipas, II (BSEM) who is the current General Manager for Technical Services for Philex Mining Corporation, Padcal Operations. Engr. Dolipas is a Competent Person under the definition of the Philippine Mineral Reporting Code (PMRC) and has 27 years of experience as to the type of deposit and style of mining. He is a licensed mining engineer with Professional Regulation Commission (PRC) registration number 0002513 and accreditation number EM 0002513-021/13. He has given his consent to the Public Reporting of this statement concerning Mineral Reserve estimation.