



FIRST PACIFIC COMPANY LIMITED

第一太平有限公司

(Incorporated with limited liability under the laws of Bermuda)

Press Release

Wednesday, 6 November 2024

**Philex Mining reports Php200 million core net income
for 3Q2024 vs Php163 million for 3Q2023
Php610 million core net income delivered for 9M2024 vs Php864
million for 9M2023**

Silangan Project: Underground main access decline nears Boyongan Ore Body

The attached press release was released in Manila by Philex Mining Corporation (“Philex”) (PSE: PX), in which First Pacific Group holds an economic interest of approximately 31.2%*.

Philex is a Philippine-listed company engaged in the exploration and mining of mineral resources, and through investment in Philippine-listed PXP Energy Corporation (PSE: PXP), in upstream oil and gas exploration and production.

Further information on Philex can be found at www.philexmining.com.ph and on PXP at www.pxpenery.com.ph.

** Two Rivers Pacific Holdings Corporation, a Philippine affiliate of First Pacific, holds an additional 15.0% economic interest in Philex.*

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5 November 2024

PRESS RELEASE

**PHILEX MINING REPORTS PHP200 MILLION CORE NET INCOME
FOR 3Q2024 VS PHP163 MILLION FOR 3Q2023
PHP610 MILLION CORE NET INCOME DELIVERED FOR 9M2024 VS PHP864
MILLION FOR 9M2023
SILANGAN PROJECT : UNDERGROUND MAIN ACCESS DECLINE NEARS
BOYONGAN ORE BODY**

(MANILA, PHILIPPINES) – Philex Mining Corporation (the “Company” or “Philex”) generated Php200 million core net income and an EBITDA of Php506 million for 3Q2024 compared with the Php163 million core net income and EBITDA of Php337 million for the same period in 2023. This brings a total of Php610 million core net income and a total EBITDA of Php1.418 billion for the first nine months of 2024 compared with Php864 million and Php1.525 billion in 2023.

Average realized gold prices in 3Q2024 were higher at US\$2,336 per ounce compared with the US\$1,927 per ounce in 3Q2023, US\$2,008 of 2Q2024, and US\$2,061 of 1Q2024. Average realized gold prices in 9M2024 were US\$2,115 per ounce, higher than the US\$1,921 per ounce for the same period in 2023. Realized copper prices for the third quarter stood at US\$4.59 per pound, higher than the US\$3.73 in 3Q2023, US\$4.00 in 1Q2024, and US\$4.45 per pound in 2Q2024. Copper prices for the first nine months of the year averaged at US\$4.52 per pound, higher than the US\$3.83 per pound for the same period in 2023.

Tonnage milled for 3Q2024 was at 1.770 million tonnes, slightly higher than the 1.693 million tonnes in 3Q2023. This brings the total tonnage milled for the first nine months of 2024 to 5.042 million tonnes. Gold output for 3Q2024 was at 7,801 ounces while Copper output for 3Q2024 was at 4.951 million pounds. For the first nine months of the year, total gold output reached 23,566 ounces while copper output was at 14.753 million pounds. For the same period in 2023, total gold output was 29,136 ounces while copper output was 16,396 million pounds.

Silangan Project - Works in Progress

The Company, through its wholly owned subsidiary, Silangan Mindanao Mining Co.,Inc. (“SMMCI”) continue to implement the development plan for the Silangan Copper and Gold Project in Surigao Del Norte.

Mine development is already in its final stages as the main access decline to the Boyongan Ore Body is less than 50 meters. After which, driving of production lines will immediately commence on the first mining level and, as result, the development ore will be hauled to the surface. Works at the ventilation exhaust shaft and other ancillary services are continuing as planned. Meanwhile, the Design and Construct (D&C) Contractor, has commenced the civil works for the construction of the Process Plant. On the other hand, works on the Tailings Storage Facility (“TSF”) are also in full swing with the target completion by June 2025.

“There is a need to fast-track the development of the Silangan Project as conditions now are just right,” according to Eulalio Austin Jr., Philex President and CEO. “We have a responsive metals market brought about by the demand for critical metals necessary for the green energy transition and a favorable regulatory environment due to the support from the current Administration. We are still on track to see our first metal output during the Process Plant’s debugging stage starting February 2026 with target of start of commercial operation within the first quarter of 2026. Meanwhile, we continue to evaluate the feasibility for the possible extension of Padcal’s mine life beyond 2027, so it can benefit our employees and their dependents, as well as our host and neighboring communities in Benguet Province.”

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Disclaimer on Forward Looking Statements

This press release may contain forward looking statements with respect to the results of operations and business of Philex Mining Corporation (“PX”). Such forward looking statements involve known and unknown risks, uncertainties, and other factors which may cause the actual performance of PX to be different from any future performance implied.

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PHILEX MINING CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(Amounts in Peso Thousands, except Par Value Per Share)

	September 30	December 31
	2024	2023
	(Unaudited)	(Audited)
ASSETS		
Current Assets		
Cash and cash equivalents	P 5,551,076	P 3,814,350
Accounts receivable - net	443,874	405,641
Inventories - net	1,551,011	1,245,128
Derivative assets	12,288	-
Other current assets - net	1,406,444	737,399
Total Current Assets	8,964,693	6,202,519
Noncurrent Assets		
Deferred exploration costs	32,827,979	30,721,524
Investment in associates - net	3,572,872	3,575,019
Property, plant and equipment - net	4,248,345	3,356,714
Pension asset - net	169,560	180,388
Financial assets measured at fair value through other comprehensive income (FVOCI)	177,394	177,394
Other noncurrent assets	2,682,753	1,197,785
Total Noncurrent Assets	43,678,903	39,208,824
TOTAL ASSETS	P 52,643,596	P 45,411,342
LIABILITIES AND EQUITY		
Current Liabilities		
Loans payable	P 2,745,470	P 1,882,580
Accounts payable and accrued liabilities	3,217,250	2,768,034
Subscription payable	2,767	2,767
Income tax payable	4,464	41,638
Dividends payable	118,457	224,257
Total Current Liabilities	6,088,408	4,919,276
Noncurrent Liabilities		
Loans and bonds Payable	12,882,789	7,246,489
Deferred tax liabilities - net	1,447,654	1,555,037
Provision for losses and mine rehabilitation costs	2,342	2,342
Total Noncurrent Liabilities	14,332,785	8,803,868
Total Liabilities	20,421,193	13,723,144
Equity Attributable to Equity Holders of the Parent Company		
Capital stock - P1 par value	5,782,399	5,782,399
Additional paid-in capital	2,885,163	2,885,163
Retained earnings		
Unappropriated	9,807,592	9,287,207
Appropriated	10,500,000	10,500,000
Net unrealized gain on financial assets measured at FVOCI and derivative	94,166	80,346
Equity Conversion option	857,863	857,863
Equity Reserves	367,655	367,655
Net revaluation surplus	1,849,971	1,849,971
Effect of transactions with non-controlling interests	77,892	77,892
	32,222,701	31,688,496
Non-controlling Interests	(298)	(298)
Total Equity	32,222,403	31,688,198
TOTAL LIABILITIES & EQUITY	P 52,643,596	P 45,411,342

PHILEX MINING CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF INCOME
FOR THE PERIOD ENDED SEPTEMBER 30, 2024
(Amounts in Peso Thousands, Except Earnings Per Share)

	UNAUDITED				
	2024				2023
	1Q	2Q	3Q	9M	9M
REVENUES	P 1,737,740	P 2,235,995	P 2,124,959	P 6,098,694	P 5,958,141
COSTS AND EXPENSES					
Production costs	1,263,594	1,398,572	1,455,293	4,117,459	3,867,521
Depletion, amortization and depreciation	195,075	224,885	239,704	659,664	525,452
Excise taxes and royalties	111,475	142,173	133,943	387,591	402,508
General and administrative expenses	72,893	59,674	61,035	193,601	176,174
	<u>1,643,037</u>	<u>1,825,304</u>	<u>1,889,975</u>	<u>5,358,315</u>	<u>4,971,655</u>
OTHER (CHARGES) INCOME					
Foreign exchange (losses) gain - net	(1,304)	(125,630)	111,042	(15,892)	(3,154)
Interest income	14,945	13,363	19,859	48,167	40,170
Interest expense	-	(33,133)	(50,399)	(83,532)	-
Share in net losses of associates	(2,750)	(2,489)	3,092	(2,147)	(19,274)
Others - net	4,531	(19,954)	24,072	8,649	5,799
	<u>15,421</u>	<u>(167,842)</u>	<u>107,666</u>	<u>(44,755)</u>	<u>23,541</u>
INCOME BEFORE INCOME TAX	110,124	242,849	342,651	695,624	1,010,027
PROVISION FOR (BENEFIT FROM) INCOME TAX					
Current	27,418	112,827	1,702	141,947	211,649
Deferred	(32,009)	(84,696)	34,351	(82,354)	(45,597)
	<u>(4,591)</u>	<u>28,131</u>	<u>36,053</u>	<u>59,593</u>	<u>166,051</u>
NET INCOME	P 114,715	P 214,718	P 306,598	P 636,031	P 843,976
NET INCOME ATTRIBUTABLE TO:					
Equity holders of the Parent Company	114,715	214,718	306,598	636,031	843,976
Non-controlling interests	-	-	-	-	-
	<u>P 114,715</u>	<u>P 214,718</u>	<u>P 306,598</u>	<u>P 636,031</u>	<u>P 843,976</u>
CORE NET INCOME	P 105,274	P 305,061	P 199,794	P 610,129	P 864,340
BASIC/DILUTED EARNINGS PER SHARE	P 0.020	P 0.037	P 0.053	P 0.110	P 0.146
CORE NET INCOME PER SHARE	P 0.018	P 0.053	P 0.035	P 0.106	P 0.149
EBITDA	P 295,318	P 616,886	P 505,579	P 1,417,783	P 1,525,426