



PHILEX MINING CORPORATION

To : E. B. Austin, Jr
 From : Noel C. Oliveros
 Subject : Update on Remaining Mineral Resource Estimate (MRE) for Padcal Mine as of December 31, 2023

Date: 15 Mar 2024
 Cc : RBB/WSC/PMN/RSD/
 VGR/JAB/RPPS/RTM/GGF

Highlights

- Total Measured and Indicated Mineral Resource for the Padcal Mine are now estimated at 190.8 million tonnes at a grade of 0.18%Cu and 0.30 g/t Au
- Within the active mining levels remaining resource is at 60.8 million tonnes with grades of 0.20%Cu and 0.28 g/t Au
- Majority of the reported tonnage is below 700ML, however, this portion of the orebody is still undergoing studies to increase the probability of economic ore extraction
- There is an overall decrease in tonnage by 7% compared to last year which is accounted for by production extraction and an increase in the cut-off grade

Remaining Mineral Resource of Padcal Mine						
As of December 31, 2023						
Padcal Mine	Classification	Tonnes	Cu %	Au g/t	Contained Cu (lbs.)	Contained Au (ozs.)
782ML	Measured + Indicated	3,800,000	0.21	0.34	17,000,000	41,000
798ML	Measured + Indicated	57,000,000	0.20	0.27	250,000,000	500,000
Subtotal	Measured + Indicated	60,800,000	0.20	0.28	267,000,000	541,000
770-630ML	Measured + Indicated	130,000,000	0.17	0.31	520,000,000	1,300,000
Total	Measured + Indicated	190,800,000	0.18	0.30	787,000,000	1,841,000

Cut-off grade = 0.28%CuEq
 %CuEq = %Cu + 0.710 x g/tAu

Discussion

Geology and Resource Estimate

The discussion of the Sto Tomas II geology with corresponding resource estimate was detailed in the 2013 report, "Technical Report, Exploration Results and Mineral Resources of the Sto. Tomas II Copper-Gold Deposit Located in Padcal, Tuba, Benguet Province, Philippines". Since then, there have been several iterations of the resource estimate to account for additional data from drilling and development samples. The latest estimation run was on July 2022 after underground validation drilling data was incorporated. This run is the basis for any subsequent remaining resource assessments made. Interpolation was computed using ordinary krigging done in a 30x30x10 block model. Variograms were made for domains based on the lithology of the orebody. A corresponding technical report for this estimation run is in the report entitled, "August 2022 Mineral Resource Estimation (MRE) Update, Sto. Tomas II Porphyry Cu-Au deposit of Padcal Mine". Block model computations and subsequent remaining resource estimates were done using Leapfrog ARANZTM and Geovia GemsTM.

Cut-off Grade

The cut-off grade was computed based on the following parameters:

- Metal prices = US\$ 3.90/lb Cu and US\$1,900/oz Au
- Metal Recoveries = 80% for Cu and 80% for Au
- Forex (Php to USD) = 56.00 Php
- Operating Cost per MT= 1078.00 Php

There was an increase in the copper equivalent factor and the cut-off grade used in reckoning the remaining reserves for this year. To reflect global trends, corresponding increases in the operating cost at 1078.00Php per MT and the metal prices used at US\$ 3.90/lb for copper and US\$1,900/oz for gold were applied. FOREX was decreased to 56.00 Php, however, the metal recoveries remained the same at 80%.

Remaining Resource Computation

The remaining resource as of the end of the previous year was computed by removing blocks within the mine depletion solids provided by the Mining Division as shown below.

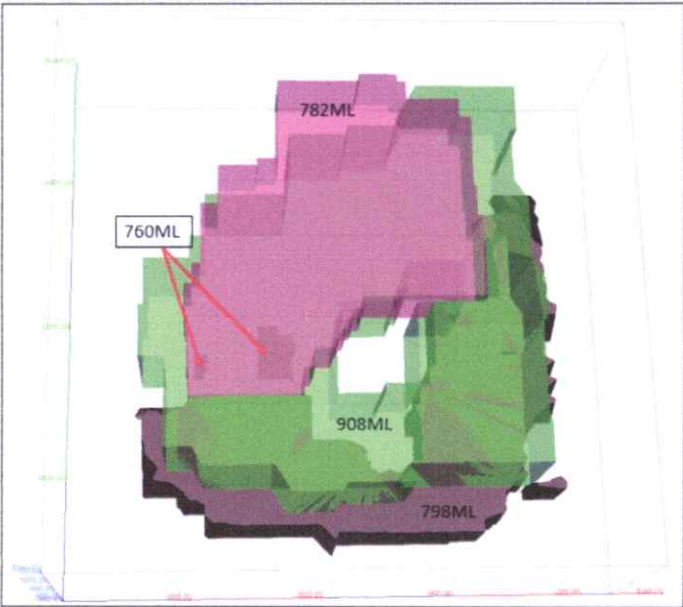


Figure 1. Mined out solids used to deplete Padcal remaining resource for 2023.

The remaining blocks were reported within the bounding mining layout at the nominated cut-off, to ensure reasonable prospects of economic extraction. Levels below 770ML, however did not use mining layouts as there are ongoing technical studies to determine the probability of economic ore extraction, and was thus only reported using the cut-off.

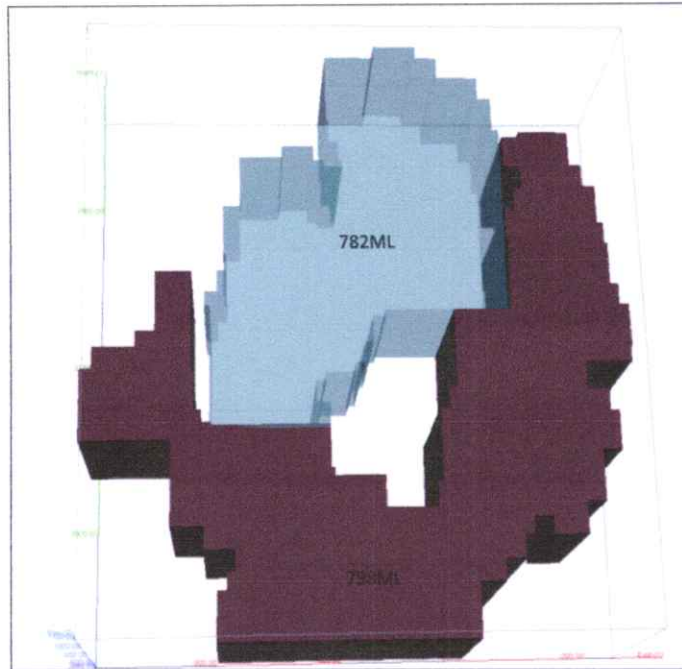


Figure 2. Mining layout solids used to report Padcal remaining resource for 2023.

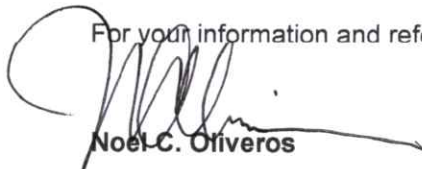
Comparison with Previous Statement

There was a larger decrease within the active mining levels, consistent with production while below the active mining levels, the decrease was largely due to the increased cut-off. Comparing with the previous report there was an overall 7% decrease in tonnage owing to production and the higher cut-off used for computation.

Additional Notes

- Mineral Resource Estimates followed the terminology and guidelines set forth in the Philippine Mineral Reporting Code ("PMRC").
- Total resources include Proved Reserves.
- All tonnage information has been rounded to reflect the relative uncertainty in the estimates; there may therefore be small differences in the totals.

For your information and reference:


Noel C. Oliveros

This resource statement was prepared by Mr. Noel C. Oliveros, Exploration Division Manager of Philex Mining Corporation, who has sufficient experience relevant to the style of mineralization of St. Tomas II Porphyry Copper Deposit. Mr. Oliveros is a Competent Person for Exploration and Mineral Resource Estimation under the definition of the Philippine Mineral Reporting Code (PMRC). He is a professional Geologist with PRC License No. 1285 and accreditation number Geology CP-07-08-07. He has given his consent to the Public Reporting of this statement concerning Mineral Resource Estimation.

