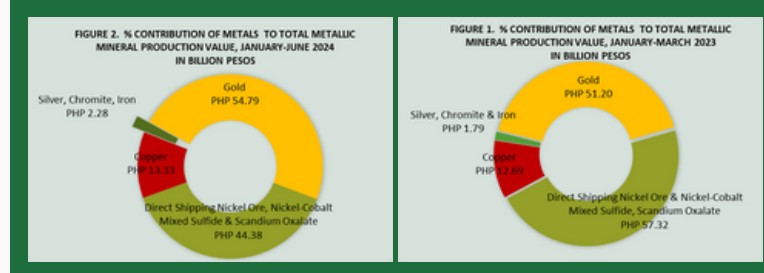


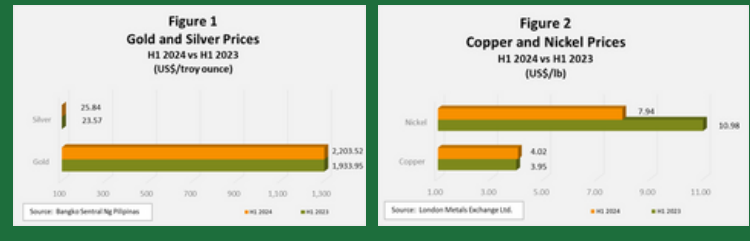
PHILIPPINES METALLIC PRODUCTION VALUE DROPS BY 6.69%

Philippines metallic mineral production value dropped by PhP8.23 billion, from PhP123.01 billion in H1 2023 to PhP114.77 billion in H1 2024.

The telling factor for this lackluster performance was the continued decline in mine output of gold, and nickel ore, together with processed products mixed sulfide and scandium oxalate. Not to mention the sluggish price of nickel and other nickel products. Nickel prices decreased by 27.67% from US\$10.98 per pound to US\$7.94 per pound, year-on-year.



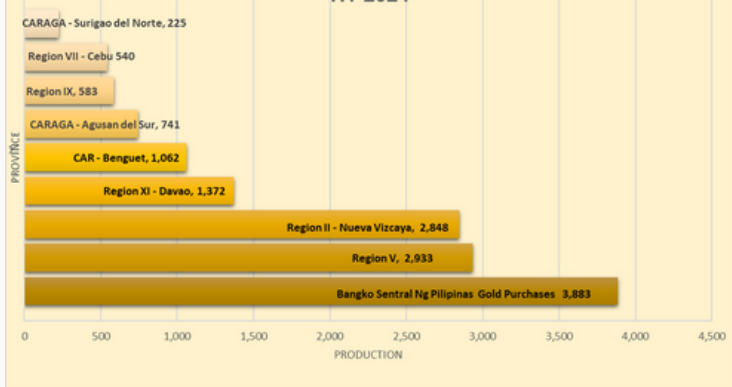
Although the yellow metal recorded a 7% or PhP3.58 billion growth in production value from PhP51.20 billion to PhP54.79 billion year-on-year it incurred a production shortfall of 6% from 15,111 kilograms to 14,187 kilograms. This can be attributed to the lower output of most of the producers. The most significant were from Mindanao Mineral Processing and Refining Corporation, and Philex Mining Corporation. On the other hand, the top three producers during the period were Philippines Gold Processing and Refining Corporation (PGPRC) in Masbate with 2,933 kilograms with an estimated value of PhP11.79 billion followed by OceanaGold Phils Inc. with 1,536 kilograms with an estimated value of PhP6.24 billion in Nueva Vizcaya and Apex Mining Corporation with 1,340 kilograms with an estimated value of PhP5.25 billion. Bangko Sentral Ng Pilipinas (BSP) Gold Purchases is about 3,883 kilograms with an estimated value of PhP13.46 billion. Said figures do not include the BSP purchases from Benguet Corporation, OceanaGold (Phils) Inc. and Hexat Mining Corporation. The price of gold was impressive at US\$2,203.52 per troy ounce in contrast with last year's H1 average price of US\$1,933.95 per troy ounce, notably up by US\$269.57 per troy ounce.



In terms of percent, contribution to the metallic production value gold continued to outplay the other metals accounting for 47.74% or PhP54.79 billion. Overtaking by as much as 9.06% or PhP10.40 billion of the collective values of nickel and nickel products, mixed nickel-cobalt sulfide and scandium oxalate. Said commodities took the second spot and accounted for PhP44.38 billion or 38.67% of the total. Copper was third, contributing PhP13.33 billion or 11.61%. The shared output values of silver, chromite, and iron ore accounted for about 1.98% or PhP2.28 billion. Of the 59 operating metallic mines listed only 41 mines reported production, the remaining 18, or 30.51% reported zero production due to inclement weather conditions or under care & maintenance status.

PHILIPPINES METALLIC PRODUCTION VALUE DROPS BY 6.69%

FIGURE 5. PHILIPPINES GOLD PRODUCTION BY PROVINCE, IN KILOGRAMS H1 2024

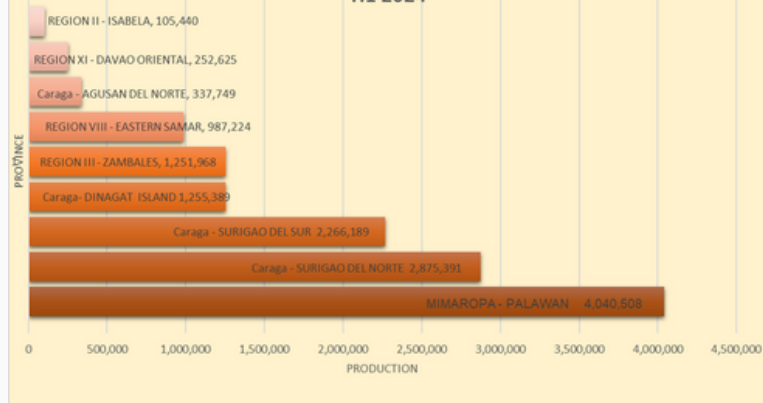


Having sluggish nickel metal price as its backdrop the nickel together with its nickel products continued to slowdown contributing only 38.67% of the country's production value from PhP57.32 billion to PhP44.38 billion year-on-year, a shortfall of almost PhP12.94 billion or 23%. Breaking it down further, nickel direct shipping ore accounted for PhP23.99 billion while mixed nickel-cobalt sulfide tendered PhP20.30 billion and scandium oxalate raised PhP0.09 billion. Taganito HPAL Nickel Corporation (THPAL) produces both mixed nickel-cobalt sulfide and scandium oxalate. While Coral Bay Nickel Corporation (CBNC) only produces mixed nickel-cobalt sulfide.

Nickel ore production volume and value went down by 19.42% and 24.32% from 16,595,757 dry metric tons with an estimated value of PhP31.70 billion to 13,372,483 dry metric tons with an estimated value of PhP23.99 billion. The average nickel price was at US\$7.94 per pound from US\$10.98 per pound, year-on-year, a price difference of US\$3.04 per pound. The top two producers for the first half were Rio Tuba Nickel Mining Corporation (RTNMC) with 3,053,599 dry metric tons followed by Taganito Mining Corporation (TMC) with 1,783,398 dry metric tons; TMC and RTNMC supply the low-grade

limonite ore feed requirements of CBNC and RTNMC plants, respectively. The limonite ores delivered to THPAL and CBNC were included in the total ore production of TMC and RTNMC. During the period, 11 nickel projects reported zero production.

FIGURE 6. PHILIPPINES NICKEL ORE PRODUCTION BY PROVINCE, IN DRY METRIC TONS H1 2024



Conversely, the performance of the red metal was upbeat with copper production volume and value going up by almost 6.75% and 5.01%, respectively from 133,072 dry metric tons with an estimated value of PhP12.69 billion to 142,050 dry metric tons with an estimated value of PhP13.32 billion year-on-year. The rise was courtesy of the better price of copper during the period from US\$3.95 per pound to US\$4.02 per pound year-on-year. Of the country's three copper producers, Carmen Copper Corporation in Cebu accounted for 65% or 92,555 dry metric tons with an estimated value of PhP7.77 billion while OceanaGold Phils Inc in Nueva Vizcaya and Philex Mining Corporation in Benguet contributed 26,468 dry metric tons and 23,027 dry metric tons, respectively.

For silver, production volume slightly drops by 51 kilograms from 23,319 kilograms to 23,268 kilograms, year-on-year. Production value, still, grew by 22% or PhP0.20 billion from PhP0.93 billion to PhP1.13 billion year-on-year. TVI Resource Development (Phils) Inc continued to dominate the production scene with 10,446 kilograms or 45% of the country's production. Apex Mining Company, Inc. in Davao de Oro holds the second position

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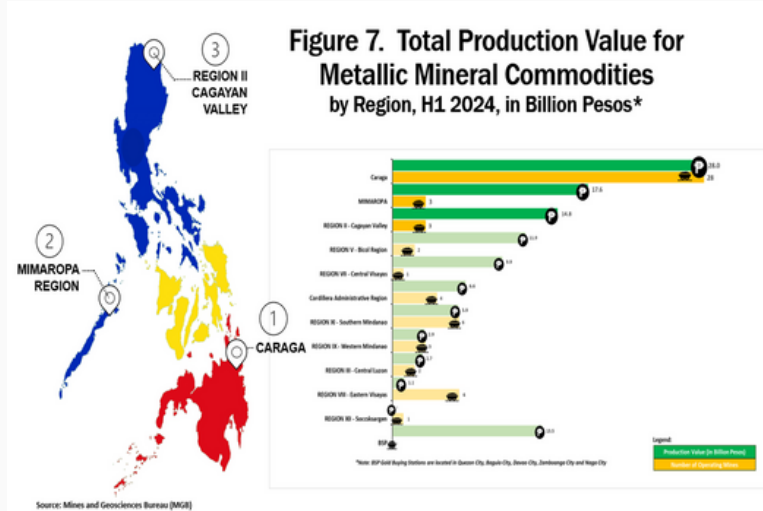
accounting for 21% or 4,919 kilograms followed by PGPRC in Masbate with 12% or 2,888 kilograms. During the period, 12 mining projects reported silver production.

On chromite production, volume and value significantly increased by 53.88% and 52.97% from 47,449 dry metric tons with an estimated value of PhP0.68 billion to 73,013 dry metric tons with an estimated value of PhP1.04 billion year-on-year. Taganito HPAL Nickel Corporation turned in 37,887 dry metric tons with an estimated value of PhP0.64 billion. Techiron Resources Inc. had a good run with 35,125 dry metric tons with an estimated value of PhP0.39 billion in H1 2024 from 4,411 dry metric tons with an estimated value of PhP0.04 billion in H1 2023.

Iron ore production volume and value was dismal from 56,131 dry metric tons with an estimated value of PhP0.18 billion to 31,798 dry metric tons with an estimated value of PhP0.10 billion, year-on-year. Ore Asia Mining & Development Corporation located in Bulacan was the sole producer. Both the Leyte Ironsand Project of MacArthur Iron Projects Corp/Strongbuilt Mining & Development Corporation and Atrio Mining-Vitali Iron Inc. reported zero production.

During the first half of 2024, the estimated excise tax collected is expected to be about PhP2.84 billion. The breakdown by type of mine is as follows: PhP1.14 billion or 40.07% from gold mines is about; PhP0.99 or 35.17% from copper mines; PhP0.65 billion or 22.82% from nickel mines and PhP0.05 billion or 2.22% from the combined collection from chromite and iron mines. In addition, the estimated collection from the royalties derived by the government from the development and utilization of the mineral

resources within the mineral reservation areas amounted to about PhP81.33 million. Currently, we have 21 mining projects located within the mineral reservation areas, twenty nickel mining projects, and a chromite mining project.



| Mineral Commodity | Unit Used | JANUARY-JUNE, 2024 | | JANUARY-JUNE, 2023 | | % Change | |
|-----------------------------|-----------|--------------------|------------------------|--------------------|------------------------|----------|-----------------|
| | | Quantity | Estimated Value | Quantity | Estimated Value | Quantity | Estimated Value |
| Gold | KGS. | 14,187 | 54,787,484,240 | 15,111 | 51,203,275,002 | (6.11) | 7.00 |
| Silver | KGS. | 23,268 | 1,132,786,680 | 23,319 | 929,414,095 | (0.22) | 21.88 |
| Copper Concentrate | DMT | 142,050 | 13,325,211,685 | 133,072 | 12,689,933,494 | 6.75 | 5.01 |
| Nickel Direct Shipping Ore | DMT | 13,372,483 | 23,990,478,711 | 16,595,757 | 31,701,913,029 | (19.42) | (24.32) |
| Mixed Nickel-Cobalt Sulfide | DMT | 39,459 | 20,304,371,854 | 39,319 | 25,481,584,094 | 0.35 | (20.32) |
| Scandium Oxalate | Dry-Kg | 5,542 | 89,821,538 | 8,615 | 136,238,347 | (35.67) | (34.07) |
| Chromite | DMT | 73,013 | 1,038,550,310 | 47,449 | 678,923,505 | 53.88 | 52.97 |
| Iron Ore | DMT | 31,798 | 104,933,400 | 56,131 | 184,917,320 | (43.35) | (43.25) |
| TOTAL | | | 114,773,638,417 | | 123,006,198,887 | | (6.69) |