



APEX MINING CO., INC.

13 July 2012

PHILIPPINE STOCK EXCHANGE, INC.

Disclosure Department
Tower One and Exchange Plaza
Ayala Triangle, Ayala Avenue
Makati City

Attention: **Ms. Janet Encarnacion**
Head, Disclosure Dept.

Dear Ms. Encarnacion:

The Board of Directors (the “Board”) of Apex Mining Co., Inc. (the “Corporation”) are pleased to announce that aside from the issuance of 120,000,000 Class A shares to Monte Oro & Energy Inc. for a total subscription amount of US\$ 12,000,000.00 or PhP528,000,000.00, the Board in its Special Meeting held today, July 13, 2012, has approved the following corporate actions:

- 1) Issuance of 30,000,000 Class A shares from the Authorized Capital of the Corporation to Vicsal Development Corporation for a total subscription price of P132,000,000.00.

Vicsal Development Corporation is a private family corporation primarily engaged in the retail business. It owns and operates chain of department stores and supermarkets popularly known as Metro Gaisano.

- 2) Assignment by Mindanao Gold Ltd. (the “Mindanao Gold”) in favor of the Corporation of its receivables due from the Corporation in the amount of P320,806,998 in exchange for 72,910,681 Class B shares with par value of PhP1.00 per share.

Moreover, Mindanao Gold has expressed its intention to subscribe 48,048,864 Class B shares of the Corporation with par value of PhP1.00 per share in consideration of US\$ 5,000,000.00 or PhP211,415,002 to be paid in cash by Mindanao Gold Ltd.

In view of the above, the Board has approved the issuance of a total of 120,959,545 Class B shares from the Authorized Capital Stock of the Corporation to Mindanao Gold at an issue value of PhP4.40 per share or an aggregate issue value of PhP532,222,000.00 in exchange for (a) the assignment of receivables due from the Corporation as of June 30, 2012, and (b) cash subscription in the amount of US\$ 5,000,000.00.



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- 3) Assignment by Mapula Creek Gold Corporation in favor of the Corporation of its receivables due from the Corporation in the amount of Php164,087,992.00 at an issue value of Php4.40 per share in exchange for 37,292,725 Class A shares with par value of Php1.00.

Further, the amount of PhP126,795,267.00 representing the difference between the aggregate amount of the receivables owed by the Corporation to Mapula and the aggregate value of the Class "A" shares of PhP37,292,725.00 to be issued by the Corporation shall be booked as an additional paid-in capital contribution without the issuance of additional shares to Mapula.

The transactions mentioned above will allow the Corporation to operate more effectively in terms of financing options to pursue the development and expansion of mine operations including the rehabilitation of the mill to increase its capacity.

Thank you.

Very truly yours,

ROSANNA A. PARICA

Corporate Information Officer