



# APEX MINING CO., INC.

## APEX MINING REPORTS DOUBLE 1ST QUARTER CONSOLIDATED NET INCOME

### HIGHLIGHTS

- Milling tonnage of 135,904 tonnes and gold production of 14,969 ounces established a record high for the 1<sup>st</sup> quarter of 2017
- Consolidated net income of P100.3 million, was 2-1/2 times net income for the same period last year
- Parent Company net income of P112.2 million more than double previous quarter's net income

**Apex Mining Co., Inc. (APX)** reported consolidated net income for the first quarter of 2017 of P100.2 million, higher by 254% than the income of P39.3 million reported in the same quarter last year.

Parent Company net income amounted to P112.2 million, 118% higher than the P51.3 million net income reported in 2016. Parent Company earnings per share amounted to P0.018 in 2017 as compared to P0.008 In 2016.

Mill throughput of the Maco mine reached a record 135,904 tonnes, an average of 1,677 tonnes per day. Gold production of 14,969 ounces was the highest level for one quarter period thus far, an increase of 17% over the 12,779 ounces of gold produced from the same period in 2016. Silver production of 75,359 ounces this quarter was 23% higher than 2016 production of 61,085 ounces.

Metal prices was higher at \$1,234 per ounce gold and \$18 per ounce silver as compared to \$1,214 per ounce gold and \$15 per ounce silver last year. Revenue generated by the Maco mine increased to P991.5 million this



quarter as compared to P775.4 million for the same period a year ago. Cash income from operations increased by 67% to P415.1 million this quarter as compared to P248.4 million in 2016.

The higher milling tonnage increased cash operating cost by 8% to P547.8 million this quarter from P507.8 million a year ago. On a per unit basis, cash operating cost was 33% lower at \$81 per tonne this quarter from \$120 per tonne in 2016. Average cash operating cost per ounce gold after silver credit decreased by 15% to \$680 this quarter from \$802 last year.

“We aim to stabilize the Maco mine milling tonnage to 1,800 tonnes per day by year end. If we are able to achieve this, we should see better metal production this year. As long as metal prices remain close to their current level, we expect continuing earnings growth for the Company in 2017”, said Walter W. Brown, President and CEO.

Rehabilitation of the Sangilo mine of Itogon-Suyoc Resources, Inc., a wholly-owned subsidiary of the Company, continues. Incidental gold produced during the quarter in the course of the mine’s rehabilitation aggregated to 317 ounces valued at P19.3 million. Test run of the Sangilo mill is currently at 50 tonnes per day, being targeted to increase to 75 tonnes per day. When funding becomes available, the plan to gear up the mine for a 400 tonnes per day operation will be shifted to full swing.

The Company’s consolidated accounts also include those of Monte Oro Resources & Energy, Inc. (MORE), another wholly-owned subsidiary acquired in October 2014. A processing plant located in Paracale, Jose Panganiban, Camarines Norte, is owned by Paracale Gold Limited, another MORE subsidiary. MORE has other mining interests in other countries under Minas de Oro Mongol LLC (in Mongolia), National Prosperity Gold Production Group Ltd (in Myanmar), Monte Oro Mining Company, Ltd. and MORE Minerals SL (both in Sierra Leone), and the Gold Mines of Uganda Ltd. (in Uganda). For its non-mining businesses, MORE has interests in a company engaged in waste disposal management, and a participating interest in Service Contract (SC) 72 which includes the Sampaguita gas field offshore northwest of Palawan.