



MANILA MINING CORPORATION

28 May 2025

ATTY. MARLON G. FACUN
Officer-in-Charge
Markets and Securities Regulation Department
SECURITIES AND EXCHANGE COMMISSION
SEC Headquarters, 7907 Makati Avenue
Makati City

Re: DIS for the Annual Stockholders' Meeting on 23 June 2025

Dear Atty. Facun,

In compliance with the MSRD's letter dated 19 May 2025, we are pleased to submit our Definitive Information Statement which includes the following:

1. Audit fees paid and the Schedule of External Auditor Fee-Related Information are reconciled on page 11;
2. Holders of 5% or more under PCD Account on page 3;
3. Plan of Operation/Outlook for 2025 on page 14;
4. Financial statements for the first quarter of 2025;
5. Stock Price information as of 26 May 2025;
6. Appraisal and performance report for the board and the criteria and procedure for assessment is attached as Annex "D";
7. Certificates of our Independent Directors, Mr. Eduardo A. Bangayan and Atty. Jose Raulito E. Paras, are attached as Annex 1 and 2;
8. Minutes of the Annual Stockholders' Meeting held on June 14, 2024

Thank you and we trust that you will find the attached in order.

Very truly yours,


ODETTE A. JAVIER
Asst. Corporate Secretary



MANILA MINING CORPORATION

NOTICE OF 2025 ANNUAL STOCKHOLDERS' MEETING

Please be informed that the **Annual Stockholders' Meeting of Manila Mining Corporation** will be held on **Monday, June 23, 2025 at 3:00 o'clock p.m.** The Meeting will be conducted virtually via remote access communication and the access link will be provided in the Company's website at www.manilamining.com

The agenda for the Meeting will be as follows:

1. Call to Order
2. Proof of due notice of the meeting and determination of quorum
3. Approval of the Minutes of the Annual Meeting on June 14, 2024
4. Approval of the Annual Report
5. Election of Directors, including the Independent Directors and the extension of Mr. Eduardo A. Bangayan's Term
6. Appointment of External Auditor
7. Transaction of such other and further business as may properly come before the meeting.


Only stockholders of record as of May 19, 2025 are entitled to notice of, and to vote at, the Meeting.

The Definitive Information Statement and Management Report and SEC Form 17-A and other pertinent documents are posted on the Company's website and PSE Edge. Guidelines for registration and participation in the Meeting shall likewise be posted on the Company's website.

Stockholders who intend to participate in the Meeting via remote communication should email on or before May 30, 2025 the Asst. Corporate Secretary at oaj@manilamining.com a scanned copy of a valid government-issued identification card (ID) for registration and verification purposes. Indirect stockholders should include in their email their broker's certification of shareholding.

Stockholders may also be represented and vote at the Meeting by submitting a Proxy via email to oaj@manilamining.com together with a government-issued ID. Hardcopies of proxies may also be submitted to the Company's principal office at the 20th Fl., Lepanto Building, 8747 Paseo de Roxas, Makati City. Proxies emailed or submitted after June 16, 2025 shall not be recorded for the Meeting.

Makati City, May 15, 2025.


HECTOR M. DE LEON JR.
Corporate Secretary

ANNEX “A”

EXPLANATION OF AGENDA ITEMS

1. **Call to Order** – The Chairman of the Board and CEO, Mr. Felipe U. Yap, will call the meeting to order.
2. **Proof of due notice of the meeting and determination of quorum** – The Corporate Secretary, Atty. Hector R. De Leon, Jr., will certify that (a) in accordance with the SEC Notice dated 12 March 2025, notice of the meeting was duly published in two newspapers of general circulation for two consecutive days at least 21 days before the meeting date; and that (b) a quorum exists for the transaction of business.

The said published notice of the meeting advised stockholders that: (a) those who intend to participate in the meeting via remote communication should send by email on or before June 16, 2025 to the Asst. Corporate Secretary at oaj@manilamining.com a scanned copy of a valid government-issued identification card (ID) for registration and verification purposes. An Indirect shareholder should include in the email a scanned copy of his/her broker's certification of shareholding. (b) Stockholders may also be represented and vote at the meeting by submitting a Proxy (form attached) via email to oaj@manilamining.com together with a scanned copy of a valid government-issued ID. Hardcopies of proxies may also be submitted to the Company's principal office at the 20th Fl., Lepanto Building, 8747 Paseo de Roxas, Makati City.

Stockholders who have successfully registered will receive an email with (a) instructions on how to access the Ballot through a secure online portal which will allow them to vote at the meeting. The Ballot gives the stockholder the option not to vote directly, but to allow the Chairman to vote all items (except the election of directors) as his/her Proxy; and (b) the ZOOM meeting link. A stockholder who participates and votes *in absentia* or by remote communication shall be deemed present for purposes of quorum.

3. **Approval of the Minutes of the Annual Meeting held on June 14, 2024**– The minutes of the previous stockholders' meeting may be accessed through the Corporation's website www.manilamining.com. A resolution on this item requires the approval of a majority of the votes of stockholders present and eligible to vote.
4. **Approval of the Annual Report** – The President will deliver a report to the stockholders on the Company's activities in 2024 and 2025. The Chairman will then open the floor for clarificatory questions. Then, the audited financial statements for the year ended 31 December 2024 (attached to the Information Statement and accessible through the company's website) will be presented for the approval by the stockholders. A resolution on this agenda item requires the approval of a majority of the votes of stockholders present and eligible to vote.

5. **Election of Directors, including the Independent Directors and the extension of Mr. Eduardo A. Bangayan's Term**– The Nomination Committee received nominations for directors within the prescribed period and found such nominees to have all the qualifications and none of the disqualifications to serve as directors. The names of the nominees and their respective personal profiles, including directorships in listed companies, are duly indicated in the Information Statement. Election of directors will be done by plurality of votes.

Each shareholder is entitled to one (1) vote per share multiplied by the number of board seats to be filled, i.e. nine (9), and may cumulate his/her votes by giving as many votes as he/she wants to any candidate provided that the total votes cast shall not exceed the total votes to which he/she is entitled.

In the event that only nine(9) are nominated to fill the nine seats in the Board, the Chairman, unless otherwise instructed by a stockholder, may direct the Corporate Secretary to cast all votes in favor of those nominated.

6. **Appointment of External Auditor** – The Corporation's Audit Committee has recommended the re-appointment of SyCip Gorres Velayo & Co. as external auditors for the current year. A resolution on this agenda item requires the approval of a majority of the votes of stockholders present and eligible to vote.
7. **Transaction of such other and further business as may properly come before the Meeting -**
Stockholders may propose to discuss other issues and matters.
8. **Adjournment** – After all matters in the agenda have been taken up, the Chairman will entertain a motion to adjourn the meeting.

ANNEX "A-1"

PROXY

This undersigned stockholder of **MANILA MINING CORPORATION** (the "Company") hereby appoints _____, as attorney-in-fact and proxy, to represent and vote all shares registered in his/her/its name at the Annual Meeting of Stockholders to be held on **June 23, 2025 (Monday) at 3:00 p.m.** by remote communication and at any adjournments thereof for the purpose of acting on the following matters:

Unless i have indicated my preference or my votes on the issues in the form as provided below, my shares shall be voted in accordance with the recommendation of the Board of Directors or, if there is none, at the discretion of the Proxy, except in the election of directors, on which the Proxy shall vote only the number of shares i have indicated for the candidate i have chosen.

Hereunder are the matters to be taken up during the meeting. Please indicate your vote by firmly placing and "X" in the appropriate box.

- | | | | | |
|----|--|------------------------------|-----------------------------|----------------------------------|
| 1. | Approval of the Minutes of the Annual Meeting on June 14, 2024 | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> Abstain |
| 2. | Approval of the Annual Report | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> Abstain |
| 3. | Election of Directors, including the Independent Directors and the extension of Mr. Eduardo A. Bangayan's Term | | | |

Vote for nominees listed below:

	No. of Votes
<input type="checkbox"/> Felipe U. Yap	_____
<input type="checkbox"/> Bryan U. Yap	_____
<input type="checkbox"/> Clark Lawton S. Yap	_____
<input type="checkbox"/> Rene F. Chanyungco	_____
<input type="checkbox"/> Douglas John Kirwin	_____
<input type="checkbox"/> Patrick K. Yap	_____
<input type="checkbox"/> Stephen Y. Yap	_____
<i>Independent Directors</i>	
<input type="checkbox"/> Eduardo A. Bangayan	_____
<input type="checkbox"/> Jose Raulito E. Paras	_____

- | | | | | |
|----|---|------------------------------|-----------------------------|----------------------------------|
| 4. | Re-appointment of SGV & Co. as External Auditor | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> Abstain |
| 5. | Transaction of such other and further business as may properly come before the meeting. | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> Abstain |

IF THE STOCKHOLDER IS A CORPORATION, A SECRETARY'S CERTIFICATE QUOTING THE BOARD RESOLUTION AUTHORIZING THE CORPORATE OFFICER WHO SIGNED THIS PROXY MUST BE SUBMITTED TO THE CORPORATE SECRETARY AT oaj@manilamining.com.

A STOCKHOLDER GIVING A PROXY HAS THE POWER TO REVOKE IT ANY TIME BEFORE THE RIGHT GRANTED IS EXERCISED. A PROXY IS CONSIDERED REVOKED IF THE STOCKHOLDER REGISTERS ON THE VOTING IN ABSENTIA & SHAREHOLDER (VISH) SYSTEM AND/OR NOTIFIES THE COMPANY BY EMAIL BY JUNE 16, 2025 OF HIS INTENTION TO PARTICIPATE IN THE MEETING BY REMOTE COMMUNICATION.

STOCKHOLDERS PARTICIPATING BY REMOTE COMMUNICATION WILL NOT BE ABLE TO VOTE UNLESS THEY REGISTER IN THE VISH SYSTEM OR AUTHORIZE THE CHAIRMAN TO VOTE AS PROXY, ON OR BEFORE 16 JUNE 2025.

A SCANNED COPY OF THIS PROXY SHOULD BE SENT TO THE CORPORATE SECRETARY AT oaj@manilamining.com ON OR BEFORE 16 JUNE 2025 WHICH IS THE DEADLINE FOR SUBMISSION OF PROXIES.

(Stockholder)

By: _____
Signature over printed name

ONLINE BALLOT

Email Address: _____

1. Approval of the Minutes of the Annual Meeting held on June 14, 2024 ☐ Yes ☐ No ☐ Abstain
2. Approval of the Annual Report ☐ Yes ☐ No ☐ Abstain
4. Election of Directors, including the Independent Directors and the extension of Mr. Eduardo A. **Bangayan's** term

Vote for nominees listed below:

	No. of Votes
<input type="checkbox"/> Felipe U. Yap	_____
<input type="checkbox"/> Bryan U. Yap	_____
<input type="checkbox"/> Rene F. Chanyungco	_____
<input type="checkbox"/> Ethelwoldo E. Fernandez	_____
<input type="checkbox"/> Douglas John Kirwin	_____
<input type="checkbox"/> Patrick K. Yap	_____
<input type="checkbox"/> Stephen Y. Yap	_____
<i>Independent Directors</i>	
<input type="checkbox"/> Eduardo A. Bangayan	_____
<input type="checkbox"/> Jose Raulito E. Paras	_____

4. Appointment of SGV as External Auditor ☐ Yes ☐ No ☐ Abstain
5. Transaction of such other business as may come before the meeting ☐ Yes ☐ No ☐ Abstain

☐ I OPT NOT TO VOTE DIRECTLY AND INSTEAD APPOINT THE CHAIRMAN AS MY PROXY TO VOTE ON ALL MATTERS EXCEPT IN RESPECT OF THE ELECTION OF THE DIRECTORS.

ANNEX “B”

REQUIREMENTS AND PROCEDURE FOR VOTING AND PARTICIPATING IN THE 2025 ANNUAL STOCKHOLDERS’ MEETING

- A. CONDUCT OF THE MEETING** - The 2025 Annual Stockholders’ Meeting of **Manila Mining Corporation** will be conducted virtually on Monday, June 23, 2025, via ZOOM. Stockholders who participate in the meeting by remote communication shall be deemed present for purposes of quorum.
- B. PRE-REGISTRATION** - Stockholders intending to participate **by remote communication or by Proxy** (Annex “A-1”) are required to pre-register by emailing the Asst. Corporate Secretary at oaj@manilamining.com **not later than June 16, 2025**. Following are the requirements for pre-registration:
1. Name of the stockholder
 2. Mailing Address
 3. Contact number (landline or mobile)
 4. email address through which the stockholder will send and receive communication from the Company
 5. Scanned copy of any valid government-issued ID with photo and signature of the stockholder
 6. If attending through a duly-appointed Proxy, the name of the Proxy, together with a scanned copy of the Proxy’s valid government-issued ID with photo and signature (except if the designated Proxy is the Chairman of the meeting)
 7. If the stockholder is a corporation, a scanned copy of the Corporate Secretary’s certification stating the representative’s authority to represent the corporation, and a scanned copy of the government-issued ID with photo and signature of the Company representative and email address of the representative.

THE SUBMISSION OF INCOMPLETE OR INCONSISTENT INFORMATION MAY RESULT IN UNSUCCESSFUL REGISTRATION AND WILL RENDER THE STOCKHOLDER INELIGIBLE TO PARTICIPATE IN THE MEETING.

- C. REGISTRATION PROPER-** Successful registrants will receive a notice by email:

1. confirming their registration status and providing:
 - a. link to the online secure portal where they can vote/accomplish the Ballot (Annex “A-2”), which should be accomplished not later than June 16, 2025;
 - b. ZOOM meeting link to enable them to participate at the meeting.
2. for those who submitted a PROXY, a confirmation of the validity of the PROXY.

D. VOTING

1. A stockholder who chooses to vote electronically should vote on the agenda items by accessing the Ballot through the secure online portal.
2. A stockholder who does not wish to vote electronically can only appoint the Chairman of the meeting as Proxy.
3. The Office of the Corporate Secretary will tabulate all votes received and an independent third party will validate the results.
4. The Corporate Secretary will report the results of the voting during the meeting.

E. MEETING PROPER

1. During the meeting, each proposed resolution will be shown on the screen as the relevant agenda item is taken up.
2. Participating stockholders can send questions or comments on any item on the agenda through the chat facility of ZOOM.
4. The meeting proceedings will be recorded in audio and video format. A copy of the recorded proceedings will be made available to a stockholder upon request.

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 20-IS

INFORMATION STATEMENT PURSUANT TO SECTION 20
OF THE SECURITIES REGULATION CODE

1. Check the appropriate box :

☐ Preliminary Information Statement

☒ Definitive Information Statement

2. Name of Registrant as specified in its charter: **MANILA MINING CORPORATION**

3. Province, country or other jurisdiction of incorporation or organization: Makati City, Philippines

4. SEC Identification Number : 4429

5. BIR Tax Identification Code : 050-000-164-442V

6. Address of principal office : 20th Floor, Lepanto Building
8747 Paseo de Roxas
1229 Makati City, Philippines

7. Registrant's telephone number, including area code: (632) 815-9447

8. Date, time and place of the meeting of security holders:

Monday, June 23, 2025 at 3:00 o'clock p.m. The meeting will be conducted virtually via remote access communications and the access link will be provided in the Company's website at www.manilamining.com

9. Approximate date on which the Information Statement is first to be sent or given to security holders:
May 30, 2025.

10. Securities registered pursuant to Sections 8 and 12 of the Code or Sections 4 and 8 of the RSA :

Title of Each Class	Number of Shares of Common Stock Outstanding
Class "A"	186,955,303,646
Class "B"	124,548,842,797

The Company has no preferred shares.

11. Are any or all of registrant's securities listed on a Stock Exchange?

Yes ☒ No ☐

If yes, disclose the name of Stock Exchange and the class of securities listed therein.

Philippine Stock Exchange

Classes "A" & "B"

GENERAL INFORMATION

WE ARE NOT REQUESTING YOU FOR A PROXY AND YOU ARE REQUESTED NOT TO SEND US A PROXY.

Date, time and place of meeting of security holders.

The Annual Meeting of Stockholders of Manila Mining Corporation will be conducted virtually via remote access communications on **Monday, June 23, 2025 at 3:00 o'clock p.m.** The access link will be provided in the Company's website at www.manilamining.com and emailed to stockholders who pre-register. The complete mailing address of the offices of the Company is 20th Floor, Lepanto Building, 8747 Paseo de Roxas, Makati City, Philippines. This Information Statement will be posted on the Company's website on or before May 30, 2025.

Dissenters' Right of Appraisal

A stockholder has the right to dissent and demand payment of the fair value of his share: (1) in case any amendment to the articles of incorporation has the effect of changing or restricting the rights of any stockholders or of authorizing preference over the outstanding shares or of extending or shortening the term of corporate existence; (2) in case of any sale, lease, mortgage or disposition of all or substantially all the corporate property or assets; and (3) in case of any merger or consolidation.

The appraisal right may be exercised by a stockholder who has voted against the proposed corporate action, by making a written demand on the corporation for the payment of the fair market value of his shares within thirty (30) days after the date on which the vote was taken.

There is no matter for discussion in the **June 23, 2025** meeting that may give rise to the exercise of the Dissenters' Right of Appraisal.

Interest of Certain Persons in or Opposition to Matters to be Acted Upon

None of the directors, officers, nominees for director, or any of the associates of the foregoing persons have any substantial interest in the Matters to be Acted Upon in the Annual Meeting nor has any of them informed the Company in writing of any opposition to the matters to be acted upon.

CONTROL AND COMPENSATION INFORMATION

Voting Securities and Principal Holders Thereof

Of the 311,504,146,443 outstanding shares of the Company, 310,973,401,344 shares, as of May 19, 2025, are entitled to one (1) vote each. Said outstanding shares, all of which are common shares, are broken down as follows:

Class "A"	186,955,303,646
Class "B"	124,548,842,797

A stockholder entitled to vote at the meeting shall have the right to vote in person or by proxy (which need not be notarized) the number of shares of stock held in his name on the stock books of the Company as of May 19, 2025 and said stockholder may vote such number of shares for as many persons as there are directors to be elected or he may cumulate said shares and give one candidate as many votes as the number of directors to be elected multiplied by the number of his shares shall equal, or he may distribute them on the same principle among as many candidates as he shall see fit.

There is no provision in the Company's charter or by-laws that would delay, defer or prevent a change in the control of the Company.

Security Ownership of Certain Record and Beneficial Owners

Owners of more than 5% of the Company's securities, as of April 30, 2025, were as follows:

Title of Class	Name/Address of Record Owner**	Name of Beneficial Owner/ Relationship to Issuer	Citizenship	A Shareholdings	%	B Shareholdings	%
A & B	*PCD Nominee Corporation BDO Equitable Tower, 8751 Paseo de Roxas, Makati City	PCD Nominee Corporation	Filipino	139,558,025,910	74.77	72,332,002,819	58.18
A & B	**F. Yap Securities, Inc. 17/F Lepanto Building, Paseo de Roxas, Makati City	F. Yap Securities, Inc./ Principal Stockholder	Filipino	26,821,335,176	14.37	18,982,809,109	15.27

* PCD Nominee Corporation ("PCD"), the nominee of the Philippine Depository & Trust Corporation, is the registered owner of the shares in the books of the Company's transfer agent. The beneficial owners of such shares are PCD's participants who hold the shares on their own behalf, or in behalf of their clients.

** Ms. Pacita K. Yap has the power to dispose of the shares of F. Yap Securities. Proxies of F. Yap Securities are in the name of the Chairman, Mr. Felipe U. Yap.

*Holders of 5% or more under PCD Account

Title of Class	Name/Address of Record Owner	A / B Shareholdings	%	Total Shareholdings	%
A & B	*F. Yap Securities, Inc. U-2301 & 2302, 23/F, PSE Centre, Exchange Rd., Ortigas Center, Pasig City	54,913,484,946 38,173,151,984	29.37 30.65	93,086,636,930	29.88
B	Quality Investments and Securities Corporation Suit 1602 Tytana Plaza, Oriente St., Binondo, Manila	3,663,916,300 7,576,896,753	1.96 6.08	11,231,813,053	3.61

Equity Ownership of Foreigners

As of April 30, 2025, none of the "A" shares and 1.40% of the "B" shares were held by foreigners.

Voting Trusts and Change in Control

There are no voting trusts involving the Company's shares nor is there any arrangement that could result in any change in the control of the Company.

****Security Ownership of Management** (as of April 30, 2025)

Title of Class	Beneficial Owner	Position	Amount and Nature of Beneficial Ownership (Class A / Class B)	Nature of Ownership	Percentage of Shares (Class A/ Class B)
A & B	Felipe U. Yap	Chairman of the Board	293,656,371 / 244,399,176	Direct	0.189 / 0.236
A & B	Bryan U. Yap	Director/President	3,331,995,129 / 1,896,317,059	Direct	2.143 / 1.831
A & B	Rene F. Chanyungco	Director/SVP/Treasurer	39,240,449 / 29,780,888	Direct	0.025 / 0.029
B	Douglas John Kirwin	Director	1	Direct	nil
B	Jose Raulito E. Paras	Director	33,056,179 / 3,202,247	Indirect	0.021 / 0.003
A & B	Eduardo A. Bangayan***	Director	7,566,975 / 35,441,945	Direct	0.005 / 0.034
A & B	Patrick K. Yap	Director/SVP	62,114,774 / 32,791,011	Direct	0.040 / 0.032
A & B	Stephen Y. Yap	Director	1,280,898 / -	Direct	nil
A & B	Clark Lawton S. Yap	Director	30,563,446 / 291,199,902	Direct	nil
A & B	Pablo T. Ayson, Jr.	Vice President	15,848,270 / 14,683,370	Direct	0.010 / 0.014
A	Hector M. De Leon, Jr.	Corporate Secretary	3,990,000 / -	Direct	0.0021 /
A & B	Ma. Lourdes B. Tuason	Asst. Treasurer	42,002,191 / 49,097,121	Indirect	0.027 / 0.047
A & B	Odette A. Javier	Asst. Corp. Sec.	19,525,000 / 8,452,901	Indirect	0.013 / 0.008
	<i>Aggregate as a group</i>		<i>3,880,839,682 / 2,605,365,621</i>		<i>2.076 / 2.091</i>

** - All of record and directly owned.

*** - Independent Directors

There are no arrangements which may result in a change in the control of the Company and there has been no such change since January 2025.

Involvement of the Company or its Directors and Officers in Certain Legal Proceedings

None of the directors and officers were involved during the past five (5) years in any bankruptcy proceeding. Neither have they been convicted by final judgment in any criminal proceeding, or been subject to any order, judgment or decree of competent jurisdiction, permanently or temporarily enjoining, barring, suspending, or otherwise limiting their involvement in any type of business, securities, commodities or banking activities, nor found in an action by any court or administrative body to have violated a securities or commodities law.

There is no material pending legal proceeding against the Company.

Directors and Executive Officers

The Directors of the Company are elected at the Regular Annual Meeting of Stockholders to hold office until the next succeeding annual meeting or until their respective successors have been elected and qualified.

<u>Directors</u>	<u>Age</u>	<u>Citizenship</u>	<u>Period Served</u>
FELIPE U. YAP	87	Filipino	Since 1976
EDUARDO A. BANGAYAN (Independent)	73	-do-	Since 1989
JOSE RAULITO E. PARAS (Independent)	52	-do-	Since 2019
BRYAN U. YAP	51	-do-	Since 1994
RENE F. CHANYUNGCO	72	-do-	Since 2004
DOUGLAS JOHN KIRWIN	73	Australian	Since 2014
PATRICK K. YAP	45	Filipino	Since 2005
STEPHEN Y. YAP	54	-do-	Since 2013
CLARK LAWTON S. YAP	44	-do-	Since 2024

Nominees

Following are the names of the Candidates for election to the Board of Directors with the names of the shareholders who nominated them, in the case of the candidates for independent directors:

	<u>Age</u>	<u>Citizenship</u>
FELIPE U. YAP	87	Filipino
BRYAN U. YAP	51	-do-
RENE F. CHANYUNGO	72	-do-
DOUGLAS JOHN KIRWIN	73	Australian
CLARK LAWTON S. YAP	43	Filipino
PATRICK K. YAP	45	Filipino
STEPHEN Y. YAP	54	-do-
<u>For Independent Directors:</u>		
EDUARDO A. BANGAYAN	73	Filipino - nominated by Mr. Antonino R. Bonzon with whom he has no relations
JOSE RAULITO E. PARAS	51	Filipino - nominated by Ms. Luz Sta. Ana with whom he has no relations

One nominee for independent director, Mr. Eduardo A. Bangayan, had reached the maximum term allowed under SEC Memorandum Circular No. 19, Series of 2016 as of 2021. Thus, at the annual stockholders' meeting on August 17, 2021, pursuant to SEC Memorandum Circular No. 4, Series of 2017, the stockholders approved the extension of his term for two years in view of Mr. Bangayan being an experienced and well respected businessman who has been providing MMC with invaluable and timely counsel over the years. His business network originated in Mindanao where the company's mines are located. He will therefore continue to be very helpful in charting a strategy for the Company's return to operations and generally in promoting the interests of the Company. At the annual meeting on July 27, 2023, the stockholders approved another extension of his term for two years for the same reasons. The Board of Directors is recommending to the stockholders a further extension of the term of Mr. Bangayan for two years for the same reasons cited above.

Business Experience in the Last Five (5) Years

Mr. **Felipe U. Yap** became the Chairman of the Company in 1992. He is also the Chairman and Chief Executive Officer of LCMC and of Far Southeast Gold Resources, Inc. (FSGRI). He is the Vice Chairman of the Board of Ayala Land Logistics Holdings Corporation; Chairman of the Board of Zeus Holdings, Inc. and a Director of, among others, Manila Peninsula Hotel, Inc., and Philippine Associated Smelting and Refining Corp. (PASAR). He was the Chairman of the Board of Governors of the Philippine Stock Exchange from March 2000 to March 2002.

Mr. **Bryan U. Yap** has been the President and Chief Operating Officer of LCMC since 2003. He has been a Director of LCMC and of Far Southeast Gold Resources, Inc. (FSGRI) since 1994. In February 2011, he was elected President of Manila Mining Corporation. He is also the President of FSGRI; Kalayaan Copper-Gold Resources, Inc.; Lepanto Investment and Development Corporation (LIDC); Shipside, Inc.; Diamond Drilling Corporation of the Philippines (DDCP) and Diamant Manufacturing and Trading Corporation (DMTC). He has been a member of the Board of Trustees of the Chamber of Mines of the Philippines since April 2009.

Mr. **Eduardo A. Bangayan** is in the business of real estate and coconut oil/copra production. He is currently a Director of Chelsea Logistics Corporation (since 2017) and of the Davao City Water District; Summit World Group of Companies, First Tagum Rural Bank, Inc. and Fuji Oil Philippines. He is the Chairman of Summit World Ventures, Inc. He is also a Member of the Board of Governors of the Philippine National Red Cross.

Mr. **Clark Lawton S. Yap** is currently a Director of Lepanto Consolidated Mining Company; Far Southeast Gold Resources, Inc.; and First Rural Bank of Tagum. He is also the President of Felcris Hotels and Resort Corporation, and the Vice President of Davao Central Warehouse Club, Inc., Davao Central Convenience Stores, Inc., and Felcris Supermarket, Inc.

Mr. **Rene F. Chanyungco** joined the Company in 1977 as Executive Assistant to the President. He eventually became Asst. Treasurer, then Vice President-Treasurer, until his promotion in 1997 as Senior Vice President-Treasurer. He is a Vice President of LCMC and Kalayaan Copper-Gold Resources, Inc.

Mr. **Patrick K. Yap** is the President of Yapster e-Conglomerate, Inc. He is the Executive Vice President of Zamcore Realty Corporation and Vice President of Alliance Textile Mills, Inc.

Mr. **Douglas John Kirwin** was the Executive Vice President of Ivanhoe Mines from 1995 (when it was known as Indochina Goldfields Ltd) until 2012 during which time several major mineral deposits were discovered, including the giant Hugo Dummett gold-copper porphyry at Oyu Tolgoi in Mongolia. He was the President of the Society of Economic Geology in 2019, where he continues to serve as an honorary lecturer and he is also a lifetime member of the Geological Society of the Philippines. Mr Kirwin is now semi-retired with a part time independent consulting business. He has been a Director of Manila Mining Corporation since 2014; and Lepanto Consolidated Mining Company and of Zeus Holdings, Inc. since 2017.

Atty. **Jose Raulito E. Paras** is a Senior Partner of Andres Padernal and Paras Law Offices. He has been a member of the board of Zeus Holdings, Inc. since June 2016 and DigiPlus Interactive Corp. since 2022.

Mr. **Stephen Y. Yap** was vice president for operations of Tutuban Properties, Inc. from 2002-2017. He is currently vice –president of the Felcris Group of Companies.

Atty. **Pablo Ayson, Jr.** was appointed Vice President in November 2006. He is also a Vice President of LCMC. He has been a member of the board of directors of Zeus Holdings, Inc. since June 2016 and Kalayaan Copper-Gold Resources, Inc. since 2017.

Atty. **Hector M. De Leon, Jr.** was appointed Corporate Secretary in June 2024. He is also the Corporate Secretary of LCMC and of FSGRI. He has been the managing partner of Sycip Salazar Hernandez & Gatmaitan law offices since 2016. He specializes in corporate and commercial law, with a particular focus on equity investments, mergers, and acquisitions (M&A), project development and finance, and complex commercial transactions. In 2019, he received a Distinguished Alumnus Award (Legal Services) from the University of the Philippines Alumni Association. He teaches civil law at the Ateneo Law School and the University of the Philippines College of Law. He also served as a bar examiner in civil law during the 2022 Philippine bar examinations.

Ms. **Ma. Lourdes B. Tuason** is the Vice President and Treasurer of LCMC; Asst. Treasurer of FSGRI, Director and Treasurer of SSI, DDCP and LIDC; Director and Vice President of DMTC. She has been the Treasurer of Zeus Holdings, Inc. since November 2015.

Atty. **Odette A. Javier** has been the Company's Assistant Corporate Secretary since 1993. She is the Vice President-Assistant Corporate Secretary of LCMC. She is a Director of Zeus Holdings, Inc. and LIDC.

Mr. **Knestor Jose Y. Godino** joined the company as Asst. Vice President for Human Resource in January 2013. He has been with LCMC since 2006 where he was promoted to Vice President in 2015.

There is no director who has resigned or declined to stand for re-election since the last annual meeting because of a disagreement with the Company.

Nomination of Independent Directors

Criteria for Independent Directors

In compliance with existing rules, the following are the Criteria for Independent Directors:

1. Not a director or officer or substantial stockholder of the corporation or of its related companies or any of its substantial shareholders (other than as an independent director of any of the foregoing);
2. Not a relative of any director, officer or substantial shareholder of the corporation, any of its related companies or any its substantial shareholders. For this purpose, relative included spouse, parent, child, brother, sister, and the spouse of such child, brother or sister;
3. Not acting as a nominee or representative of a substantial shareholder of the corporation, any of its related companies or any of its substantial shareholders;
4. Not been employed in any executive capacity by that public company, any of its related companies or any of its substantial shareholders within the last five (5) years;
5. Not retained as professional adviser by that public company, any of its related companies or any of its substantial shareholders within the last five (5) years, either personally or through his firm;
6. Not engaged and does not engage in any transaction with the corporation, or with any of its related companies or with any of its substantial shareholders, whether by himself or with other persons or through firm of which he is a partner or a company of which he is a director or substantial shareholder, other than transactions which are conducted at arms- length and are immaterial or insignificant.

The Nomination Committee of the Board of Directors is composed of: Mr. Bryan U. Yap, Chairman; and Mr. Eduardo A. Bangayan and Mr. Rene F. Chanyungco, members. In pre-screening the qualifications of the nominees, the Nomination Committee considered nomination letters for independent directors submitted on or before May 15, 2025 by shareholders of record. With due regard to the qualifications and disqualifications set forth in the Company's Manual for Corporate Governance, the Securities Regulation Code and its Implementing Rules and the criteria prescribed in SRC Rule 38, the Nomination Committee has determined that Mr. Eduardo A. Bangayan and Atty. Jose Raulito E. Paras are qualified to sit in the Board as independent directors.

Executive Officers:

FELIPE U. YAP	-	Chairman of the Board and Chief Executive Officer
BRYAN U. YAP	-	President and Chief Operating Officer
RENE F. CHANYUNGCO	-	Senior Vice President and Treasurer
PATRICK K. YAP	-	Senior Vice President
HECTOR M. DE LEON, JR.	-	Corporate Secretary
STEPHEN Y. YAP	-	Vice President
PABLO AYSON, JR.	-	Vice President
KNESTOR JOSE Y. GODINO	-	Asst. Vice President for Human Resource
MA. LOURDES B. TUASON	-	Asst. Treasurer
ODETTE A. JAVIER	-	Asst. Corporate Secretary

Attendance of Directors for the year 2024 Meetings

Board	Name	Regular, Special and Organizational Meetings	%	2024 Annual Stockholders' Meeting	Committee Meetings
Chairman	Felipe U. Yap	4 / 4	100%	Present	n/a
Member	Bryan U. Yap	4 / 4	100%	Present	Nomination: 1/1
Independent	Eduardo A. Bangayan	4 / 4	100%	Present	Audit: 3/3 Nomination: 1/1
Member	Rene F. Chanyungco	4 / 4	100%	Present	Nomination: 1/1
Member	Clark Lawton S. Yap	4 / 4	100%	Present	Audit: 3/3
Member	Douglas John Kirwin	4 / 4	100%	Present	n/a
Independent	Jose Raulito E. Paras	4 / 4	100%	Present	Audit: 3/3
Member	Stephen Y. Yap	4 / 4	100%	Present	n/a
Member	Patrick K. Yap	4 / 4	100%	Present	n/a

Continuing Education Attended

Name of Director/Officer	Date of Training	Program	Name of Training Institution
Felipe U. Yap	November 5, 2024	2024 Ayala Integrated Corporate Governance, Risk Management, and Sustainability Summit	Institute of Corporate Directors
Bryan U. Yap	December 3, 2024	Topic 1: Economic Briefing Topic 2: Sustainability Reporting Topic 3: Practical Risk Management	Center for Global Best Practices
Eduardo A. Bangayan	December 3, 2024	Topic 1: Economic Briefing Topic 2: Sustainability Reporting Topic 3: Practical Risk Management	Center for Global Best Practices
Rene F. Chanyungco	December 3, 2024	Topic 1: Economic Briefing Topic 2: Sustainability Reporting Topic 3: Practical Risk Management	Center for Global Best Practices
Douglas John Kirwin	December 3, 2024	Topic 1: Economic Briefing Topic 2: Sustainability Reporting Topic 3: Practical Risk Management	Center for Global Best Practices
Jose Raulito E. Paras	December 3, 2024	Topic 1: Economic Briefing Topic 2: Sustainability Reporting Topic 3: Practical Risk Management	Center for Global Best Practices
Stephen Y. Yap	December 3, 2024	Topic 1: Economic Briefing Topic 2: Sustainability Reporting Topic 3: Practical Risk Management	Center for Global Best Practices
Patrick K. Yap	December 3, 2024	Topic 1: Economic Briefing Topic 2: Sustainability Reporting Topic 3: Practical Risk Management	Center for Global Best Practices
Clark Lawton S. Yap	June 4 and 5, 2024	Corporate Governance Orientation Program	Institute of Corporate Directors
Hector M. De Leon, Jr.	December 3, 2024	Topic 1: Economic Briefing Topic 2: Executive Briefing on Business Continuity	Center for Global Best Practices

Odette A. Javier	December 3, 2024	Topic 1: Economic Briefing Title 2: Executive Briefing on Business Continuity	Center for Global Best Practices
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Significant Employees

There are no significant employees expected to contribute significantly to the business other than the executive officers.

Family Relationships

Mr. Bryan U. Yap, Director and President, is the son of the Chairman and Chief Executive Officer, Mr. Felipe U. Yap. Messrs. Clark Lawton S. Yap, Patrick K. Yap and Stephen Y. Yap are nephews of Mr. Felipe U. Yap.

Certain Relationships and Related Party Transactions

Related party relationships exist when one party has the ability to control, directly or indirectly through one or more intermediaries, the other party or exercise significant influence over the other party in making financial and operating decisions. Such relationships also exist between and/or among entities which are under common control with the reporting enterprise, or between and/or among the reporting enterprise and their key management personnel, directors, or its stockholders.

LCMC holds a 16.4% direct and indirect equity interest in the Group. It provides cash advances and pays expenses on behalf of the Group.

DDCP, a wholly owned subsidiary of LCMC, provides various drilling services to the Group.

Shipside, Inc., a wholly owned subsidiary of LCMC, provides hauling services to the Group.

The Parent Company, in the normal course of business, enters into transactions with related parties. The consolidated statements of financial position include the following assets and liabilities resulting from the above transactions with related parties:

Related Party	Relationship	Year	Amounts/ Volume	Outstanding Balance	Terms and Conditions
<i>Contract Deposits (Note 7)</i>					
DDCP	Affiliate under common control	2024 2023	P– P–	P12,649,531 P12,649,531	On demand Noninterest-bearing Refundable in cash Unsecured, no impairment
<hr/>					
Related Party <i>Due from Related Party</i>	Relationship	Year	Amounts/ Volume	Outstanding Balances	Terms and Conditions
LCMC	Stockholder	2024 2023	P– P–	P20,874,865 P20,905,990	On demand Noninterest-bearing To be settled in cash <u>Unsecured, no guarantee</u>

Total compensation of the Group's key management personnel in 2024, 2023 and 2022, which pertains to short-term benefits, amounted to P456,950. Key management of the Group are the executive officers and

directors. There were no post-employment benefits paid for the Group's key management personnel in 2024, 2023 and 2022.

Summary Compensation Table

Board of Directors per diem:	Year 2024	Year 2023	Year 2022
Felipe U. Yap	none	none	none
Bryan U. Yap	none	none	none
Eduardo A. Bangayan	none	none	none
Rene F. Chanyungco	none	none	none
Douglas John Kirwin			
Jose Raulito E. Paras	none	none	none
Clark Lawton S. Yap	none	none	none
Patrick K. Yap	none	none	none
Stephen Y. Yap	none	none	none
Chief Executive and Executive Officers:	2023 Total (All Cash)	Basic Salary	Bonus (13th month)
Felipe U. Yap, Chairman Bryan U. Yap, President Rene F. Chanyungco, Sr. Vice Pres./Treasurer Patrick K. Yap, Sr. Vice Pres. Stephen Y. Yap, Vice Pres.	P456,950	P70,000	P20,150
	2024 Total	Basic Salary	Bonus (13th month)
Felipe U. Yap, Chairman Bryan U. Yap, President Rene F. Chanyungco, Sr. Vice Pres./Treasurer Patrick K. Yap, Sr. Vice Pres. Stephen Y. Yap, Vice Pres.	P456,950	P70,000	P20,150
	2025 Total (Estimate)	Basic Salary	Bonus (13th month)
Felipe U. Yap, Chairman Bryan U. Yap, President Rene F. Chanyungco, Sr. Vice Pres./Treasurer Patrick K. Yap, Sr. Vice Pres. Stephen Y. Yap, Vice Pres.	P456,950	P70,000	P20,150

Compensation of Directors/Committee Members

The members of the Board did not receive any compensation or per diem for the meetings attended in 2022, 2023 and 2024.

Warrants, Options, Compensation Plans, Issuance or Modification of Securities

The Board of Directors approved the grant of the 9th Stock Option Awards ("Grant") to selected directors, officers and employees of the Company and of its affiliates, covering a total 3.6 billion common shares from unissued capital stock. The option is exercisable within 5 years, to the extent of 20% of the Grant every year. The price of the option is P0.01 per share. The Grant was approved by the SEC on March 20, 2024 but the listing application has yet to be approved by the PSE.

Modification or Exchange of Securities

No action is to be taken by the Company with respect to the modification of any class of securities of the Company or the issuance or authorization for issuance of one class of securities of the Company in exchange for outstanding securities of another class.

Independent Public Accountant

In November 2006, Sycip Gorres Velayo & Co. (“SGV”) was designated by the Board as the independent public accountant. There has not been any disagreement between the Company and said accounting firm with regard to any matter relating to accounting principles or practices, financial statement disclosure or auditing scope or procedure. For the 2006 financial statements, SGV’s certifying partner was Mr. J. Carlitos G. Cruz. In compliance with SRC Rule 68(30) (b) (iv), Mr. Jaime F. del Rosario became the certifying partner from 2007 to 2011 and from 2014 to 2017. Ms. Eleanore A. Layug, certifying partner from 2012- 2013, is also the certifying partner for 2018 to 2024.

Representatives of SGV & Co. will be present at the Annual Meeting on June 23, 2025 to respond to queries on issues they can shed light on.

SGV is being recommended for re-appointment as external auditors.

Audit and Audit Related Fees

For the audit of the financial statements for year 2022, SGV & Co. billed the Company the sum of P545,000.00. P570,000.00 was agreed for the audit of the 2023 financial statements and P590,000.00 for the year 2024.

Tax Fees

No other professional services, whether for taxes or otherwise, were rendered by SGV to the Company in the last three years.

Other Fees

No services other than the audit referred to in the foregoing paragraph were rendered by SGV to the Company in the last three years.

Audit Committee’s Approval Policies and Procedures

Prior to commencement of audit services, the external auditors present their Audit Plan to the Audit Committee, indicating the applicable accounting standards, audit objectives, scope, approvals, methodology, needs and expectations and timetable, among others. All the items in the Plan are considered by the Committee, along with industry standards, in approving the services and fees of the external auditors. The Audit Committee is composed of: Mr. Eduardo A. Bangayan, Committee Chairman and an independent director; Atty. Jose Raulito E. Paras, an independent director; and Mr. Clark Lawton S. Yap.

The Committee revised its charter in 2012 to conform to SEC Memorandum Circular No. 4, Series of 2012, and has conducted a self-assessment pursuant to the same circular.

FINANCIAL AND OTHER INFORMATION

Action with Respect to Reports and voting results

At the last Annual Stockholders Meeting held on **June 14, 2024**, the President updated the stockholders of the Company on the activities in 2023. Thereafter, the Chairman opened the floor for clarificatory questions. There were no questions from the stockholders.

The following were the matters discussed and the voting results for each item:

AGENDA ITEM	IN FAVOR		AGAINST		ABSTAIN
	No. of Shares	%	No. of Shares	%	
Approval of the Minutes of the Annual Meeting on July 27, 2023	181,740,382,335	58.34%	0	0	0
Approval of the Annual Report	181,740,382,335	58.34%	0	0	0
Election of Directors	181,740,382,335	58.34%	0	0	0
Appointment of Sycip, Gorres, Velayo and Co., as External Auditor	181,740,382,335	58.34%	0	0	0
Election of Directors	IN FAVOR				
	No. of Shares		%		
FELIPE U. YAP	181,740,382,335		58.34%		
BRYAN U. YAP	181,740,382,335		58.34%		
EDUARDO A. BANGAYAN	181,740,382,335		58.34%		
RENE F. CHANYUNGCO	181,740,382,335		58.34%		
CLARK LAWTON S. YAP	181,740,382,335		58.34%		
DOUGLAS JOHN KIRWIN	181,740,382,335		58.34%		
JOSE RAULITO E. PARAS	181,740,382,335		58.34%		
PATRICK K. YAP	181,740,382,335		58.34%		
STEPHEN Y. YAP	181,740,382,335		58.34%		

The following were the Directors present via remote communication:

1. FELIPE U. YAP
2. BRYAN U. YAP
3. RENE F. CHANYUNGCO
4. DOUGLAS J. KIRWIN
5. CLARK LAWTON S. YAP
6. PATRICK U. YAP
7. STEPHEN Y. YAP
8. EDUARDO A. BANGAYAN (Independent Director)
9. JOSE RAULITO E. PARAS (Independent Director)

The following were the Officers present via remote communication:

1. Atty. Pablo Ayson - VP for Mining Claims
2. Mr. Knestor Godino - VP for Human Resource
3. Ms. Malou Tuason – Asst. Treasurer
4. Atty. Odette Javier - Asst. Corporate Secretary

The following were the Stockholders present via remote communication

1. Marvin Martinez – COL Financial
2. Joana Rose E. Gatdula – COL Financial
3. Antonino R. Bonzon

Stockholders in attendance or represented at the meeting represented 181,740,382,335 shares constituting 58.34% of the outstanding shares of the Company.

Voting Procedures

Items 3, 4 and 6 of the Agenda, i.e., approval of the Minutes of the June 14, 2024 annual meeting; approval of the annual report; and appointment of the external auditor; will require the affirmative vote of a majority of the shares of the Company present or represented and entitled to vote at the Annual Meeting. Likewise, directors shall be elected upon the majority vote of the shares present or represented and entitled to vote at the Annual Meeting. The Voting Procedure is set forth in the Requirements and Procedure for Voting and Participating in the 2024 Annual Stockholders' Meeting attached to the Notice and Agenda as Annex "B".

Incorporated herein are the following:

1. 2025 Plan of Operation;
2. Management's Discussion and Analysis of Financial Condition and Results of Operations for the first quarter of 2025 and the years 2024, 2023 and 2022;
3. Quarterly Market Prices of Securities from 2022, 2023 and 2024, 1st quarter of 2025 and May 26, 2025;
4. Audited Financial Statements for 2024 with Management's Responsibility for Financial Statements.

Appraisals and performance report for the board and the criteria and procedure for assessment

All members of the Board of Directors answer a self-assessment questionnaire every year. The results thereof are validated by the Compliance Officer and reported to the Board of Directors for discussion and approval.

The performance of the individual members of the Board of Directors are assessed according to the functions stated in the Board Charter and in the committee charters.

Pursuant to the requirements of the Securities Regulation Code, the issuer has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this report is true, complete and correct. This report was signed on May 28, 2025 at Makati City, Philippines.

MANILA MINING CORPORATION
(Issuer)

For and in behalf of the Board of Directors:


ODETTE A. JAVIER
Assistant Corporate Secretary

ANNUAL REPORT TO SECURITY HOLDERS

General Nature and Scope of Business

MMC was incorporated in 1949 to engage in the mining and exploration of metals. It is an affiliate of Lepanto Consolidated Mining Company, which, directly and through its wholly-owned subsidiaries, Lepanto Investment and Development Corporation and Shipside, Incorporated, own 19.00% of MMC's outstanding capital.

MMC started mining operations in Placer, Surigao del Norte in 1981. From 1982 to 2001 when it suspended mining operations, MMC produced a total of 761,835 ounces gold and 261,720 ounces silver. During its 4 years of copper operations from 1997-2001, MMC produced a total of 19,810,616 lbs. copper.

MMC has no parent company. It has a 95%-owned subsidiary, the Kalayaan Copper-Gold Resources, Inc. ("KCGRI"), subject of a Farm-In Agreement with Philex Mining Corporation.

Below is the Capital Structure of the Company and its sole Subsidiary:

Company	Date of Incorporation	Authorized Capital Stock	Subscribed Capital	Ownership of the Company
Manila Mining Corporation (MMC)	June 3, 1949	P4.6 Billion	P3.11 Billion	4,131 Stockholders
Kalaya-an Copper-Gold Resources, Inc.	May 31, 2007	P100 Million	P8.125 million	95% owned by MMC; 5% owned by Philex Mining Corporation

Marketability of Products

The Company has no new products or services. As stated above, the Company stopped its mining and milling operations in 2001.

PLAN OF OPERATION/OUTLOOK FOR 2025

In 2024, MMC was issued Exploration Permit No. 00041-XIII (formerly EXPA No. 000252-XIII); and obtained approval of the 4th renewal of the Exploration Period of its MPSA No. 253-2007-XIII. Drilling will resume this year in the areas covered by these permits, located at Placer, Surigao del Norte, funded from advances from shareholders or other capital-raising activities.

The Company does not intend to purchase additional equipment. It may hire additional personnel in connection with the programmed resumption of exploration drilling. The drilling will be performed by a contractor. In the meantime, initiatives towards environmental enhancement/ protection and community relations continue.

Management's Discussion and Analysis of Financial Condition and Results of Operations for the first quarter of 2025 and for the years 2024, 2023 and 2022

As of March 31, 2025

With no operations, revenue was nil, except for a modest interest income. Expenses, consisting of depreciation and administration costs, totaled P1.37 million, compared with P1.89 million in 2024. The decrease was due to lower administration cost. Net loss for the first quarter amounted to P1.369 million compared with P1.886 million last year.

Cash and Cash Equivalents amounted to P1.863 million, 50% lower than the 2024 year-end balance due to continuing environmental protection activities. Inventories decreased by 2.6% from P5.15 million to P5.015 million for the same reason.

Accounts payable and accruals increased by 4.19% from P275.23 million to P286.75 million due to purchases of materials and services for the continuing environmental protection initiatives and facilities maintenance.

2024

A modest interest income of P5,535 was realized compared with P16,059 in 2023.

An Interest expense of P235 k was recognized relative to the actuarial valuation of retirement benefit obligations, almost unchanged vs. 2023. Administration and overhead costs increased to P6.98 million from P 6.67 million in 2023 on account of higher depreciation, from P2.12 million to P2.33 million, relating to project completions. Other charges increased to P10.86 million from P44 k due to increased (VAT) impairment provisions.

Current service cost/pension cost in 2024 increased to P250k from P217 k in 2023 as a result of actuarial valuation. A benefit from deferred income tax of P91k was recognized during the year compared with P121k last year.

Net Loss (after benefit from deferred income tax) for the year amounted to P17.98 million compared with last year's P6.81 million.

Total Comprehensive Loss amounted to P18.72 million compared with P9.15 million in 2023 as a result of changes in fair values of a quoted instrument and a re-measurement gain on retirement benefits obligation.

Total Current Assets decreased by about 4.7% to P72.53 million compared with P P76.13 million in 2023 on account of a 77% decrease in cash and cash equivalents attributable to continuing environmental protection initiatives and improvement of support facilities; in this connection, materials and supplies decreased by 28% amounting to P2.02 million and prepayments increased by 37% amounting to P11.72 million.

Total Non- current Assets increased by 2.1% to P3.63 billion as a result of increase in deferred mine exploration and evaluation costs amounting to P85.50 million; decrease in other assets by 19.7% due to impairment provisions; decrease by 12.1% in Available for Sale Investments to P7.33 million due to lower market price of quoted instrument; and Property Plant and equipment decreased by 1.6% to P196.48 million due to depreciation;

Current liabilities increased by 47% to P275.80 million from P187.36 million due to continuing geological activities and environmental protection and facility improvement.

Remeasurement gain on retirement benefits obligation was realized amounting to P118k compared with remeasurement loss in 2023 of P153k, a movement of P271k.

2023

A minimal interest income of P16,059 was realized compared with P124,006 in 2022.

An Interest expense of P235,540 was recognized relative to the actuarial valuation of retirement benefit obligations, compared with P748,526 in 2022. Administration and overhead costs increased to P 6.67 from P6.61 million in 2022 due to higher depreciation. Depreciation increased from P602,622 to P2,118,914 due to project completions. Other charges decreased to P43,520 from P124,372 due to lower impairment provisions.

Current service cost/pension cost in 2023 was P216,777 compared with P581,540 in 2022 due to payment of accrued retirement benefits in 2022.

Benefit from deferred income tax of P121k was recognized compared with last year's provision for deferred income tax of P3.63 million as a result of the reconciliation of income tax applicable to loss before income tax at the statutory rates. Thus, Net Loss (after benefit from deferred income tax) for the year amounted to P6.81 million compared with last year's P10.992 million (after provision for deferred income tax).

Total Comprehensive Loss amounted to P9.147 million compared with P14.773 million in 2022 as a result of a re-measurement loss on retirement benefits obligation and changes in fair values of a quoted instrument.

Total Current Assets decreased by 27% to P76.13 million compared with P104.34 million in 2022 on account of 72% decrease in cash and cash equivalents attributable to continuing drilling activities and construction of core house and other support facilities; in this connection, materials and supplies increased by 44% amounting to P2.19 million and prepayments by 61% amounting to P11.95 million.

Total non- current assets increased by 116% to P3.56 billion from P3.34 billion as a result of: the decrease in Available for sale investments to P8.346 million due to lower market price of quoted instrument; Increase in Property Plant and equipment by 68% to P199.58 million due to completions of some projects initiated in year 2022; and increase in Other assets by 65% to P40.75 million due to recognition of input VAT on new acquisitions.

Current liabilities increased by 34% to P187.36 million due to deliveries of core house supplies and materials

Retirement benefit obligation increased by 17% to P3.903 million from P3.346 million due to recognition of additional pension liability. Accordingly, Total Non-current liabilities increased by 17% to P52.97 million.

All in connection with the 2022 SRO, the Company's issued and outstanding capital stock increased from P2.960 billion to P3.115 billion; and stockholders' equity, from P3.250 billion to P3.395 billion; Remeasurement loss on retirement benefits obligation increased by 105% to P153k from P74.74k.

2022

A modest interest income of P124,006 was recorded, compared with P5,070 in 2021, on account of the proceeds of the 2022 stock rights offering (SRO). An Interest expense of P748,526 was recognized relative to the actuarial valuation of retirement benefit obligations, compared with P454,758 in 2021. Other charges significantly decreased to P124,372 due to minimal impairment provisions compared with last year's provision of P3,796,172. Administration and overhead costs increased to P6.6 million from P4.2 million due to the SRO expenses and an increase in depreciation from P81,264.65 to P602,622 in connection with the acquisition of various office equipment.

Current service cost/pension cost dropped to P581,540 from P797,897 last year due to payment of accrued retirement benefits.

A provision for deferred income tax of P3.63 million was recognized compared with last year's tax benefit provision of P9.17 million as a result of the reconciliation of income tax applicable to loss before income tax at the statutory rates. Thus, Net Loss (after provision for deferred income tax) for the year amounted to P10.992 Million compared with a net income of P736K in 2021.

Total Comprehensive Loss amounted to P14.77 Million compared with P2.80 Million in 2021 as a result of a re-measurement loss on retirement benefits obligation and changes in fair values of a quoted instrument.

Total Current Assets increased by 92% to P104.34 on account of: increase in Cash and cash equivalents to P58.30 million from P3.02 million due to the SRO proceeds; reclassification of accounts (prepayments) that resulted in an increase in Receivables; decrease in Inventories by 42% to P4.99 million due to ongoing drilling activities.

Total non- current assets increased by 7% to P3.34 billion as a result of: the decrease in Available for sale investments to P10.603 million due to lower market price of a quoted instrument; Increase in Deferred mine exploration and evaluation costs by 6% to P3.18 billion due to ongoing drilling activities; increase in Property Plant

and equipment by 17% to P119.05 million due to acquisition of materials and services to support the ongoing drilling activities; and increase in Other assets by 78% to P24.63 due to recognition of input VAT on new acquisitions.

Current liabilities decreased by 34% to P139.37 from P212.37 due to settlement of accounts out of the SRO proceeds.

Deferred income tax liabilities increased by 7% to P49.212 million due to an increase in deferred tax assets. Retirement benefit obligation decreased by 79% to P3.346 from due to payments. Accordingly, Total Non-current liabilities decreased by 15% to P52.56 million.

All in connection with the recent SRO, the Company's authorized capital stock increased from P2.60 billion to P4.60 billion; issued and outstanding capital increased by 14% to P2.96 billion; Subscriptions receivable increased from PP365k to P154.72 million; and stockholders' equity, from P2.909 billion to P3.250 billion.

Key performance indicators, contingent obligations and known trends

There were no material off-balance sheet transactions, arrangements or obligations, including contingent obligations with unconsolidated entities of other persons created during the period.

Since the company has no mining operations and revenues, there are no key performance indicators applicable.

Securities and Shareholders

As of April 30, 2025, the company had 4,120 shareholders. There were approximately 3,937 and 183 holders of common "A" and common "B" shares, respectively.

The company's securities are listed with the Philippine Stock Exchange. Following are the quarterly average prices of these securities for the last two years.

Manila Mining "A"

	1Q23	2Q23	3Q23	4Q23	1Q24	2Q24	3Q24	4Q24	1Q25	May 26, 2025
Low	0.0089	0.0086	0.0049	0.0043	0.0045	0.0041	0.0034	0.0030	0.0075	0.0052
High	0.0092	0.0086	0.0050	0.0046	0.0047	0.0042	0.0035	0.0030	0.0085	0.0055

Manila Mining "B"

	1Q23	2Q23	3Q23	4Q23	1Q24	2Q24	3Q24	4Q24	1Q25	May 26, 2025
Low	0.0088	0.0086	0.0052	0.0042	0.0043	0.0044	0.0034	0.0030	0.0076	0.0052
High	0.0089	0.0086	0.0054	0.0044	0.0043	0.0044	0.0035	0.0030	0.0084	0.0052

Top 20 “A” and “B” Stockholders of the Company (as of May 15, 2025)

	Name	“A” Shares	%
1	F. Yap Securities, Inc.	26,821,335,176	14.37
2	F. Yap Securities, Inc.	2,954,405,991	1.58
3	Bryan Yap	1,945,977,139	1.04
4	Christine Yap	1,861,557,111	1.00
5	Patrick Resources Corporation	1,301,152,163	0.81
6	Paul Yap Jr.	1,113,677,703	0.70
7	Christine Karen Yap	886,334,939	0.47
9	Coronet Property Holdings Corp.	833,093,546	0.45
10	Ventura Resources Corporation	718,565,954	0.39
11	Zamcore Resources Corporation	707,395,421	0.38
12	Lindsay Resources Corporation	651,542,763	0.35
13	Paul Yap Jr.	580,769,812	0.31
14	Paul Yap Jr.	532,907,891	0.29
15	A/C B. Y. FYSI	524,193,274	0.28
16	Arlene K. Yap	457,065,671	0.24
17	David Go Securities Corp.	436,519,534	0.23
18	A/C-CKY FYSI	420,690,037	0.23

	<u>Name</u>	<u>“B” Shares</u>	<u>%</u>
1	F. Yap Securities, Inc.	18,982,809,109	15.27
2	F. Yap Securities, Inc.	12,477,721,842	10.04
3	F. Yap Securities	9,325,685,411	7.50
4	F. Yap Securities	1,665,206,615	1.34
5	Bryan Yap	1,124,317,007	0.90
6	Cresencio Yap	950,612,016	0.76
7	Coronet Property Holdings Corp.	851,662,573	0.68
8	David Go Securities Corp.	586,065,344	0.47
9	Cresencio Yap	504,155,049	0.41
10	Christine Karen Yap	492,917,544	0.40
11	Christine Yap	461,919,918	0.37
12	Paul Yap Jr.	226,723,229	0.18
13	Paul Yap Jr.	208,038,698	0.17
14	The First Resources Management	150,000,000	0.12
15	Arlene K. Yap	90,152,434	0.07
16	Horacio Rodriguez	70,455,575	0.06
17	PL Lim Investments, Inc.	57,000,000	0.05
18	Felipe Yap	56,706,107	0.05
19	Felipe Yap	49,401,596	0.04
20	Eduardo Bangayan	27,669,589	0.02

Recent Sales of Unregistered or Exempt Securities

The Company sold shares pursuant to a 1:5 preemptive rights offer in May 2022, totaling 31,159,217,274 “A” and 20,758,140,466 “B” common shares at P0.01 per share, valued at P519.17 million.

Dividends Policy

Dividends may be declared out of the unrestricted retained earnings of the Company, which may be in the form of cash or stock to all stockholders on the basis of outstanding shares held by them as of the record date fixed by the Company in accordance with existing laws and rules. Any cash dividends due on delinquent stock shall first be applied to the unpaid balance on the subscription plus costs and expenses, while stock dividends shall be withheld from the delinquent stockholder until his unpaid subscription is fully paid: Provided, That no stock dividends shall be issued without the approval of stockholders representing not less than two-thirds (2/3) of the outstanding capital stock at a regular or special meeting duly called for the purpose. (Section 43, Corporation Code).

No dividends were declared in the last twenty years as the Company has had no mining operations/revenues.

Compliance with Leading Practices on Corporate Governance

MMC has revised its Corporate Governance Manual to comply with SEC regulations and institutionalize the principles of good governance in the entire organization. Pursuant to the said Revised Manual, the Company's Board of Directors have constituted the following committees: Audit Committee; Compensation and Remuneration Committee and the Nomination Committee. The Board of Directors is composed of highly qualified and competent individuals. The performance and qualifications of nominees are reviewed by the Nomination Committee. All directors and senior officers have attended seminars on corporate governance. Through regular board and committee meetings and internal audit, compliance with the principles of good governance are monitored.

The performance of managers is also reviewed periodically and senior officers report to the Board of Directors. Regular meetings are held in the head office and in the mine to keep concerned officers apprised of any developments concerning exploration work, finances, safety programs, community relations and environmental programs, and good governance, legal and human resource matters as well as of the company's compliance with pertinent regulations.

No deviation from the Company's Manual on Corporate Governance has been noted by the Company.

The Company undertakes to send a copy of its Annual Report on Form 17-A free of charge to any stockholder who makes a written request for it. The request should be addressed to the Corporate Secretary, 21st Floor, Lepanto Building, Paseo de Roxas, Makati City, Philippines.

PERFORMANCE EVALUATION FORM

For Members of the Board of Directors

MANILA MINING CORPORATION

for the year 2024

For each of the following statements, please rate the Board's performance by checking a number between 1 and 5, with 1 indicating that you strongly disagree, and 5 indicating that you strongly agree, with the statement. Check 0 if the point is not applicable or you do not have enough knowledge or information to rank the Corporation's board on a particular statement.

	AVERAGE SCORE
Composition and Quality	
The board demonstrates integrity, credibility, trustworthiness, active participation, an ability to handle conflict constructively, strong interpersonal skills, and the willingness to address issues proactively.	4.6
The board demonstrates appropriate industry knowledge and includes a diversity of experiences and backgrounds.	4.6
The independent directors meet all applicable independence requirements.	4.8
The board participates in a continuing education program to enhance its members' understanding of relevant risk, reporting, regulatory, and industry issues.	4.6
The board monitors compliance with corporate governance regulations and guidelines.	4.6
Understanding the business, including Risks	
The board takes into account significant risks that may directly or indirectly affect the Corporation. Examples include: <ul style="list-style-type: none"> • Regulatory and legal requirements • Financing and liquidity needs • Financial exposures • Business continuity • Reputation • Strategy execution • Management's capabilities • Fraud control 	4.6
The board considers, understands, and approves the process implemented by management to effectively identify, assess, and respond to the organization's key risks.	4.6
The Board adequately monitors financial indicators to determine if the Company performs as projected.	4.8

	AVERAGE SCORE
Process and Procedures	
The board meets regularly.	4.6
The board chairman encourages inputs on meeting agenda from board members and management.	4.6
The agenda and related information are circulated in advance of meetings to allow board members sufficient time to study and understand the information.	4.8
Written materials provided to board members are relevant and concise.	4.6
The board respects the line between oversight and management.	4.6
Minutes of meetings are accurate.	4.8
Board members come to meetings well prepared.	4.6
Disclosures are discussed at the Board level.	4.6
Directors have sufficient access to officers outside Board meetings.	4.6
There is adequate opportunity for informal discussions among the Board members to foster good working relationships among the members.	4.6
Ethics and Compliance	
Board members oversee the process and are notified of communications received from governmental or regulatory agencies related to alleged violations or areas of non-compliance.	4.6
The board determines that there is a senior-level person designated to understand relevant legal and regulatory requirements.	4.6
The Board place the best interests of the Company above those of any individual Directors.	4.6
Oversight of the Financial Reporting Process, including Internal Controls	
The Board monitors and approves the Company's financial statements and ensures that financial statements filed with regulatory authorities are and present a fair and true picture of the company's financial standing.	4.8
The board reviews the Corporation's significant accounting policies.	4.8
The board ensures that management takes action to achieve resolution when there are repeat comments or directives from regulators.	4.8

	AVERAGE SCORE
Oversight of Audit Functions	
The board, through the Audit Committee, understands the coordination of work between the independent and internal auditors and clearly articulates its expectations of each.	4.8
The board, through the Audit Committee, appropriately considers internal audit reports, management's responses, and steps toward improvement.	4.8
The board oversees the role of the independent auditor from selection to termination and has an effective process to evaluate the independent auditor's qualifications and performance.	4.8
The board, through the Audit Committee, considers the independent audit plan and provides recommendations.	4.8
The board, through the Audit Committee, reviews the audit fees paid to the independent auditor.	4.8
The board is consulted when management is seeking a second opinion on an accounting or auditing matter.	4.6

CERTIFICATION OF INDEPENDENT DIRECTOR

I, EDUARDO A. BANGAYAN, Filipino, of legal age and a resident of Davao City, after having been duly sworn in accordance with the law do hereby declare that

1. I am a nominee for Independent Director of Manila Mining Corporation and have been an independent director since April 21, 2003.
2. I am affiliated with the following companies or organizations (including Government-Owned and Controlled Corporations):

Company/Organization	Position/Relationship	Period of Service
Davao City Water District	Director	32 years
Summit World Group of Co.	Director	27 years
Summit World Ventures, Inc.	Chairman	22 years
Fuji Oil Philippines	Director	9 years
First Tagum Rural Bank, Inc.	Independent Director	9 years
Philippine National Red Cross	Member, Board of Governors	8 years
Chelsea Logistics Corporation	Director	7 years
Silliman University	Member, Board of Trustees	2 years

3. I possess all the qualifications and none of the disqualifications to serve as an Independent Director of Manila Mining Corporation, as provided for in Section 38 of the Securities Regulation Code and its Implementing Rules and Regulations and other SEC issuances.
4. I am related to the following direct/officer/substantial shareholders of (covered company and its subsidiaries and affiliates) other than the relationship provided under Rule 38.2.3 of the Securities Regulation Code.

Name of Director/Officer/ Substantial Shareholder	Company	Nature of Relationship
N/A		

5. To the best of my knowledge, I am not the subject of any pending criminal or administrative investigation or proceeding/ I disclose that I am the subject of the following criminal/administrative investigation or proceeding (as the case may be):

Offense Charged/ Investigated	Tribunal or Agency Involved	Status
N/A		

6. I have the required written permission or consent from the Davao City Water District to be an independent director in Manila Mining Corporation, pursuant to Office of the President Memorandum Circular No. 17 and Section 12, Rule XVIII of the Revised Civil Service Rules.
7. I shall faithfully and diligently comply with my duties and responsibilities as independent director under the Securities Regulation Code and its Implementing Rules and Regulations, Code of Corporate Governance and Other SEC issuances.
8. I shall inform the Corporate Secretary of Manila Mining Corporation of any changes in the abovementioned information within five days from its occurrence.

Done, this 26th day of May 2025 at Makati City.


EDUARDO A. BANGAYAN
Affiant

MAKATI CITY

MAY 28 2025

SUBSCRIBED AND SWORN to before me this _____ day of May 2025 at Makati City, affiant personally appeared before me and exhibited to me his Driver's License No. _____ expires on _____.

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Book No. XX
Series of 2025.


ATTY. GERVASIO B. ORTIZ JR.
Notary Public City of Makati
Until December 31, 2026
IBP No. 656155 Lifetime Member
MCLE Compliance No. VII-0022734
Appointment No. M-007(2025-2026)
PTR No. 0466005 Jan. 2, 2025
Makati City Roll No. 40091
101 Urban Ave. Campos Rueda Bldg.
Brgy Pio Del Pilar, Makati City

**LOCAL WATER UTILITIES ADMINISTRATION**

P.O. Box 34, U.P. Post Office, Kalipunan Avenue, Balara, Quezon City

Tel. No. 8920-5581 to 89, 8920-5601 Fax No.: (632) 8922-34-34

Office of the Administrator: (02) 8929-61-07

LWUA Website: www.lwua.gov.ph

CERTIFICATION

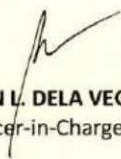
To whom it may concern:

This is to certify that **DIRECTOR EDUARDO A. BANGAYAN** is a member of the Board of Directors of the Davao City Water District representing the business sector.

This is to further certify that the various business engagements of Director Bangayan do not necessarily hamper his functions as a board member because his function as such is limited to policy making only; to establish policy and he does not engage in the detailed management of the *District (Section 18 of PD 198, as amended)*. He performs the functions as policy maker during board meetings only.

This certification is issued for whatever legal purpose this may serve.

Quezon City, Philippines, January 16, 2023.



EILEEN L. DELA VEGA
Officer-in-Charge

CERTIFICATION OF INDEPENDENT DIRECTOR

I, **JOSE RAULITO E. PARAS**, Filipino, of legal age and a resident of 1300 Batangas St., San Isidro, Makati City, after having been duly sworn in accordance with the law do hereby declare that:

1. I am a nominee for Independent Director of Manila Mining Corporation;
2. I am affiliated with the following companies or organizations (including Government-Owned and Controlled Corporations):

Company/Organization	Position/Relationship	Period of Service
Zeus Holdings, Inc.	Director	9 years
DigiPlus Interactive Corp.	Director	3 years

3. I possess all the qualifications and none of the disqualifications to serve as an Independent Director of Manila Mining Corporation, as provided for in Section 38 of the Securities Regulation Code and its Implementing Rules and Regulations and other SEC issuances.
4. I am related to the following direct/officer/substantial shareholders of (covered company and its subsidiaries and affiliates) other than the relationship provided under Rule 38.2.3 of the Securities Regulation Code.

Name of Director/Officer/ Substantial Shareholder	Company	Nature of Relationship
N/A		

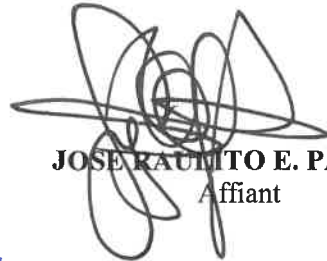
5. To the best of my knowledge, I am not the subject of any pending criminal or administrative investigation or proceeding/ I disclose that I am the subject of the following criminal/administrative investigation or proceeding (as the case may be):

Offense Charged/ Investigated	Tribunal or Agency Involved	Status
N/A		

6. (For those in government service/affiliated with a government agency or GOCC) I have the required written permission or consent from the N/A to be an independent director in N/A, pursuant to Office of the President Memorandum Circular No. 17 and Section 12, Rule XVIII of the Revised Civil Service Rules.

7. I shall faithfully and diligently comply with my duties and responsibilities as independent director under the Securities Regulation Code and its Implementing Rules and Regulations, Code of Corporate Governance and Other SEC issuances.
8. I shall inform the Corporate Secretary of Manila Mining Corporation of any changes in the abovementioned information within five days from its occurrence.

Done, this 28th day of May 2025 at Makati City.



JOSE RAUNITO E. PARAS
Affiant

SUBSCRIBED AND SWORN to before me this 28th day of May 2025 at Makati City, affiant personally appeared before me and exhibited to me his LTO License No. X01-98-039731 valid until 11 July 2023.

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Page No. 42 :
Book No. I :
Series of 2025.



ATTY. STEPHANIE ELISHA C. ABU
COMMISSION NO. M-061
NOTARY PUBLIC FOR MAKATI CITY
UNTIL 31 DECEMBER 2026
UNIT 8A 8/F SAGITTARIUS OFFICE CONDOMINIUM
111 H.V DELA COSTA STREET, SALCEDO VILLAGE
BRGY. BEL-AIR 1209 MAKATI CITY
Roll No. 90504
IBP No. 502720/01-08-2025/Batangas
PTR No. 10473472/01-08-2025/Makati City



Manila Mining Corporation

20th Floor, Lepanto Bldg., 8747 Paseo de Roxas
Makati City, Philippines 1226
P.O. Box 1460, MCPO, 1226, Makati City
Telephone: +63(2) 815-9447
Fax: +63(2) 894-6265

SECURITIES AND EXCHANGE COMMISSION
Secretariat Building, PICC Complex
Roxas Boulevard, Metro Manila

STATEMENT OF MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS

The management of **Manila Mining Corporation** is responsible for the preparation and fair presentation of the financial statements including the schedules attached therein, for the years ended **December 31, 2024 and 2023**, in accordance with the prescribed financial reporting framework indicated therein, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

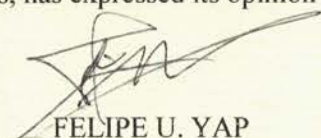
In preparing the financial statements, management is responsible for assessing the Company's ability to continue as going concern, disclosing, as applicable matters related to going concern and using the going concern basis of accounting unless management either intends to liquidated the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is responsible for overseeing the Company's financial reporting process.

The Board of Directors reviews and approves the financial statements including the schedules attached therein, and submits the same to the stockholders.

SyCip Gorres Velayo & Co., the independent auditor appointed by the stockholders, has audited financial statements of the Company in accordance with Philippine Standards on Auditing, and in its report to the stockholders, has expressed its opinion on the fairness of presentation upon completion of such audit.

Signature:




FELIPE U. YAP
Chairman of the Board
SSS#06-0091101-0

Signature:



BRYAN U. YAP
President
SSS#33-3067339-5

Signature:



RENE F. CHANYUNGCO
Senior Vice President-Treasurer
SSS#03-4793502-9

Signed this April 29, 2025.

MAKATI CITY

SUBSCRIBED AND SWORN TO before me this **APR 30 2025** day of April 2025 at Makati City, affiant exhibiting to me their SSS ID nos.

FELIPE U. YAP	-	06-0091101-0
BRYAN U. YAP	-	33-3067339-5
RENE F. CHANYUNGO	-	03-4793502-9

Doc. No. 385
Page No. 81
Book No. 1211
Series of 2025.

ATTY. GERVASIO B. ORTIZ JR.
Notary Public, City of Makati
Until December 31, 2026
IBF No. 656155 Lifetime Member
MCLE Compliance No. VII-0022734
Appointment No. M-007(2025-2026)
PTR No. 0466005 Jan. 2, 2025
Makati City Roll No. 40091
101 Urban Ave. Campos Rueda Bldg
Brgy Pio Del Pilar, Makati City

COVER SHEET

for
AUDITED FINANCIAL STATEMENTS

SEC Registration Number

4	4	2	9						
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COMPANY NAME

M	A	N	I	L	A		M	I	N	I	N	G		C	O	R	P	O	R	A	T	I	O	N		A	N	D	
S	U	B	S	I	D	I	A	R	Y																				

PRINCIPAL OFFICE (No. / Street / Barangay / City / Town / Province)

2	0	t	h		F	l	o	o	r	,		L	e	p	a	n	t	o		B	u	i	l	d	i	n	g	,	
8	7	4	7		P	a	s	e	o		d	e		R	o	x	a	s	,		M	a	k	a	t	i		C	i
t	y																												

Form Type

1	7	-	A
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Department requiring the report

C	R	M	
---	---	---	--

Secondary License Type, If Applicable

N	/	A	
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COMPANY INFORMATION

Company's Email Address

inquiry@manilamining.com

Company's Telephone Number

(632) 8815-9447

Mobile Number

N/A

No. of Stockholders

4,127

Annual Meeting (Month / Day)

12/20

Fiscal Year (Month / Day)

12/31

CONTACT PERSON INFORMATION

The designated contact person MUST be an Officer of the Corporation

Name of Contact Person

Rene F. Chanyungco

Email Address

rfc@lepantomining.com

Telephone Number/s

(632) 8815-9447

Mobile Number

0917-5775374

CONTACT PERSON'S ADDRESS

20th Floor, Lepanto Building, Paseo de Roxas, Makati City

NOTE 1: In case of death, resignation or cessation of office of the officer designated as contact person, such incident shall be reported to the Commission within thirty (30) calendar days from the occurrence thereof with information and complete contact details of the new contact person designated.

2: All Boxes must be properly and completely filled-up. Failure to do so shall cause the delay in updating the corporation's records with the Commission and/or non-receipt of Notice of Deficiencies. Further, non-receipt of Notice of Deficiencies shall not excuse the corporation from liability for its deficiencies.



INDEPENDENT AUDITOR'S REPORT

The Board of Directors and Stockholders
Manila Mining Corporation
20th Floor, Lepanto Building
8747 Paseo de Roxas, Makati City

Opinion

We have audited the consolidated financial statements of Manila Mining Corporation and Subsidiary (the "Group"), which comprise the consolidated statements of financial position as at December 31, 2024 and 2023, and the consolidated statements of comprehensive income, consolidated statements of changes in equity and consolidated statements of cash flows for each of the three years in the period ended December 31, 2024, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at December 31, 2024 and 2023, and its consolidated financial performance and its consolidated cash flows for each of the three years in the period ended December 31, 2024 in accordance with Philippine Financial Reporting Standards (PFRS) Accounting Standards.

Basis for Opinion

We conducted our audits in accordance with Philippine Standards on Auditing (PSAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the Code of Ethics for Professional Accountants in the Philippines (Code of Ethics) together with the ethical requirements that are relevant to our audit of the consolidated financial statements in the Philippines, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For the matter below, our description of how our audit addressed the matter is provided in that context.



We have fulfilled the responsibilities described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of our audit procedures, including the procedures performed to address the matter below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

Recoverability of Deferred Mine Exploration and Evaluation Costs

The carrying value of the Group's deferred mine exploration and evaluation costs as at December 31, 2024 amounted to ₦3,396 million, which is 93% of the Group's consolidated total assets. Under PFRS 6, *Exploration for and Evaluation of Mineral Resources*, these mine exploration costs shall be assessed for impairment when facts and circumstances suggest that the carrying amount exceeds the recoverable amount. The ability of the Group to recover its deferred mine exploration and evaluation costs depends on the discovery of commercially viable quantities of mineral resources and the successful development and extraction of resulting ore reserves. We considered this as a key audit matter because of the materiality of the amount involved, and the impairment assessment requires significant judgment and involves estimation and assumptions about future production levels and costs, as well as external inputs such as commodity prices, discount rate, and foreign currency exchange rate.

The Group's related disclosures are presented in Notes 1 and 10 to the consolidated financial statements.

Audit Response

We obtained management's assessment on whether there are impairment indicators affecting the recoverability of the deferred mine exploration and evaluation costs. We reviewed the summary of the status of each exploration project as of December 31, 2024, as certified by the Group's technical group head, and compared it with the disclosures submitted to regulatory agencies. We reviewed contracts and agreements, and budget for exploration and development costs. We inspected the licenses, permits and correspondences with regulatory agencies of each exploration project to determine that the period, for which the Group has the right to explore in the specific area, has not expired, will not expire in the near future and have been renewed accordingly. We also inquired about the existing mining areas that are expected to be abandoned or any exploration activities that are planned to be discontinued in those areas.

We involved our internal specialists in evaluating the methodology and the assumptions used in determining the value-in-use. These assumptions include future production levels and costs, as well as external inputs such as commodity prices, discount rate and foreign currency exchange rate. We compared the key assumptions used against external data such as analysts' reports and industry benchmarks. We tested the parameters used in the determination of the discount rate against market data and forecasted foreign currency exchange rates of various financial institutions. We have also reviewed the Group's disclosures, including those that have the most significant effect on the determination of the recoverable amount of mine exploration costs.



Going Concern Assessment

As discussed in Note 1, the Group is currently under exploration stage and is highly dependent on the result of continuous exploration drilling in assessing whether to ultimately develop the mine and start mining operations. Given the status of its current operations, the Group has incurred net loss of ₱18.0 million, ₱6.8 million, ₱11.0 million in 2024, 2023, and 2022 respectively, resulting in deficit of ₱1,238.7 million and ₱1,220.7 million as of December 31, 2024 and 2023, respectively. As of December 31, 2024 and 2023, the Group's current liabilities exceeded its current assets by ₱203.3 million and ₱111.2 million, respectively.

The consolidated financial statements have been prepared on a going concern basis. The availability of sufficient funding and management's assessment of whether the Group will be able to continue meeting its currently maturing obligations are largely based on the expectations of, and the estimates made by management. The expectations and estimates can be influenced by subjective elements such as estimated future cash flows that are subject to higher level of estimation, and the feasibility of the Group's financing activities. As the going concern assessment is a significant aspect of our audit, we have identified this as a key audit matter.

The Group's disclosures on the going concern assessment are included in Notes 1 and 3 to the consolidated financial statements.

Audit Response

We obtained an understanding of management's going concern assessment, taking into consideration the Group's current business plans on its mining project, its forecasted operating costs and planned financing activities. We inquired the status of the exploration of the mine project with the internal geologist and mining engineer, and inspected and traced the projected exploration and development costs to the submitted planned exploration program of the Group. We traced the projected operating costs to historical data. For its planned financing activities, we obtained the signed letter of continued financial support from its stockholder. We reviewed events that transpired up to date of our report which may have an impact on the Group's financing and exploration activities. We also assessed the adequacy of the related disclosures in the notes to the consolidated financial statements.

Other Information

Management is responsible for the other information. The other information comprises the information included in the SEC Form 20-IS (Definitive Information Statement), SEC Form 17-A and Annual Report for the year ended December 31, 2024, but does not include the consolidated financial statements and our auditor's report thereon. The SEC Form 20-IS (Definitive Information Statement), SEC Form 17-A and Annual Report for the year ended December 31, 2024 are expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.



In connection with our audits of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audits, or otherwise appears to be materially misstated.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with PFRS Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with PSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with PSAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.



- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion

We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.



The engagement partner on the audit resulting in this independent auditor's report is Eleanore A. Layug.

SYCIP GORRES VELAYO & CO.

Eleanore A. Layug
Eleanore A. Layug

Partner

CPA Certificate No. 0100794

Tax Identification No. 163-069-453

BOA/PRC Reg. No. 0001, April 16, 2024, valid until August 23, 2026

BIR Accreditation No. 08-001998-097-2023, September 12, 2023, valid until September 11, 2026

PTR No. 10465317, January 2, 2025, Makati City

April 29, 2025



MANILA MINING CORPORATION AND SUBSIDIARY
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	December 31	
	2024	2023
ASSETS		
Current Assets		
Cash (Note 4)	₱3,738,671	₱16,537,336
Receivables - net (Note 5)	20,488,820	20,985,879
Inventories (Note 6)	5,148,614	7,171,509
Prepayments and other current assets (Note 7)	43,151,958	31,434,601
Total Current Assets	72,528,063	76,129,325
Noncurrent Assets		
Financial assets designated at fair value through other comprehensive income (FVOCI; Note 8)	7,333,851	8,345,854
Property and equipment - net (Note 9)	196,482,913	199,578,410
Deferred mine exploration and evaluation costs (Note 10)	3,396,261,275	3,310,769,548
Other noncurrent assets (Note 11)	32,710,540	40,746,525
Total Noncurrent Assets	3,632,788,579	3,559,440,337
TOTAL ASSETS	₱3,705,316,642	₱3,635,569,662
LIABILITIES AND EQUITY		
Current Liability		
Accounts payable and accrued expenses (Note 12)	₱275,799,527	₱187,359,374
Noncurrent Liabilities		
Retirement benefits obligation (Note 16)	3,926,030	3,902,814
Deferred tax liability - net (Note 17)	49,064,692	49,065,115
Total Noncurrent Liabilities	52,990,722	52,967,929
Total Liabilities	328,790,249	240,327,303
Equity Attributable to Equity Holders of the Parent Company		
Capital stock (Note 18)	3,114,675,832	3,114,675,832
Equity reserve (Note 18)	954,621,275	954,621,275
Additional paid-in capital	608,234,879	608,234,879
Re-measurement loss on retirement benefits obligation (Note 16)	117,953	(153,308)
Fair value reserve of financial assets designated at FVOCI (Note 8)	(62,603,413)	(61,591,410)
Deficit	(1,238,674,120)	(1,220,703,149)
	3,376,372,406	3,395,084,119
Non-controlling interest (Note 18)	153,987	158,240
Total Equity	3,376,526,393	3,395,242,359
TOTAL LIABILITIES AND EQUITY	₱3,705,316,642	₱3,635,569,662

See accompanying Notes to Consolidated Financial Statements.



MANILA MINING CORPORATION AND SUBSIDIARY
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	Years Ended December 31		
	2024	2023	2022
ADMINISTRATION AND OVERHEAD COSTS (Note 14)	(P6,981,241)	(P6,668,540)	(P6,614,466)
OTHER INCOME (CHARGES) - net			
Interest expense (Note 16)	(235,340)	(235,540)	(748,526)
Interest income (Notes 4 and 11)	5,535	16,059	124,006
Other charges - net (Note 15)	(10,855,022)	(43,520)	(124,372)
	(11,084,827)	(263,001)	(748,892)
LOSS BEFORE INCOME TAX	(18,066,068)	(6,931,541)	(7,363,358)
BENEFIT FROM (PROVISION FOR) DEFERRED INCOME TAX (Note 17)	90,844	120,991	(3,628,310)
NET LOSS	(17,975,224)	(6,810,550)	(10,991,668)
OTHER COMPREHENSIVE INCOME (LOSS)			
<i>Items that will not be reclassified to OCI:</i>			
Changes in fair values of financial assets designated at FVOCI (Note 8)	(1,012,003)	(2,257,545)	(2,413,237)
Re-measurement gain (loss) on retirement benefits obligation (Note 16)	361,682	(104,756)	(1,825,087)
Income tax effect	(90,421)	26,189	456,272
	(740,742)	(2,336,112)	(3,782,052)
TOTAL COMPREHENSIVE LOSS	(P18,715,966)	(P9,146,662)	(P14,773,720)
Net loss attributable to:			
Equity holders of the Parent Company	(P17,970,971)	(P6,806,816)	(P10,982,857)
Non-controlling interest (Note 18)	(4,253)	(3,734)	(8,811)
	(P17,975,224)	(P6,810,550)	(P10,991,668)
Total comprehensive loss attributable to:			
Equity holders of the Parent Company	(P18,711,713)	(P9,142,928)	(P14,764,909)
Non-controlling interest (Note 18)	(4,253)	(3,734)	(8,811)
	(P18,715,966)	(P9,146,662)	(P14,773,720)
LOSS PER SHARE (Note 19)			
Basic/Diluted loss per share	(P0.00006)	(P0.00002)	(P0.00004)

See accompanying Notes to Consolidated Financial Statements.



MANILA MINING CORPORATION AND SUBSIDIARY

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

FOR THE YEARS ENDED DECEMBER 31, 2024, 2023 AND 2022

Attributable to Equity Holders of the Parent Company

	Capital stock (Note 18)				Equity reserve (Note 18)	Additional paid-in capital	Re-measurement gain (loss) on retirement obligation (Note 16)	Fair value reserve of financial assets designated at FVOCI (Note 8)	Deficit	Sub-total	Non-controlling Interest (Note 18)	Total
	Issued	Subscribed	Subscription receivable	Total								
Balances at January 1, 2022	P2,590,560,436	P5,307,451	(P365,632)	P2,595,502,255	P954,621,275	P617,625,955	P1,294,074	(P56,920,628)	(P1,202,913,476)	P2,909,209,455	P170,785	P2,909,380,240
Net loss	—	—	—	—	—	—	—	—	(10,982,857)	(10,982,857)	(8,811)	(10,991,668)
Other comprehensive loss, net of tax	—	—	—	—	—	—	(1,368,815)	(2,413,237)	—	(3,782,052)	—	(3,782,052)
Total comprehensive loss	—	—	—	—	—	—	(1,368,815)	(2,413,237)	(10,982,857)	(14,764,909)	(8,811)	(14,773,720)
Issuance and subscription of shares	86,284,487	432,889,091	(154,355,954)	364,817,624	—	(9,191,736)	—	—	—	355,625,888	—	355,625,888
Balances at December 31, 2022	P2,676,844,923	P438,196,542	(P154,721,586)	P2,960,319,879	P954,621,275	P608,434,219	(P74,741)	(P59,333,865)	(P1,213,896,333)	P3,250,070,434	P161,974	P3,250,232,408
Net loss	P—	P—	P—	P—	P—	P—	P—	P—	(6,806,816)	(6,806,816)	(3,734)	(6,810,550)
Other comprehensive loss, net of tax	—	—	—	—	—	—	(78,567)	(2,257,545)	—	(2,336,112)	—	(2,336,112)
Total comprehensive loss	—	—	—	—	—	—	(78,567)	(2,257,545)	(6,806,816)	(9,142,928)	(3,734)	(9,146,662)
Issuance and subscription of shares	432,889,090	(432,889,091)	154,355,954	154,355,953	—	(199,340)	—	—	—	154,156,613	—	154,156,613
Balances at December 31, 2023	P3,109,734,013	P5,307,451	(P365,632)	P3,114,675,832	P954,621,275	P608,234,879	(P153,308)	(P61,591,410)	(P1,220,703,149)	P3,395,084,119	P158,240	P3,395,242,359
Net loss	P—	P—	P—	P—	P—	P—	P—	P—	(P17,970,971)	(P17,970,971)	(P4,253)	(P17,975,224)
Other comprehensive income (loss), net of tax	—	—	—	—	—	—	271,261	(1,012,003)	—	(740,742)	—	(740,742)
Total comprehensive income (loss)	—	—	—	—	—	—	271,261	(1,012,003)	(17,970,971)	(18,711,713)	(4,253)	(18,715,966)
Balances at December 31, 2024	P3,109,734,013	P5,307,451	(P365,632)	P3,114,675,832	P954,621,275	P608,234,879	P117,953	(P62,603,413)	(P1,238,674,120)	P3,376,372,406	P153,987	P3,376,526,393

See accompanying Notes to Consolidated Financial Statements.



MANILA MINING CORPORATION AND SUBSIDIARY
CONSOLIDATED STATEMENTS OF CASH FLOWS

	Years Ended December 31		
	2024	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES			
Loss before income tax	(P18,066,068)	(P6,931,541)	(P7,363,358)
Adjustments for:			
Depreciation (Notes 9 and 14)	2,326,905	2,118,914	602,621
Net changes in retirement benefits obligation	384,898	452,317	(14,542,142)
Unrealized foreign exchange loss (gain)	(15,439)	2,335	(29,321)
Interest income (Notes 4 and 11)	(5,535)	(16,059)	(124,006)
Operating loss before working capital changes	(15,375,239)	(4,374,034)	(21,456,206)
Decrease (increase) in:			
Receivables	497,059	591,854	(21,562,944)
Inventories	2,022,895	(2,185,461)	3,681,821
Prepayments and other current assets	(11,717,357)	(11,951,804)	23,079,009
Input VAT under other noncurrent assets	8,042,022	(16,111,826)	(10,803,625)
Increase (decrease) in accounts payable and accrued expenses	88,440,153	47,988,777	(72,998,552)
Cash generated from (used in) operations	71,909,533	13,957,506	(100,060,497)
Interest received	5,535	16,059	124,006
Net cash flows from (used in) operating activities	71,915,068	13,973,565	(99,936,491)
CASH FLOWS FROM INVESTING ACTIVITIES			
Additions to:			
Deferred mine exploration and evaluation costs	(79,935,598)	(121,982,584)	(177,052,541)
Property and equipment	(4,787,537)	(87,895,826)	(23,394,365)
Increase in other noncurrent assets	(6,037)	(4,466)	(3,553)
Cash flows used in investing activities	(84,729,172)	(209,882,876)	(200,450,459)
CASH FLOWS FROM FINANCING ACTIVITIES			
Collection from stock rights offering (Note 18)	—	154,355,954	364,817,624
Transaction cost (Note 18)	—	(199,340)	(9,191,736)
Cash flows from financing activities	—	154,156,614	355,625,888
NET INCREASE (DECREASE) IN CASH	(12,814,104)	(41,752,697)	55,238,938
EFFECT OF EXCHANGE RATE CHANGES ON CASH	15,439	(2,335)	29,321
CASH AT BEGINNING OF YEAR	16,537,336	58,292,368	3,024,109
CASH AT END OF YEAR (Note 4)	P3,738,671	P16,537,336	P58,292,368

See accompanying Notes to Consolidated Financial Statements.



MANILA MINING CORPORATION AND SUBSIDIARY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. Corporate Information, Status of Operations and Authorization for the Issuance of the Consolidated Financial Statements

Corporate Information

Manila Mining Corporation

Manila Mining Corporation (the “Parent Company”) was incorporated in the Philippines and registered with the Securities and Exchange Commission (SEC) on June 3, 1949, primarily to carry on the business of mining, milling, concentrating, converting, smelting, treating, preparing for market, manufacturing, buying, selling, exchanging and otherwise producing and dealing in precious and semi-precious metals, ores, minerals and their by-products. The Parent Company’s shares are listed and traded on the Philippine Stock Exchange (PSE). In 2024, Lepanto Consolidated Mining Company (LCMC), a publicly listed Company, has 16.4% direct and indirect equity interest of the Parent Company.

The principal office of the Parent Company is located at the 20th Floor, Lepanto Building, Paseo de Roxas, Makati City.

Kalayaan Copper-Gold Resources, Inc. (KCGRI)

Kalayaan Copper-Gold Resources, Inc. (the Subsidiary), a 95%-owned subsidiary, was incorporated with the SEC on December 19, 2006, primarily to carry on the business of exploration, mining, development and utilization of all mineral resources, milling, concentrating, converting, smelting, treating, preparing for market, manufacturing, buying, selling, exchanging and otherwise producing and dealing in all other kinds of ores, metals and minerals, hydrocarbons acids, and chemicals, and in the products and by-products of every kind and description.

The principal office of KCGRI is located at 21st Floor, Lepanto Building, Paseo de Roxas, Makati City.

Status of Operations

Manila Mining Corporation

On May 22, 1996, the Parent Company’s Board of Directors (BOD) approved the expansion of its current mill capacity from 8,000 tonnes per day (TPD) to 10,000 TPD, designed to consolidate the installation of the second semi-autogenous grinding mill unit with the original 48-inch pit conveyor project. The expansion was registered with the Board of Investments (BOI) under Executive Order (EO) No. 226 on October 6, 1996.

On November 5, 1997, the BOI approved the Parent Company’s application for registration of its copper flotation project under EO No. 226 on a non-pioneer status. On June 9, 2000, the BOI likewise approved the Parent Company’s application for the modernization program of the copper flotation project under a preferred non-pioneer status. As a registered enterprise, the Parent Company is entitled to certain incentives and tax benefits which include, among others, income tax holiday for a period of four years from February 23, 1998, the actual start of commercial operations.

The two BOI certificates of registration are currently suspended in view of the suspension of the Parent Company’s operations.

On November 30, 2000, the Parent Company’s gold mining and milling operations were temporarily shut down due to the landslide that occurred in one of its open pits.



On December 20, 2000, the Parent Company temporarily shut down its milling operations pending its receipt of a permit to further raise its tailings pond.

On January 29, 2001, after obtaining the necessary permit to increase the height of the tailings pond to the 65-meter limit set by the Department of Environment and Natural Resources (DENR), the Parent Company resumed its milling operations.

On July 26, 2001, the Parent Company's BOD resolved to shut down the Parent Company's mining operations due to the expiration of its temporary authority to construct and operate its tailings dam issued by the DENR. In view of the suspension of the Parent Company's mining operations, the registration of the Parent Company's copper flotation project was suspended by the BOI on August 23, 2005.

In 2005, several companies expressed interest in the area that lies between the Kalayaan district at the extreme southwest end of the Parent Company's tenement holdings and immediately north of the historical operations and the Philex Boyongan discovery. This area has been named the "Corridor" as it covers important geology and structures that connect two significantly mineralized areas. The Corridor also hosts several small gold deposits that are not currently economic to develop and operate. However, with additional investment and operations, it is expected that the reserves would grow significantly.

The Parent Company is a holder of a valid and existing Mineral Production Sharing Agreement (MPSA) No. 253-2007-XIII granted on August 10, 2007 for a period of 25 years from issuance thereof or until August 10, 2032, consisting of 211.50 hectares (has.) located in Placer, Surigao del Norte.

In addition, the Parent Company also filed applications for MPSA, designated as Application for Production Sharing Agreement (APSA) No. 0006-X (AMD.) on September 14, 1992 consisting of 1,580.00 has.; and APSA No. 0007(X) filed on November 26, 1992, consisting of 4,793.85 has., located in Cabadbaran City, Agusan del Norte; and applications for conversion covering its mining lease contracts granted under the old mining law namely, APSA No. XIII-083 filed on February 21, 2003 consisting of 530.00 has.; APSA No. 000107-XIII filed February 17, 2011, consisting of 265.50 has., all situated in Placer, Surigao del Norte. All these applications were already endorsed by the Mine and Geosciences Bureau (MGB) Regional Office in Surigao City to the Director of MGB, for final evaluation and approval by the DENR Secretary.

With the issuance of E.O. No. 130 on April 14, 2021 requiring all pending APSAs to be converted into Exploration Permit Applications (EXPAs), the Parent Company filed for the conversion of its pending APSAs into EXPAs denominated as EXPA No. 000249-XIII (formerly APSA No. 000006-X); EXPA No. 000250-XIII (formerly APSA No. 000007(X)); EXPA No. 000252-XIII (formerly APSA No. 000083-XIII); and EXPA No. 000269-XIII (formerly APSA No. 000107-XIII). EXPA 000252-XIII was approved and registered by the MGB on November 13, 2024 and denominated as Exploration Permit No. 000041-XIII.

The second renewal of Exploration Permit (EP) No. XIII-014-A under the name of the Parent Company was granted on April 28, 2010 valid until April 28, 2012. Prior to its expiration, an application for another renewal was filed by the Parent Company on April 20, 2012 for the purpose of completing the feasibility study, consisting of 2,176.28 has. also, in Placer, Surigao del Norte and is awaiting approval by the Director of MGB. On April 24, 2013, the Parent Company paid the amount of Php653,100 representing payment for renewal fee for EP No. XIII-014-A, pursuant to DENR Administrative Order (DAO) No. 2013-10.



On January 4, 2017, a second renewal of the two-year Exploration Period of MPSA No. 253-2007-XIII was granted by MGB to the Parent Company pursuant to the pertinent provisions of DAO No. 2010-21 providing for a Consolidated DAO for Implementing Rules and Regulations of Republic Act (RA) No. 7942, otherwise known as the “Philippine Mining Act of 1995” which represents the 5th and 6th years of the Exploration Period of the MPSA. This shall not constitute an extension of the 25-year term of MPSA No. 253-2007-XIII.

On December 5, 2017, the MGB granted the Parent Company an “Authority to Verify Minerals” which will enable the Parent Company to undertake further exploration drilling in the Mapaso Area covered by APSA-000107-XIII. The objective of this drilling program is to lift confidence in present resource estimates which is the basis of financial plans towards resumption of mining activities. The authority is valid for one year.

The Parent Company raised capital in 2022 for the purposes of resuming exploration drilling within its tenements, settlement of liabilities, and to meet other cash requirements.

On 16 March 2022, a third renewal of the two-year Exploration period of MPSA No. 253-2007-XIII was granted by the MGB, representing the fourth period. The Exploration Program focused on a significant deep-seated porphyry-type copper-gold mineralization. A total of eight holes were drilled covering a total of 12,635 meters.

On March 20, 2024, an application for the 4th renewal of the two-year Exploration period of MPSA No. 253-2007-XIII was submitted by the Parent Company to the MGB pursuant to the pertinent provisions of DAO No. 2010-21 providing for a Consolidated DAO for Implementing Rules and Regulations of Republic Act (RA) No. 7942. The 4th renewal was approved by the MGB on December 5, 2024.

Kalayaan Copper-Gold Resources, Inc.

Exploration drilling activities on the Kalayaan project started in 2007. On January 22, 2007, the Parent Company has initiated mining activities through an exploration program adopted during the last quarter of 2006.

On May 11, 2011, the Parent Company, KCGRI and Philex Mining Corporation (Philex), finalized an agreement for the exploration and joint development of the Kalayaan Project located in Placer, Surigao del Norte.

The Kalayaan Project, which is registered under KCGRI, is covered by EP No. XIII-014B.

Prior to the expiration of EP-XIII-014B, an application for another renewal was filed by KCGRI on April 18, 2012 for the purpose of conducting a more in-depth and detailed exploration in the area and to complete the feasibility study and is awaiting approval by the Director of MGB.

On April 18, 2017, the BOD of the Parent Company approved a two-year extension of Earn-In Period in the Farm-In Agreement (FIA) among KCGRI, the Parent Company and Philex in view of the delay in the approval of the renewal of EP No. XIII-014B. On January 8, 2019, the Parent Company agreed for another two-year extension of the Earn-in Period; the period was further extended by two years on December 17, 2020, and again for an additional two years on May 16, 2023. The new Earn-in Period is 14 years following the execution of the Farm-In Agreement and will expire on May 10, 2025.



The Group's Ability to Continue as a Going Concern

As discussed in the preceding section of this note, the Group is currently under exploration stage and is highly dependent on the result of continuous exploration drilling in assessing whether to ultimately develop the mine and start mining operations. Given the status of its current operations, the Group incurred net loss of ₱18.0 million, ₱6.8 million and ₱11.0 million in 2024, 2023, and 2022, respectively, resulting in deficit of ₱1,238.7 million and ₱1,220.7 million as of December 31, 2024 and 2023, respectively. Also, the Group's current liabilities exceeded its current assets by ₱203.3 million and ₱111.2 million as of December 31, 2024 and 2023, respectively.

In response to these matters, the Group is planning to take the following actions:

- manage expenditures for its day-to-day activities
- re-open the operations in Surigao del Norte
- complete drilling program to validate the extent of the mineral resource and come up with an ore reserve estimate
- undertake a feasibility study which would prescribe a commercially viable operation
- obtain financial support through advances from a stockholder for the development of the mine, establishment of a mill and ancillary facilities

Management has determined that the actions above are sufficient to raise financial resources for at least the next twelve months from December 31, 2024 and has therefore prepared the consolidated financial statements on a going concern basis.

Authorization for the Issuance of the Consolidated Financial Statements

The Parent Company's BOD has delegated the authority to approve the financial statements to the Audit Committee. Accordingly, the consolidated financial statements were authorized for issuance by the Parent Company's Audit Committee on April 29, 2025.

2. Basis of Preparation, Statement of Compliance, Basis of Consolidation, Changes in Accounting Policies and Material Accounting Policy Information

Basis of Preparation

The consolidated financial statements of the Group have been prepared under the historical cost basis, except for financial assets designated at fair value through other comprehensive income (FVOCI) that have been measured at fair value. The consolidated financial statements are presented in Philippine Peso, the Parent Company's and the Subsidiary's functional and presentation currency. All amounts are rounded to the nearest peso, except when otherwise indicated. The consolidated financial statements provide comparative information in respect of the previous period.

The specific accounting policies followed by the Group are disclosed in the following section.

Statement of Compliance

The consolidated financial statements of the Group have been prepared in accordance with Philippine Financial Reporting Standards (PFRS) Accounting Standards.



Basis of Consolidation

The consolidated financial statements include the accounts of the Parent Company and the Subsidiary. The financial statements of the subsidiary are prepared for the same reporting year as the Parent Company, using uniform accounting policies for like transactions and other events in similar circumstances.

Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. The Group controls an investee if and only if the Group has all of the following:

- Power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee);
- Exposure, or rights, to variable returns from its involvement with the investee; and
- The ability to use its power over the investee to affect the amount of its returns.

Generally, there is a presumption that a majority of voting rights results in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangements with the other vote holders of the investee,
- Rights arising from other contractual arrangements,
- The Group's voting rights and potential voting rights.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Profit or loss and each component of Other Comprehensive Income (OCI) are attributed to the equity holders of the Parent Company and to the non-controlling interests (NCI), even if this results in the NCI having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Parent Company's accounting policies.

All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction under equity reserve. If the Group loses control over a subsidiary, it derecognizes the related assets (including goodwill), liabilities, NCI and other components of equity, while any gain or loss is recognized in profit or loss. Any investment retained is recognized at fair value.

Subsidiaries

Subsidiaries are entities over which the Parent Company has control.



NCI

NCI represents the interests in the subsidiary not held by the Parent Company and are presented separately in the consolidated statement of comprehensive income and within equity in the consolidated statement of financial position, separately from the equity attributable to equity holders of the Parent Company. Where the ownership of a subsidiary is less than 100%, and therefore an NCI exists, any losses of that subsidiary are attributed to the NCI even if that results in a deficit balance. Transactions with NCI are accounted for as equity transactions.

Changes in Accounting Policies

New and Amended Standards and Interpretations

The accounting policies adopted are consistent with those of the previous financial year, except for the adoption of new standards effective in 2024. The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

Unless otherwise indicated, adoption of these new standards did not have an impact on the financial statements of the Group.

- Amendments to Philippine Accounting Standards (PAS) 1, *Classification of Liabilities as Current or Noncurrent*

The amendments clarify:

- That only covenants with which an entity must comply on or before financial reporting date will affect a liability's classification as current or noncurrent.
- That classification is unaffected by the likelihood that an entity will exercise its deferral right.
- That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification.

- Amendments to PFRS 16, *Lease Liability in a Sale and Leaseback*
- Amendments to PAS 7 and PFRS 7, *Disclosures: Supplier Finance Arrangements*

Standards Issued but not yet Effective

Pronouncements issued but not yet effective are listed below. The Group intends to adopt the following pronouncements when they become effective. Adoption of these pronouncements is not expected to have a significant impact on the Group's consolidated financial statements unless otherwise indicated.

Effective beginning on or after January 1, 2025

- PFRS 17, *Insurance Contracts*
- Amendments to PAS 21, *Lack of Exchangeability*

Effective beginning on or after January 1, 2026

- Amendments to PFRS 9 and PFRS 7, *Classification and Measurement of Financial Instruments*
- Annual Improvements to PFRS Accounting Standards - Volume 11
 - Amendments to PAS 7, *Cost Method*
 - Amendments to PFRS 1, *Hedge Accounting by a First-time Adopter*
 - Amendments to PFRS 7, *Gain or Loss on Derecognition*
 - Amendments to PFRS 9, *Lessee Derecognition of Lease Liabilities and Transaction Price*
 - Amendments to PFRS 10, *Determination of a "De Facto Agent"*



Effective beginning on or after January 1, 2027

- PFRS 18, *Presentation and Disclosure in Financial Statements*
The standard replaces PAS 1, *Presentation of Financial Statements* and responds to investors' demand for better information about companies' financial performance. The new requirements include:
 - Required totals, subtotals and new categories in the statement of comprehensive income
 - Disclosure of management-defined performance measures
 - Guidance on aggregation and disaggregation
- PFRS 19, *Subsidiaries without Public Accountability*

Deferred effectivity

- Amendments to PFRS 10, *Consolidated Financial Statements*, and PAS 28, *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*

Material Accounting Policy Information

Presentation of Consolidated Financial Statements

The Group has elected to present all items of recognized income and expense in a single consolidated statement of comprehensive income.

Current versus Noncurrent Classification

The Group presents assets and liabilities in consolidated statement of financial position based on current/noncurrent classification.

An asset is current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realized within 12 months after the financial reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the financial reporting period.

The Group classifies all other assets as noncurrent.

A liability is current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within 12 months after the financial reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least 12 months after the financial reporting period.

The Group classifies all other liabilities as noncurrent.

Cash

Cash includes cash on hand and in banks. Cash in banks is stated at face value and earns interest at respective bank deposit rates.



Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial Assets

Initial Recognition and Measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortized cost, FVOCI and fair value through profit or loss (FVPL).

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. The Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at FVPL, transaction costs.

In order for cash and receivables to be classified and measured at amortized cost or FVOCI, it needs to give rise to cash flows that are 'solely for payments of principal and interest' (SPPI) criterion. This assessment is referred to as the SPPI test and is performed at an instrument level.

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

For equity instruments, these are classified and measured at FVOCI.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognized on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

Subsequent Measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortized cost (debt instruments)
- Financial assets at FVOCI with recycling of cumulative gains and losses (debt instruments)
- Financial assets designated at FVOCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)
- Financial assets at FVPL

Financial Assets at Amortized Cost (Debt Instruments)

This category is the most relevant to the Group. The Group measures financial assets at amortized cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are SPPI criterion.

Financial assets at amortized cost are subsequently measured using the effective interest rate (EIR) method and are subject to impairment. Gains and losses are recognized in profit or loss when the asset is derecognized, modified or impaired.



The Group's financial assets at amortized cost pertains to cash, receivables, contract deposits under 'Prepayments and other current assets', and mine rehabilitation fund (MRF) under 'Other noncurrent assets'.

Financial Assets Designated at FVOCI (Equity Instruments)

Upon initial recognition, the Group can elect to classify irrevocably its equity investments as equity instruments designated at FVOCI when they meet the definition of equity under PAS 32, *Financial Instruments: Presentation*, and are not held for trading. The classification is determined on an instrument-by-instrument basis.

Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognized as other income in the consolidated statement of comprehensive income when the right of payment has been established, except when the Group benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at FVOCI are not subject to impairment assessment.

The Group elected to classify under this category its quoted and unquoted equity shares under 'Financial assets designated at FVOCI'.

Financial Assets at FVPL

Financial assets at FVPL include financial assets held for trading, financial assets designated upon initial recognition at FVPL, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments. Financial assets with cash flows that are not SPPI are classified and measured at FVPL, irrespective of the business model. Notwithstanding the criteria for debt instruments to be classified at amortized cost or at FVOCI, as described above, debt instruments may be designated at FVPL on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

Financial assets at FVPL are carried in the consolidated statement of financial position at fair value with net changes in fair value recognized in the consolidated statement of comprehensive income.

The Group has no financial assets under this category.

Impairment

The Group recognizes an allowance for expected credit losses (ECLs) for all debt instruments not held at FVPL. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original EIR. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognized in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12 months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).



For cash, the Group applies the low credit risk simplification. At every reporting date, the Group evaluates whether the debt instrument is considered to have low credit risk using all reasonable and supportable information that is available without undue cost or effort. In making that evaluation, the Group reassesses the internal credit rating of the debt instrument. In addition, the Group considers that there has been a significant increase in credit risk when contractual payments are more than 30 days past due.

The Group considers a financial asset in default when contractual payments are 90 days past due. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Financial Liabilities

Initial Recognition and Measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at FVPL or amortized cost.

All financial liabilities are recognized initially at fair value and, in the case of amortized cost, net of directly attributable transaction costs.

The Group's financial liabilities is composed of accounts payable and accrued expenses which are classified as financial liabilities at amortized cost. The Group has no financial liabilities at FVPL.

Subsequent Measurement

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as interest expense in the consolidated statement of comprehensive income. This category generally applies to interest-bearing loans and borrowings.

Derecognition of Financial Instruments

Financial Assets

A financial asset (or, where applicable a part of a financial asset or part of a group of financial assets) is derecognized when:

- the rights to receive cash flows from the asset have expired, or
- the Group has transferred its rights to receive cash flows from the asset or has assumed obligation to pay the received cash flow in full without material delay to a third person under a 'pass-through' arrangement, or
- the Group has transferred its right to receive cash flows from the asset and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.



When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognize the transferred asset to the extent of its continuing involvement. In that case, the Group also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Financial Liabilities

A financial liability is derecognized when the obligation under the liability is discharged, cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognized in the consolidated statement of comprehensive income. The difference in the respective carrying amount is recognized in the consolidated statement of comprehensive income.

Offsetting Financial Instruments

Financial assets and financial liabilities are offset and the net amount reported in the consolidated statements of financial position if, and only if, there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Fair Value Measurement

The Group measures financial instruments at fair value at each end of the reporting period. Also, fair values of financial instruments measured at amortized cost are disclosed in Note 20.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible to by the Group. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.



All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statement are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognized in the consolidated financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at each end of the reporting period.

The fair value of financial instruments that are actively traded in organized financial markets is determined by reference to quoted market close prices at the close of business on the end of the reporting period.

For financial instruments where there is no active market, fair value is determined using valuation techniques. Such techniques include comparison to similar investments for which market observable prices exist and discounted cash flow analysis or other valuation models.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

Inventories

Inventories consists of parts, supplies, fuel and lubricants which are stated at the lower of cost net realizable value (NRV). Cost of parts and supplies on hand are determined at moving average. Costs of inventories comprise all costs of purchase and other costs incurred in bringing the materials and supplies to their present location and condition. NRV for parts and supplies is the value of the inventories' replacement cost. In determining the NRV, the Group considers any adjustments necessary for obsolescence. Provision for losses is determined by reference to specific items of inventories.

The Group determines the NRV of inventories at each reporting period. If the cost of the inventories exceeds its NRV, the asset is written down to its NRV and inventory loss is recognized in the consolidated statement of comprehensive income in the period the impairment incurred. In case the NRV of the inventories increased subsequently, the NRV will increase the carrying amount of inventories but only to the extent of the inventory loss previously recognized.

Prepayments and Other Current Assets

The Group's prepayments and other current assets include contract deposits and miscellaneous deposits. These are classified as current since the Group expects to realize or consume the assets within 12 months after the end of the reporting period.



Contract Deposits

Contract deposits pertain to deposits made for future drilling services of its affiliate. These are classified as current since these are expected to be offset against future short-term billings and may be refunded upon nonperformance of services. These are recognized in the books at amounts initially paid.

Miscellaneous deposits

Miscellaneous deposits are advance payments made to supplier of services. These are classified as current since these are expected to be offset against future short-term billings and are recognized in the books at amounts initially paid.

Property and Equipment

Property and equipment, except land, are carried at cost less accumulated depletion and depreciation and impairment in value, if any.

The initial cost of property and equipment comprises its purchase price or construction cost, including import duties and nonrefundable purchase taxes and any directly attributable costs of bringing the asset to its working condition and location for its intended use. Such cost includes the cost of replacing part of such property and equipment when that cost is incurred if the recognition criteria are met.

Expenditures incurred after the property and equipment have been put into operations, such as repairs and maintenance, are normally charged to expense in the period when the costs are incurred.

When a mine construction project moves into production stage, the capitalization of mine construction costs ceases, and costs are either regarded as inventory or expensed, except for costs which qualify for capitalization relating to mine site additions or improvements, underground mine development or mineable reserve development.

In situations where it can be clearly demonstrated that the expenditures have resulted in an increase in the future economic benefits expected to be obtained from the use of an item of property and equipment beyond its originally assessed standard of performance, the expenditures are capitalized as additional costs of property and equipment. Major maintenance and major overhaul costs that are capitalized as part of property and equipment are depreciated on a straight-line basis over the shorter of their estimated useful lives, typically the period until the next major maintenance or inspection, or the estimated useful life of the related property and equipment.

Land is recorded at cost less any impairment in value.

Depreciation is calculated using the straight-line method to allocate the cost of each asset less its residual value, if any, over its estimated useful life, as follows:

Type of Asset	Estimated Useful Life in Years
Machinery and equipment	5 to 20
Building and improvements	20
Furniture, office and other equipment	5

Depreciation of property and equipment begins when it becomes available for use, i.e., when it is in the location and condition necessary for it to be capable of operating in the manner intended by management. Each part of an item of property and equipment with a cost that is significant in relation to the total cost of an item shall be depreciated separately.



Depreciation ceases when assets are fully depreciated or at earlier of the date that line item is classified as held for sale (or included in a disposal group that is classified as held for sale) in accordance with PFRS 5, *Noncurrent Assets Held for Sale and Discontinued Operations*, and the date the item is derecognized.

The assets' residual values, if any, useful lives and methods of depletion and depreciation are reviewed at each reporting period and adjusted prospectively, if appropriate. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Construction in-progress represents work under construction and is stated at cost. Construction in-progress is not depreciated until such time that the relevant assets are completed and available for use.

An item of property and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the item) is included in the consolidated statement of comprehensive income in the year the item is derecognized.

Fully-depreciated property and equipment are maintained in the accounts until these are no longer in use.

Deferred Mine Exploration and Evaluation Costs

Pre-license costs are expensed in the period in which they are incurred. Once the legal right to explore has been acquired, exploration and evaluation expenditure is deferred as asset when future economic benefit is more likely than not to be realized. These costs include materials and fuels used, surveying costs, drilling costs and payments made to contractors. The Group capitalizes any further evaluation costs incurred to exploration and evaluation assets up to the point when a commercial reserve is established.

In evaluating if expenditures meet the criteria to be capitalized, several different sources of information are utilized. The information that is used to determine the probability of future benefits depends on the extent of exploration and evaluation that has been performed. Once commercial reserves are established, exploration and evaluation assets are tested for impairment and transferred to mine and mining properties. No amortization is charged during the exploration and evaluation phase. If the area is found to contain no commercial reserves, the accumulated costs are expensed. Mine exploration costs of mineral properties that have been in operations were capitalized as mine and mining property and are included in "Deferred Mine Exploration and Evaluation Costs" account.

Other Noncurrent Assets

Other noncurrent assets of the Group include the excess input value-added tax (VAT), prepaid royalties, advances to land owners and various deposits. These are classified as noncurrent since the Group expects to utilize the assets beyond 12 months from the end of the reporting period.



Input VAT

Revenues, expenses, and assets are recognized net of the amount of VAT, if applicable.

When VAT from sales of goods and/or services (output VAT) exceeds VAT passed on from purchases of goods or services (input VAT), the excess is recognized as payable in the statement of financial position. When VAT passed on from purchases of goods or services (input VAT) exceeds VAT from sales of goods and/or services (output VAT), the excess is recognized as an asset in the statement of financial position to the extent of the recoverable amount.

Input VAT represents the VAT paid on purchases of applicable goods and services, net of output tax, which can be claimed for refund or recovered as tax credit against future tax liability of the Group upon approval by the Philippine Bureau of Internal Revenue (BIR). Input VAT on capitalized goods exceeding ₱1,000,000 is subject to amortization and any excess may be utilized against output VAT, if any, beyond 12 months from the reporting period or can be claimed for refund or as tax credits with the Philippine Department of Finance.

Prepaid Royalties

Prepaid royalties are advance payments to claim owners and real property taxes.

Impairment of Nonfinancial Assets

Prepayments and Other Current Assets and Other Noncurrent Assets

The Group provides allowance for impairment losses on prepayments and current assets and other noncurrent assets when they can no longer be realized. The amounts and timing of recorded expenses for any period would differ if the Group made different judgments or utilized different estimates. An increase in allowance for impairment losses would increase recorded expenses and decrease the nonfinancial assets.

Property and Equipment

Property and equipment are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. If any such indication exists and where the carrying amount of an asset exceeds its recoverable amount, the asset or cash generating unit (CGU) is written down to its recoverable amount. The estimated recoverable amount is the higher of an asset's fair value less costs to sell and value in use. The fair value less costs to sell is the amount obtainable from the sale of an asset in an arm's-length transaction less the costs of disposal while value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the CGU to which the asset belongs. Impairment losses are recognized in the consolidated statement of comprehensive income.

Recovery of impairment losses recognized in prior years is recorded when there is an indication that the impairment losses recognized for the asset no longer exist or have decreased. The recovery is recorded in the consolidated statement of comprehensive income. However, the increased carrying amount of an asset due to a recovery of an impairment loss is recognized only to the extent that it does not exceed the carrying amount that would have been determined (net of depletion and depreciation) had no impairment loss been recognized for that asset in prior years.



Deferred Mine Exploration and Evaluation Costs

Deferred mine exploration and evaluation costs are assessed for impairment when facts and circumstances suggest that the carrying amount of the deferred mine exploration and evaluation costs may exceed its recoverable amount. An impairment review is performed, either individually or at the CGU level, when there are indicators that the carrying amount of the assets may exceed their recoverable amounts. To the extent that this occurs, the excess is fully provided against, in the reporting period in which this is determined. Exploration assets are reassessed on a regular basis and these costs are carried forward provided that at least one of the following conditions is met:

- Such costs are expected to be recouped in full through successful development and exploration of the area of interest or alternatively, by its sale; or
- Exploration and evaluation activities in the area of interest have not yet reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves, and active and significant operations in relation to the area are continuing or planned for the future.

An impairment loss recognized in prior periods for an asset other than goodwill must be reversed if, and only if, there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognized. If this is the case, the carrying amount of the asset must be increased to its recoverable amount. However, such reversal must not exceed the carrying amount that would have been determined (net of amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

Provisions

General

Provisions are recognized when the Group has a present obligation (legal and constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are made by discounting the expected future cash flows at a pre-tax rate that reflects current market assessment of the time value of money and, where appropriate, the risks specific to the liability.

Where discounting is used, the increase in the provision due to the passage of time is recognized as interest expense in the consolidated statement of comprehensive income.

When the Group expects a provision to be reimbursed, the reimbursement is recognized as a separate asset but only when the receipt of the reimbursement is virtually certain. The expense relating to any provision is presented in the consolidated statement of comprehensive income, net of any reimbursement.

Capital Stock and Additional Paid-In Capital (APIC)

Common shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in the consolidated statement of changes in equity as a deduction from proceeds. The excess of proceeds from issuance of shares over the par value of shares are credited to APIC.

Subscribed capital stock is reported in equity less the related subscription receivable.



Stock Issuance Costs

Stock issuance costs represent amounts paid for legal, consulting, and other offering expenses in conjunction with the raising of additional capital performed during the year. These costs are accounted for as a deduction from equity to the extent they are incremental costs directly attributable to the equity transaction that otherwise would have been avoided.

Deficit

Deficit represents accumulated losses of the Group, dividend distributions, prior period adjustments, effects of changes in accounting policy and other capital adjustments.

Share-based Payments

The Parent Company has equity-settled, share-based compensation plans with its officers and employees.

Stock Option Plan

The Parent Company has stock option plan which allows the grantees to purchase the Parent Company's shares. The Parent Company recognizes stock compensation expense over the holding period. The Parent Company treats its stock option plan as option exercisable within a given period. Dividends paid on the awards that have vested are deducted from equity and those paid on awards that are unvested are charged to profit or loss. For the unsubscribed shares where the grantees still have the option to subscribe in the future, these are accounted for as options.

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model.

Equity Reserve

Equity reserve represents the effect of the transaction of the Parent Company arising from change in ownership interest in a subsidiary without loss of control.

Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits associated with the transaction will flow to the Group and the amount of revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized:

Interest Income

Interest income is recognized as it accrues using the EIR method.

Other Income (Charges)

Other income (charges) is recognized when earned or incurred.

OCI

OCI comprises items of income and expense (including items previously presented under the parent company statement of changes in equity) that are not recognized in the profit or loss for the year in accordance with PFRS.

Costs and Expenses

Cost and expenses are decreases in economic benefits during the accounting period in the form of outflows or decrease of assets or incurrence of liabilities that result in decreases in equity, other than those relating to distributions to equity participants. Administrative and overhead costs are generally recognized when the service is used or as the expense arises.



Leases

The Group assesses at contract inception, all arrangements to determine whether they are, or contain, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The Company is not a lessor in any transactions, it is only a lessee.

Group as a Lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognizes lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Leases of Low-value Assets

The Group applies the leases of low-value assets recognition exemption to lease of office space that is considered to be of low value. Lease payments on leases of low-value assets are recognized as expense on a straight-line basis over the lease term.

Employee Benefits

The net defined retirement benefits liability or asset is the aggregate of the present value of the defined benefit obligation at the end of the reporting period reduced by the fair value of plan assets (if any), adjusted for any effect of limiting a net defined benefit asset to the asset ceiling. The asset ceiling is the present value of any economic benefits available in the form of refunds from the plan or reductions in future contributions to the plan.

The cost of providing benefits under the defined benefit plans is actuarially determined using the projected unit credit method.

Defined benefit costs comprise the following:

- Service cost
- Net interest on the net defined retirement benefits liability or asset
- Re-measurements of net defined retirement benefits liability or asset

Service costs which include current service costs, past service costs and gains or losses on non-routine settlements are recognized as expense in consolidated statement of comprehensive income. Past service costs are recognized when plan amendment or curtailment occurs. These amounts are calculated periodically by independent qualified actuaries.

Net interest on the net defined retirement benefits liability or asset is the change during the period in the net defined retirement benefits liability or asset that arises from the passage of time which is determined by applying the discount rate based on government bonds to the net defined retirement benefits liability or asset. Net interest on the net defined retirement benefits liability or asset is recognized as expense or income in consolidated statement of comprehensive income.

Re-measurements, comprising actuarial gains and losses, are recognized immediately in OCI in the period in which they arise. Re-measurements are not reclassified to consolidated statement of comprehensive income in subsequent periods.



The Group's right to be reimbursed of some or all of the expenditure required to settle a defined retirement benefits liability is recognized as a separate asset at fair value when and only when reimbursement is virtually certain.

Termination Benefit

Termination benefits are employee benefits provided in exchange for the termination of an employee's employment as a result of either an entity's decision to terminate an employee's employment before the normal retirement date or an employee's decision to accept an offer of benefits in exchange for the termination of employment.

A liability and expense for a termination benefit is recognized at the earlier of when the entity can no longer withdraw the offer of those benefits and when the entity recognizes related restructuring costs. Initial recognition and subsequent changes to termination benefits are measured in accordance with the nature of the employee benefit, as either post-employment benefits, short-term employee benefits, or other long-term employee benefits.

Employee Leave Entitlement

Employee entitlements to annual leave are recognized as a liability when they are accrued to the employees. The undiscounted liability for leave expected to be settled wholly before 12 months after the end of the annual reporting period is recognized for services rendered by employees up to the end of reporting period.

Foreign Currency Transactions

Transactions in foreign currencies are recorded using the exchange rate at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are restated using the closing rate at the reporting period. Foreign exchange differences between rate at transaction date and rate at settlement date or at each reporting period are credited to or charged against the consolidated statement of comprehensive income.

Non-monetary items that are measured at historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

Income Taxes

Current Income Tax

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that have been enacted or substantively enacted as at reporting period.

Deferred Income Tax

Deferred income tax is provided using the balance sheet method on all temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred tax liabilities are recognized for all taxable temporary differences, except:

- when the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting income nor taxable income or loss; and



- in respect of taxable temporary differences associated with investments in subsidiaries and interests in joint ventures, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognized for all deductible temporary differences, the carryforward benefits of unused tax credits and unused net tax losses, to the extent that it is probable that sufficient future taxable income will be available against which the deductible temporary differences, and carryforward benefits of unused tax credits and unused tax losses can be utilized except:

- when the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting income nor taxable income or loss; and
- in respect of deductible temporary differences associated with investments in subsidiaries and interests in joint ventures, deferred tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and sufficient future taxable income will be available against which the temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient future taxable income will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are reassessed at each reporting date and are recognized to the extent that it has become probable that sufficient future taxable income will all or in part allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realized, or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred income taxes relate to the same taxable entity and the same taxation authority.

Deferred tax relating to items recognized outside the consolidated statement of comprehensive income, are recognized in correlation to the underlying transaction, either in OCI or directly in equity.

Earnings (Loss) Per Share

Earnings (loss) per share amounts are calculated by dividing the net earnings (loss) attributable to ordinary equity holders of the Parent Company by the weighted average number of ordinary shares outstanding, adjusted for any stock dividends declared during the year.

Diluted earnings (loss) per share amounts are calculated by dividing the net loss attributable to ordinary equity holders of the Parent Company by the weighted average number of ordinary shares outstanding, adjusted for any stock dividends declared during the year plus weighted average number of ordinary shares that would be issued on the conversion of all the dilutive ordinary shares into ordinary shares.



Operating Segment

A business segment is a group of assets and operations engaged in providing products or services that are subject to risks and returns that are different from those of other business segments. A geographical segment is engaged in providing products or services within a particular economic environment that is subject to risks and returns that are different from those of segments operating in other economic environments. The Group has only one business and geographical segment.

Contingencies

Contingent liabilities are not recognized in the consolidated financial statements. These are disclosed unless the possibility of an outflow of resources embodying economic benefits is remote. Contingent assets are not recognized in the consolidated financial statements but are disclosed when an inflow of economic benefits is probable.

Events After the End of the Reporting Period

Events after the end of the reporting period that provide additional information about the Group's position at the end of the reporting period (adjusting events) are reflected in the consolidated financial statements. Events after the end of the reporting period that are not adjusting events are disclosed in the notes to consolidated financial statements when material.

3. Significant Accounting Judgments, Estimates and Assumptions

The preparation of the consolidated financial statements in accordance with PFRS Accounting Standards requires management to make judgments and estimates that affect the reported amounts of assets, liabilities, income and expenses, and the disclosure of contingent assets and contingent liabilities. Future events may occur which will cause the judgments assumptions used in arriving at the estimates to change. The effects of any change in judgments and estimates are reflected in the consolidated financial statements as they become reasonably determinable.

Judgments, estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. However, actual outcome can differ from these estimates.

Judgments

In the process of applying the Group's accounting policies, management has made the following judgments, apart from those involving estimations, which have the most significant effect on the amounts recognized in the consolidated financial statements. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

Use of Going Concern Assumption

The underlying assumption in the preparation of the accompanying consolidated financial statements is that the Group has the ability to continue as a going concern for at least the next 12 months from December 31, 2024. The use of the going concern assumption involves management making significant judgments, at a particular point in time, about the future outcome of events or conditions that are inherently uncertain which include, but are not limited to, forecasted level of exploration/drilling expenditures, operating costs, cash flows and the other potential sources of financing including financial support through advances from a stockholder. Management has assessed that the steps undertaken or will be undertaken to manage financing plans, complete drilling program, undertake a feasibility study and obtain financial support through advances from a stockholder for the development of the mine, among others, as disclosed in Note 1, are feasible to support its going concern assumption. Accordingly, the accompanying consolidated financial statements have been prepared on a going concern basis of accounting.



Assessing Impairment of Property and Equipment

The Group assesses impairment on property and equipment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. The factors that the Group considers important which could trigger an impairment review include the following:

- Significant underperformance relative to expected historical or projected future operating results;
- Significant changes in the manner of use of the acquired assets or the strategy for overall business; and
- Significant negative industry or economic trends.

In determining the present value of estimated future cash flows expected to be generated from the continued use of the assets, the Group is required to make estimates and assumptions that can materially affect the consolidated financial statements. These assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss would be recognized whenever evidence exists that the carrying value is not recoverable. For purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows.

An impairment loss is recognized and charged to the consolidated statement of comprehensive income if the recoverable amount is less than the carrying amount. The estimated recoverable amount of the asset is the higher of an asset's fair value less costs to sell and value in use. Fair value less costs to sell is determined as the amount that would be obtained from the sale of the asset in an arm's-length transaction less the costs of disposal while value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life.

The aggregate net book values of property and equipment amounted to ₱196,482,913 and ₱199,578,410 as at December 31, 2024 and 2023, respectively, net of allowance for impairment losses of ₱161,988,540 as at December 31, 2024 and 2023 (see Note 9).

Assessing Recoverability of Deferred Mine Exploration and Evaluation Costs

Cost related to exploration activities are capitalized as deferred mine exploration and evaluation costs until the viability of the exploration project is determined. Exploration, evaluation and pre-feasibility costs are charged to operations until such time that it has been determined that a property has economically recoverable reserves, in which case subsequent exploration costs and the costs incurred to develop a property are capitalized. The Group reviews the carrying values of its mineral property interests whenever events or changes in circumstances indicate that their carrying values may exceed their estimated net recoverable amounts. Mine exploration costs amounted to ₱3,396,261,275 and ₱3,310,769,548, as at December 31, 2024 and 2023, respectively, net of allowance for impairment losses of ₱94,692,291 as at December 31, 2024 and 2023 (see Note 10).

Estimates and Assumptions

The consolidated financial statements prepared in accordance with PFRS Accounting Standards require management to make estimates and assumptions that affect amounts reported in the consolidated financial statements and related notes. The estimates and assumptions used in the consolidated financial statements are based upon management's evaluation of relevant facts and circumstances as of the date of the Group's consolidated financial statements. Actual results could differ from such estimates.



Estimating Impairment of Input VAT

The Group assesses impairment on its input VAT whenever events or changes in circumstances indicate that the carrying amount of input VAT may not be recovered. As at December 31, 2024 and 2023, carrying values of input VAT amounted to ₱18,981,458 and ₱27,023,476 respectively (see Note 11).

Provision for impairment losses on input VAT amounted to ₱10,870,461, ₱41,185, and ₱66,840 in 2024, 2023 and 2022, respectively (see Notes 11 and 15).

Estimating Allowance for Inventory Losses

Mill materials, hardware and other supplies, which are used in the Group's operations, are stated at the lower of cost or NRV. Allowance due to obsolescence is established when there are evidences that the equipment where the parts and supplies are originally purchased for is no longer in service. Inventories which are nonmoving or have become unusable are priced at their recoverable amount.

Inventories, at lower of cost or NRV, amounted to ₱5,148,614 and ₱7,171,509 as at December 31, 2024 and 2023, respectively, net of allowance for inventory losses of ₱69,647,524 and ₱69,647,524 as at December 31, 2024 and 2023, respectively. Provision for inventory losses amounted to nil, nil, and ₱48,394 in 2024, 2023 and 2022, respectively (see Note 6 and 15).

Estimating Realizability of Deferred Tax Assets

The Group reviews the carrying amounts of deferred tax assets at each end of the financial reporting date and reduces the carrying amount to the extent that it is no longer probable that sufficient future taxable income will be available to allow all or part of the deferred tax assets to be utilized.

The Group has recognized deferred tax assets amounting to ₱59,199,758 and ₱58,858,561 as at December 31, 2024 and 2023, respectively. No deferred tax assets were recognized for temporary differences amounting to ₱262,142,523 and ₱244,538,068 as at December 31, 2024 and 2023, respectively, since management believes that there is no assurance that the Group will generate sufficient future taxable income to allow all or part of its deferred tax assets to be utilized (see Note 17).

Determining Retirement Benefits Obligation

The determination of the Group's obligation and cost for retirement and other retirement benefits is dependent on the selection of certain assumptions used by actuaries in calculating such amounts. These assumptions are described in Note 16 to the consolidated financial statements. Retirement benefits obligation amounted to ₱3,926,030 and ₱3,902,814 as at December 31, 2024 and 2023, respectively (see Note 16). Retirement benefits costs amounted to ₱384,898, ₱452,317, and ₱1,330,066 in 2024, 2023 and 2022, respectively (see Note 16).

Estimating Contingencies

The Group evaluates legal and administrative proceedings to which it is involved based on analysis of potential results. Management and its legal counsels do not believe that any current proceedings will have adverse effects on its financial position and results of operations. It is possible, however, that future results of operations could be materially affected by changes in the estimates or in the effectiveness of strategies relating to these proceedings (see Note 24).



4. Cash

	2024	2023
Cash on hand	P245,520	P866,219
Cash in banks	3,493,151	15,671,117
	P3,738,671	P16,537,336

Cash in banks earn interest at the respective bank deposit rates. Total interest income earned amounted to P1,007, P11,601, and P120,545 in 2024, 2023 and 2022, respectively.

The Group has United States Dollar (US\$)-denominated cash on hand amounted to nil as at December 31, 2024 and 2023 while US\$-denominated cash in banks amounted to US\$6,169 and US\$6,165 as at December 31, 2024 and 2023.

5. Receivables - net

	2024	2023
Stock options receivable	P9,780,000	P9,780,000
Nontrade receivables	21,568,486	22,065,545
	31,348,486	31,845,545
Less allowance for expected credit losses	10,859,666	10,859,666
	P20,488,820	P20,985,879

Stock options receivables are non-interest-bearing receivables from employees in respect of stock options exercised under a share-based plan (see Note 24c).

Nontrade receivables which are non-interest bearing comprise mainly of receivables from subcontractors and other third parties. Nontrade receivables are collectible on demand.

Based on the assessment by management, the Group recognized an allowance for expected credit losses on specifically identified credit-impaired accounts amounting to P10,859,666 as at December 31, 2024 and 2023. Receivables which were not individually significant and receivables which were individually significant for which no specific impairment were recognized, were assessed and were subject to 12- month ECL and lifetime ECL, respectively. An exposure will migrate through the ECL stages as asset quality deteriorates. If, in a subsequent period, asset quality improves and also reverses any previously assessed significant increase in credit risk since origination, then the loss allowance measurement reverts from lifetime ECL to 12 months ECL.

Provisions for ECL amounted to nil for 2024, 2023 and 2022.

6. Inventories

	2024	2023
At NRV:		
Machinery and automotive parts	P4,936,455	P6,799,669
At cost:		
Fuel, oil and lubricants	212,159	371,840
	P5,148,614	P7,171,509



Cost of inventories carried at NRV are as follows:

	2024	2023
Mill materials, hardware and other supplies	P55,221,970	P57,085,184
Machinery and automotive parts	19,362,009	19,362,009
	P74,583,979	P76,447,193

Movements in allowance for inventory losses in 2024 and 2023 are as follows:

	2024	2023
Balance at beginning of year	P 69,647,524	P69,651,293
Reversal	–	(3,769)
Balance at end of year	P69,647,524	P69,647,524

Provisions for inventory losses amounted to nil in 2024 and 2023, and P48,394 in 2022, respectively (see Note 15).

7. Prepayments and Other Current Assets

	2024	2023
Contract deposits	P13,003,192	P13,003,192
Miscellaneous deposits	30,067,573	17,432,225
Prepaid insurance	18,231	936,222
Others	62,962	62,962
	P43,151,958	P31,434,601

Contract deposits pertain to deposits made for future drilling services of its affiliate, Diamond Drilling Corporation of the Philippines (DDCP), which amounted to P12,649,531. This is refundable upon nonperformance of services (see Note 13). Contract deposits also include deferred charges for various equipment and other charges.

Miscellaneous deposits pertain to down payments made to building and civil works contractors and supplier of equipment and supplies related to the construction. It also includes deposits on gas cylinder containers which will be refunded after return of said containers.

Prepaid insurance pertains to the payments made to insure newly acquired transportation equipment.

Others pertain to the balance of garnished bank accounts due to a litigation that the Parent Company is indirectly a party of.

8. Financial Assets Designated at FVOCI

	2024	2023
Quoted instruments	P5,215,706	P6,227,709
Unquoted instruments	2,118,145	2,118,145
	P7,333,851	P8,345,854



Quoted instruments pertain to investment on common shares of LCMC. These equity instruments pertain to Lepanto A shares totaling to 77,846,363 as at December 31, 2024 and 2023. The fair value on the quoted instrument is based on the exit market price of ₱0.07 and ₱0.08 at December 31, 2024 and 2023, respectively.

Unquoted instruments pertain to investment in a private company. These unquoted financial instruments pertain to Manila Peninsula shares totaling to 750,000 as at December 31, 2024 and 2023.

As at December 31, 2024 and 2023, the Group has no intention to dispose its unquoted instruments.

Movement of financial assets designated at FVOCI in 2024 and 2023 is as follows:

	2024	2023
Balances at beginning of year	₱8,345,854	₱10,603,399
Change in fair value of financial assets designated at FVOCI	(1,012,003)	(2,257,545)
Balances at end of year	₱7,333,851	₱8,345,854

Movement in the “Fair value reserve of financial assets designated at FVOCI” presented as separate component of equity as at December 31, 2024 and 2023 follow:

	2024	2023
Balances at beginning of year	₱61,591,410	₱59,333,865
Fair valuation loss	1,012,003	2,257,545
Balances at end of year	₱62,603,413	₱61,591,410

There was no dividend income earned from the quoted equity instruments in 2024, 2023 and 2022.



9. Property and Equipment - net

	Construction In-progress	Land	Machinery and Equipment	Building and Land Improvements	Furniture, Office and Other Equipment	Total
2024						
Cost:						
Balances at beginning of year	₱103,687,594	₱7,270,713	₱820,114,180	₱215,341,858	₱122,379,790	₱1,268,794,135
Additions	2,616,885	–	–	–	2,170,652	4,787,537
Balances at end of year	106,304,479	7,270,713	820,114,180	215,341,858	124,550,442	1,273,581,672
Accumulated depreciation:						
Balances at beginning of year	–	–	674,872,003	114,546,193	117,808,989	907,227,185
Depreciation	–	–	436,512	5,221,118	2,225,404	7,883,034
Balances at end of year	–	–	675,308,515	119,767,311	120,034,393	915,110,219
Allowance for impairment losses:						
Balances at beginning and end of year	–	–	143,720,880	18,086,096	181,564	161,988,540
Net book values	₱106,304,479	₱7,270,713	₱1,084,785	₱77,488,451	₱4,334,485	₱196,482,913
	Construction In-progress	Land	Machinery and Equipment	Building and Land Improvements	Furniture, Office and Other Equipment	Total
2023						
Cost:						
Balances at beginning of year	₱17,583,816	₱7,270,713	₱820,012,215	₱215,341,858	₱120,689,707	₱1,180,898,309
Additions	86,103,778	–	101,965	–	1,690,083	87,895,826
Balances at end of year	103,687,595	7,270,713	820,114,180	215,341,858	122,379,790	1,268,794,135
Accumulated depreciation:						
Balances at beginning of year	–	–	674,437,191	109,325,075	116,100,155	899,862,421
Depreciation	–	–	434,812	5,221,118	1,708,834	7,364,764
Balances at end of year	–	–	674,872,003	114,546,193	117,808,989	907,227,185
Allowance for impairment losses:						
Balances at beginning and end of year	–	–	143,720,880	18,086,096	181,564	161,988,540
Net book values	₱103,687,595	₱7,270,713	₱1,521,297	₱82,709,569	₱4,389,236	₱199,578,410



Total depreciation of property and equipment charged to operations amounted to ₱2,326,905, ₱2,118,914, and ₱602,621 in 2024, 2023 and 2022, respectively (see Note 14). Depreciation of property and equipment amounting to ₱5,556,129, ₱5,245,850, and ₱5,548,467 were capitalized in 2024, 2023 and 2022, respectively, as part of deferred mine exploration and evaluation costs (see Note 10).

Construction in-progress pertains to the construction of corehouse to store coretrays used in the exploration activities.

10. Deferred Mine Exploration and Evaluation Costs

	2024	2023
Balance at beginning of year	₱3,405,461,839	₱3,278,233,405
Additions	79,935,598	121,982,584
Capitalized depreciation (Note 9)	5,556,129	5,245,850
	3,490,953,566	3,405,461,839
Less allowance for impairment losses	94,692,291	94,692,291
	₱3,396,261,275	₱3,310,769,548

Deferred mine exploration and evaluation costs includes balance of KCGRI amounting to nil, net of allowance for impairment losses amounting to ₱94,692,291, as at December 31, 2024 and 2023.

As discussed in Note 1, the Parent Company has valid and existing MPSA as at December 31, 2024. Costs incurred pertaining to the exploration activities on the tenements covered by the said permit are expected to be recovered once commercial operations resume.

11. Other Noncurrent Assets

	2024	2023
Input VAT	₱130,670,192	₱127,841,749
MRF	5,213,619	5,207,582
Prepaid royalties	4,998,939	4,998,939
Miscellaneous deposits	1,682,066	1,682,066
Deposit receivables	326,117	326,117
Advances to landowners	1,508,341	1,508,345
	144,399,274	141,564,798
Less allowance for impairment losses on input VAT	111,688,734	100,818,273
	₱32,710,540	₱40,746,525

Input VAT represents VAT paid on purchases of goods and services which can be recovered as tax credit against future tax liability of the Parent Company upon approval by the BIR.

On November 13, 1998, the Parent Company entered into a separate Memorandum of Agreement with the Office of Municipal Mayor and Sangguniang Bayan of Placer, Surigao del Norte, DENR and MGB. Under the agreement, the Parent Company is mandated to establish and maintain a Monitoring Trust Fund and MRF amounting to, at a minimum, ₱5,150,000 recorded as environmental fund. The funds are to be used for physical and social rehabilitation, reforestation and restoration of areas and communities affected by mining activities, for pollution control, slope stabilization and integrated community development. The environmental fund to be maintained by the Group in a mutually acceptable bank is subject to annual review of the MRF committee.



MRF earn interest at the respective bank deposit rates. Total interest income amounted to ₱4,285, ₱4,458, and ₱3,461 in 2024, 2023 and 2022, respectively.

Prepaid royalties are advance payments to claim owners and real property taxes of land where the mine site operations were located and are expensed as incurred.

Miscellaneous deposits pertain to advances made to local government agencies for pending project agreements which will be offset against future billings.

Deposit receivables pertain to electric utility given to Surigao del Norte Electric Cooperative, Inc., a power supplier, in exchange for future services.

Advances to landowners pertain to advances made to certain landowners for future purchases of parcels of land. The same will be deducted from the total acquisition cost of parcels of land to be purchased in the future.

Based on the assessment done by the management, the Group recognized provision for impairment losses on input VAT amounting to ₱10,870,461, ₱41,185, and ₱66,840 in 2024, 2023 and 2022, respectively (see Note 15).

Movements in allowance for impairment losses on input VAT in 2024 and 2023 are as follows:

	2024	2023
Balance at beginning of year	₱100,818,273	₱100,777,088
Provision for impairment losses (Note 15)	10,870,461	41,185
Balance at end of year	₱111,688,734	₱100,818,273

12. Accounts Payable and Accrued Expenses

	2024	2023
Trade payable	₱117,150,767	₱125,602,699
Accrued expenses and other liabilities	157,211,806	60,350,108
Payable to government	863,857	833,470
Unclaimed dividends	573,097	573,097
	₱275,799,527	₱187,359,374

Terms and conditions of the aforementioned liabilities are as follows:

- Trade payable includes local purchases of equipment, inventories and various parts. This is non-interest bearing and normally settled demand and on 30 days' terms.
- Accrued expenses include accrued payroll which are normally payable within five to 10 days and other liabilities which are non-interest bearing and have an average term of one to three months.
- Payable to government pertains to the Group's payable to various regulatory agencies such as payables for withholding taxes, Social Security System and Home Development and Mutual Fund premiums and PhilHealth contributions.
- Unclaimed dividends pertain to unpaid cash dividends declared by the Parent Company to its stockholders.



13. Related Party Disclosures

Related party relationships exist when one party has the ability to control, directly or indirectly through one or more intermediaries, the other party or exercise significant influence over the other party in making financial and operating decisions. Such relationships also exist between and/or among entities which are under common control with the reporting enterprise, or between and/or among the reporting enterprise and their key management personnel, directors, or its stockholders.

LCMC holds a 16.4% direct and indirect equity interest in the Group. It provides cash advances and pays expenses on behalf of the Group.

DDCP, a wholly owned subsidiary of LCMC, provides various drilling services to the Group.

Shipside, Inc., a wholly owned subsidiary of LCMC, provides hauling services to the Group.

The Parent Company, in the normal course of business, enters into transactions with related parties. The consolidated statements of financial position include the following assets and liabilities resulting from the above transactions with related parties:

Related Party	Relationship	Year	Amounts/ Volume	Outstanding Balance	Terms and Conditions
<i>Contract Deposits (Note 7)</i>					
DDCP	Affiliate under common control	2024 2023	P– P–	P12,649,531 P12,649,531	On demand Noninterest-bearing Refundable in cash Unsecured, no impairment
Related Party	Relationship	Year	Amounts/ Volume	Outstanding Balances	Terms and Conditions
<i>Due from Related Party</i>					
LCMC	Stockholder	2024 2023	P– P–	P20,874,865 P20,905,990	On demand Noninterest-bearing To be settled in cash Unsecured, no guarantee

Total compensation of the Group's key management personnel in 2024, 2023 and 2022, which pertains to short-term benefits, amounted to P456,950. Key management of the Group are the executive officers and directors. There were no post-employment benefits paid for the Group's key management personnel in 2024, 2023 and 2022.



14. Administration and Overhead Costs

	2024	2023	2022
Outside services	₱2,574,162	₱1,954,816	₱2,677,366
Depreciation (Note 9)	2,326,905	2,118,914	602,621
Salaries, allowances and other benefits:			
Salaries and wages	661,800	794,515	972,060
Current service costs (Note 16)	249,558	216,777	581,540
Other benefits	133,510	173,559	234,157
Listing fees	278,920	352,019	307,565
Transportation and travel	110,075	299,915	75,391
Communications	99,503	42,165	40,547
Repairs and maintenance	63,196	69,361	81,855
Taxes and licenses	34,520	22,060	30,324
Representation expense	11,824	42,040	31,547
Rent	283,584	283,584	283,584
Office transfer expense	—	—	40,000
	56		
Others		298,815	655,909
	₱6,981,241	₱6,668,540	₱6,614,466

Outside services pertain to contracted services, audit fee and other professional services rendered to the Company.

Taxes and licenses consist of documentary stamp tax and other government charges paid by the Company to regulatory agencies.

Others comprise of miscellaneous expenses, ads publications & promo, legal expenses, accounting expenses & executive expenses.

15. Other Charges - net

	2024	2023	2022
Provision for impairment losses on input VAT (Note 11)	₱10,870,461	₱41,185	₱66,840
Unrealized foreign exchange losses (gains)	(15,439)	2,335	(29,321)
Provision for inventory obsolescence (Note 6)	—	—	48,394
Loss on financial assets written-off (Note 7)	—	—	38,459
	₱10,855,022	₱43,520	₱124,372

Provision for impairment losses on input VAT recognized pertains to input VAT recorded that are assessed to be doubtful of its recoverability.



16. Retirement Benefits Obligation

The Parent Company has an unfunded defined benefit retirement plan covering substantially all regular employees. Benefits are dependent on the years of service and the respective employee's compensation. The defined retirement benefits obligation is actuarially determined using the projected unit credit method.

Under the existing regulatory framework, RA No. 7641 requires a provision for retirement pay to qualified private sector employees in the absence of any retirement plan in the entity, provided however that the employee's retirement benefits under any collective bargaining and other agreements shall not be less than those provided under the law. The law does not require minimum funding of the plan. The amounts of retirement benefits costs recognized in the consolidated statements of comprehensive income follow:

	2024	2023	2022
Current service costs (Note 14)	P249,558	P216,777	P581,540
Interest costs	235,340	235,540	748,526
	P484,898	P452,317	P1,330,066

The amount of re-measurement loss on retirement benefits liability, net of tax, recognized in OCI follow:

	2024	2023	2022
Re-measurement gain (loss) on retirement benefits liability	P361,682	(P104,756)	(P1,825,087)
Income tax effect	(90,421)	26,189	456,272
	P271,261	(P78,567)	(P1,368,815)

The table below shows the movement analysis of re-measurement gain (loss) on retirement benefits liability as at December 31, 2024 and 2023:

	2024	2023
Balance at beginning of year	(P153,308)	(P74,741)
Re-measurement gain (loss) on retirement benefits liability - net	271,261	(78,567)
Balance at end of year	P117,953	(P153,308)

The amounts of retirement benefits obligation recognized in the consolidated statements of financial position are as follows:

	2024	2023
Balance at beginning of year	P3,902,814	P3,345,741
Current service cost (Note 14)	249,558	216,777
Interest costs	235,340	235,540
Retirement benefit cost charged to profit or loss	484,898	452,317
Benefits paid	(100,000)	-
Total	384,898	452,317

(Forward)



	2024	2023
Re-measurement loss (gain) on:		
Change in financial assumptions	(P30,994)	P290,402
Experience adjustment	(330,688)	(185,646)
Retirement benefit cost charged to OCI	(361,682)	104,756
Balance at end of year	P3,926,030	P3,902,814

The principal assumptions used in determining retirement benefits obligations are as follows:

	2024	2023
Discount rate	6.14%	6.03%
Salary increase rate	5.00%	5.00%
Expected remaining working lives of employees	15 years	15 years

The sensitivity analysis below has been determined based on reasonably possible changes of each significant assumption on the defined retirement benefits obligation as at the end of the reporting period, assuming all other assumptions were held constant.

	Increase (decrease)	2024	2023
Discount rates	0.50%	(P135,615)	(P148,478)
	(0.50%)	144,429	158,558
Salary increase rate	0.50%	138,661	152,019
	(0.50%)	(131,439)	(143,728)

Shown below is the maturity analysis of the undiscounted benefit payments as at December 31, 2024:

Less than one year	P139,929
More than one year to five years	2,368,708
More than five years to 10 years	2,739,022
More than 10 years to 15 years	3,252,925
More than 15 years to 20 years	2,220,811
More than 20 years	9,435,524
	P20,156,919

The latest actuarial report was made as at December 31, 2024.

17. Income Taxes

No provision for current income tax was recognized since the Parent Company and KCGRI are in gross and net taxable loss position. A reconciliation of income tax applicable to loss before income tax at the statutory income tax rates to provision for (benefit from) income tax as shown in the consolidated statements of comprehensive income follows:



	2024	2023	2022
Income tax at statutory tax rate - 25%	(P4,516,517)	(P1,732,885)	(P1,840,839)
Additions to (reductions in) income tax resulting from:			
Deductible temporary differences and NOLCO for which no deferred tax asset was recognized	4,427,056	1,615,909	5,490,536
Interest income subjected to final tax	(1,383)	(4,015)	(31,002)
Nondeductible expenses	—	—	9,615
Provision for (benefit from) income tax	(P90,844)	(P120,991)	P3,628,310

The components of the net deferred tax liability as at December 31 are as follows:

	2024	2023
Deferred tax assets:		
<i>Recognized directly in profit or loss</i>		
Allowance for:		
Impairment losses on property and equipment	P40,497,135	P40,497,135
Inventory losses	17,411,881	17,412,823
Expected credit losses on receivables	269,917	269,917
Retirement benefits obligation	1,020,825	678,104
Unrealized foreign exchange loss	—	578
	59,199,758	58,858,557
Deferred tax liability:		
Excess of allowable depletion over depletion per books	108,221,272	108,221,272
Unrealized foreign exchange gains	3,860	—
	108,225,132	108,221,272
<i>Recognized in other comprehensive income</i>		
Deferred tax asset:		
Re-measurement gain (loss) on retirement benefits liability	39,318	(297,598)
Deferred tax liability - net	P49,064,692	P49,065,115

Deferred tax liability is mainly provided on taxable temporary differences arising on the difference between normal depletion and allowed depletion under Presidential Decree 1353, Amending Section 30 of the Tax Code to Allow Accelerated Deduction under Certain Conditions of Exploration and Development Expenditures.



The following are the movements in the Group's NOLCO for the years ended December 31:

	2024	2023
Balance at beginning of year	₱39,247,502	₱32,825,060
Additions	6,733,993	6,422,442
Balance at end of year	₱45,981,495	₱39,247,502

No deferred tax assets were recognized for the following temporary differences since management expects that it is not probable that sufficient future taxable income will be available to allow all or part of these deferred tax assets to be utilized.

	2024	2023
Allowance for impairment losses on input VAT (Note 11)	₱111,688,734	₱100,818,273
Allowance for impairment losses on deferred mine exploration and evaluation costs (Note 10)	94,692,291	94,692,291
NOLCO	45,981,495	39,247,502
Provision for expected credit losses on stock options receivables (Note 5)	9,780,000	9,780,000
	₱262,142,520	₱244,538,068

On September 30, 2020, the BIR issued Revenue Regulations No. 25-2020 implementing Section 4(bbbb) of "Bayanihan to Recover As One Act", which states that the NOLCO incurred for taxable years 2020 and 2021 can be carried over and claimed as a deduction from gross income for the next five taxable years following the year of such loss.

The Company has incurred NOLCO in taxable years 2021 and 2020 which can be claimed as deduction pursuant to the act. However, the NOLCO incurred in 2022 can only be carried over as a deduction from gross income for the next three consecutive taxable years. The extension to five years is no longer applicable, as follows:

Parent Company

Year Incurred	Availment Period	Amount	NOLCO Applied Previous Years	NOLCO Expired	NOLCO Applied Current Year	NOLCO Unapplied
2020	2021-2025	₱5,339,426	₱-	₱-	₱-	₱5,339,426
2021	2022-2026	5,184,456	-	-	-	5,184,456
2022	2023-2025	21,718,048	-	-	-	21,718,048
2023	2024-2026	6,347,361	-	-	-	6,347,361
2024	2024-2027	6,648,838	-	-	-	6,648,838
		₱45,238,129	₱-	₱-	₱-	₱45,238,129

KCGRI

Year Incurred	Availment Period	Amount	NOLCO Applied Previous Years	NOLCO Expired	NOLCO Applied Current Year	NOLCO Unapplied
2020	2021-2025	₱176,664	₱-	₱-	₱-	₱176,664
2021	2022-2026	229,226	-	-	-	229,226
2022	2023-2025	177,240	-	-	-	177,240
2023	2024-2026	75,081	-	-	-	75,081
2024	2024-2027	85,155	-	-	-	85,155
		₱743,366	₱-	₱-	₱-	₱743,366



18. Equity

Capital Stock

As at December 31, 2024 and 2023, details of the Parent Company's capital stock follow:

	2024		2023	
	No. of shares	Amount	No. of shares	Amount
Issued and outstanding				
Class "A"	186,639,162,002	P1,866,391,620	186,639,162,002	P1,866,391,620
Class "B"	124,334,239,342	1,243,342,393	124,334,239,342	1,243,342,393
	310,973,401,344	3,109,734,013	310,973,401,344	3,109,734,013
Subscribed				
Class "A"	316,141,644	3,161,416	316,141,644	3,161,416
Class "B"	214,603,455	2,146,035	214,603,455	2,146,035
	530,745,099	5,307,451	530,745,099	5,307,451
Total shares issued and subscribed	311,504,146,443	3,115,041,464	311,504,146,443	3,115,041,464
Less subscriptions receivable	—	365,632	—	365,632
	311,504,146,443	P3,114,675,832	311,504,146,443	P3,114,675,832

In April 2010, the Parent Company offered to its shareholders as of record date of March 10, 2010, the right to subscribe to one share for every eight shares held, at an offer price of ₱0.015 per share, covering 22,375,540,151 common shares consisting of 13,429,141,954 Class "A" shares and 8,946,398,197 Class "B" shares. Total capital stock issued and subscribed from the stock rights offering amounted to ₱330,659,280, net of transaction costs. Proceeds from the issuance of stock rights were used to settle debts and fund exploration projects.

On June 8, 2010, the SEC approved the increase in authorized capital stock to 260 billion shares at par value of ₱0.01 per share divided into 156 billion Class "A" and 104 billion Class "B" shares.

On April 30, 2014, the PSE BOD approved the application covering the Offer Shares of 56,926,927,347 at an offer price of ₱0.012 per share, raising a total of ₱683,123,128. The offer period was from June 16, 2014 to June 20, 2014.

Proceeds from the issuance of stock rights were used to fund the drilling program for the period 2014 to 2015, settlement of debts to suppliers, service providers, and to fund the Parent Company's working capital.

Only Philippine nationals are qualified to acquire, own or hold Class "A" common shares of stock of the Parent Company. The total number of Class "B" common shares of stock subscribed, issued or outstanding at any given time shall in no case exceed two-thirds of the number of Class "A" common shares of stock or 40% of the aggregate number of Class "A" and Class "B" common shares of stock then subscribed, issued or outstanding. Each common share entitles the holder to one vote, enjoys full dividend and pre-emptive rights.

At the annual stockholders' meeting on August 17, 2021, the stockholders approved the Board of Directors' recommendation to increase the Parent Company's authorized capital stock from ₱2.6 billion to ₱4.6 billion. After the said stockholders' meeting, the Board of Directors approved an offer to shareholders of 1 share for every 5 shares held at ₱0.01 per share to support the increase in the Parent Company's authorized capital stock to ₱4.6 billion. The proceeds of the offer, amounting to ₱519 million, will be utilized to fund the Parent Company's exploration program, administration costs, and settle trade payables and accruals. The Offer Period will be from May 16-20, 2022.



At the regular board meeting on November 10, 2022, the Senior Vice President and Treasurer advised that the Company successfully completed its 1:5 stock rights offering (SRO) and the same was fully subscribed. Accordingly, the cash assets of the Company increased significantly; payables decreased significantly as well as some accounts were settled out of the SRO proceeds. As of December 31, 2023, the Company was able to collect ₱154,355,954 from these proceeds.

The transaction costs incurred from the Parent Company's issuance of its own equity instruments includes registration and other regulatory fees. In 2023, issuance costs amounting to ₱199,340 was netted against APIC as a cost of stock issued.

The Parent Company has 4,127, 4,131, and 4,133 stockholders as at December 31, 2024, 2023 and 2022, respectively.

Equity Reserve

On May 11, 2011, the Parent Company, KCGRI and Philex entered into a Farm-in agreement (Agreement) for the exploration and joint development of the Kalayaan Project located in Placer, Surigao del Norte. The pre-feasibility study of the project may be completed by Philex within the three year earn-in period.

Pursuant to the agreement, the Parent Company sold to Philex a total of 125,000 shares of stock of KCGRI, representing a 5% interest in KCGRI, for a consideration of US\$25 million. Philex shall earn an additional 55% interest in KCGRI by sole-funding all pre-development expenses including a final feasibility study for the Project.

The sale brought down the total number of shares owned and controlled by the Parent Company as at December 31, 2011 to 95%. The net proceeds were accounted for as an equity transaction and resulted in an increase in equity amounting to ₱954,621,275 recognized as "Equity reserve" in the equity section of the consolidated statements of financial position.

NCI

NCI represents 5% interest of Philex in KCGRI.

The summarized financial information of the Subsidiary before intercompany eliminations is provided below:

Statements of comprehensive income as of December 31:

	2024	2023	2022
Administration and overhead costs	(₱85,155)	(₱75,081)	(₱177,240)
Other income (charges)	98	409	1,011
Net loss	(85,057)	(74,672)	(176,229)
Other comprehensive income	—	—	—
Total comprehensive loss	(₱85,057)	(₱74,672)	(₱176,229)
Attributable to NCI	₱4,253	₱3,734	₱8,811



Statements of financial position as at December 31:

	2024	2023
Current assets	₱3,154,744	₱3,269,801
Current liabilities	(75,000)	(105,000)
Total equity	₱3,079,744	₱3,164,801
Attributable to:	2024	2023
Equity holders of the Parent Company	₱2,925,757	₱3,006,561
NCI	153,987	158,240

The Group did not opt to present the statements of cash flows for the years ended December 31, 2024 and 2023 since it is deemed immaterial relative to the consolidated financial statements.

To meet the DENR-mandated (DENR Memorandum Order No. 2013-1) minimum capitalization requirement of Authorized Capital Stock (ACS) and Paid-up-Capital amounting to ₱100,000,000 and ₱6,250,000, respectively, the KCGRI BOD approved on February 12, 2018 an increase in the ACS to ₱100,000,000. Philex and the Parent Company subscribed to additional capital and paid as follows:

	Increase (by ₱90,000,000)		Total after Increase	
Shareholder	Amount Subscribed	Amount Paid-up	Amount Subscribed	Amount Paid-Up
MMC (95%)	₱21,375,000	₱5,343,750	₱23,750,000	₱7,718,750
Philex (5%)	1,125,000	281,250	1,250,000	406,250
	₱22,500,000	₱5,625,000	₱25,000,000	₱8,125,000

The application for such increase and amendment of Articles of Incorporation was filed with the SEC on March 9, 2018 and was properly certified and approved on September 7, 2018.

The additional paid-up capital by Philex resulted to the increase in NCI amounting to ₱281,250.

The Group has no potential dilutive shares as at December 31, 2024, 2023, and 2022.

19. Income (Loss) Per Share

Basic income (loss) per share is calculated by dividing the loss attributable to equity holders of the Parent Company by the weighted average number of common shares in issue during the period.

There were no outstanding stock options as of December 31, 2024, 2023 and 2022.

	2024	2023	2022
Net income (loss) attributable to equity holders of the Parent Company	(₱17,970,971)	(₱6,806,816)	(₱10,982,857)
Weighted average number of common shares for basic and diluted loss per share	310,973,401,344	310,973,401,344	267,684,492,271
Basic and diluted income (loss) per share	(₱0.00006)	(₱0.00002)	(₱0.00004)



20. Financial Risk Management Objectives and Policies

The Group's principal financial instruments comprise cash and accounts payable and accrued expenses. The main purpose of the financial instruments is to fund the Group's operations. The Group has other financial instruments such as receivables, financial assets designated at FVOCI and nontrade payables which arise directly from operations. The main risks arising from the use of financial instruments are credit risk, market risk and liquidity risk.

The Group's BOD reviews and approves the policies for managing each of these risks and they are summarized below.

Credit Risk

Credit risk represents the loss that the Group would incur if a counterparty failed to perform its contractual obligations. The Group trades only with recognized and creditworthy third parties. It is the Group's policy that all credit is subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis.

The credit risk arising from these financial assets arises from default of the counterparty, with maximum exposure equal to the carrying amount of these instruments. The Group's gross maximum exposure to credit risk is equivalent to the carrying values since there are no collateral agreement on these financial assets.

The table below shows the gross maximum exposure to credit risk without consideration to collateral or other credit enhancements for the components of the consolidated statements of financial position as at December 31, 2024 and 2023.

	2024	2023
Cash in banks	P3,493,151	P15,671,117
Stock options receivable	9,780,000	9,780,000
Nontrade receivables	21,568,486	22,065,545
Contract deposits	12,649,531	13,003,192
MRF	5,213,619	5,207,582
	P52,704,787	P65,727,436

The tables below summarize the aging analysis of the Group's financial assets as at December 31, 2024 and 2023:

	2024				
	General Approach		Stage 3	Simplified Approach	Total
	Stage 1	Stage 2			
Cash in banks	P3,493,151	–	–	–	P3,493,151
Stock options receivable	–	–	9,780,000	–	9,780,000
Nontrade receivables	20,488,820	–	1,079,666	–	21,568,486
Contract deposits	12,649,531	–	–	–	12,649,531
MRF	5,213,619	–	–	–	5,213,619
	P41,845,121	–	P10,859,666	–	P52,704,787



	2023				
	General Approach			Simplified Approach	Total
	Stage 1	Stage 2	Stage 3		
Cash in banks	₱15,671,117	–	–	–	₱15,671,117
Stock options receivable	–	–	9,780,000	–	9,780,000
Nontrade receivables	20,985,879	–	1,079,666	–	22,065,545
Contract deposits	13,003,192	–	–	–	13,003,192
MRF	5,207,582	–	–	–	5,207,582
	₱54,867,770	–	₱10,859,666	–	₱65,727,436

General Approach

The credit risk of financial assets under the general approach are determined to be under Stage 1. Individually impaired that were specifically determined by the Company is under Stage 3 and is fully provided with ECL.

There are no significant concentrations of credit risk within the Group.

Market Risk

Market risk is the risk of loss to future earnings, to fair values or to future cash flows that may result from changes in the price of a financial instrument. The value of a financial instrument may change as a result of changes in interest rates, foreign currency exchanges rates, commodity prices, equity prices and other market changes. The Group's market risk originates from its holdings of equity instruments.

Equity Price Risk

Equity price risk is the risk that the fair values of equity securities will fluctuate because of changes in the level of indices and the value of individual stocks. The Group is exposed to equity securities price risk because of investments held by the Group, which are classified in the consolidated statements of financial position as financial assets designated at FVOCI as at December 31, 2024 and 2023. The Group's exposure to equity price risk relates primarily to its financial assets designated at FVOCI in LCMC.

The Group's policy is to maintain the risk to an acceptable level. Movement of share price is monitored regularly to determine its impact on the consolidated statements of financial position.

The effect on equity (as a result of change in fair value of equity instruments held as financial assets designated at FVOCI as at December 31, 2024 and 2023, respectively) due to a reasonably possible change in equity indices, with all other variables held constant, is as follows:

	Market Index	Change in Variables	Effect on Equity Increase (Decrease)
2024	PSEi	3.43%	₱82,350
		-3.43%	(82,350)
2023	PSEi	1.68%	₱58,024
		-1.68%	(58,024)



Liquidity Risk

Liquidity risk arises when there is a shortage of funds and the Group, as a consequence, could not meet its maturing obligations. The Group seeks to manage its liquid funds through cash planning on a monthly basis. The Group uses historical figures and experiences and forecasts from its collection and disbursement.

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of advances from related parties. The Group considers its available funds and its liquidity in managing its long-term financial requirements. For its short-term funding, the Group's policy is to ensure that there are sufficient capital inflows to match repayments of short-term debt. As part of its liquidity risk management, the Group regularly evaluates its projected and actual cash flows. It also continuously assesses conditions in the financial markets for opportunities to pursue fund raising activities, in case any requirements arise. Fund raising activities may include bank loans and capital market issues. Accordingly, its loan maturity profile is regularly reviewed to ensure availability of funding through an adequate amount of credit facilities with financial institutions. Also, the Group only places funds in money markets which are exceeding the Group's requirements. Placements are strictly made based on cash planning assumptions and covers only a short period of time.

The tables below summarize the maturity profile of the Group's financial liabilities which are based on contractual undiscounted payments and financial assets which are used to manage the liquidity risk as at December 31, 2024 and 2023.

2024	On demand	Less than 3 months	Total
Financial Liabilities			
Accounts payable and accrued expenses*	₱117,150,767	₱157,211,806	₱274,362,573
Unclaimed dividends	573,097	–	573,097
Total	117,723,864	157,211,806	274,935,670
Financial Assets			
Cash	3,738,671	–	3,738,671
Stock options receivable	9,780,000	–	9,780,000
Nontrade receivables	21,568,486	–	21,568,486
Contract deposits	13,003,192	–	13,003,192
Financial assets designated at FVOCI	7,333,851	–	7,333,851
Total	55,424,200	–	55,424,200
Net Financial Liabilities	₱62,299,664	₱157,211,806	₱219,511,470

**excluding statutory payables*

2023	On demand	Less than 3 months	Total
Financial Liabilities			
Accounts payable and accrued expenses*	₱125,602,699	₱60,350,108	₱185,952,807
Unclaimed dividends	573,097	–	573,097
Total	126,175,796	60,350,108	186,525,904

(Forward)



2023	On demand	Less than 3 months	Total
Financial Assets			
Cash	₱16,537,336	₱—	₱16,537,336
Stock options receivable	9,780,000	—	9,780,000
Nontrade receivables	22,065,545	—	22,065,545
Contract deposits	13,003,192	—	13,003,192
Financial assets designated at FVOCI	8,345,854	—	8,345,854
Total	69,731,927	—	69,731,927
Net Financial Assets	₱56,443,869	₱60,350,108	₱116,793,977

*excluding statutory payables

Fair Values

The following methods and assumptions were used to estimate the fair value of each class of financial instruments for which it is practicable to estimate such value:

Cash, Receivables, Accounts Payable and Accrued Expenses

The carrying amounts of cash, receivables, accounts payable and accrued expenses, which are all subject to normal trade credit terms and are short-term in nature, approximate their fair values.

Financial assets designated at FVOCI

Fair values of investments are estimated by reference to their quoted market price at the reporting date. The fair value of the Group's unquoted equity securities is determined using market approach. As at December 31, 2024, the Group's quoted and unquoted equity securities fair value is at Level 1 and Level 3, respectively.

There were no transfers between Level 1 and Level 3 fair value measurements, and no transfers into and out of Level 2 fair value measurements as at December 31, 2024 and 2023, respectively.

There were no purchases, sales, issues and settlements of Level 3 financial assets designated at FVOCI in 2024 and 2023, respectively.

21. Capital Management

The primary objective of the Group's capital management is to ensure that the Group has sufficient funds in order to support their business, pay existing obligations and maximize shareholder value.

The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may obtain additional advances from stockholders or issue new shares. No changes were made in the objectives, policies or processes in 2024. The Group has complied with all externally imposed capital requirements in 2024 and 2022.

As at December 31, 2024 and 2023, the Group's capital is composed of the following:

	2024	2023
Capital stock	₱3,114,675,832	₱3,114,675,832
APIC	608,234,879	608,234,879
Deficit	(1,238,674,120)	(1,220,703,149)
	₱2,484,236,591	₱2,502,207,562



22. Segment Reporting

As discussed in Note 1, the Parent Company and its 95%-owned subsidiary is engaged in the business of mine exploration. Accordingly, the Group operates mainly in one reportable business and geographical segment which is the Philippines. No entity-wide disclosures pertaining to revenues are provided as the Group has not earned revenue. Noncurrent assets of the Group are located in the Philippines.

23. Supplementary Disclosures to the Consolidated Statements of Cash Flows

The non-cash investing activities arising from the capitalization of depreciation amounted to ₱5,556,129, ₱5,245,850, and ₱5,548,467 in 2024, 2023 and 2022, respectively.

24. Other Matters

- a) The Parent Company is either a defendant or co-defendant in certain civil and administrative cases which are now pending before the courts and other governmental bodies. In the opinion of management and the Parent Company's legal counsel, any adverse decision on these cases would not materially affect the consolidated statements of financial position and consolidated statements of comprehensive income as at and for the years ended December 31, 2024 and 2023.
- b) On July 12, 2012, EO No. 79 was released to lay out the framework for the implementation of mining reforms in the Philippines. The policy highlights several issues that includes area of coverage of mining, small-scale mining, creation of a council, transparency and accountability and reconciling the roles of the national government and local government units. Management believes that EO 79 has no major impact on its current operations since the mine is covered by an existing MPSA with the government. Section 1 of EO No. 79, provides that mining contracts approved before the effectivity of the EO shall continue to be valid, binding, and enforceable so long as they strictly comply with existing laws, rules and regulations and the terms and conditions of their grant.

As stated above, the Philippine President issued EO 130 lifting the moratorium on mineral agreements on April 14, 2021.

- c) Under the share-based plan, the Parent Company's officers and employees and those of its subsidiary may be granted options to purchase shares of stock of the Parent Company. The aggregate number of shares to be granted under the plan should not exceed five percent of the total number of shares of the Parent Company's outstanding capital stock.

An individual may be granted an option to purchase not more than five percent of the total number of shares set aside at the date of the grant and may exercise the option up to a maximum of twenty percent 20% of the total number of option shares granted per year. Options are valid for five years and are exercisable from the date of the approval of the grant by the SEC.

On November 10, 2009, the BOD approved the grant of the 8th Stock Option Awards (Awards) to selected employees, directors and officers of the Group in accordance with the board-approved Revised Stock Option Plan ("RSOP"). The Awards cover a total of 1,600,000,000 common shares consisting of 960,000,000 class "A" and 640,000,000 class "B" shares from the Parent Company's unissued capital stock, exercisable at the price of ₱0.02 per share, within 5 years from the date of SEC approval of the same. The option price of ₱0.02 per share was computed based on a new



formula in the RSOP, that is, “the amount equivalent to 80% of the average closing price of the stock for the 10 trading days immediately preceding the date of the approval of the Grant by the BOD as determined from quotations in the PSE.

The SEC approved the Awards and the RSOP on July 9, 2010; the pertinent listing application was approved by the PSE on October 20, 2010. The stock options expired on July 8, 2015.

On November 15, 2022, the Company’s Stock Option Committee, as authorized by the Board of Directors and in accordance with the Revised Stock Option Plan, approved the Ninth Stock Option Awards (“Award”) to selected directors, officers and employees of the Company and of its affiliates, covering a total 3.6 billion common shares from unissued capital stock. The option is exercisable within 5 years, to the extent of 20% of the Award every year, from the SEC approval of the Award. The price of the option is P0.01 per share, or the par value. The Award constitutes 1.16%, more or less, of the outstanding capital stock of the Company. However, the Award is still awaiting PSE approval.

There were no share-based payments made in 2024, 2023 and 2022, respectively.



INDEPENDENT AUDITOR'S REPORT ON SUPPLEMENTARY SCHEDULES

The Stockholders and the Board of Directors
Manila Mining Corporation
20th Floor, Lepanto Building
8747 Paseo de Roxas, Makati City

We have audited in accordance with Philippine Standards on Auditing, the consolidated financial statements of Manila Mining Corporation and Subsidiary (the "Group") as at December 31, 2024 and 2023, and for each of the three years in the period ended December 31, 2024, and have issued our report thereon dated April 29, 2025. Our audits were made for the purpose of forming an opinion on the basic consolidated financial statements taken as a whole. The schedules listed in the Index to the Consolidated Financial Statements and Supplementary Schedules are the responsibility of the Group's management. These schedules are presented for purposes of complying with the Revised Securities Regulation Code Rule 68, and are not part of the basic consolidated financial statements. These schedules have been subjected to the auditing procedures applied in the audit of the basic consolidated financial statements and, in our opinion, fairly state, in all material respects, the information required to be set forth therein in relation to the basic consolidated financial statements taken as a whole.

SYCIP GORRES VELAYO & CO.


Eleanore A. Layug

Partner

CPA Certificate No. 0100794

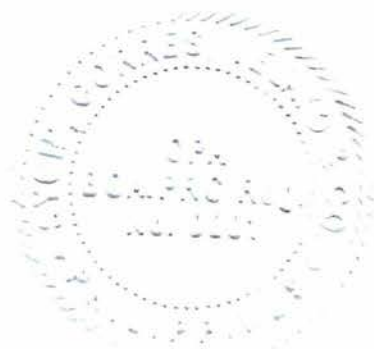
Tax Identification No. 163-069-453

BOA/PRC Reg. No. 0001, April 16, 2024, valid until August 23, 2026

BIR Accreditation No. 08-001998-097-2023, September 12, 2023, valid until September 11, 2026

PTR No. 10465317, January 2, 2025, Makati City

April 29, 2025



INDEPENDENT AUDITOR'S REPORT ON COMPONENTS OF FINANCIAL SOUNDNESS INDICATORS

The Stockholders and the Board of Directors
Manila Mining Corporation
20th Floor, Lepanto Building
8747 Paseo de Roxas, Makati City

We have audited in accordance with Philippine Standards on Auditing, the consolidated financial statements of Manila Corporation and Subsidiary (the "Group") as at December 31, 2024 and 2023, and for each of the three years in the period ended December 31, 2024, and have issued our report thereon dated April 29, 2025. Our audits were made for the purpose of forming an opinion on the basic consolidated financial statements taken as a whole. The Supplementary Schedule of Financial Soundness Indicators, including their definitions, formulas, calculation, and their appropriateness or usefulness to the intended users, are the responsibility of the Group's management. These financial soundness indicators are not measures of operating performance defined by Philippine Financial Reporting Standards (PFRS) Accounting Standards and may not be comparable to similarly titled measures presented by other companies. This schedule is presented for the purpose of complying with the Revised Securities Regulation Code Rule 68 issued by the Securities and Exchange Commission, and is not a required part of the basic consolidated financial statements prepared in accordance with PFRS Accounting Standards. The components of these financial soundness indicators have been traced to the consolidated financial statements as at December 31, 2024 and 2023, and for each of the three years in the period ended December 31, 2024, and no material exceptions were noted.

SYCIP GORRES VELAYO & CO.


Eleanore A. Layug

Partner

CPA Certificate No. 0100794

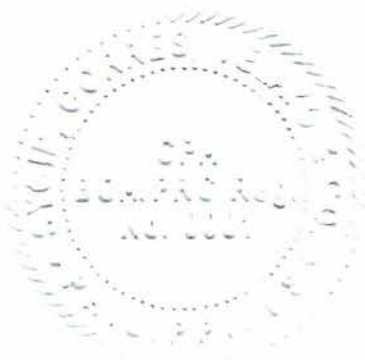
Tax Identification No. 163-069-453

BOA/PRC Reg. No. 0001, April 16, 2024, valid until August 23, 2026

BIR Accreditation No. 08-001998-097-2023, September 12, 2023, valid until September 11, 2026

PTR No. 10465317, January 2, 2025, Makati City

April 29, 2025



**INDEX TO THE CONSOLIDATED FINANCIAL STATEMENTS AND
SUPPLEMENTARY SCHEDULES
DECEMBER 31, 2024**

MANILA MINING CORPORATION AND SUBSIDIARY
20th Floor, Lepanto Building, Paseo de Roxas, Makati City

Financial Statements:

- Statements of Management's Responsibility
- Independent Auditor's Report
- Consolidated Statements of Financial Position
- Consolidated Statements of Comprehensive Income
- Consolidated Statements of Changes in Equity
- Consolidated Statements of Cash Flows
- Notes to Consolidated Financial Statements

Supplementary Schedules:

- Independent Auditors' Report on Supplementary Schedules
- Schedule I: Reconciliation of Retained Earnings Available for Dividend Declaration
- Schedule II: Schedule of Financial Soundness Indicators
- Schedule III: Map of the Relationships of the Companies Within the Group
- Schedule IV: Supplementary Schedules under Annex 68-J
 - Schedule A: Financial Assets
 - Schedule B: Amounts Receivable from Directors, Officers, Employees, Related Parties and Principal Stockholders (Other than Related parties).
 - Schedule C: Amounts Receivable from Related Parties which are eliminated during Consolidation of Financial Statements
 - Schedule D: Long-term Debt
 - Schedule E: Indebtedness to Related Parties (Long-Term Loans from Related Companies)
 - Schedule F: Guarantees of Securities of Other Issuers
 - Schedule G: Capital Stock

SCHEDULE I

RECONCILIATION OF RETAINED EARNINGS AVAILABLE FOR DIVIDEND DECLARATION

As of December 31, 2024

MANILA MINING CORPORATION AND SUBSIDIARY

20th Floor, Lepanto Building, Paseo de Roxas, Makati City

Unappropriated Retained Earnings, beginning of reporting period		(P173,885,545)
Add: Category A: Items that are directly credited to Unappropriated Retained Earnings		
Reversal of Retained Earnings Appropriation/s	—	
Effect of restatements or prior-period adjustments	—	
Others (describe nature)	—	—
Less: Category B: Items that are directly debited to Unappropriated Retained Earnings		
Dividend declaration during the reporting period	—	
Retained Earnings appropriated during the reporting period	—	
Effect of restatements or prior-period adjustments	—	
Others (describe nature)	—	—
Unappropriated Retained Earnings, as adjusted		(173,885,545)
Add/Less: Net Income (Loss) for the current year		(18,139,209)
Less: Category C.1: Unrealized income recognized in the profit or loss during the reporting period (net of tax)		
Equity in net income of associate/joint venture, net of dividends declared	—	
Unrealized foreign exchange gain, except those attributable to cash and cash equivalents	—	
Unrealized fair value adjustment (mark-to-market gains) of financial instruments at fair value through profit or loss (FVTPL)	—	
Unrealized fair value gain of Investment Property	—	
Other unrealized gains or adjustments to the retained earnings as a result of certain transactions accounted for under the PFRS (describe nature)	—	
Sub-total	—	—
Add: Category C.2: Unrealized income recognized in the profit or loss in prior reporting periods but realized in the current reporting period (net of tax)		
Realized foreign exchange gain, except those attributable to Cash and cash equivalents	—	
Realized fair value adjustment (mark-to-market gains) of financial instruments at fair value through profit or loss (FVTPL)	—	

(Forward)

Realized fair value gain of Investment Property	P=	
Other realized gains or adjustments to the retained earnings as a result of certain transactions accounted for under the PFRS (describe nature)	—	
Sub-total		—
Add: Category C.3: Unrealized income recognized in profit or loss in prior periods but reversed in the current reporting period (net of tax)		
Reversal of previously recorded foreign exchange gain, except those attributable to cash and cash equivalents	—	
Reversal of previously recorded fair value adjustment (mark-to-market gains) of financial instruments at fair value through profit or loss (FVTPL)	—	
Reversal of previously recorded fair value gain of Investment Property	—	
Reversal of other unrealized gains or adjustments to the retained earnings as a result of certain transactions accounted for under the PFRS, previously recorded (describe nature)	—	
Sub-total		—
Adjusted Net Income/Loss		(18,139,209)
Add: Category D: Non-actual losses recognized in profit or loss during the reporting period (net of tax)		
Depreciation on revaluation increment (after tax)	—	
Sub-total		—
Add/Less: Category E: Adjustments related to relief granted by the SEC and BSP (see Footnote 3)		
Amortization of the effect of reporting relief	—	
Total amount of reporting relief granted during the year	—	
Others (describe nature)	—	
Sub-total		—
Add/Less: Category F: Other items that should be excluded from the determination of the amount of available for dividends distribution		
Net movement of treasury shares (except for reacquisition of redeemable shares)	—	
Net movement of deferred tax asset not considered in the reconciling items under the previous categories	337,337	
Net movement in deferred tax asset and deferred tax liabilities related to same transaction, e.g., set up of right of use of asset and lease liability, set-up of asset and asset retirement obligation, and set-up of service concession asset and concession payable	—	
Adjustment due to deviation from PFRS/GAAP - gain (loss)	—	
Others (describe nature)	—	
Sub-total		337,337
Total Retained Earnings, end of the reporting period available for dividend		(P191,687,417)

SCHEDULE II

SCHEDULE OF FINANCIAL SOUNDNESS INDICATORS

MANILA MINING CORPORATION AND SUBSIDIARY

As of December 31, 2024

Ratio	Formula	2024	2023
Current ratio	Total Current Assets divided by Total Current Liabilities	0.26:1	0.41:1
Acid test ratio	Quick assets (<i>Total Current Assets less Inventories and Prepayments and Other Current Assets</i>) divided by Total Current Liabilities	0.09:1	0.20:1
Solvency ratio	Net income plus Noncash expenses divided by Short term liabilities plus Long term liabilities	(0.01):1	(0.02):1
Debt to equity ratio	Total Liabilities divided by Total Shareholder's Equity	0.10:1	0.07:1
Asset to equity ratio	Total Assets divided by Total Shareholder's Equity	1.10:1	1.07:1
Interest rate coverage ratio	Earnings before interest and taxes (EBIT) divided by Interest expense	(75.79):1	(28.43):1
Return on equity	Net Income (Loss) divided by Average Shareholder's Equity	-0.531%	-0.205%
Return on assets	Net Income (Loss) divided by Average Total Assets	-0.490%	-0.192%
Net profit margin	Net Income (Loss) divided by Revenue	0%	0%
Operating profit margin	Gross Profit (Loss) divided by Revenue	0%	0%
Average Total Assets	(Beginning total assets plus ending total assets) divided by 2	3,670,443,152	3,538,865,352
Average Shareholder's Equity	(Beginning total shareholder's equity plus ending total shareholder's equity) divided by 2	3,385,881,840	3,322,737,384

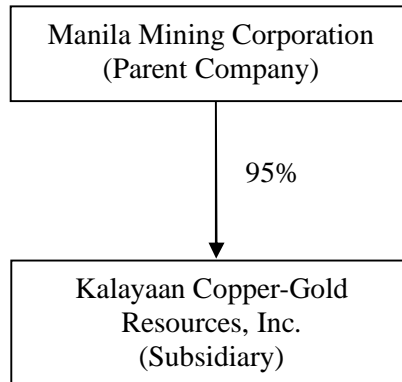
SCHEDULE III

MAP OF THE RELATIONSHIPS OF THE COMPANIES WITHIN THE GROUP

As of December 31, 2024

MANILA MINING CORPORATION AND SUBSIDIARY

20th Floor, Lepanto Building, Paseo de Roxas, Makati City



SCHEDULE IV
SUPPLEMENTARY SCHEDULES REQUIRED BY ANNEX 68-J
As of December 31, 2024

MANILA MINING CORPORATION AND SUBSIDIARY
20th Floor, Lepanto Building, Paseo de Roxas, Makati City

SCHEDULE A: Financial Assets

Name of issuing entity and association of each issue	Number of shares or principal amount of bonds and notes	Amount shown in the Statement of Financial Position	Income received and accrued
Financial Assets Designated at FVOCI:			
Lepanto Consolidated Mining Corporation	77,846,363	P5,215,706	P–
Manila Peninsula Hotel, Inc.	750,000	2,118,145	–
Total	78,596,363	P7,333,851	P–

MANILA MINING CORPORATION AND SUBSIDIARY
20th Floor, Lepanto Building, Paseo de Roxas, Makati City

Name and designation of debtor	Balance at beginning of period	Additions	Amounts collected	Amounts written off	Current	Not current	Balance at end of period
Directors, Officers and Employees	P—	P—	P—	P—	P—	P—	P—

SCHEDULE IV
SUPPLEMENTARY SCHEDULES REQUIRED BY ANNEX 68-J
As of December 31, 2024

MANILA MINING CORPORATION AND SUBSIDIARY
20th Floor, Lepanto Building, Paseo de Roxas, Makati City

SCHEDULE C: Amounts Receivable from Related Parties which are Eliminated during the Consolidation of Financial Statements

Name and designation of debtor	Balance at beginning of period	Additions	Amounts collected	Amounts written off	Current	Not current	Balance at end of period
Kalayaan Copper-Gold Resources, Inc.	P2,728,014	P43,830	P–	P–	P–	P–	P2,771,844

SCHEDULE IV
SUPPLEMENTARY SCHEDULES REQUIRED BY ANNEX 68-J
As of December 31, 2024

MANILA MINING CORPORATION AND SUBSIDIARY
20th Floor, Lepanto Building, Paseo de Roxas, Makati City

SCHEDULE D: Long-Term Debt

<u>Title of issue and type of obligation</u>	<u>Amount authorized by indenture</u>	<u>Amount shown under caption “Current Portion of Long-Term Debt” in related Statement of Financial Position</u>	<u>Amount shown under caption “Long-Term Debt” in related Statement of Financial Position</u>
--	---	--	---

NOT APPLICABLE

SCHEDULE IV
SUPPLEMENTARY SCHEDULES REQUIRED BY ANNEX 68-J
As of December 31, 2024

MANILA MINING CORPORATION AND SUBSIDIARY
20th Floor, Lepanto Building, Paseo de Roxas, Makati City

SCHEDULE E: Indebtedness to Related Parties (Long-Term Loans from Related Companies)

<u>Name of related party</u>	<u>Balance at beginning of period</u>	<u>Balance at end of period</u>
------------------------------	---------------------------------------	---------------------------------

NOT APPLICABLE

SCHEDULE IV
SUPPLEMENTARY SCHEDULES REQUIRED BY ANNEX 68-J
As of December 31, 2024

MANILA MINING CORPORATION AND SUBSIDIARY
20th Floor, Lepanto Building, Paseo de Roxas, Makati City

SCHEDULE F: Guarantees of Securities of Other Issuers

Name of issuing entity of securities guaranteed by the company for which this statement is filed	Title of issue of each class of securities guaranteed	Total amount guaranteed and outstanding	Amount owned by a person for which statement is filed	Nature of guarantee
--	---	--	--	---------------------

NOT APPLICABLE

SCHEDULE IV
SUPPLEMENTARY SCHEDULES REQUIRED BY ANNEX 68-J
As of December 31, 2024

MANILA MINING CORPORATION AND SUBSIDIARY
20th Floor, Lepanto Building, Paseo de Roxas, Makati City

SCHEDULE G: Capital Stock

Title of issue	Number of shares authorized	Number of shares issued and outstanding as shown under related Statement of Financial Position caption	Number of shares reserved for options, warrants, conversions and other rights	Number of shares held by related parties	Directors, officers and employees	Others
Common Stock						
Class "A"	276,000,000,000	186,955,303,646	—	28,918,881,393	3,880,839,682	154,155,582,571
Class "B"	184,000,000,000	124,548,842,797	—	23,153,296,414	2,605,365,621	98,790,180,762

MANILA MINING CORPORATION AND SUBSIDIARY
SUPPLEMENTARY SCHEDULE OF EXTERNAL AUDITOR
FEE-RELATED INFORMATION

December 31, 2024

	2024	2023
Total Audit Fees (<i>Section 2.1a</i>)	P590,000	P570,000
Non-audit service fees:		
Other assurance services	P–	P–
Tax services	–	–
All other services	–	–
Total Non-audit Fees (<i>Section 2.1b</i>)	P–	P–
Total Audit and Non-audit Fees	P590,000	P570,000
Audit and Non-audit Fees of other related entities (<i>Section 2.1c</i>)		
	2024	2023
Audit Fees	P–	P–
Non-audit service fees:		
Other assurance services	–	–
Tax services	–	–
All other services	–	–
Total Audit and Non-audit Fees of other related entities	P–	P–

COVER SHEET

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S.E.C. Registration Number

M	A	N	I	L	A		M	I	N	I	N	G		C	O	R	P	O	R	A	T	I	O	N				

(Company's Full Name)

2	0	T	H		F	L	O	O	R		L	E	P	A	N	T	O		B	U	I	L	D	I	N	G		
8	7	4	7		P	A	S	E	O		D	E		R	O	X	A	S										
M	A	K	A	T	I		C	I	T	Y																		

(Business Address: No. Street City / Town / Province)

ODETTE A. JAVIER

Contact Person

815-9447

Company Telephone Number

Not later than April 30

1	2		3	1
---	---	--	---	---

Month Day

Fiscal Year

1	7	-	Q	
---	---	---	---	--

FORM TYPE

--	--	--	--

Month Day

Annual Meeting

Secondary License Type, If Applicable

--	--	--

Dept. Requiring this Doc.

--

Amended Articles Number/Section

--

Total no. of Stockholders

Total Amount of Borrowings

--

Domestic

--

Foreign

To be accomplished by SEC Personnel concerned

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File Number

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Document I.D.

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Cashier

STAMPS									
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SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-Q

QUARTERLY REPORT PURSUANT TO SECTION 17 OF THE SECURITIES
REGULATION CODE AND SRC RULE 17(2)(b) THEREUNDER

1. For the quarterly period ended: **March 31, 2025**
2. Commission identification number: **4429** 3. BIR Tax Identification No.: **000-164-442**
4. Exact name of issuer as specified in its charter:

MANILA MINING CORPORATION

5. Province, country or other jurisdiction of incorporation or organization:
Makati City, Philippines

6. Industry Classification Code: (SEC Use Only)

7. Address of issuer's principal office:

**20th Floor, Lepanto Building
8747 Paseo de Roxas, Makati City, Philippines**

8. Issuer's telephone number, including area code:

(632) – 815-9447

9. Former name, former address and former fiscal year, if changed since last report: **N/A**

10. Securities registered pursuant to Sections 8 and 12 of the Code, or Sections 4 and 8 of the
RSA

Title of each Class

Number of shares of common
stock outstanding:

Class "A"

186,955,303,646

Class "B"

124,548,842,797

Amount of Debt Outstanding: **Please refer to the attached Balance Sheet (Annex "B")**

11. Are any or all of the securities listed on a Stock Exchange?

Yes [x]

No []

If yes, state the name of such Stock Exchange and the class/es of securities listed therein.

Philippine Stock Exchange

Classes "A" and "B"

12. Indicate by check mark whether the registrant:

- (a) has filed all reports required to be filed by Section 17 of the Code and SRC Rule 17 thereunder or Sections 11 of the RSA and RSA Rule 11(a)-1 thereunder, and Sections 26 and 141 of the Corporation Code of the Philippines, during the preceding twelve (12) months (or for such shorter period the registrant was required to file such reports)

Yes ☒ No ☐

- (b) has been subject to such filing requirements for the past ninety (90) days.

Yes ☐ No ☒

PART 1- FINANCIAL INFORMATION

- Item 1. Financial Statements:** *Income Statement* - Annex "A"
Balance Sheet - Annex "B"
Statement of Cash Flow - Annex "C"
Stockholders' Equity - Annex "D"
Notes to Financial Statements - Annex "E"
Aging of Accounts Receivable-Trade - Annex "F"
- Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations** - Annex "G"
- Item 3. Impact of Current Global Financial Condition** - Annex "H"
- Item 4. Financial Ratios** - Annex "I"

PART II- OTHER INFORMATION (None)

SIGNATURES

Pursuant to the requirements of the Securities Regulation Code, the issuer has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Issuer : **Manila Mining Corporation**

Signature : 
RENE F. CHANYUNGCO

Title : Treasurer

Date : May 15, 2025

Signature : 
ODETTE A. JAVIER

Title : Assistant Corporate Secretary

Date : May 15, 2025

MANILA MINING CORPORATION
CONSOLIDATED QUARTERLY INCOME STATEMENT
FOR THE FIRST QUARTER OF 2025
(WITH COMPARATIVE FIGURES FOR THE FIRST QUARTER OF 2024)

ANNEX "A"

	MARCH 31	
	2025	2024
REVENUE		
Copper	P	-
Gold		-
Silver		-
Interest and Other income	1,154	1,560
	<u>1,154</u>	<u>1,560</u>
COST AND EXPENSES		
Mining, milling, refining and other		-
related charges and administrative		-
expenses including depreciation,		-
depletion and amortizations	1,370,552	1,887,239
	<u>1,370,552</u>	<u>1,887,239</u>
NET INCOME BEFORE INCOME TAX	<u>(1,369,397)</u>	<u>(1,885,679)</u>
PROVISION FOR INCOME TAX		
Current		
Deferred	-	
NET INCOME (LOSS) FOR THE PERIOD	P <u>(1,369,397)</u>	P <u>(1,885,679)</u>
EARNINGS (LOSS) PER SHARE	P <u>(0.000004)</u>	P <u>(0.000006)</u>

MANILA MINING CORPORATION
CONSOLIDATED BALANCE SHEET
As of March 31, 2025
(With Comparative Figures for December 31, 2024)

ANNEX "B"

A S S E T S			
	March 2025	December 2024	
CURRENT ASSETS			
Cash & cash equivalents	P 1,863,130	P 3,738,671	
Short-term investments	-	-	
Receivables	-	-	
Trade	-	-	
Non-trade (net)	20,375,799	20,488,820	
Subscription Receivables	-	-	
Inventories	-	-	
Bullion	-	-	
Copper concentrate	-	-	
Gold in process - CIP	-	-	
Ore	-	-	
Materials and supplies (net)	5,015,444	5,148,614	
Prepayments	43,806,669	43,151,958	
	<u>71,061,042</u>	<u>72,528,063</u>	
NON-CURRENT ASSETS			
Deffered Mine Exploration a	3,409,765,906	3,396,261,275	
Property, Plant and Equipm	194,517,406	196,482,913	
	-	-	
Other Assets (net)	32,795,522	32,710,540	
	-	-	
Available For Sale	-	-	
Financial Assets	7,333,852	7,333,851	
	-	-	
	<u>3,644,412,686</u>	<u>3,632,788,579</u>	
TOTAL ASSETS	P <u>3,715,473,728</u>	P <u>3,705,316,642</u>	

LIABILITIES AND STOCKHOLDERS' EQUITY			
	March 2025	December 2024	
CURRENT LIABILITIES			
Accounts payable and accruals	P 286,752,915	P 275,226,430	
Dividends payable	-	-	
Non-trade payables	573,097	573,097	
Notes Payable	-	-	
	<u>287,326,012</u>	<u>275,799,527</u>	
NON-CURRENT LIABILITIES			
Notes Payable	-	3,926,030	
Deferred Tax Liability	-	49,064,692	
Pension Liability	52,990,718	3,926,030	
Provision for mine rehabilitation & decommissioning	-	-	
	<u>52,990,718</u>	<u>52,990,722</u>	
STOCKHOLDERS' EQUITY			
Capital Stock			
Authorized - 460,000,000,000 shares divided into 276,000,000,000 shares of Class "A" and 184,000,000,000 shares of Class "B" at P0.01 par value each - P4,600,000,000			
Issued and outstanding-310,973,401,344 shares			
- December 2024- 310,973,401,344 shares	3,109,734,013	3,109,734,013	
Subscribed capital stock - 530,745,099shares	-	-	
- December 2024- 530,745,099 sh	-	-	
(-net of subscriptions receivable of P365,632)	4,941,819	4,941,819	
- December 2024- P365,632	-	-	
Share Premium	608,234,880	608,234,880	
	<u>3,722,910,712</u>	<u>3,722,910,712</u>	
Fair Value Reserve	(62,603,413)	(62,603,413)	
Retained earnings, beginning	(1,238,674,119)	(1,220,703,150)	
Add: Net income (loss) for the period	(1,369,397)	(17,970,969)	
Retained earnings, end	<u>(1,240,043,517)</u>	<u>(1,238,674,119)</u>	
Gain on RBO Remeasurement	117,953	117,953	
Equity reserve	954,621,275	954,621,275	
Equity attributable to NCI	153,987	153,987	
	<u>3,375,156,997</u>	<u>3,376,526,393</u>	
Net stockholders' equity	<u>3,375,156,997</u>	<u>3,376,526,393</u>	
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	P <u>3,715,473,728</u>	P <u>3,705,316,642</u>	

MANILA MINING CORPORATION
CONSOLIDATED QUARTERLY STATEMENT OF CASH FLOW
FOR THE FIRST QUARTER OF 2025
(WITH COMPARATIVE FIGURES FOR THE FIRST QUARTER OF 2024)

ANNEX "C"

	MARCH 31	
	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net income/(loss) for the period	-1,369,397	-1,885,679
Add/(deduct) year-to-date adjustments		
	(1,369,397)	(1,885,679)
Adjustment to reconcile net income to net cash provided by operating activities:		
Provision for write-off on garnished bank accounts		
Impairment Loss-VAT input		
Depreciation	579,789	568,815
Loss on inventory/receivable write-off		
	(789,608)	(1,316,865)
Changes in assets and liabilities		
(Increase) decrease in receivables	113,021	-31,527
(Increase) decrease in inventories	133,168	2,032,166
(Increase) decrease in prepayments	-654,711	234,792
Increase (decrease) in accounts payable & accruals	11,526,486	27,222,737
Increase (decrease) in notes payable/dividends payable		
Net cash provided by operating activities	10,328,355	28,141,303
CASH USED IN INVESTING ACTIVITIES:		
(Increase) decrease of property, plant and eqpt	-12,118,914	-40,813,390
(Increase) decrease in investment in subsidiary		
(Increase) decrease in investments available for sale		
(Increase) decrease in other assets	-84,982	-2,409,445
Net cash used in investing activities	(12,203,896)	(43,222,835)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Increase (decrease) in Capital stock		
Increase (decrease) in Share Premium		
Increase (decrease) in Subscription Receivable		
Increase (decrease) in subscribed capital stocks		
Receipts from (paymentof) non trade payables		
Increase (decrease) in deferred tax liability		
Increase (decrease) Loss/Gain on RBO Remeasurement		
Net cash provided by (used in) financing activities	-	-
NET INCREASE (DECREASE) IN CASH FOR THE YEAR	(1,875,541)	(15,081,531)
CASH		
Beginning of the period	3,738,671.00	16,537,336
CASH, End of the period	1,863,130	1,455,805

MANILA MINING CORPORATION

ANNEX "D"

CONSOLIDATED STATEMENT OF CHANGES IN STOCKHOLDER'S EQUITY

FOR THE FIRST QUARTER OF 2025

(WITH COMPARATIVE FIGURES FOR THE FIRST QUARTER OF 2024)

	MARCH 31	
	2025	2024
STOCKHOLDER'S EQUITY		
Capital Stock		
Authorized - 460,000,000,000 shares divided		
into 276,000,000,000 shares of Class "A"		
and 184,000,000,000 shares of Class "B"		
at P0.01 par value each - P4,600,000,000		
Issued and outstanding-310,973,401,344 shares	3,109,734,013	3,109,734,013
Subscribed capital stock - net of subscriptions receivable	4,941,819	4,941,820
Share premium	608,234,880	608,234,879
Deposit for future subscriptions		
Deficit		
Operations		
Beginning balance	(1,238,674,119)	(1,220,703,150)
Net income (loss) for the period	(1,369,397)	(1,885,679)
	(1,240,043,517)	(1,222,588,829)
Fair value reserve	(62,603,413)	(61,591,410)
Gain/loss on RBO remeasurement	117,953	(153,308)
Effects of changes with non-controlling interest	954,621,275	954,621,275
Equity atributable to NCI	153,987	158,240
TOTAL STOCKHOLDER'S EQUITY	3,375,156,997	3,393,356,680

MANILA MINING CORPORATION
NOTES TO FINANCIAL STATEMENTS**Note 1 – General Information and Status of Operations**

Manila Mining Corporation (the Parent Company; the Company) was incorporated in the Philippines and registered with the Securities and Exchange Commission (SEC) on June 3, 1949, primarily to carry on the business of mining, milling, concentrating, converting, smelting, treating, preparing for market, manufacturing, buying, selling, exchanging and otherwise producing and dealing in precious and semi-precious metals, ores, minerals and their by-products. The parent company's shares are listed and traded on the Philippine Stock Exchange (PSE). On April 16, 1999, the SEC approved the extension of the Parent Company's corporate term for another fifty (50) years upon expiration of its original term on May 30, 1999. Lepanto Consolidated Mining Company (LCMC), a publicly listed company, and its subsidiaries, has 20% equity interest in the Company.

The principal office of the Parent Company is located at the 20th Floor, Lepanto Building, 8747 Paseo de Roxas, 1226 Makati City.

The parent company had a total of Thirty Four (35) regular employees as of 31 March 2025.

On May 11, 2011, the Parent Company, Kalayaan Copper-Gold Resources Inc. (KCGRI) and Philex Mining Corporation (Philex), finalized an agreement for the exploration and joint development of the Kalaya-an Project located in Placer, Surigao del Norte.

Prior to the expiration of EP-XIII-014-B, an application for another renewal was filed by KCGRI on 18 April 2012 for the purpose of conducting a more in-depth and detailed exploration in the area and to complete the feasibility study.

Pursuant to the agreement, the Parent Company sold to Philex a total of 125,000 shares of stock of KCGRI, representing a 5% interest in KCGRI, for a consideration of US\$25 million. Philex shall earn an additional 55% interest in KCGRI by sole-funding all pre-development expenses including a final feasibility study for the Project. The development of the Project shall be undertaken jointly by the Parent Company and Philex.

Note 2 – Basis of Preparation, Statement of Compliance, and Changes in Accounting Policies and Disclosures

The consolidated financial statements of the Group have been prepared under the historical cost basis, except for financial assets designated at FVOCI, and quoted AFS financial assets that have been measured at fair value. The consolidated financial statements are presented in Philippine Peso, the Parent Company's and the Subsidiary's functional and presentation currency. All amounts are rounded to the nearest peso, except when otherwise indicated.

The consolidated financial statements of the Group have been prepared in accordance with Philippine Financial Reporting Standards (PFRSs).

The accounting policies adopted in the preparation of the financial statements are consistent with the most recent annual financial statements.

The Group applied PFRS 9 Financial Instruments for the first time from January 1, 2018. PFRS 9 replaces PAS 39, Financial Instruments: Recognition and Measurement for annual periods beginning on or after January 1, 2018, bringing together all three aspects of the accounting for financial

instruments: classification and measurement; impairment; and hedge accounting. The Group applied it prospectively and has not restated the comparative information, which continues to be reported under PAS 39. Differences arising from the adoption have been recognized directly in retained earnings and other components of equity. Other than the said changes, the accounting policies adopted are consistent with those of the previous financial year.

The amendments and interpretations below apply for the first time in 2018, but do not have an impact on the consolidated financial statements:

- PFRS 15, *Revenue from Contracts with Customers*
- Philippine Interpretation IFRIC 22, *Foreign Currency Transactions and Advance Considerations*
- Amendments to PAS 40, *Transfers of Investment Property*
- Amendments to PFRS 2, *Classification and Measurement of Share-based Payment Transactions*
- Amendments to PFRS 4, *Applying PFRS 9 Financial Instruments with PFRS 4 Insurance Contracts*
- Amendments to PAS 28 Investments in Associates and Joint Ventures, *Clarification that measuring investees at FVPL is an investment-by-investment choice*
- Amendments to PFRS 1, *First-time Adoption of International Financial Reporting Standards - Deletion of short-term exemptions for first-time adopters*

Note 3– Cash

This includes cash on hand and cash with banks. Cash with banks earn interest at the respective bank deposit rates.

Note 4– Receivables

This account consists of other nontrade receivables which is non-interest bearing comprised mainly of receivables from sub-contractors and third parties.

Note 5– Inventories

This account consists of parts and supplies which are stated at the lower of cost and net Realizable Value and fuel and lubricants which are valued at cost.

Note 6– Pre-payments

This account represents contract deposits & miscellaneous deposit.

Contract deposits pertain to deposits made for future drilling services of its affiliate, Diamond Drilling Corporation of the Philippines (DDCP). This is refundable upon nonperformance of services.

Note 7– Property, Plant and Equipment and Deferred Mine Exploration and Evaluation Costs

Property, plant and equipment, except land, are carried at cost less accumulated depletion, depreciation and impairment, if any. This includes exploration costs which are materials and fuels used, surveying costs, drilling costs and payments made to contractors. Exploration costs are capitalized up to the point when a commercial reserve is established and are assessed for impairment.

Note 8 – Other Assets

This account consists mainly of Mine rehabilitation fund (MRF), Advances to landowners, miscellaneous deposit, input VAT, and prepaid royalties.

MRF is for physical and social rehabilitation, reforestation and restoration of areas and communities affected by mining activities, for pollution control, slope stabilization and integrated community development.

Advances to landowners pertain to advances made to certain landowners for future purchases of parcels of lands.

Miscellaneous deposits pertain to advances made to local government agencies for pending project agreements.

Input VAT represents VAT paid on purchases of goods and services which can be recovered as tax credit against future tax liability of the Parent Company upon approval by the BIR.

Prepaid royalties are advance payments to claim owners and real property taxes while miscellaneous deposits are advance payments made to suppliers of services.

Note 9 – Financial Assets Designated at FVOCI / AFS Financial Assets

These include quoted and unquoted equity instruments.

Available for sale investment was reclassified as financial assets designated at fair value through other comprehensive income (FVOCI) in application for the new PFRS 9 Financial Instruments implemented for the first time.

Quoted AFS financial assets pertain to investment on common shares of various local public companies and are carried at fair value on the exit market price. Unquoted AFS financial assets pertain to investment in private company which have no fixed maturity date or coupon rate and are carried at cost.

Movement in the “Fair value reserve of financial assets designated at FVOCI” presented as separate component of equity amounted to P7.33 Million.

Note 10– Accounts Payable and Accrued Expenses

These represent Trade payable and accrued expenses. Trade payable include local purchases of equipment, inventories and various parts while accrued expenses includes accrued payroll which are normally payable within five (5) to ten (10) days.

Note 11 – Non-trade Payables

This account represents payables to affiliates.

Note 12 – Retirement Benefits Obligation

Under the existing regulatory framework, Republic Act 7641 requires a provision for retirement pay

to qualified private sector employees in the absence of any retirement plan in the entity, provided however that the employee's retirement benefits under any collective bargaining and other agreements shall not be less than those provided under the law. The law does not require minimum funding of the plan.

The net defined retirement benefits liability or asset is the aggregate of the present value of the defined benefit obligation at the end of the reporting period reduced by the fair value of plan assets (if any), adjusted for any effect of limiting a net defined benefit asset to the asset ceiling. The asset ceiling is the present value of any economic benefits available in the form of refunds from the plan or reductions in future contributions to the plan.

The cost of providing benefits under the defined benefit plans is actuarially determined using the projected unit credit method. Defined benefit costs comprise the following:

- Service cost
- Net interest on the net defined retirement benefits liability or asset
- Remeasurements of net defined retirement benefits liability or asset

Service costs which include current service costs, past service costs and gains or losses on non-routine settlements are recognized as expense in consolidated statement of comprehensive income. Past service costs are recognized when plan amendment or curtailment occurs. These amounts are calculated periodically by independent qualified actuaries.

Net interest on the net defined retirement benefits liability or asset is the change during the period in the net defined retirement benefits liability or asset that arises from the passage of time which is determined by applying the discount rate based on government bonds to the net defined retirement benefits liability or asset. Net interest on the net defined retirement benefits liability or asset is recognized as expense or income in statement of comprehensive income.

Remeasurements, comprising actuarial gains and losses, are recognized immediately in OCI in the period in which they arise. Remeasurements are not reclassified to statement of comprehensive income in subsequent periods.

The Group's right to be reimbursed of some or all of the expenditure required to settle a defined retirement benefits liability is recognized as a separate asset at fair value when and only when reimbursement is virtually certain.

MANILA MINING CORPORATION

ANNEX "F"

AGING OF ACCOUNTS RECEIVABLE TRADE
As of March 31, 2025

NONE

P -0-

Management's Discussion and Analysis of Financial Condition and Results of Operations

As of 31 March 2025

With no operations, revenue was nil, except for a modest interest income. Expenses, consisting of depreciation and administration costs, totaled P1.37 million, compared with P1.89 million in 2024. The decrease was due to lower administration cost. Net loss for the first quarter amounted to P1.369 million compared with P1.886 million last year.

Cash and Cash Equivalents amounted to P1.863 million, 50% lower than the 2024 year-end balance due to continuing environmental protection activities. Inventories decreased by 2.6% from P5.15 million to P5.015 million for the same reason.

Accounts payable and accruals increased by 4.19% from P275.23 million to P286.75 million due to purchases of materials and services for the continuing environmental protection initiatives and facilities maintenance.

OUTLOOK FOR 2025

In 2024, MMC was issued Exploration Permit No. 00041-XIII (formerly EXPA No. 000252-XIII); and obtained approval of the 4th renewal of the Exploration Period of its MPSA No. 253-2007-XIII. Drilling will resume this year in the areas covered by these permits, located at Placer, Surigao del Norte, funded from advances from shareholders or other capital-raising activities.

Manila Mining Company
Impact of Current Global Financial Condition

Credit Risk

Not applicable

Market Risk

The value of financial instruments may change as a result of changes in interest rates, foreign currency exchange rates and equity prices. The Company has Financial Assets Designated at FVOCI in the amount of P7.33 Million which is subject to fluctuations in market prices.

Foreign Exchange Risk

Not applicable

Interest Rate Risk

Not applicable as the Company has no interest-bearing payables.

Liquidity Risk

Not applicable

Fair Values

The methods and assumptions used to estimate the fair value of each class of financial instruments for which it is practicable to estimate such value:

Cash, Receivables, Trade Payables and Accrued Expenses

The carrying amounts of cash, receivables, trade payables and accrued expenses are all subject to normal trade credit terms and are short term in nature, approximate their fair values.

AFS Investments

Fair values of investments are estimated by reference to their quoted market values made during the balance sheet date as of the end of last year. Unquoted equity securities are carried at cost net of impairment in value, since fair value of these AFS securities cannot be reliably determined as these securities are not listed and have no available bid price. The Company has no investments in foreign securities.

Loans Payable and Borrowings

Not applicable

**REGULAR ANNUAL MEETING OF THE STOCKHOLDERS OF
MANILA MINING CORPORATION**

Held through remote communication
via video-conferencing
on Friday, June 14, 2024 at 3:00 P.M.

Directors Present:

FELIPE U. YAP	- Chairman of the Board / Chairman, Corporate Governance Committee
BRYAN U. YAP	- Director/ Chairman, Nomination and Stock Option Committee / Member, Remuneration/ Compensation Committee
EDUARDO A. BANGAYAN	- Independent Director / Chairman, Audit Committee / Member, Nomination, Stock Option, Remuneration/Compensation, and Corporate Governance Committee
RENE F. CHANYUNGCO	- Director / Member, Nomination Committee / Chairman, Remuneration/Compensation Committee
DOUGLAS JOHN KIRWIN	- Director / Member, Stock Option Committee
PATRICK K. YAP	- Director
STEPHEN Y. YAP	- Director
CLARK LAWTON S. YAP	- Director / Member, Audit Committee
JOSE RAULITO E. PARAS	- Independent Director / Member, Audit and Corporate Governance Committee

Officers Present:

RENE F. CHANYUNGCO	- Senior Vice President and Treasurer
PATRICK K. YAP	- Senior Vice President
PABLO AYSON, JR.	- Vice President
STEPHEN Y. YAP	- Vice President
MA. LOURDES B. TUASON	- Assistant Treasurer
ODETTE A. JAVIER	- Assistant Corporate Secretary

Stockholders Present: Please refer to Annex "A"

1. Call to order

The Chairman of the Board, Mr. Felipe U. Yap, called the meeting to order and welcomed the stockholders to the meeting. The Assistant Corporate Secretary, Atty. Odette A. Javier, recorded the minutes of the meeting.

2. Proof of due notice of meeting and determination of quorum

As the first order of business, the Chairman called upon the Corporate Secretary to present proof that notice of the meeting had been sent out in accordance with the rules of the Securities and Exchange Commission (SEC) and to report on the attendance at the meeting.

The Secretary confirmed that the Notice with the Agenda of the meeting was published on May 18 and 19, 2024 in the Philippine Star and the Manila Times in accordance with the rules of the SEC. Furthermore, the said Notice and Agenda, together with the Information Statement, were duly disclosed and had been uploaded in the PSE EDGE and on the Company website not later than May 23, 2024.

The Secretary next reported that with the assistance of the Chief Accountant, Ms. Josephine DC. Subido, he had examined all proxies and all powers of attorney filed of record. In addition, he had examined the tally of stockholders who had pre-registered and voted online. Based upon such examination, he declared that out of the 311,504,146,443 shares issued, outstanding and entitled to vote as of June 7, 2024, there were 181,740,382,335 shares considered present at the meeting, or an attendance of 58.34%, and certified that there was a quorum for the business at hand.

The Secretary said that nine of the members of the Board were present, including the Chairman; the President, Mr. Bryan U. Yap; the independent directors Eduardo A. Bangayan and Jose Raulito E. Paras; as well as Messrs. Rene F. Chanyungco, Douglas J. Kirwin, Patrick K. Yap, Stephen Y. Yap and the new nominee for Director: Mr. Clark Lawton S. Yap.

PROCEDURE FOR DISCUSSION AND VOTING

At the request of the Chairman, the Corporate Secretary explained the procedure for discussion and voting:

The REQUIREMENTS AND PROCEDURE FOR VOTING AND PARTICIPATING in today's meeting are set forth in the Information Statement which has been uploaded in the PSE EDGE and the Company's website. As stated therein, stockholders may participate through remote communication or by Proxy.

Only stockholders who have timely pre-registered or submitted proxies may participate in today's meeting. Those who have pre-registered should have voted on-line on the four resolutions proposed for adoption by the stockholders and for the nominees for election to the Board of Directors on or before June 7, 2024.

Each proposed resolution will be shown on the screen and read by the Asst. Corporate Secretary while the same is being taken up. The total affirmative and negative votes in respect of each resolution or nominee for Director, as well as the abstentions, will be reflected in the minutes.

As of June 7, after the Proxy validation process, stockholders owning 181,740,382,335 shares representing 58.34% of the total outstanding voting shares had cast their votes on the items for consideration.

Participants may ask questions through the chat facility of Zoom. The questions will be read by the Asst. Corporate Secretary after the President's report under Agenda Item No. 4 and they will be addressed accordingly.

For orderly proceedings, the host will mute all audio facilities, so that only the Chairman, and whoever he requests to speak up, will be enabled to speak.

The Chairman inquired whether there were any challenges to the Secretary's certification of quorum. There being none, the Chairman affirmed the presence of a quorum.

Thereafter, the Chairman directed the Secretary to spread the Notice of the Regular Annual Meeting in the minutes.

NOTICE OF 2024 ANNUAL STOCKHOLDERS' MEETING

Please be informed that the **Annual Stockholders' Meeting of Manila Mining Corporation** will be held on **Friday, June 14, 2024 at 3:00 o'clock p.m.** The Meeting will be conducted virtually via remote access communication and the access link will be provided in the Company's website at **www.manilamining.com**

The agenda for the Meeting will be as follows:

1. Call to Order
2. Proof of due notice of the meeting and determination of quorum
3. Approval of the Minutes of the Annual Meeting on July 27, 2023
4. Approval of the Annual Report
5. Election of Directors
6. Appointment of External Auditor
7. Transaction of such other and further business as may properly come before the meeting.

Only stockholders of record as of May 9, 2024 are entitled to notice of, and to vote at, the Meeting.

The Definitive Information Statement and Management Report and SEC Form 17-A and other pertinent documents are posted on the Company's website and PSE Edge. Guidelines for registration and participation in the Meeting shall likewise be posted on the Company's website.

Stockholders who intend to participate in the Meeting via remote communication should email on or before June 7, 2024 the Asst. Corporate Secretary at oaj@manilamining.com a scanned copy of a valid government-issued identification card (ID) for registration and verification purposes. Indirect stockholders should include in their email their broker's certification of shareholding.

Stockholders may also be represented and vote at the Meeting by submitting a Proxy via email to oaj@manilamining.com together with a government-issued ID. Hardcopies of proxies may also be submitted to the Company's principal office at the 20th Fl., Lepanto Building, 8747 Paseo de Roxas, Makati City. Proxies emailed or submitted after June 7, 2024 shall not be recorded for the Meeting.

Makati City, May 7, 2024.


(Sgd.) **ETHELWOLDO E. FERNANDEZ**
Corporate Secretary

3. **Approval of minutes**

The Chairman noted for the record that the draft minutes of the regular annual meeting of July 27, 2023 was uploaded in the Manila Mining website about two weeks ago. He then submitted the minutes for the consideration and approval of the stockholders.

The Chairman asked the Asst. Corporate Secretary to present the resolution for approval by the stockholders. The resolution was shown on the screen and read by the Asst. Corporate Secretary, to wit:

RESOLVED, THAT THE STOCKHOLDERS OF Manila Mining Corporation approve the minutes of the annual meeting of stockholders held on July 27, 2023.

The Corporate Secretary informed the body that shareholders representing 181,740,382,335 shares, or 100% of the shares present or represented at the meeting, have voted to approve the said minutes.

The Chairman thus declared that the Minutes of the Annual Meeting of the Stockholders held on July 27, 2023 have been approved.

4. **Approval of Annual Report**

The Chairman noted that the 2023 Annual Report, as part of the Information Statement, was made available to all stockholders through the Company's website.

The President made his report to the stockholders, as follows:

The initial phase of the Ntina Deeps drilling program continued in 2023 with the completion of Drill Holes G-27, G-28 and G-29, all totaling 4,633 meters. Successfully undertaken by the company's drilling contractor, Major Drilling Group, Inc., the three drill holes were programmed to confirm the southwest extension of the Ntina Deeps porphyry copper-gold mineralization. At their completion, Drill Holes G-27 and G-28 have intercepted significant intervals of good gold and copper mineralization. Drill Hole G-29 served to indicate the limit of mineralization of Ntina Porphyry.

A deep directional drilling program is required to define the full potential resource of the Ntina Deeps porphyry copper-gold mineralization. In the meantime, we await the approval of our Exploration Permit Application No. 000252- XIII and the renewal of the Exploration Period for MPSA No. 253-2007 XIII.

We completed construction and commenced the operation of our new core house. This facility has been designed to store approximately 300,000 meters of drilling cores accumulated from past and present core drilling activities within the exploration areas of Manila Mining Corporation. Efficient and proper storage of these cores will preserve valuable data and information for immediate and future references.

We take this opportunity to thank our stockholders, officers and staff, service providers, and our partners in government, especially the LGUs in Placer, Surigao del Norte, for their full support.

Finally, as he retires from our Board, we especially acknowledge the wisdom and excellent counsel provided by our dear Atty. Ethelwoldo "Woldy" Fernandez to the Company as Director for 23 years and as Asst. Corporate Secretary or Corporate Secretary for a total of 49 years. On behalf of the Board of Directors, we thank you, Woldy; you will surely be missed.

The Chairman then said that the stockholders may ask questions through the chat facility of Zoom. There being no questions, the Chairman asked the Asst. Corporate Secretary to present to the stockholders the resolution approving the Annual Report for 2023. The resolution was shown on the screen and read by the Asst. Corporate Secretary, as follows:

RESOLVED, That the Annual Report of the Board of Directors of the Company for the calendar year ended December 31, 2023, together with the financial statements of the Company inclusive of the Consolidated Balance Sheet, the Consolidated Statement of Income and Retained Earnings and the Consolidated Statement of Cash Flow as of December 31, 2023, as audited by the Company's independent auditors, Sycip, Gorres, Velayo and Co., and their certification and notes to the financial statements be, as the same hereby are, noted and approved.

The foregoing resolution was approved by a total of 181,740,382,335 shares or 100% of the shares present or represented at the meeting.

5. Election of Directors

The Chairman stated that in compliance with the Company's ByLaws, Manual on Corporate Governance, and SEC Rules, the Nomination Committee has finalized the list of nominees, finding that the nominees possessed all the qualifications and none of the disqualifications to be elected as directors. They are as follows:

FELIPE U. YAP
BRYAN U. YAP
RENE F. CHANYUNGO
DOUGLAS JOHN KIRWIN
PATRICK K. YAP
STEPHEN Y. YAP
CLARK LAWTON S. YAP
and for independent Directors:
EDUARDO A. BANGAYAN
JOSE RAULITO E. PARAS

Considering that there were nine (9) Board seats to be filled, and there were only nine (9) nominees, including for two independent directors, the chairman declared all nine nominees as duly elected directors. The Chairman directed the Corporate Secretary to distribute all the votes equally among the said nominees, or 181,740,382,335 votes for each nominee.

The Chairman then presented to the stockholders the re-elected directors of the Company. He also presented to the stockholders the Company's senior officers.

6. Re-Appointment of External Auditor

The Chairman said that the next item on the agenda was the appointment of external auditor and that the Audit Committee and the Board of Directors have recommended that Sycip Gorres Velayo & Co. ("SGV") be re-appointed.

The Chairman asked the Asst. Corporate Secretary to present the resolution for approval by the stockholders and the votes received thereon. The resolution was shown on the screen and read by the Asst. Corporate Secretary. The Asst. Corporate Secretary advised that 181,740,382,335 shares or 100% of the shares present or represented at the meeting had voted in favor of the re-appointment of SGV as external auditor.

The Chairman then introduced to the stockholders the SGV partners who were in attendance, namely: Wilson P. Tan, Chairman and Country Managing Partner; Jose Pepito E. Zabat III, Market Group 7 Leader; Eleonore A. Layug, Assurance Partner; Sonia Segovia, Tax Partner; Marc Bonnie B. Wong, Senior Manager; Chris Yroniel D. Ong, Senior Manager; Jobelyn Casim, Associate Manager; Zaldy Basa II, Manager;

7. Adjournment

There being no further business to transact, the meeting was thereupon adjourned.

ATTEST:

FELIPE U. YAP
Chairman of the Stockholders' Meeting

ETHELWOLDO E. FERNANDEZ
Secretary of the Stockholders' Meeting


ODETTE A. JAVIER
Assistant Secretary

PRESENT IN PERSON

FELIPE YAP

BRYAN YAP

EDUARDO BANGAYAN

PATRICK K. YAP

STEPHEN YAP

TOTAL SHARES IN PERSON

3,414,470,335

PRESENT IN PROXY

A/C 87-EU FYSI

A/C B.Y. FYSI

A/C -CKY FYSI

A/C NO. 001 FYSI

ABIGAIL RESOURCES CORP.

ANNABELLE K. YAP

ARLENE K. YAP

CHRISTINE KAREN YAP

COL FINANCIAL GROUP INC.

CORONET PROPERTY HOLDINGS CORP

F Y S I ACCOUNT NO. CKY

F. YAP SECURITIES INC

F. YAP SECURITIES, INC. A/C 3305

F. YAP SECURITIES, INC. ACCOUNT NO. BY

F. YAP SECURITIES, INC. ACCOUNT OF CONCEPCION TANDOC

F. YAP SECURITIES, INC. PCD

LEONARD RESOURCES CORP.

LINDSAY RESOURCES CORPORATION

PATRICK RESOURCES CORPORATION

PAUL YAP JR.

VENTURA RESOURCES CORPORATION

ZAMCORE RESOURCES CORPORATION

TOTAL SHARES IN PROXY

178,325,912,000