

INSIDER-TRADING POLICY

POLICY STATEMENT

Employees have the obligation to properly use and protect the confidential information that they may possess in connection with specific job responsibilities. This is especially true because the Company's shares are listed on the Philippine Stock Exchange and any premature or irresponsible release of information, accurate or inaccurate, could unnecessarily affect the market price of the shares to the prejudice of the shareholders or the investing public.

In order to prevent the misuse of Material Non-public Information or any highly confidential and undisclosed data in the trading of the Company's shares of stock, the Company has adopted an Insider-Trading Policy. This policy is meant to apprise and ensure compliance by all members of the Board of Directors, officers and employees of the Company of their obligations under applicable securities laws and regulations in the trading of the Company's Securities.

DEFINITIONS

Black-out Period: the period during which directors and principal officers are prohibited from buying or selling shares of the Issuer.

Insider: the (a) the Issuer; (b) a director or officer (or person performing similar functions) of, or a person controlling the issuer; (c) a person whose relationship or former relationship to the issuer gives or gave him access to material information about the issuer or the security that is not generally available to the public, (d) a government employee, or director, or officer of an exchange, clearing agency and/or self-regulatory organization who has access to material information about an issuer or a security that is not generally available to the public, or (e) a person who learns such information by a communication from any of the foregoing insiders.

Insider-trading: the buying and/or selling of Securities by an Insider while in possession of Material Non-Public information about the Company or the Securities.

Issuer: Lepanto Consolidated Mining Company

Material Non-public Information: information which has not been generally disclosed to the public that could result in a change in the market price or value of any of the issuer's securities, or would potentially affect the investment decision of an investor.

Principal Officers: Includes the Company's Chairman/ Chief Executive Officer; President/ Chief Operating Officer; Chief Finance Officer; Executive Vice President; Secretary; and Treasurer.

Securities: shares of stock of the Company.

GUIDELINES

All of the Company's Insiders are prohibited from trading (buying or selling) the Company's Securities while in possession of Material Non-public Information. Such persons are also prohibited from passing Material Non-public Information to any person who might use such information to trade in the Company's Securities or who otherwise has no use for such information.

1. Any Insider who possesses any Material Non-public Information may not buy or sell Securities from the time he/she acquired such information and until two (2) full trading days after such information has been made public.

2. Directors and Principal Officers may not buy or sell Securities until two (2) full trading days after the submission to the SEC and PSE of the Company's annual report (17-A), quarterly reports (17-Q), Information Statement (20-IS), or similar reports and other material disclosures, including 17-C reports which are submitted to the SEC and PSE as they arise. In the case of such regular reports as the 17-A, 17-Q and 20-IS, the Black-out Period starts fourteen (14) trading days prior to the submission of the report to the SEC and PSE. For easy reference, the said reports are submitted on or around the following dates:

- 17-A: within 105 days from year-end, or on or around April 15
- 20-IS: at least 15 trading days prior to date of annual meeting, or within the 3rd or 4th week of March
- 17-Q: 1st quarter- within 45 days from end of quarter, or May 13-15
2nd quarter- within 45 days from end of quarter, or August 12-14
3rd quarter- within 45 days from end of quarter, or November 12-14
4th quarter- none, but year-end results are usually released through the 20-IS.

3. Company directors and officers are required under the Securities Regulation Code and the regulations of the Securities and Exchange Commission (SEC) and the Philippine Stock Exchange (PSE) to timely report their beneficial ownership of the Company's securities as well as any changes in such beneficial ownership.

- a. The filing of beneficial ownership reports is the personal responsibility of the director or officer concerned; the filing may be coursed through the Office of the Asst. Corporate Secretary based on information provided by the officer or employee concerned.
- b. The Office of the Asst. Corporate Secretary may inquire, but is not obliged to inquire, as to the trading transactions of the directors and officers involving the Securities.
- c. A director or an officer must inform the Office of the Asst. Corporate Secretary of his/her beneficial ownership of Securities or changes thereto not later than the next trading

day after (i) he or she is first appointed as an officer or elected as a director of the Company; or (ii) the transaction that resulted in a change in his/her beneficial ownership of Securities.

b. For purposes of the reportorial requirements of the SEC and the PSE, a director's or an officer's beneficial ownership of Securities shall include the Securities which are:

- i. held by members of his/her immediate family sharing the same household;
- ii. held by a partnership in which he/she is a general partner;
- iii. held by a corporation of which he/she is the controlling shareholder;
- iv. subject to any contact, arrangement or understanding which gives him/her voting power or investment power with respect to such securities.

4. The Insider shall be personally liable for such penalties or fines as may be imposed by the SEC or PSE in relation to Insider-Trading, non-reporting of changes in beneficial ownership, or trading of Securities in violation of these Guidelines.


5. Violations of these Guidelines are considered violations of the Company's Code of Conduct and subject to appropriate disciplinary action.

EFFECTIVITY

This policy supersedes any and all previous policies or policy directives concerning insider trading and is effective upon approval by the Board of Directors of the Company.

Adopted and approved by the Board of Directors on: November 17, 2014.

Attest:


ETHELWOLDO E. FERNANDEZ
Corporate Secretary