



12 August 2020

*Securities and Exchange Commission*  
Secretariat Building, PICC Complex  
Roxas Boulevard, Pasay City, 1307

*Attention: Mr. Vicente Graciano P. Felizmenio, Jr.*  
Director, Markets & Securities Regulation Department

---

*Philippine Stock Exchange, Inc.*  
6<sup>th</sup> Floor PSE Tower  
28<sup>th</sup> Street corner 5<sup>th</sup> Avenue  
BGC, Taguig City

*Attention: Ms. Janet A. Encarnacion*  
Head, Disclosure Department

---

*Subject: Second Quarter 2020 unaudited Financial and Operating Results*

---

Gentlemen:

Please see attached press release on the unaudited financial and operations results of Atlas Consolidated Mining and Development Corporation (AT) for the second quarter of 2020.

Very truly yours,

  
*Maria Eleonor A. Santiago*  
Compliance Officer

**Atlas Consolidated Mining  
and Development Corporation**  
503-P Pacific Tower, 5th Floor, Five E-Com Center  
Palm Coast Avenue corner Pacific Drive  
Mall of Asia Complex, Pasay City, 1300 Philippines  
Telephone: +632 84030813  
[www.atlasmining.com.ph](http://www.atlasmining.com.ph)

## PRESS RELEASE

### Atlas Mining core income up 66% on sustained production in H1 2020

12 August 2020  
Manila, Philippines

Atlas Consolidated Mining and Development Corporation (“Atlas Mining”) reported a higher core income of Php366 million for the first half of 2020, a 66% improvement from Php220 million in 2019. Cash costs decreased by 16% from Php5.66 billion in 2019 to Php4.75 billion in 2020, which more than offset the impact of lower revenues brought about by the decrease in copper prices in the second quarter. Net loss of Php190 million was higher than last year’s net loss of Php66 million due mainly to higher deferred tax provisions in 2020.

Atlas Mining’s wholly-owned subsidiary, Carmen Copper Corporation, reported copper metal production increased by 5% from 51.46 million pounds in 2019 to 54.17 million pounds in 2020. Gold production also increased by 26% from 18,119 ounces to 22,815 ounces. The increase in copper and gold production resulted from higher tonnage milled and higher realized gold grades, respectively. Milling tonnage increased by 9% from 8.33 million tonnes to 9.07 million tonnes. On the other hand, copper grades decreased by 5% from 0.328% to 0.311%; and gold grade improved by 25% from 6.13 grams/dmt to 7.68 grams/dmt. With stable production, all shipment commitments were met. Copper metal content of concentrate shipped was sustained at the same level from 53.57 million pounds to 53.36 million pounds while gold content increased by 19% to 20,348 ounces due to higher gold grade.

Copper price in the second quarter decreased, which pulled down the average realized copper price for the first half this year to USD2.47/lb, 12% lower than USD2.80/lb in 2019; at the same time, the average realized gold price increased by 26% from USD1,304 in 2019 to USD1,647/oz in 2020.

The improvement in operating performance from increased throughput, the increase in by-product credits from gold due to higher gold production and higher gold prices, and the decrease in operating costs resulted in a lower average cost per pound by 36% from USD1.49/lb in 2019 to USD0.95/lb in 2020. The decrease in cash costs was due primarily to significant decreases in waste stripping, fuel, power, explosives and maintenance parts.

Earnings before interest, tax, depreciation and amortization (EBITDA) settled at Php3.37 billion, 12% higher compared to Php3.01 billion in the second quarter of 2019 as the decrease in revenues due to lower copper price was more than offset by the decrease in cash costs. This underpinned the increase in core income for the period and the increase in cash generated from operations which enabled the payment of \$20 million of its loans this year in addition to the \$52.7 million loan payments for the year 2019.

According to Atlas Mining President, Adrian Ramos, *“Atlas Mining was able to withstand difficult market conditions during the first half of the year, meeting all shipments and delivering strong core income growth. Our costs also significantly improved due to the completion of our peak waste stripping years. Lower stripping costs going forward should give Atlas the operating efficiency to weather any copper price cyclicity and to begin to pay down our debt.”*

*We remain mindful of our responsibility to our many stakeholders during the COVID-19 pandemic and have made operational adjustments that prioritize the health and safety of our people, while collaborating with our communities to ensure their welfare. By working with all our stakeholders, we are laying the groundwork for sustained improvements in our operations beyond this trying period.”*

**ATLAS CONSOLIDATED MINING AND DEVELOPMENT CORPORATION**  
**FINANCIAL AND OPERATING HIGHLIGHTS**  
**AS OF 30 June 2020**

**ATLAS MINING SUMMARY OF FINANCIAL RESULTS**

<b>Year-on-Year (In Million Pesos)</b>	<b>1H 2019</b>	<b>1H 2020</b>	<b>Change</b>
Revenues-gross	8,577	8,049	-6%
Cash Cost	5,655	4,746	-16%
EBITDA	3,009	3,373	12%
Core Income	220	366	66%
Net Income (Loss)	(66)	(190)	188%

**CARMEN COPPER SUMMARY OF OPERATIONS**

<b>Year-on-Year</b>	<b>1H 2019</b>	<b>1H 2020</b>	<b>Change</b>
<b>Production</b>			
Milling Tonnage ('000 dmt)	8,330	9,074	9%
Daily Milling Average (dmt per day)	46,022	49,856	8%
Ore Grade	0.328%	0.311%	-5%
Copper Concentrate ('000 dmt)	91	93	2%
Copper Metal Gross (in million lbs)	51.46	54.17	5%
Gold (ounces)	18,119	22,815	26%
<b>Shipment</b>			
Number of Shipments	19	18	-5%
Copper Concentrate ('000 dmt)	95	92	-4%
Copper Metal Gross (in million lbs)	53.57	53.36	0%
Gold (payable ounces)	17,117	20,348	19%

**CARMEN COPPER SUMMARY OF COSTS**

<b>Year-on-Year (US\$/lb Cu)</b>	<b>1H 2019</b>	<b>1H 2020</b>	<b>Change</b>
C1	1.49	0.95	-36%
C2	2.17	1.71	-21%
C3	2.64	2.24	-15%

*C1 = Production cost, G&A, smelting and related charges less by-product credits*

*C2 = C1 + depreciation and depletion costs*

*C3 = C2+ mine product tax and royalties, financing charges net of interest income and other charges*

**METAL PRICES (AVERAGE INVOICED PRICE)**

<b>Year-on-Year</b>	<b>1H 2019</b>	<b>1H 2020</b>	<b>Change</b>
Copper (US\$/lb)	2.80	2.47	-12%
Gold (US\$/once)	1,304	1,647	26%

For further information, please contact:

**Amour A. Belen**

**Investor Relations**

+632 84030813 local 25008

aabelen@atlasmining.com.ph