

MINUTES OF THE ANNUAL STOCKHOLDERS' MEETING
OF
SEMIRARA MINING AND POWER CORPORATION

May 2, 2017, 10:00 A.M.
Main Lounge, Manila Polo Club, Inc.
McKinley Road, Forbes Park, Makati City, Philippines

Present:

1. **Isidro A. Consunji**, *Chairman of the Board, CEO, and Member of the Nomination and Election Committee*
2. **Victor A. Consunji**, *Vice-Chairman, President, Chief Operating Officer, and Member of the Audit Committee*
3. **Rogelio M. Murga**, *Independent Director, Chairman of the Nomination and Election Committee, Member of the Audit Committee and Compensation & Remuneration Committee*
4. **Jorge A. Consunji**, *Non-Executive Director*
5. **Herbert M. Consunji**, *Non-Executive Director*
6. **Cesar A. Buenaventura**, *Non-Executive Director*
7. **Josefa Consuelo C. Reyes**, *Non-Executive Director*
8. **Maria Cristina C. Gotianun**, *Executive Vice President and Member of the Compensation & Remuneration Committee*
9. **Ma. Edwina C. Laperal**, *Non-Executive Director*

Others Present:

1. **John R. Sadullo**, *Vice President, Legal and Corporate Secretary*
 2. **Junalina S. Tabor**, *VP & Chief Finance Officer*
 3. **Nena D. Arenas**, *Vice President, Chief Governance Officer, and Compliance Officer*
 4. **Antonio R. Delos Santos**, *Vice President, Treasury*
 5. **Jose Anthony T. Villanueva**, *Vice-President, Marketing*
 6. **Sharade E. Padilla**, *Assistant Vice-President, Investor & Banking Relations*
 7. **Leandro D. Costales**, *Comptroller*
 8. **Cyril Jasmin B. Valencia**, *Assurance Partner, SGV & Co.*
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1. CALL TO ORDER

Mr. Isidro A. Consunji, Chairman of the Board presided over the meeting. Mr. John R. Sadullo, the Corporate Secretary of the Corporation, recorded the minutes of the proceedings.

2. PROOF OF NOTICE OF MEETING AND CERTIFICATION OF QUORUM

The Secretary certified that the Definitive Information Statement and Notice of today's meeting were transmitted and delivered by registered mail to the stockholders' of record at their respective addresses as indicated in the corporate records, at least fifteen (15) business days prior to the date of this meeting or on April 5, 2016. As of March 10, 2017, the "Record Date", the Corporation has 1,065,286,430 outstanding common shares. At least 868,499,899 or 81.53% of

the Corporation's outstanding capital stock were present in person or represented by proxies at today's meeting. Thus, a quorum existed for the transaction of corporate business.

Before proceeding, the Corporate Secretary apprised the stockholders that matters requiring approval by the stockholders will be voted upon through poll balloting after all items have been discussed and the proper motion for its approval duly made and seconded. He, however, emphasized that stockholders who are ready to vote may do so by depositing their votes in the ballot box provided.

The counting and validation of votes shall be supervised by a committee appointed by the Nomination & Election Committee of the Corporation headed by the Corporate Secretary. The Corporation appointed the auditing firm of SyCip Gorres Velayo & Co. as the independent body to count and validate the votes by poll cast by the stockholders at today's meeting.

3. APPROVAL OF MINUTES OF PREVIOUS MEETING OF STOCKHOLDERS

The Chairman proceeded with item 3 of the Agenda on the approval of the minutes of the previous meeting of stockholders held on May 2, 2016, copies of which were duly furnished to the stockholders' present at today's meeting. After due deliberation, a motion was entertained, which was duly seconded, and the votes cast as validated showed the following results:

Opinion	Vote Cast (one vote per share)	Percentage of Shares represented at ASM with balloting rights
For	831,924,674	96%
Against	0	0%
Abstain	149,400	0%

Based on the foregoing results, the stockholders unanimously approved, confirmed and ratified, and the following resolution was adopted:

Stockholders' Resolution

“RESOLVED, as it is hereby resolved, that the stockholders of **Semirara Mining and Power Corporation** (the “Corporation”) consisting of at least 831,924,674 or 96% of today's quorum approve, confirm and ratify, as they do hereby, by poll balloting the Minutes of Annual Stockholders' Meeting held on May 2, 2016.”

4. MANAGEMENT REPORT FOR THE FISCAL YEAR 2017

Thereafter, the Chairman informed the stockholders that Mr. Victor A. Consunji, President and Chief Operating Officer of the Corporation will render the Management Report, as follows:

Financial and Operating Performance

2016 was another banner year for Semirara Mining and Power Corporation.

*Despite a drop in profits from Sem-Calaca, as a result of decrease in the combined energy generation of its power plants, Comprehensive consolidated Net Income is record high at PHP12.05 billion, **42%** higher than last year's **PHP8.47 billion**. The growth is due to strong coal core income of **PHP5.42B**, SCPC at **PHP3.35B** and SLPGC's contribution of **PHP3.28 billion** to the bottom line, after elimination.*

Coal production and coal sales reached record high of **11.9 million** tons and **12.8 million** tons, respectively, both registered an increase of around 50%.

The amendment of our Environmental Compliance Certificate in 2016 now allows us maximum coal production of 16 million tons.

Aligned with the thrust of the government to achieve energy sufficiency, the Board of Investments approved the registration of Narra and Molave mine projects with full ITH incentives. Both new mines achieved commercial operation last October 2016.

We made further inroads in the Power industry with the start of commercial operations of the **2x150MW CFB power plants** under our wholly-owned subsidiary, Southwest Luzon Power Generation Corporation or SLPGC.

From **PHP57.2B billion** at the start of 2016, Assets increased by **15%** to **PHP65.9B**. Liabilities showed minimal increase of **4%** to **PHP31.6B** after debt availment to finance CAPEX.

Strong operations strengthened our **cash position despite** spending for CAPEX that increased our mining capacity from 8 to 12 million tons and providing proper maintenance to our power plants, as well as decreasing our debt levels, while maintaining a strong dividend payout. Last year, the board approved a buy-back of its shares of stock. A total of **3.46 million** shares worth **P387.54 million** is now held in treasury.

Last March, the Company declared cash dividends of **PHP5/share**, which we paid last April 25 in the total amount of PHP5.34 billion.

Robust earnings improved Equity by **27%** to **PHP34.3B** even after payment of cash dividends. **Net Debt** dropped by **30%** to **PHP9.7B**, while ROE rose to **39%** with a **Debt Equity ratio of 0.92x** and improved current ratio to **1.35x**.

Continued sustainable commitment to quality and safety

Safety, Quality, Environmental Stewardship and Community Self-sufficiency are the pillars of growth of the company.

Our continuing conformance of our IMS to the highest international standards since 2008 provides the strong foundation base of our human capital to ensure the continual improvement of our human resource management process under a safe working environment.

In 2016, we redefined our Corporate Sustainability and Responsibility initiatives gearing towards **community self-sufficiency** and strong partnership with the local government unit where we operate.

The Company delivered tangible and real benefits to our host communities to support sustainable growth and development with the end goal of upgrading their quality of life.

Social and Economic Transformation:

2017 marks our 20th year in Semirara Island. We want to share with you how we made a difference in the lives of the people in Semirara and the values we created and shared to our different stakeholders:

On Gainful Employment –

*Our commitment to high-value employment resulted in a **4,427** strong total workforce nationwide from around **600** employees in 1997.*

Our Company remains as the single biggest employer in Semirara Island. Almost 50% of the Mine site workforce comes from residents of Panay, Caluya and Semirara Islands. Mine site payroll amounted to Php1.29B in 2016, increasing by 44% from 2015's PHP896 million.

On Delivery of Affordable Energy –

*In 2001 we inaugurated the electrification of Semirara Island through partnership with ANTECO, the local electric cooperative of Antique, under the banner of “O Ilaw” program of the DOE. Also in 2016 total energy consumption of the community registered at **12.70 million** kWhrs, including the electricity usage of employees in the company housing facilities. For the past 10 years average annual increase in energy consumption is **13%**. . The Company only charges PHP2.50/kwh to ANTECO since 2001 up to present.*

With the continuing expansion of the coal operations in the island and availability of electricity, there is a significant increase in number of businesses established in the locality. In 2016, municipal records showed 213 registered businesses, a 238% growth from only 60 businesses in 1999.

On Access to Education, Learning and Skills Development

*Our support to the Department of Education Culture and Sports is underscored by the 203 classrooms we donated, 144 in Semirara island, and other barangays of the Municipality of Caluya and 59 in Calaca, Batangas. Through the Company’s effort, a private school was established in 2003 in Semirara Island, in partnership with the Divine Word College of San Jose, Occidental Mindoro in order to upgrade the quality of education in the island. As of 2016, the Divine Word School in Semirara Island, Inc. (DWSSII) was able to accommodate **around 10,000 enrollees** for K1-12 program.*

To support the out of school youth and high school graduates who want to gain vocational or technical skills, the Company established the Semirara Training Center in 2006. As of end 2016, total graduates from various technical and vocational courses totaled to 1,202 from 1,595 enrollees where 135 are still in-school. They completed their on the job training and apprenticeship with the Company, and as of today, 584 remains employed.

On Economic Growth

Various infrastructure support were built in Semirara island and surrounding islands, such as construction and maintenance of roads (we constructed a total of 78 kms in the three islands, and maintain 33 kms in Semirara island), water filtration facility and soon to be inaugurated seawater desalination facility; fishing port, fishing boats (including nets), and ice plant; housing relocation and provision of shelter to indigent families; places of worship; sports complex, gymnasiums, day-care centers, and a lot more.

After assisting the organization of the fishermen association in the island, the Company constructed the Ice Storage Facility in 2007 to enable the fishermen to preserve the fish catch and transport them to farther areas where they can sell them at higher prices.

A commercial building and food court were constructed in 2010 and 2013, respectively, to provide business opportunities to housewives or dependents in order to augment family

income or local entrepreneurs. Market stalls were opened at very minimal rent. As of 2016, there are 56 vendors renting the food stalls and commercial spaces.

As more small scale businesses thrive in the island, One Network Bank, through the Company's efforts, opened a branch on the island in 2013 to cater to the banking needs of employees, island residents and local businessmen.

All told, we strongly believe that the Company played a major part in the upliftment of the lives of the people in our direct host communities.

On Poverty Alleviation -

Our presence created broader and significant economic contribution by generating employment opportunities to local residents. Our mining and power operations open up new markets for local suppliers.

In the Municipality of Caluya's Community Based Monitoring System in 2015, Barangay Semirara, where the Company operates, registered the lowest in terms of proportion of households with income below poverty threshold at 38.17%. The poverty incidence registered much lower at 5.79% according to 2015 data from the Municipal Social Welfare and Development Office. Meanwhile from the latest available information from the City and Municipal Level Poverty Estimates shows that the poverty index in the Municipality of Caluya has been reduced from 47% in 2003 to 24.7% in 2012.

Cumulative royalty from 1997-2016 amounted to P13.55 billion of which 40% goes to the host LGU. Our presence in the area helped elevate Caluya from being a fourth-class municipality in 2004 to a first-class municipality in 2007, a category it retains until today. This makes Municipality of Caluya and Barangay Semirara the richest Municipality and Barangay in the Province of Antique.

We continue to strive for the alleviation of poverty levels by providing employment opportunities to our host communities and delivering added value.

On Environmental Stewardship

SMPC is committed to nurturing and conserving island resources and continuously undertake activities to protect, preserve, cultivate, and improve our host communities' environmental health in order to mitigate the impact of our business activities.

Environmental stewardship is one of the strategic objectives of the Company. One of our priority program is the reforestation of in-land and mangrove areas. Our Company's rehabilitation efforts are not only limited to the areas affected by our mining operation; we also provide enrichment for surrounding areas with sparse vegetation.

Inland reforestation covers around **710 ha.** of land, including **288 ha.** in Panian Mine and **85 ha.** in Unong Mine areas.

Apart from protecting naturally grown mangroves covering around **300 hectares**, we also developed new mangrove zones covering an area of around **196 hectares** as of 2016.

Our biggest investment so far in terms of marine resources conservation is the Semirara Marine Hatchery and Laboratory. It was established in 2006 to help propagate an endangered giant clam species, the *T. gigas*. It is the largest living bivalve mollusk, which no longer exists in many areas where it once were plentiful—a possible result of overexploitation for livelihood and food. The International Union for Conservation of Nature has included the clam in its list of vulnerable species. The reseeded of the clams in the surrounding island of Semirara, increase the fish yield, inside and outside the

marine sanctuary. Total inventory of giant clams as of 2016 reached 155,073 pieces, of which 67,911 pieces were already successfully reseeded.

Marine-Protected Areas (MPAs) for Tinogboc and Alegria

In collaboration with the LGUs and local communities, our Company initiated and partnered with the Angelo King Center for Research and Environmental Management of the Silliman University to conduct a biological survey of the marine environment surrounding Semirara Island in 2015. The institute is a leading research organization in both marine and terrestrial researches. Headed by National Scientist Dr. Angel Alcala, the project deployed a team of experienced marine biologists, technical personnel and a professional photographer to document the marine organisms found in the coral reefs and adjacent habitat surrounding the island. The study results indicated that contrary to expectation for mining areas, the reefs surveyed had extensive coverage of live hard coral cover and relatively high fish biomass and density. Among the study's conservation recommendations is to strengthen the protection status of existing marine reserves and to propose no-take Marine Protected Areas or MPAs.

The MPA of Barangay Tinogboc was already approved by the Sanguniang Bayan of Caluya, while the LGU is still processing that of Barangay Alegria.

Mine Rehabilitation

Today, Unong mine is now reforested and becomes a recreational area of which a zip line is now in the process of construction.

On the Panian site, mine rehabilitation started in 2011 as part of the progressive mine rehabilitation plan. For its final mine rehabilitation, the Company submitted to the Department of Energy and to the Local Government for their approval on the final land use.

As mentioned earlier, total land area reforested in Unong and Panian mine are 85 has. and 288 has., respectively.

Emergency preparedness

We spearheaded the creation of the Semirara Island Emergency Action Group, which is composed of the barangay officials of Tinogboc, Alegria, Semirara, the local government of Caluya, the Philippine National Police, and the Philippine Coastguard. In 2015, the parties involved signed a Memorandum of Agreement for Boosting Emergency Preparedness on Semirara Island.

We teamed up with the Provincial Disaster Risk Reduction and Management Office to train the group to arm them with effective and timely disaster management skills, including improving coordination and communication among themselves during emergencies.

Through these public-private partnership efforts, Barangay Semirara won First Place for Excellence as the Best Barangay Disaster Risk Reduction and Management Committee Urban Barangay Category in Western Visayas Region 6 in December 2016.

Looking forward

Our successes in 2016 further fuels us to continuously strive for excellence and to never be complacent as we know a new year will always bring with it a new set of challenges and opportunities.

We expect our coal segment to perform even better than last year because of our expanding production capacity, as well as improving market conditions. Sometime end of

this month or early June we will deliver a trial shipment of 70 thousand tons arranged by Itochu Corporation for a 2 x 600 MW power plants in Noshiro, Japan.

Our outlook for the power segment is likewise positive as we expect Unit 1 of Sem-Calaca Power Corporation (SCPC) to perform better after undergoing some boiler enhancements. Both units of Southwest Luzon Power Generation Corp. are likely to secure their Turnover Certificates by this quarter and we are also looking forward to the successful commissioning of the 2x23MW gas turbine for ancillary services.

On the Company's social and development programs, we will continue to answer the call to achieve sustainable development towards building an inclusive, sustainable, and resilient future of our people and the planet. Our corporate sustainability and social programs and initiatives are, and will continue to be aligned to the United Nations Sustainable Development Goals in close collaboration with the LGU in order for them to be also aligned with the Barangay Development Plans of our host communities.

We also reiterate our commitment to strong corporate governance to protect the long-term interest of our shareholders, the investing public and stakeholders. The awards and recognition we earned in the past few years manifest our staunch efforts to improving overall corporate governance practices to conform to higher global standards.

In closing, I would like express deep gratitude to our employees, and other stakeholders – host community, business partners, and government for your continued trust and support. The company will not grow to this level of performance without all of you.

Maraming Salamat sa Inyong Lahat!

After the delivery of the Management Report, the Chairman then welcomed stockholders' queries and/or clarifications on the Management Report.

Mr. Alfredo Parungao representing the Shareholder's Association of the Philippines, a professional association whose mission is the improvement of shareholder's education particularly the minority for them to better appreciate their rights, duties and responsibilities as shareholders. Before he began his question, he thanked the President for delivering such comprehensive report to the stockholders. He then asked the following questions:

Question: What is the business risk Semirara is facing in the succeeding year both financial and non-financial? Perhaps the Corporation could summarize what are the major risks that the company faces and how the company addresses these business risks?

Answer: Mr. Victor A. Consunji, President, answered that the biggest risk is about the health of the environment, which all extractive industries faces. He further stated that taking care of the environment will spell out the difference.

Mr. Isidro A. Consunji, Chief Executive Officer, added that aside from the regulatory risk, there is also risk in the commodity prices. He mentioned that like last year the prices of coal is very low while this year is much higher, but he is unsure as to how long since the projection is that over the region it will become lower again. To address this, the company will adopt to a lower selling price of coal, and make the company's operation more cost efficient.

Another risk would be the operational risk, i.e., impact of weather condition. If there is so much rain and considering the company is operating in an open

pit mine, it is necessary to suspend operation, thus, there will be low production of coal.

Mr. Victor A. Consunji, further stated that the company commits compliance to the conditions of its Environmental Compliance Certificate (ECC).

Mr. Isidro A. Consunji, CEO added that on the power segment, the enterprise risk is also on the regulatory. There is a move to adopt a fuel mix policy which will lead to higher price in electricity.

Mr. Parungao thereafter suggested that the business risks be included in the Corporation's annual report.

Another shareholder, Mr. Nestor Lim also inquired:

Question: With all the risks stated earlier, are we seeing Sec. Gina Lopez would suspend our mining operation?

Answer: Mr. Victor A. Consunji, President, answered that the company will not allow the suspension to happen since the conditions in the ECC have been complied with including the standards established by law like the Clean Air Act and Clean Water Act. The company have been subjected to several audits before represented by the academe and professional people and we are proud to say that we passed all of these with flying colors.

The Chairman asked if there are other questions or clarifications. Thereafter, the Chairman entertained a motion to approve the Management Report, which was duly seconded. The votes cast as validated showed the following results:

Opinion	Vote Cast (one vote per share)	Percentage of Shares represented at ASM with balloting rights
For	831,275,512	96%
Against	0	0%
Abstain	798,562	0%

Based on the foregoing results, the stockholders unanimously approved, confirmed and ratified, and the following resolution was adopted:

Stockholders' Resolution

“RESOLVED, as it is hereby resolved, that the stockholders of **Semirara Mining and Power Corporation** (the “Corporation”) representing at least 831,275,512 or 96% of today's quorum approve, confirm and ratify, as they do hereby, by poll balloting the Management Report for the fiscal year 2017, as read and delivered by the Corporation's President and Chief Operating Officer, Mr. Victor A. Consunji.”

5. RATIFICATION OF THE ACTS OF THE OFFICERS AND BOARD OF DIRECTORS

The meeting then proceeded to the next item of the agenda on the ratification of the acts of Officers and Board of Directors of the Corporation performed or undertaken in the year 2016 and until the date of this meeting.

After due deliberation, a motion was entertained, which was duly seconded. The votes cast as validated showed the following results:

Opinion	Vote Cast (one vote per share)	Percentage of Shares represented at ASM with balloting rights
For	831,275,512	96%
Against	0	0%
Abstain	798,562	0%

Based on the foregoing results, the stockholders unanimously approved, confirmed and ratified, and the following resolution was adopted:

Stockholders' Resolution

“**RESOLVED**, as it is hereby resolved, that the stockholders of **Semirara Mining and Power Corporation** (the “Corporation”) representing at least 831,275,512 or 96% of today’s quorum approve, confirm and ratify, as they do hereby, by poll balloting all the acts, decisions and resolutions of the Board of Directors and Officers of the Corporation made or undertaken in the year 2016 and until the date of this meeting, as these are reflected in the books and records of the Corporation.”

6. AMENDMENTS TO ARTICLES OF INCORPORATION

The Board of Directors at its meeting held on February 23, 2017 in relation to the declaration of stock dividends of 300% for every one common share held, approved and recommended for approval of the stockholders the amendment of Article 7 of the Corporation’s Articles of Incorporation increasing its authorized capital stock from Php3 billion to Php10 billion pesos.

The Board has determined the increase in authorized capital stock is for the best interest of the Corporation. The additional authorized capital will be used to maximize equity funding for future investment/expansion of the business that the Board deems to be in the Corporation’s best interest.

After due deliberation, a stockholder moved for the approval of the proposed amendment to the Corporation’s Articles of Incorporation. The motion was duly seconded, and the votes cast as validated showed the following results:

Opinion	Vote Cast (one vote per share)	Percentage of Shares represented at ASM with balloting rights
For	831,259,563	96%
Against	814,411	0%
Abstain	100	0%

Based on the foregoing results, the stockholders unanimously approved, confirmed and ratified, and the following resolution was adopted:

Stockholders’ Resolution

“**RESOLVED**, as it is hereby resolved, that the Stockholders of **Semirara Mining and Power Corporation** (the “Corporation”) representing at least 831,259,563 or 96% of today’s quorum, approve, confirm and ratify, as they do hereby, by poll balloting, the increase in the authorized capital stock of the Corporation from PhP3,000,000,000.00, divided into 3,000,000,000 shares, with a par value of PhP1.00 per share, to PhP10,000,000,000.00, divided into 10,000,000,000 shares, with a par value of PhP1.00 per share. Thus, the Seventh Article of the Corporation’s Articles of Incorporation, be, as it is hereby, amended to read as follows:

SEVENTH: That the authorized capital stock of the Corporation is Ten Billion Pesos (Php10,000,000,000.00), Philippine Currency, divided into Ten Billion (10,000,000,000) common shares with a par value of One Peso (Php1.00) per share.

RESOLVED, FINALLY, that the directors and officers of the Corporation, be, as they are hereby, authorized to execute, sign and file with the Securities and Exchange Commission, the Philippine Stock Exchange, Inc., and other appropriate government agencies, any and all documents which may be required or necessary in order to fully implement the foregoing resolutions and to update the Corporation’s registrations with the said agencies.”

7. DECLARATION OF 300% STOCK DIVIDENDS

In view of the increase in authorized capital stock, the Board of Directors at its meeting held on February 23, 2017 approved and recommended for approval of the stockholders the declaration of three hundred percent (300%) stock dividends amounting to PhP3,195,859,290.00 divided into 3,195,859,290 shares at one peso (PhP1.00) par value per share, or three (3) common shares for every one common share held (3:1), from the unrestricted retained earnings of the Corporation as at December 31, 2016.

No fractional shares shall be issued and the value of any fractional shares shall be paid to the stockholders in cash at the closing price of the Corporation’s shares as of the record date. The President of the Corporation was authorized and empowered to determine the record and payment dates.

After due deliberation, a motion was entertained, which was duly seconded. The votes cast as validated showed the following results:

Opinion	Vote Cast (one vote per share)	Percentage of Shares represented at ASM with balloting rights
For	831,259,563	96%
Against	814,411	0%
Abstain	100	0%

Based on the foregoing results, the stockholders unanimously approved, confirmed and ratified, and the following resolution was adopted:

Stockholders' Resolution

“RESOLVED, as it is hereby resolved, that the Stockholders of **Semirara Mining and Power Corporation** (the “Corporation”) representing at least 831,259,563 or 96% of today’s quorum approve, confirm and ratify, as they do hereby, by poll balloting the declaration of three hundred percent (300%) stock dividends amounting to PhP3,195,859,290.00 divided into 3,195,859,290 shares at one peso (PhP1.00) par value per share, or three (3) common shares for every one common share held (3:1), from the unrestricted retained earnings of the Corporation as at December 31, 2016.

RESOLVED, FURTHER, that the President of the Corporation be, as he is hereby, authorized and empowered to determine the record date and payment date for the said stock dividend declaration;

RESOLVED, FINALLY, that no fractional shares shall be issued and the value of any fractional shares shall be paid to the stockholders in cash at the closing price of the Corporation’s shares as of the record date.”

8. APPOINTMENT OF INDEPENDENT EXTERNAL AUDITOR

The meeting proceeded with the appointment of external auditors of the Corporation for the current fiscal year, as approved and recommended by the Board of Directors at its meeting held on February 23, 2017 for approval of the stockholders.

Mr. Alfredo Parungao representing the Shareholder’s Association of the Philippines, inquired as follows:

Question: If the appointment of SGV was endorsed by the Audit Committee?

Answer: Mr. Isidro A. Consunji, CEO, answered in the affirmative.

Finally, Mr. Alfredo Abueg identified himself as new investor/stockholder of the Corporation inquired as follows:

Question: How much is the amount involved in the external audit?

Answer: Ms. Junalina S. Tabor, CFO replied that for 2016 it is about PhP6 million, PhP3.4 million of which is for subsidiaries.

After the clarification have been made, the Chairman then entertained a motion for the approval of the reappointment of SyCip Gorres Velayo & Co. as the Corporation’s Independent External Auditor, which was duly seconded. The votes cast as validated showed the following results:

Opinion	Vote Cast (one vote per share)	Percentage of Shares represented at ASM with balloting rights
For	832,073,754	96%
Against	0	0%
Abstain	320	0%

Based on the foregoing results, the stockholders unanimously approved, confirmed and ratified, and the following resolution was adopted:

Stockholders' Resolution

“RESOLVED, as it is hereby resolved, that the stockholders of **Semirara Mining and Power Corporation** (the “Company”) representing at least 832,073,754 or 96% of today’s quorum approve, confirm and ratify, as they do hereby, by poll balloting the appointment of **SyCip Gorres Velayo & Co.** as the independent external auditors of the Corporation for the current fiscal year.”

9. ELECTION OF DIRECTORS FOR THE YEAR 2017-2018

The last item of the agenda is the election of directors for the year 2017-2018. The Secretary apprised the stockholders of the mechanics on the election of directors. He explained that pursuant to Article I, Section 5 of the Amended By-laws of the Corporation, at all meetings of stockholders for the election of the members of the Board of Directors, cumulative voting is allowed and each stockholder may distribute his votes in accordance with the applicable law.

Section 24 of the Corporation Code of the Philippines provides that a stockholder entitled to vote shall have the right to vote in person or by proxy the number of shares of stock standing in his own name in the stock books of the Company on record date 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, or he may distribute them on the same principle among as many candidates as he shall see fit. The quorum required in the election of the members of the Board of Directors is a majority of the outstanding capital stock entitled to vote. The eleven (11) nominees obtaining the highest number of votes in accordance with Section 24 of the Corporation Code shall be proclaimed directors.

Moreover, being a publicly-listed company, the Corporation is required under SEC regulations and the Corporation’s Revised Code of Corporate Governance to have at least two (2) independent directors being twenty (20%) of the seats of the Board. Mr. Rogelio M. Murga and Honorio O. Reyes-Lao have been nominated by a stockholder of the Corporation, Mr. Antonio C. Olizon, as independent directors. The Nomination and Election Committee has passed upon the qualifications of Mr. Murga and Reyes-Lao in accordance with the Corporation’s Revised Code of Corporate Governance, SEC’s Guidelines on the Nomination and Election of Independent Directors, and the term limit requirement pursuant to SEC Memorandum Circular No. 9, Series of 2011. The nominees for Independent Directors were nominated to the Board due to their outstanding business and financial acumen which provided invaluable contribution to the Corporation’s strategy.

Further, the Secretary explained that based on the nominations received by the Nomination and Election Committee and/or Corporate Secretary in accordance with the Procedure on Nomination and Election of Directors prior to deadline for submission of nominations on February 28, 2017, there are eleven (11) nominees for directorship inclusive of two (2) nominees for independent directorship. All nominees have been determined to possess the qualifications, skills and experience appropriately aligned to the Corporation’s strategy.

After the determination of the final list of candidates, no other nomination will be allowed on the floor in accordance with the Amended By-Laws of the Corporation. The following names of nominees’ appeared in the Final List of Candidates for Directorship:

Regular Directors:

1. Victor A. Consunji
2. Isidro A. Consunji
3. Cesar A. Buenaventura
4. Jorge A. Consunji
5. Herbert M. Consunji
6. Josefa Consuelo C. Reyes
7. Maria Cristina C. Gotianun
8. Ma. Edwina C. Laperal
9. Luz Consuelo A. Consunji

Independent Directors:

10. Rogelio M. Murga
11. Honorio O. Reyes-Lao

The following nominees were elected as directors for the ensuing year by poll balloting conducted thereafter to serve for a period of one (1) year, and to serve as such until their successors shall have been duly elected and qualified:

Director	Vote Cast (one vote per share) and the Percentage of Shares represented at ASM with Balloting Rights		
	For	Against	Abstain
Regular Director			
1. Isidro A. Consunji	830,282,558 (96%)	418,005 (0%)	1,373,911 (0%)
2. Victor A. Consunji	790,790,309 (91%)	10,120,059 (1%)	31,164,106 (4%)
3. Jorge A. Consunji	797,279,850 (92%)	3,748,305 (0%)	31,046,319 (4%)
4. Cesar A. Buenaventura	797,257,540 (92%)	3,748,305 (0%)	31,068,629 (4%)
5. Herbert M. Consunji	795,648,680 (92%)	5,433,409 (1%)	30,992,385 (4%)
6. Josefa Consuelo C. Reyes	797,278,900 (92%)	3,748,305 (0%)	31,046,369 (4%)
7. Maria Cristina C. Gotianun	797,334,403 (92%)	3,748,305 (0%)	30,991,766 (4%)
8. Ma. Edwina C. Laperal	795,570,906 (92%)	5,433,409 (1%)	31,069,359 (4%)
9. Luz Consuelo A. Consunji	797,278,900 (92%)	3,748,305 (0%)	31,046,369 (4%)
Independent Director			
10. Rogelio M. Murga	825,268,924 (95%)	6,780,579 (1%)	24,071 (0%)
11. Honorio O. Reyes-Lao	832,072,493 (96%)	0 (0%)	1,081 (0%)

10. OTHER MATTERS

There were no other matters to be taken up during the meeting.

11. ADJOURNMENT

There being no other matters to be taken, the same was, upon motion made and duly seconded, adjourned.

ATTESTED:


ISIDRO A. CONSUNJI
Chairman of the Stockholders' Meeting


JOHN R. SADULLO
Secretary of the Stockholders' Meeting