

# Atlas Consolidated Mining and Development Corporation

Minutes of the Annual General Meeting of the Shareholders  
 The Bay Ballroom, One Esplanade Building,  
 Seaside Corner J.W. Diokno Boulevard, Mall of Asia Complex, Pasay City, Metro Manila  
 07 May 2019, 3:00PM

	<i>No. of Shares</i>	<i>Percentage</i>
<i>No. of Shares present by proxy</i>	2,722,192,259	76.48%
<i>No. of Shares present in person</i>	4,102	0%
<i>Total No. of Shares represented by proxy and in person</i>	2,722,192,259	76.48%
<i>Total Issued and Outstanding Shares</i>	3,559,532,774	100%

*Directors Present:*

<i>Alfredo C. Ramos</i>	<i>Chairman, Board of Directors</i>
<i>Frederic C. DyBuncio</i>	<i>Vice Chairman, Board of Directors Chairman, Executive Committee Member, Audit Committee</i>
<i>Adrian Paulino S. Ramos</i>	<i>President Member, Executive Committee</i>
<i>Isidro A. Consunji</i>	<i>Member, Executive Committee</i>
<i>Martin C. Buckingham</i>	<i>EVP Member, Executive Committee</i>
<i>Gerard Anton S. Ramos</i>	<i>Member, Executive Committee Member, Audit Committee</i>
<i>Jose T. Sio</i>	<i>Member, Executive Committee</i>
<i>Laurito E. Serrano, Lead Independent Director</i>	<i>Chairman, Audit Committee Member, Board Risk Oversight Committee Member, Related Party Transaction Committee</i>
<i>Emilio S. de Quiros, Jr., Independent Director</i>	<i>Chairman, Board Risk Oversight Committee Member, Audit Committee Member, Corporate Governance Committee Member, Related Party Transaction Committee</i>
<i>Fulgencio S. Factoran, Jr., Independent Director</i>	<i>Chairman, Related Party Transaction Committee Member, Audit Committee Member, Corporate Governance Committee</i>
<i>Jose P. Leviste, Jr., Independent Director</i>	

*Also Present:*

*Roderico V. Puno, Corporate Secretary*  
*Fernando A. Rimando, Chief Finance Officer & Chief Risk Officer*  
*Feliciano B. Alvarez, Chief Audit Executive*  
*Leila Marie P. Cabañes, Treasurer*  
*Maria Eleonor A. Santiago, Assistant Corporate Secretary*  
*Amour A. Belen, Investor Relations Officer*

*External Auditor:* *Representatives of Sycip Gorres Velayo & Co (SGV)*  
*(including Mr. Jose Pepito E. Zabat, III Managing Partner)*  
*Stock & Transfer Agent:* *Representative of Stock & Transfer Services, Inc.*

*I. Call to Order*

The Chairman of the Board, Mr. Alfredo C. Ramos, called the meeting to order at 3:00 p.m. and welcomed the Shareholders of Atlas Consolidated Mining and Development Corporation (“AT” or the “Corporation”) to the 2019 Annual General Meeting (“AGM” or the “Meeting”). The Assistant Corporate Secretary, Atty. Maria Eleonor A. Santiago, recorded the minutes of the Meeting.

The Chairman informed the assembly that representatives of the Corporation’s external auditor, Sycip Gorres Velayo & Co. (“SGV”), were present in the Meeting.

*II. Proof of Notice of Meeting and Determination of Quorum*

The Corporate Secretary, Atty. Roderico V. Puno, certified that:

1. Notices with the (i) *Agenda and Explanation*, and (ii) *Information Statement (IS)* as duly approved by the Securities and Exchange Commission (SEC) were sent to the Shareholders of record within the prescribed periods pursuant to the Corporation’s By-Laws and applicable rules. Said Notice and Agenda with Explanation were likewise published in 2 newspapers of general circulation, the Manila Standards on 29 March 2019 and the Manila Times on 03 April 2019.
2. Based on (a) the proxies received and validated, and (b) the tabulation made at the Meeting there were present, in person or represented by proxy, Shareholders holding 2,722,196,361 shares of stock or 76.48% of the Corporation’s total outstanding capital stock.
3. There was a quorum for the transaction of business at the Meeting.
4. The Corporate Secretary then proceeded to explain the following Voting Procedure, as follows:
  - a. The required quorum for said Meeting was the presence, in person or by proxy, Shareholders holding a majority of the outstanding capital stock. To approve an item on the agenda, the affirmative vote of at least a majority of those present was required.
  - b. Voting by balloting. Shareholders who were present and did not submit proxies before the Meeting were given ballots upon registration.

In the case of proxies submitted prior to the Meeting, the proxies designated by the Shareholders to represent them were provided with ballots for casting in accordance with the Shareholders’ instructions, as indicated in the proxy.

- c. The Corporation distributed Proxy Forms to Shareholders, which contained each item on the Agenda that required Shareholders’ vote. There were spaces in the proxy for (i) APPROVE/

RATIFY, or (ii) DISAPPROVE, or (iii) ABSTAIN, and the Shareholder should indicate how he wanted his shares to be voted. For the election of Directors, the names of all nominees were in the proxy with these options: (i) VOTE FOR; and (ii) WITHHOLD VOTE.

- d. The votes cast for each item of the Agenda would be announced when the particular item will be taken up by the body.

III. *Approval of the Minutes of the 2018 AGM held on 26 April 2018*

The Chairman proceeded to the approval of the minutes of the AGM held on 26 April 2018 (the “2018 AGM minutes”). Copies of the 2018 AGM minutes were distributed at the registration area, uploaded in the Corporation’s website and made available to Shareholders for examination prior to the Meeting. There being no question, the Chairman requested for a motion for approval of the 2018 AGM. On motion and duly seconded, the Shareholders approved the 2018 AGM minutes:

*“Resolved, That the Shareholders of Atlas Consolidated Mining and Development Corporation (the “Corporation”) approve, as they hereby approve the Minutes of the Annual General Meeting of Shareholders (AGM) held on 26 April 2018.”*

As tabulated by the Stock and Transfer Service Inc. (STSI), the votes on the motion for the approval of 2018 AGM Minutes:

	<i>Approve/Ratify</i>	<i>Disapprove</i>	<i>Abstain</i>
<i>Number of Voted Shares</i>	2,722,196,361	0	0
<i>Percentage of Shares Voted</i>	100%	0%	0%

IV. *Annual Report and Audited Financial Statements for the year ended 31 December 2018:*

The Chairman proceeded to the next order of business, the Annual Report on the activities and operations of the Corporation during the last fiscal year (the “Annual Report”) including the Corporation’s Audited Financial Statements ended 31 December 2018 (“2018 AFS”). The 2018 AFS and Annual Report were appended to the IS which were sent to the Shareholders and likewise made available to them for examination prior to the Meeting.

The Chairman gave the floor to the Corporation’s President, Mr. Adrian Paulino S. Ramos, to render the Annual Report. The President reported as follows:

*“Ladies and gentlemen, distinguished guests – good afternoon*

*In 2018, we have seen the impact of the strategies that Atlas laid out and pursued over the past three years to optimize its operations. We have seen improvement in operations with production registering a double digit increase in throughput and metal content.*

*The commodities market sustained its strong performance but took a dip in the second half of the year due mainly to the tariff issues between America and China. Prices however started to recover in the first quarter of 2019 as negotiation on tariffs have shifted to a positive level.*

*On the regulatory area, Atlas was not adversely affected by any new regulatory pronouncements, except for the doubling of mine product excise tax from 2% to 4% as imposed by the TRAIN law.*

*We are so much encouraged to see that the strategies that were consistently pursued and*

*the efforts of our management team have driven positive results. We are confident that as we continue pursuing these strategies, 2019 will show another solid results toward a more stable and efficient operation.*

*Cu price levels were at \$7,000/t during the first half of 2018. However, price levels dipped significantly during the second half due mainly to the tariff issues between America and China which brought Cu prices from a high of \$7,000/t to a low of \$5,800/t. Cu prices started to recover again in Q1 2019 to \$6,500/t levels when the tariff negotiations developed into a more positive direction.*

*With the fluctuation in market situation, Atlas realized an average copper price of \$2.96/lb in 2018 or an increase of 6% compared to the realized average price in 2017 of \$2.78/lb.*

*Despite downward movements in copper prices in the 2<sup>nd</sup> half of 2018, forecasts from most industry sources continue to be positive with supply and demand seen to be in balance in the near term and demand outpacing supply in the longer term.*

*Based on the forecast of a global commodity research and consultancy group, Wood Mackenzie, copper price is seen to be at \$6,700 in 2019 up to 2022.*

*Atlas never wavered in its pursuit of operational efficiencies through proper maintenance and full utilization of its mining equipment and processing plant.*

*As a result, operations stabilized and attained an average daily mill throughput of 45ktpd in 2018 or a 14% increase from 39ktpd in 2017. This increase in throughput more than compensated for the lower grade in 2018 and pushed copper metal production higher by 10% from 78 million lbs in 2017 to 86 million lbs in 2018 and gold production by 23% from 22 thousand ounces to 27 thousand ounces in 2018.*

*Shipment correspondingly increased by 12% for copper and 31% for gold.*

*Capex for 2018 was contained at \$54 million versus last year of \$76 million as spending on equipment had gone down as spending for mining equipment were mostly completed in 2017. Main capex spending for equipment in 2018 consisted of the upgrade of the tailings disposal facility.*

*The level of waste mining was sustained in 2018 at 55 million dmt. In 2019, waste mining will be at higher level of about 65 million dmt to position the company to sustain ore production at 45-50ktpd in 2019 and beyond.*

*As Atlas attained stability in operation, efficiencies improved and helped contain the impact of higher input costs.*

*In 2017, C1 cash cost was contained at \$1.75/lb Cu from \$1.39/lb Cu in 2016. The increase in 2017 was brought about by higher waste charged to operation, lower volume, lower grade and lower gold credits.*

*In 2018, C1 cash cost was contained at \$1.86/lb cu from \$1.75/lb Cu in 2017. The increase in 2018 was mainly caused by higher energy prices, higher waste charged to operations and higher mine product excise tax rate which doubled from 2% to 4% in 2018. If these costs were at the same levels as in 2017, C1 cost would have been around \$1.60/lb Cu.*

*Atlas attained revenues of Php14.21 billion in 2018, 19% higher than in 2017, on account of higher production and shipment volumes. This allowed it to post a lower consolidated net loss of Php1.72 billion for the year, 13% lower than the previous year, even with higher costs.*

*Due to the higher volume of shipments, cash costs were 28% higher from Php8.15 billion in 2017 to Php10.44 billion in 2018. As discussed earlier and aside from the effect of higher volume, operating cost was adversely affected by higher energy prices, higher waste charged to operations and higher mine product excise tax rate which doubled from 2% to 4% in 2018.*

*Earnings before interest, tax, depreciation and amortization (EBITDA) settled at Php3.85 billion, 1% higher compared to Php3.81 billion in 2017 as the gains from higher revenues were offset by higher input costs. Core loss increased due mainly to higher depreciation and depletion charges.*

**Atlas is committed to responsible mining, responsible stewardship and in creating sustained value.** *These commitments are well laid out in the recently issued 2018 Sustainability Report of the wholly-owned subsidiary of Atlas, Carmen Copper Corporation.*

**Atlas is committed in safeguarding our natural resources.** *Responsible mining is our First Principle. Atlas plays a crucial role in maintaining the delicate balance of promoting economic growth and prioritizing care for the environment.*

*We continue to ensure compliance with the applicable environmental laws, regulations and orders, and ISO standards which your Company is currently certified. Standardized methods are established for resource, waste and materials management and environmental monitoring, development and closure planning and rehabilitation and remediation measures. For example in water management, 51% of water consumed per year is recycled.*

*As responsible stewards of the environment, your Company is focused on both protection and conservation. To date, 634 hectares of mined out areas were rehabilitated of which 17 hectares were planted in 2018 with 27,000 trees. 800,000 seedlings of assorted tree species were grown and 497,000 were donated in support of the National Greening Program.*

*The DENR and the Philippine Mine Safety and Environment Association have consistently recognized the initiatives of your Company and have conferred Carmen Copper Corporation with awards and recognition.*

**Atlas is committed in building Self-Reliant Communities. CARMEN COPPER COMMUNITIES** *is the Social Development and Management Program brand of your Company launched in 2018 to help uplift the welfare of its host communities. Consistent with our principle that responsible stewardship is a shared commitment, we work closely with every member of our host communities on education, healthcare, livelihood, cultural heritage, disaster response and other related projects.*

*In 2018, we spent Php132 million for SDMP geared towards building self-reliant communities in our 4 host and 13 neighboring barangays in Toledo City.*

**Atlas is committed to health and safety.** *Atlas adheres to the highest standard of occupational health and safety consistent with DENR DAO No. 2000-98 and to the British Standard for Occupational Health and Safety Assessment Series or BS OHSAS 18001:2007 which Carmen Copper Corporation was issued a certification by TUV Rheinland.*

*Making safety an essential part of the day-to-day grind in the mine site lays the foundation to a culture of safety that has significantly prevented and mitigated occupational injuries and illnesses. In 2018, Carmen Copper recorded zero fatal incidents, a significant increase in safe manhours rendered, decrease in total incidents, decrease in Near Misses and decrease Days lost due to accidents.*

*As we see positive results from our efforts in implementing our strategies, we will sustain our commitment to pursue these established key strategies in the years ahead. As in the previous years, we will continue to work hard on:*

- *Improving productivity*
- *Cost containment*
- *Enhancing by-products*
- *Sustaining stripping, and*
- *Safety, environment and social development*

*Finally, on behalf of the Board and Management of Atlas Mining – we again express our appreciation for your faith in the company and for remaining with us in pursuing the plans to make our Company recover and grow!*

Copies of the relevant presentation slides are integrally attached hereto as Annex “A” and deemed incorporated into these Minutes.

After the presentation, the Chairman of the Meeting inquired whether there were questions regarding the Annual Report.

A Shareholder stood up and raised questions on the Php5.6 Billion warrants; whether the same would affect the Authorized Capital Stock of the Corporation. The Assistant Corporate Secretary and the Corporate Secretary answered the inquiry of the Stockholder informing the latter that it would not affect the Authorized Capital Stock of the Corporation. The President, Mr. Adrian S. Ramos suggested to the Stockholder to approach the former for the particular details of the matter.

As there was no other question raised, a Shareholder moved for the approval of the Annual Report and the 2018 AFS. Upon motion made and duly seconded, the following resolutions were passed and adopted:

*“Resolved, That the Annual Report as of 31 December 2018 of Atlas Consolidated Mining and Development Corporation (“AT” or the “Corporation”) is noted, approved and ratified.”*

*“Resolved, Further, That the Shareholders of AT approve and ratify the consolidated Audited Financial Statements of the Corporation and its subsidiaries as of 31 December 2018 ( the “AFS”) as audited by the Corporation’s external auditor, Sycip Gorres Velayo & Co. (SGV).“*

As tabulated by the STSI, the votes of shares present and represented, on the motion for the approval of the 2018 Annual Report and the 2018 AFS are as follows:

	<i>Approve/Ratify</i>	<i>Disapprove</i>	<i>Abstain</i>
<i>Number of Voted Shares</i>	<i>2,720,492,961</i>	<i>0</i>	<i>1,703,400</i>
<i>Percentage of Shares Voted</i>	<i>99.94%</i>	<i>0%</i>	<i>0.06%</i>

*V. Election of Directors (including Independent Directors)*

The next order of the business was the election of the members of the Board of Directors for the ensuing year. The Chairman of the Corporate Governance Committee (CG Com), Atty. Fulgencio S. Factoran, Jr, announced the names of the nominees for the election to the Corporation’s 11-member Board who were vetted and selected through the nomination process determined and implemented by the CG Committee, in accordance with the procedure prescribed under the Corporation’s By-Laws, Code of CG, CG Committee Charter, and based on legal requirements. The Committee recommended the following nominees for re-election:

Alfredo C. Ramos  
 Frederic C. DyBuncio  
 Martin C. Buckingham  
 Isidro A. Consunji  
 Adrian Paulino S. Ramos  
 Gerard Anton S. Ramos  
 Jose T. Sio  
 Fulgencio S. Factoran, Jr.  
 Laurito E. Serrano  
 Emilio S. de Quiros, Jr.  
 Jose P. Leviste, Jr.

Messrs. Factoran, Jr. Serrano, de Quiros, Jr. and Leviste, Jr. were nominated to serve as Independent Directors in compliance with Rule 38 of the implementing rules and regulations of the Securities Regulation Code (SRC). The nominees for Independent Directors had accepted and conformed on their nomination. In accordance with the SEC Memorandum Circular (MC) No. 16, series of 2002, no further nominations with respect to the election of Independent Directors were entertained or allowed on the floor during the Meeting.

Upon the foregoing, a Shareholder moved for the nominations to be closed, which was seconded. And upon motion duly made and seconded, the Corporate Secretary announced the number of votes cast for all the 11 nominees who were elected to the Board for the period 2019-2020 until their successors shall have been duly elected and qualified. The following resolution was then passed and approved:

*“Resolved, That the following persons are hereby elected directors of Atlas Consolidated and Mining Development Corporation (“AT” or the “Corporation”) for 2019-2020 to serve as such beginning today until their successors are elected and qualified:*

Alfredo C. Ramos  
 Frederic C. DyBuncio  
 Martin C. Buckingham  
 Isidro A. Consunji  
 Adrian Paulino S. Ramos  
 Gerard Anton S. Ramos  
 Jose T. Sio  
 Fulgencio S. Factoran, Jr., Independent Director (ID)  
 Laurito E. Serrano, Independent Director (ID)  
 Emilio de Quiros, Jr., Independent Director (ID)  
 Jose P. Leviste, Jr., Independent Director (ID)”

As tabulated by the STSI, the final votes received by each of the 11 nominees are as follows:

Nominee	Vote For	Percentage of Shares Voted	Withhold Vote	Abstain
Alfredo C. Ramos	2,721,931,361	99.99%	82,000	183,000
Frederic C. DyBuncio	2,721,931,361	99.99%	82,000	183,000
Martin C. Buckingham	2,722,196,361	100%%		
Isidro A. Consunji	2,721,931,361	99.99%	82,,000	183,000
Adrian Paulino S. Ramos	2,721,931,361	99.99%	82000	183,000

Gerard Anton S. Ramos	2,721,931,361	99.99%	82,000	183,000
Jose T. Sio	2,722,013,361	99.99%		183,000
Fulgencio S. Factoran, Jr. (ID)	2,721,931,361	99.99%	82,000	183,000
Emilio S. De Quiros, Jr. (ID)	2,721,931,361	99.99%	82,000	183,000
Laurito E. Serrano.(ID)	2,722,013,361	99.99%		183,000
Jose P. Leviste, Jr. (ID)	2,722,196,361	100.00%		

#### VI. Ratification of the acts and resolutions of the Board of Directors and Management for the year 2018

The Chairman moved to the next item on the Agenda which was the ratification of the acts, transactions, proceedings as well as resolutions of the Board of Directors, its various Committees and of Management from the date of the 2018 AGM, 26 April 2018, up to the date of this Meeting, 07 May 2019, (the "Acts and Resolutions"). He further noted that the Acts and Resolutions were all reflected in the minutes of the meetings of the Board of Directors and the different Committees of the Board, in the regular reports and disclosure statements filed with the SEC and the PSE, and in the IS distributed to the Shareholders with respect to the Meeting.

On motion duly made and seconded, the Shareholders approved the following resolution ratifying the acts of Management and of the Board of Directors:

*"Resolved, That the acts of the Board of Directors, Board Committee and Management of Atlas Consolidated Mining and Development Corporation ("AT" or the "Corporation") from the date of the last AGM held on 26 April 2018 up to the date of the Meeting, are hereby, in all respect, approved and ratified and that all contracts, acts, proceedings, elections and appointments made or taken by the Board of Directors, its Committees and/or the Management of the Corporation and all acts and proceedings performed or taken pursuant thereto, be, and hereby are, in all respects, approved, ratified and confirmed."*

The tabulation of votes of shares present and represented at the Meeting is stated below on said resolution:

	Approve/Ratify	Disapprove	Abstain
Number of Voted Shares	2,720,492,961	0	1,703,400
Percentage of Shares Voted	99.94%	0%	0.06%

#### VII. Appointment of External Auditor

The next item on the Agenda was the election of the Corporation's external auditor for the current fiscal year ending 31 December 2019. Upon motion of a Shareholder, duly seconded, Sycip Gorres Velayo & Co. (SGV) was nominated and elected by the Shareholders as the Corporation's external auditor for 2019:

*"Resolved, as duly endorsed by the Board of Directors of Atlas Consolidated Mining and Development Corporation (the "Corporation"), to approve the re-election of Sycip Gorres Velayo & Co. as the external auditor of the Corporation for the year 2019-2020."*

As tabulated by the STSI, the votes on the election of SGV as external auditor of AT are as follows:

	Approve/Ratify	Disapprove	Abstain



<i>Number of Voted Shares</i>	<i>2,722,196,361</i>	<i>0</i>	<i>0</i>
<i>Percentage of Shares Represented</i>	<i>100%</i>	<i>0%</i>	<i>0%</i>

*X. Other Matters*

The Chairman inquired from the Corporation's Corporate Secretary if there would be other matters to be presented.

Upon confirmation, no other matter would be presented requiring the vote of the Shareholders.

*XI. Adjournment*

There being no other matters to discuss, upon motion duly seconded, the Meeting was adjourned.

Prepared by:

*Maria Eleonor A. Santiago*  
Assistant Corporate Secretary

Attested by:

*Alfredo C. Ramos*  
Chairman