



**ATLAS CONSOLIDATED MINING AND
DEVELOPMENT CORPORATION**

**INFORMATION STATEMENT
SEC FORM 20-PIS
Pursuant to Section 17.1(b) of the Securities Regulation Code**

NOTICE OF THE 2019 AT ANNUAL GENERAL MEETING OF SHAREHOLDERS

Notice is hereby given that *ATLAS CONSOLIDATED MINING AND DEVELOPMENT CORPORATION* (AT or the Corporation) will hold its Annual General Meeting of Shareholders for 2019 ("AGM" or the "Meeting") on 7 May 2019, 3:00 p.m. at the Bay Ballroom, One Esplanade Building, Seaside corner J.W. Diokno Blvd., Mall of Asia Complex, Pasay City, for the transaction of the following business:

AGENDA

- Call to Order
- Proof of Notice of Meeting & Determination of Quorum
- I. Approval of the Minutes of the Annual General Meeting of Shareholders (AGM) on 26 April 2018
- II. Approval of the Annual Report and Audited Financial Statements for 2018
- III. Election of Directors (including Independent Directors)
- IV. Ratification of Acts and Resolutions of the Board of Directors and Management
- V. Appointment of External Auditor
- VI. Other Matters
- Adjournment

Only Shareholders of record as of 14 March 2019 are entitled to receive notice of, and to vote at, the Meeting. The Shareholders' list will be available for inspection at the Corporation's principal office located at 5F FiveE-com Center, Palm Coast Avenue corner Pacific Drive, Mall of Asia Complex, Pasay City (1300) (the "Office"). The Stock and Transfer Book of the Corporation will not be closed.

Any Shareholder who wishes to authorize a proxy to act for and in his/her behalf during the Meeting must submit a duly accomplished proxy to the Office on or before 26 April 2019. Validation of proxies is set on 2 May 2019.

Please bring proper identification card/s to facilitate registration which will start at 2:00 p.m.

Pasay City, Metro Manila, 7 March 2019.

Thank you.


Maria Eleonor A. Santiago
Assistant Corporate Secretary

EXPLANATION OF AGENDA ITEMS

Proof of Notice of Meeting and Determination of Quorum:

The Corporate Secretary will certify that copies of the Notice and Agenda of the AGM with the Information Statement (IS) were sent to Shareholders of record as of 14 March 2019 as well as the date of publication of the Notice and Agenda in newspapers of general circulation. The Corporate Secretary will further certify the existence of a quorum. The Shareholders present, in person or by proxy, representing a majority of the outstanding capital stock shall constitute a quorum for the transaction of business.

Approval of the Minutes of the AGM on 26 April 2018:

A copy of the Minutes of the AGM held on 26 April 2018 is posted at the Corporation's Website (www.atlasmining.com.ph). A resolution approving the minutes will be presented to the Shareholders for confirmation.

2018 Annual Report and Audited Financial Statements:

The President will report on the Corporation's financial and operating results for the year 2018. The Audited Financial Statements (FS) as of 31 December 2018 are enclosed in the IS to be sent to Shareholders at least fifteen (15) business days prior to the AGM. The FS have been reviewed by the Audit Committee (AuditCom), approved by the Board of Directors (BOD) and audited by the external auditor. A resolution noting the Report and approving the FS will be presented to the Shareholders for approval.

Election of Directors (including Independent Directors):

The nominated directors were determined to be qualified and competent by the Corporate Governance Committee (CGCom) after their qualifications were duly reviewed. The CGCom recommends their election. The list of nominees and their profiles are provided in the IS and in the Corporation Website (www.atlasmining.com.ph) for the information and examination by the Shareholders.

Ratification of acts and resolutions of the Board of Directors (BOD) and Management for 2018:

All acts, resolutions and proceedings of the BOD, the BOD Committees and the Management of AT from the date of the last AGM to the date of this Meeting, including all significant related party transactions if any, will be presented to the Shareholders for ratification. A resolution noting, approving and ratifying all acts, resolutions and proceedings of Management, BOD and BOD Committees will be presented to the Shareholders.

Re-appointment of SGV as External Auditor:

The BOD, based on the recommendation of the AuditCom, endorses the re-appointment of SycipGorresVelayo & Company (SGV) as the Corporation's external auditor for 2019.

Other Matters:

Other business as may properly come before the meeting may be raised. The Chairman will decide whether such business may be properly taken up in the meeting or in another Shareholders' meeting or other proper forum.

PROXY
(Sample Proxy Form for individuals)

The undersigned Shareholder of Atlas Consolidated Mining and Development Corporation ("AT" the "Corporation") hereby appoints: _____ or in his absence, the Chairman of the meeting, as attorney-in-fact and proxy, with power of substitution, to represent and vote _____ shares registered in the name of undersigned Shareholder and/or such shares as undersigned Shareholder is authorized to represent and vote at the 7 May 2019 AT Annual General Meeting of the Shareholders ("AGM" or the "Meeting") and at any of the adjournments and postponements thereof for the purpose of acting on the following matters:

INSTRUCTION: Indicate choice with an "X" mark in the appropriate space.

I. & II. Approval of Minutes and Annual Report

	YES/ RATIFY	NO	ABSTAIN
I. Approval of Minutes of the Annual General Meeting of Shareholders (AGM) held on 26 April 2018			
II. Approval of Audited Financial Statements and Annual Report for the year ended 31 December 2018			

III. Election of Directors of the Corporation

Name	Vote For	Withhold Vote (Abstain)
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)		
Emilio S. de Quiros, Jr. (Independent Director)		
Laurito E. Serrano (Independent Director)		

	YES/ RATIFY	NO	ABSTAIN
IV. Approval of the Acts, Resolutions and proceedings of the Board of Directors and Management in 2018 up to 7 May 2019			
V. Re-appointment of SGV as External Auditor for 2019			
VI. At their discretion, the proxy named above is authorized to vote upon such other matters as may properly come before the meeting			

The proxy when properly executed will be voted in the manner as directed by the undersigned Shareholder. **If no direction is made, this proxy will be voted "For" the election of all nominees and "For" the approval of the matters stated above and for such other matters as may properly come before the Meeting in the manner described in the Information Statement and/or as recommended by management or the Board of Directors.**

The duly-executed proxy should be received by the Corporate Secretary not later than 5:00 p.m. on 26 April 2019. Validation of proxies shall be held on 2 May 2019 at the Office under the supervision and control of the Corporate Secretary.

A Shareholder giving proxy has the power to revoke it at anytime before the right granted is exercised. A proxy is considered revoked if the Shareholder attends the meeting in person and expressed his intention to vote in person.

In Witness Whereof, I have signed this Proxy in _____ on _____.

Printed name and Signature of Shareholder

Number of Shares Owned or Represented

Date

SECRETARY'S CERTIFICATE
(Sample Proxy Form for Corporations)

I, _____, Filipino, of legal age, with office address at _____,
after being duly sworn in accordance with law hereby state as follows:

1. I am the duly appointed Corporate Secretary of _____ (the "Corporation"), a corporation duly organized and existing in accordance with the laws of the Philippines, with office address at _____.
2. As of record date, the Corporation holds _____ (_____) shares in Atlas Consolidated Mining and Development Corporation (AT).
3. Based on the records, at the regular meeting of the Board of Directors of the Corporation held on _____, during which a quorum was present, the following resolution was passed and approved:

"Resolved, That _____ be authorized and appointed, as he is hereby authorized and appointed, as the Corporation's proxy (the "Proxy") to attend all meetings of the stockholders of Atlas Consolidated Mining and Development Corporation ("AT") whether the meeting is regular or special, or at any meeting postponed or adjourned therefrom, with full authority to vote the shares of stock of the Corporation held in AT and to act upon all matters and resolution that may come before or presented during meetings, or any adjournments thereof, in the name, place and stead of the Corporation.

Resolved, Finally, That AT be furnished with a certified copy of this resolution and AT may rely on the continuing validity of this resolution until receipt of written notice of its revocation"

4. The foregoing resolution has not been amended, revoked or modified, is effective and valid up to this date, and contained in the corporate records in my possession.

In Witness Whereof, I have signed this instrument in _____ on _____.

Printed Name & Signature of the Corporate Secretary

SUBSCRIBED AND SWORN to before me in the City of _____ this _____ Affiant exhibited to me his Competent Evidence of Identity by way of _____ with number _____ issued on _____ at _____.

Doc. No. ____;
Page No. ____;
Book No. ____;
Series of 2019.

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 20-IS

INFORMATION STATEMENT PURSUANT TO SECTION 17.1(b) 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
Atlas Consolidated Mining And Development Corporation
3. Philippines
Province, country or other jurisdiction of incorporation or organization
4. SEC Identification Number PW0000115A
5. BIR Tax Identification Code 000-154-572
6. 5th Floor, FiveE-Com Center, Palm Coast Ave. corner Pacific Drive
Mall of Asia Complex, Pasay City 1300
Address of principal office Postal Code
7. Registrant's telephone number (632) 4030813 loc. 25001/25007
8. 7 May 2019, 3:00pm
Bay Ballroom, One Esplanade Building, Seaside Corner J.W. Diokno Blvd., Mall of Asia Complex, Pasay City
Date, time and place of the meeting of security holders
9. Approximate date on which the Information Statement is first to be sent or given to security holders: 1 April 2019
10. Securities registered pursuant to Sections 8 and 12 of the Code or Sections 4 and 8 of the RSA (information on number of shares and amount of debt is applicable only to corporate registrants):

Title of Each Class	Number of Shares of Common Stock Outstanding as of record date
<i>Common Stock, ₱1.00 par value</i>	3,559,532,774

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

Yes No

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

Philippine Stock Exchange, Inc. – Common Stock

TABLE OF CONTENTS

PART I

INFORMATION REQUIRED IN INFORMATION STATEMENT

- A. GENERAL INFORMATION Page 8
Item 1. Date, Time and Place of Meeting
Record Date, Approximate Date of Release of the IS and Proxy Form
Item 2. Dissenter's Appraisal Right
Item 3. Interest of Certain Persons in or Opposition to Matters to be Acted Upon
- B. CONTROL AND COMPENSATION INFORMATION Page 8
Item 4. Voting Securities and Principal Holders
Item 5. Directors and Executive Officers
Item 6. Compensation
Item 7. Independent Public Accountants
Item 8. Compensation Plans
- C. ISSUANCE AND EXCHANGE OF SECURITIES Page 15
Item 9. Authorization or Issuance of Securities
Item 10. Modification or Exchange of Securities
Item 11. Financial and Other Information
Item 12. Mergers, Consolidations, Acquisitions and Similar Matters
Item 13. Acquisition or Disposition of Property
Item 14. Restatement of Accounts
- D. OTHER MATTERS Page 16
Item 15. Action with Respect to Reports
Item 16. Matters Not Required to be Submitted
Item 17. Amendment of Charter, By-Laws or Other Documents
Item 18. Other Proposed Actions
Item 19. Voting Procedures

PART II

INFORMATION REQUIRED IN PROXY

Page 17

PART III

SIGNATURE

Page 18

PART IV

MANAGEMENT REPORT

Page 19

- (I) Consolidated Audited Financial Statements
(II) Changes in and Disagreements with Accountants
(III) Management's Discussion
(IV) Brief Description of the Nature and Scope of Business
(V) Directors and Executive Officers
(VI) Securities: Market Price and Dividends on Corporation's common Shares
Security Ownership of Certain Record and Beneficial Owners of more than 5%
Security Ownership of Directors and Executive Officers
Changes in Control
(VII) Corporate Governance
(VIII) Undertaking

PART I

Information Required In Information Statement

A. GENERAL INFORMATION

Item 1. Date, Time and Place of Annual General Meeting of the Shareholders (“AGM” or the “Meeting”)

The 2019 AGM of Atlas Consolidated Mining and Development Corporation (“AT” or the “Corporation”) will be held on 7 May 2019, 3:00pm at the Bay Ballroom, One Esplanade Building, Seaside corner J.W. Diokno Boulevard, Mall of Asia Complex, Pasay City, Metro Manila, Philippines. AT’s mailing address is *5F FiveE-com Center, Palm Coast Avenue corner Pacific Drive, Mall of Asia Complex, Pasay City (1300)*. The Information Statement (IS) for said AGM is approximately to be sent on 1 April 2019.

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

Item 2. Dissenter's Right of Appraisal

No proposed action or matter will be presented for approval in the Meeting with respect to which Shareholders may exercise their appraisal rights under Title X of the Corporation Code of the Philippines.

Shareholders of AT have the right to dissent and demand payment of the fair values of their shares of stock:

- (i) in case any amendment to the articles of incorporation has the effect of changing or restricting the rights of any Shareholder or class of shares, or of authorizing preferences in any respect superior to those of outstanding shares of any class, or of extending or shortening the term of corporate existence;
- (ii) in case of sale, lease, exchange, transfer, mortgage, pledge or other disposition of all or substantially all of AT property and assets as provided in the Code; and
- (iii) in case of merger or consolidation.

Said appraisal right may be exercised by AT Shareholders who shall have voted against the proposed corporate action, by making a written demand on AT within thirty (30) days after the date on which the vote was taken for payment of the fair value of their shares. Failure to make the demand within such period shall be deemed a waiver of the appraisal right. If the proposed corporate action is implemented or affected, AT shall pay to such Shareholders, upon surrender of the certificate or certificates of stock representing their shares, the fair value thereof as of the day prior to the date on which the vote was taken, excluding any appreciation or depreciation in anticipation of such corporate action.

Item 3. Interest of Certain Persons In or Opposition to Matters to be Acted Upon

No person who (i) has been a director or executive officer of AT or a nominee for election as a director, at any time since the beginning of the last fiscal year, or (ii) is an associate of the foregoing persons, has substantial interest, direct or indirect, by security holdings or otherwise, in any matter to be acted upon in the Meeting. No incumbent director of the Corporation has given notice of his intention to oppose any action and/or matter to be taken up at the Meeting.

B. CONTROL AND COMPENSATION INFORMATION

Item 4. Voting Securities and Principal Holders thereof

As of 28 February 2019, AT has 3,559,532,774 issued and outstanding common shares, with the number of foreign-owned shares and local-owned shares stated below. Each common share entitles the Shareholder to notice of and to one (1) vote at, either in person or by proxy, the AGM. The Record Date for purposes of determining Shareholders entitled to receive notice of and vote at the AGM is 14 March 2019.

Nationality	Class of Voting Shares	Number of Shares	Percentage (%)
Filipino	Common	3,470,010,691	97.49
Non-Filipino	Common	89,522,083	2.51
Total Number of Shares Entitled to Vote		3,559,532,774	100.00

. With respect to the election of Directors:

1. Each Shareholder shall have cumulative voting rights.
2. Each Shareholder shall have the right to cumulate its/his/her shares and give one nominee as many votes as the number of directors to be elected multiplied by the number of shares registered in its/his/her name shall equal, or it/he/she may distribute them on the same cumulative voting principle among as many nominees as it/he/she shall see fit; *provided*, that the aggregate number of votes cast by a Shareholder shall not exceed the number of shares registered in its/his/her name multiplied by the number of directors to be elected.
3. No condition precedent to the exercise of a Shareholder's right to cumulative voting exists.
4. The Corporation is not soliciting discretionary authority to cumulate votes.

The Corporation is not soliciting and it is not aware of any person soliciting a proxy pertaining to any matter to be acted upon during the Meeting.

Item 5. Directors and Executive Officers

a) Information regarding the Corporation's Directors and Officers.

- (1) *Identity of each of the Directors and Executive Officers.* The Corporation's Board of Directors ("BOD") is composed of eleven (11) members, elected by the Shareholders at the AGM to hold office for a period of one (1) year or until removed or replaced by a duly-elected and qualified candidate. The principal officers of the Corporation are elected annually by the BOD during its organizational meeting following the AGM, each to hold office until removed or replaced by a duly elected and qualified candidate.

The incumbent Directors and Officers of the Corporation elected on 26 April 2018:

Name	Board of Directors & Officers	Citizenship	Age
Alfredo C. Ramos	Chairman of the Board of Directors	Filipino	75
Frederic C. DyBuncio	Vice Chairman of the Board of Directors	Filipino	59
Adrian Paulino S. Ramos	Director/ President	Filipino	40
Martin C. Buckingham	Director/Executive Vice President	British	66
Isidro A. Consunji	Director	Filipino	70
Gerard Anton S. Ramos	Director	Filipino	44
Jose T. Sio	Director	Filipino	79
Fulgencio S. Factoran Jr.	Independent Director	Filipino	75
Emilio S. de Quiros, Jr.	Independent Director	Filipino	70
Laurito E. Serrano	Independent Director/ Lead Director	Filipino	58
Jay Y. Yuvallos	Independent Director	Filipino	52
Roderico V. Puno	Corporate Secretary	Filipino	55
Fernando A. Rimando	Vice President-Finance/Chief Financial Officer	Filipino	52
Maria Eleonor A. Santiago	Compliance Officer/Assistant Corporate Secretary/ Head, Legal Affairs and Corporate Governance	Filipino	52

- (2) *Significant Employees:* The Corporation has no significant employees.
- (3) *Family Relationships:* Other than those between Mr. Alfredo C. Ramos and his sons, Messrs. Adrian Paulino S. Ramos and Gerard Anton S. Ramos, there are no immediate family relationships among the directors and officers.
- (4) *Involvement in Certain Legal Proceedings:* The Corporation is not aware of any legal proceeding of the nature required to be disclosed under Part IV, Paragraph (A), (4) of Annex C, SRC Rule 12, with respect to directors and executive officers

of the Corporation during the past five (5) years up to the date of this IS that are material to an evaluation of the ability or integrity of any director or executive officer, except for the pendency of a preliminary investigation (PI) with the *Preliminary Investigation and Administrative Bureau, Office of the Ombudsman* for alleged violation of the provisions of Republic Act (RA) No. 3019 for incumbent director and nominee Fulgencio S. Factoran, Jr.

Business Experience of the incumbent Directors and Executive Officers of the Corporation in the last five (5) years:

Alfredo C. Ramos has been a member of the Board of Directors (“BOD”) of AT since 1989, and has served as its Chairman and President since 2 April 2013 until his resignation from the latter’s post on 1 April 2015. He is concurrently the incumbent (i) Governor of the National Book Development Board;(ii) Chairman of the BOD of Carmen Copper Corporation (“CCC”), Anglo Philippine Holdings Corporation (“Anglo”), Anvil Publishing, Inc., and NBS Express, Inc.; (iii) Chairman of the BODs and President of Alakor Corporation (“Alakor”), National Book Store, Inc. (“NBSI”), The Philodrill Corporation, Vulcan Industrial & Mining Corporation, and United Paragon Mining Corporation (“UPMC”); (iv) Vice-Chairman of the BODs of MRT Development Corporation and Shang Properties, Inc.; and (v) President of Abacus Book & Card Corporation, MRT Holdings Corporation, Power Books, Inc., TMM Management, Inc., and Zenith Holdings Corporation. Mr. Ramos obtained his bachelor’s degree from the Ateneo de Manila University.

Frederic C. DyBuncio has been a member of the BOD since 12 August 2011, and has served as its Vice-Chairman since 22 August 2012. He is concurrently the (i) President/Chief Executive Officer (“CEO”) of SM Investments Corporation (“SMIC”) and 2Go Group, Inc.; (ii) Director of Phoenix Petroleum Philippines, Inc.; (iii) Adviser to the BOD of Belle Corporation and its subsidiary Premium Leisure Corp.; and (ii) Vice Chairman of the BOD of CCC; Prior to holding the post, he was a career banker who spent over 20 years with JPMorgan Chase and its predecessor institutions. He graduated from Ateneo de Manila University with a Bachelor of Science Degree in Business Management and finished a Master’s Degree in Business Administration program from the Asian Institute of Management (“AIM”).

Adrian Paulino S. Ramos has been a member of the BOD since 18 July 2007, and has served as its President since 1 April 2015. He is concurrently the (i) President/Chief Operating Officer (COO) and Director of Anglo; (ii) Vice-President and Director of Alakor; (iii) Vice President/CFO of NBSI; (iv) Corporate Secretary/Director of Alakor Securities Corporation;(v) Treasurer/ Director of Peakpres Corporation, UPMC and Vulcan Industrial & Mining Corporation;and (vi) Director of CCC, The Philodrill Corporation and Zenith Holdings Corporation. He graduated from Ateneo de Manila University with a Bachelor of Science Degree in Management (Honors Program), Cum Laude and a Master’s Degree in Business Administration (with Distinction) from the Kellogg School of Management, Northwestern University, Majors in Decision Sciences, Analytical Consulting and Accounting Information and Management.

Martin C. Buckingham has been a member of the BOD since 4 December 1996 and has served as its Executive Vice-President (EVP) since 22 July 2002. He is concurrently a Director and Executive Vice-President of CCC. He obtained his law degree from Cambridge University (United Kingdom).

Isidro A. Consunji has been a member of the BOD of AT and CCC since 22 April 2012. He is concurrently the Chief Executive Officer (CEO) of Semirara Mining Corporation and President/CEO of DMCI Holdings, Inc. He obtained his undergraduate degree in Civil Engineering from the University of the Philippines and Master’s Degree in Business Administration from the AIM.

Gerard Anton S. Ramos has been a member of the BOD since 18 July 2007. He is concurrently holding the positions of (i) Director/President of UPMC; (ii) Director/Vice-President of Alakor; (ii) Director/Vice-President/Corporate Secretary of NBSI; (iii) Executive Vice-President (EVP) /Investments of Anglo; and (iv) Director of CCC and The Philodrill Corporation. He obtained his Bachelors of Science Degree in Management from the Ateneo de Manila University.

Jose T. Sio has been a member of the BOD since 12 August 2011. He is a Certified Public Accountant and holds a Bachelor of Science Degree in Commerce (major in Accounting) from the University of San Agustin. He obtained his Master’s in Business Administration from New York University, USA. He is the Chairman of the Board of Directors of SMIC. Likewise, he is a member of the BOD of the following companies listed in the PSE (i) China Banking Corporation; (ii) Belle Corporation (iii) Concrete Aggregates Corporation; and Adviser to the BOD of BDO Unibank, Inc., and Premium Leisure Corp. Mr. Sio also serves as Director of the following private companies: (i) OCLP (Ortigas) Holdings, Inc., (ii) CCC, (iii) NLEX Corporation, (iv) CityMall Commercial Centers Inc., and (v) First Asia Realty Development Corporation. He was a senior partner of SGV from 1977 to 1990 and was voted as CFO of the year in 2009 by the Financial Executives of the Philippines (FINEX). He was also awarded as Best CFO (Philippines) in various years by Hong Kong–based publications such as Alpha Southeast Asia, Corporate Governance Asia, Finance Asia and The Asset.

Fulgencio S. Factoran, Jr. has been an Independent Director since 28 February 2012 and member of the Corporate Governance Committee of the BOD. His business affiliations are the following: (i) Chairman of the BOD/member of the BOD of the Agility Group of Companies(Agility Logistics Holding, Inc., Agility Holding Company, Inc., Agility Logistics Distribution, Inc., Agility International Logistics, Inc., Agility Solutions, Inc. and Agility Subic, Inc.). He is the Principal Partner of Factoran and Associates Law Offices since 1996 until the present. He is a Trustee of

Philippine Educational Theater Association (“PETA”) and Co-founder and past President of Movement of Attorneys for Brotherhood, Integrity, and Nationalism Inc. (“MABINI”).

He held several government positions under the Corazon Aquino Administration such as Deputy Executive Secretary at the Office of the President of the Phil., Secretary of the Department of Environment and Natural Resources (“DENR”), Chairman of the Board of Trustees of the National Electrification Administration (“NEA”); Chairman of the BOD of the Philippines Charity Sweepstakes Office (PCSO); Member, Board of Trustees of the Development Academy of the Philippines (“DAP”). He also served as a member of the Board of Trustees of Government Service Insurance System (“GSIS”) from 1998 to 2004. He received his Bachelor of Arts in Humanities and Bachelor of Laws degrees, the latter as Valedictorian, from the University of the Philippines and his Master of Laws degree from the Harvard Law School (Harvard University, Cambridge, Massachusetts). The law office of Factoran and Associates does not act as legal counsel of AT.

Laurito E. Serrano has served as an Independent Director since 22 August 2012 and was elected as the Lead Director on 27 July 2017. He concurrently sits as a member of the Board of Directors of CCC, Pacific Online Systems, Inc., 2GO Group, Inc., MJC Investments Corporation, Axelum Resources Corp., APC Group, Inc., UPMC, and MRT Development Corporation. Mr. Serrano’s professional experience which span over 28 years cover, among others, financial advisory, project development engagements, transaction structuring, public debt/equity offerings, asset securitization and monetization, business acquisitions, investment promotion, audit services and other similar financial advisory services. He started his career at SGV as member of the Audit and Business Advisory Group and later rose to the rank of Partner under the Corporate Finance Consulting Group of the same company. Mr. Serrano is a Certified Public Accountant, has a Master’s Degree in Business Administration from the Harvard Graduate School of Business (Boston, Massachusetts, U.S.A.); and a Bachelor of Science in Commerce degree (Cum Laude) from the Polytechnic University of the Philippines.

Emilio S. de Quiros, Jr. has served as an Independent Director of AT since 27 July 2017. He is currently the Chairman of Belle Corp. and an Independent Director of RCBC Savings Bank. He has served as President and CEO of the Social Security System (“SSS”). He was also a Vice Chairman/Director of the PSE Market Integrity Board, Director of Union Bank of the Phil., Philex Mining Corp., Philhealth Insurance Corporation, ALFM Peso Mutual Fund, ALFM Euro Mutual Fund, ALFM Growth Fund, Phil. Stock Index Fund. Prior to his appointment as President and CEO of SSS, he served as Executive Vice President of Bank of the Philippine Islands (“BPI”) and President of Ayala Life Insurance Inc., Ayala Plans and a director of BPI Bancassurance Inc. Mr. De Quiros graduated from Ateneo de Naga with a Bachelor of Arts in Economics degree (Cum Laude), and holds a Master of Arts in Economics degree from the University of the Philippines.

Jay Y. Yuvallos has served as an Independent Director of AT and CCC from 9 August 2016 to 26 April 2018 and currently a Director of both AT and CCC. He is also the President of Interior Basics Export Corporation and YZ Global Resources, Inc., and a Director of Sun Energy Developers Asia Inc. He also served as the Treasurer of Medgruppe Polyclinics & Diagnostic Center. He was the Philippine Representative to the ASEAN Business Advisory Council (ABAC) and East Asia Business Council. He served as the Acting Chairman of the ABAC Small & Medium Enterprise (SME) Working Group and Chairman to the E-commerce Working Group. He was also a member of the BOD of the Philippine Export-Import (PhilEXIM) Credit Agency. He obtained his undergraduate degree of Bachelor of Science in Commerce-Accounting from the University of San Jose-Recoletos.

Officers

Roderico V. Puno has served as the Corporate Secretary of AT since 15 September 2006. He is the Managing Partner of Puno and Puno Law Offices. He is concurrently the Corporate Secretary of CCC and First Philippine Industrial Park. Likewise, he sits as one of the members of the BOD of GT Capital Holdings. His expertise extends not only in the practice of energy, corporate, banking and finance arbitration laws but also in real estate, utilities regulation, securities, infrastructure and other similar commercial transactions. His esteemed stint in the practice of Phil. energy laws propelled him to be one of the drafters and implementers of the Electric Power Industry Reform Act. He obtained his Bachelor of Arts in Political Law and Bachelor of Laws degrees from the Ateneo de Manila University and his Masters of Law (with Honors) from Northwestern University in Chicago. He is recognized by the Chambers Global and International Financial Law Review as one of the leading Philippine Lawyers in Business Law

Fernando A. Rimando has served as the Chief Finance Officer (CFO) and Vice President of AT since September 2012. Mr. Rimando is also the CFO and Vice President of CCC. He has more than 28 years of experience in the fields of audit and finance and has held executive positions in the mining, energy and telecommunication industries. He is a Certified Public Accountant with a Bachelor of Commerce in Accountancy Degree obtained from Saint Louis University.

Leila Marie P. Cabañes has served as the Treasurer of AT since 24 April 2015. She has more than a decade of experience in the local banking industry where she specialized in trust banking and fund management. Prior to joining AT, she spent 14 years of her career in several financial institutions such as Metrobank, Land Bank of the Philippines and the United Coconut Planters Bank. She obtained her Bachelor of Commerce in Applied Economics and her Master in Business Administration-Finance (with honors/distinction) degrees from the De La Salle University.

Maria Eleonor A. Santiago has served as Assistant Corporate Secretary/Compliance Officer/Head, Legal Affairs and Corporate Governance of AT and CCC since 1 September 2015. Prior to joining AT, she was in the mining, real estate and information technology industries, both in

private and publicly listed companies. She obtained her Bachelor of Arts in Political Science from the University of the Philippines, Diliman and Bachelor of Laws Degree from the San Beda College of Law. She also finished the Strategic and Business Economics Program at the University of Asia and the Pacific.

➤ *Representations regarding the nominees*

- (1) The current Directors are nominated to the BOD seats for 2019. The nominees were selected through the nomination process determined and implemented by the Corporation's Corporate Governance Committee ("CGCom") pursuant to the Corporation's By-Laws, Nomination Committee Charter, CGCom Charter, the Code of Corporate Governance and applicable laws and regulations.

The nominees for election to the seats reserved for Independent Directors and the Shareholders who nominated them:

Nominees for Independent Directors	Nominated by:	Relationship
Fulgencio S. Factoran, Jr	Anglo Philippine Holdings Corporation	None
Laurito E. Serrano	SM Investments Corporation	None
Emilio S. de Quiros, Jr.	Anglo Philippine Holdings Corporation	None

- (2) To the best of the Corporation's knowledge, the nominees for Independent Directors who are also the incumbent Independent Directors, Messrs. Factoran, Serrano and de Quiros, possess the qualifications and none of the disqualifications for the position of Independent Director pursuant to *SRC Rule 38*. Messrs. Factoran, de Quiros, and Serrano, have no existing relationship or affiliation with the Corporation other than that created by virtue of their election as AT's and CCC's Independent Director. They also have no existing relationship or affiliation with Alakor, Anglo or SMIC.

No Independent Director has exceeded the term limit as stated in *SEC MC No. 4 Series of 2017 re: Term Limit of Independent Director*

Based on the information provided to the Corporation and to the best of the Corporation's knowledge, none of its incumbent Directors and Officers or nominees for directors' and officers' positions is working for or with the government. Copies of the Certificate of Qualification of Independent Directors of Messrs. Factoran, Serrano and de Quiros are enclosed herewith.

- (3) No Director has resigned or declined to stand for re-election to the Board of Directors since the date of the last AGM because of disagreement with the Corporation on any matter relating to the Corporations operations, policies or practices.

The CGCom is composed of the following members, all of whom are Independent Directors: (i) Fulgencio S. Factoran, Jr.: Chairman; (ii) Laurito E. Serrano (ID); and (iii) Emilio S. de Quiros, Jr. (ID)

The CGCom in pre-screening the qualifications of the nominees, considered the nomination letters for independent directors submitted on or before 15 March 2019 by shareholders of record. Taking into consideration the qualifications and disqualifications provided in the Code of Corporate Governance, the Securities Regulation Code (SRC) and the criteria prescribed in the SRC Rule 38, the CGCom has determined that the nominees for independent directors are qualified to sit in the BOD as Independent Directors.

b) *Certain Relationships and Related Transactions*

There are no known related party transactions during the last two (2) years other than the following:

- (I) proposed issuance of warrants and the underlying common shares as a result of the exercise of the warrants as discussed further below;
- (II) *Note 22 (Related Party Disclosures)*, Page 74 of the *Notes to the AT and Subsidiaries (the "AT Group") Audited Consolidated Financial Statements ("AFS")* for the year ended 31 December 2018; and
- (III) primary issuance of shares in 2017 discussed in *Item VI, Subparagraph (4), Part IV Management Report* which is incorporated herein by reference.

The AT Group's related party transactions are under terms that are no less favorable than those arranged with third parties.

Proposed Issuance of Warrants and the Underlying Common Shares as a result of the exercise of the Warrants. In 2017, to refinance the US\$300 Million existing bonds of its wholly-owned subsidiary, Carmen Copper Corporation (CCC), as well as its existing bank debts and Shareholders' advances into a subordinated loan with warrants, AT approved the issuance of approximately 5.6 Billion Warrants (the "Warrants") and the corresponding 5.6 Billion Underlying Common Shares as a result of the exercise of the Warrants. The Warrants shall be issued to the following substantial Shareholders or their assigns: SMIC, Anglo and Alakor, at the Exercise Price of Php4.3842, the 90-day VWAP preceding the Pricing Date of 16 November 2016.

The number of Warrants to be issued is around 5,541,191,780 but shall be subject to change or revision: SMIC with 5,349,908,307 Warrants, Anglo with 153,026,778 Warrants, and Alakor with 38,256,695 Warrants, all with the same number of underlying Shares of Stock. On 21 February 2017, AT's Shareholders approved the issuance of the Warrants and the Underlying Common Shares as a result of the exercise of the Warrants. AT also obtained a waiver of the conduct of a rights or public offer for the issuance of the Underlying Shares as a result of the exercise of the Warrants by a majority vote representing the outstanding shares held by the minority Shareholders present or represented at the meeting. As of 31 December 2018 no warrants was issued by the Corporation.

The following are the other salient features, terms and conditions and other relevant information regarding the Warrant Issue:

- Entitlement ratio is 1:1, thus corresponding number of underlying securities is approximately 5.6 Billion Common Shares. Each Warrant is entitled to subscribe to one (1) common share of stock of the Corporation.
- Exercise period of the Warrants shall be from and including the date of issue of the Warrants up to 5:00 p.m. on the day immediately preceding the date of the seventh (7th) anniversary of the date of issue of the Warrants. Expiry date is the seventh (7th) anniversary of the date of the issue of the Warrants.
- Basis of determining the Exercise price of Php4.3842 is the 90-day VWAP preceding the pricing date, 16 November 2016.
- The Warrants constitute direct, unsecured and unsubordinated obligations of AT and will at all times rank *paripassu* without preference among themselves and with all other outstanding unsecured and unsubordinated obligations of the Corporation, past and future.
- Exercise of the Warrants is subject to all applicable laws, regulations and practices in force on the relevant exercise date.
- Warrants are exercisable on any business day during the Exercise Period.
- The Corporation may, but is not obligated, at any time to purchase the Warrants at any price.
- Exercise of the Warrants is subject to all applicable laws, regulations and practices in force on the relevant Exercise Date.
- AT may modify the terms and conditions without the consent of the Warrant Holders which the Corporation may deem necessary or desirable provided the modification is not materially prejudicial to the interests of the Warrant Holders.
- If any Event occurs which would reasonably be expected to have an effect on the Exercise Price, upon written opinion of an Independent Investment Bank, adjustments shall be made as appropriate on account of such Event.
- Timetable for the issuance of Warrants will be upon obtaining: (i) Shareholders' approval to the increase in the authorized capital stock (ACS) and amendment to Article VII of AT's Articles of Incorporation (AOI); and (ii) SEC approval of the increase in ACS and amendment to AOI, other regulatory approvals and compliance with all legal requirements.

The Corporation has no parent company. AT's substantial Shareholders with the percentage of voting securities are discussed in Clause VI, Part IV Management Report.

The members of the Related Party Transactions Committee (RPTCom) are all Independent Directors: (i) Fulgencio S. Factoran, Jr.- Chairman, (ii) Laurito E. Serrano - Member and (iii) Emilio S. de Quiros, Jr. -: Member

Item 6. Compensation

1) *Executive Compensation of Directors and Executive Officers. Aggregate cash compensation paid during the last three (3) fiscal years ended 31 December 2018, 2017 and 2016 to the five (5) most highly compensated officers and to all other officers as a group, including the estimate for 2019 are shown below.*

2) *Summary Compensation Table*

Aggregate annual cash compensation (Php)

<i>(a) Name and Principal Position</i>	<i>(b) Year</i>	<i>(c) Salaries</i>	<i>(d) Bonuses</i>	<i>(e) Other compensation</i>
--	-----------------	---------------------	--------------------	-------------------------------

Chief Executive Officer (CEO) & four (4) Most Highly Compensated Officers*

- (1) *Adrian Paulino S. Ramos, CEO/President**
- (2) *Martin C. Buckingham, Executive Vice-President**
- (3) *Fernando A. Rimando, Chief Financial Officer (CFO), VP-Finance**
- (4) *Feliciano B. Alvarez, Chief Audit Executive (CAE), AVP- Internal Audit**
- (5) *Leila C. Cabañes, Treasurer, Manager-Treasury & Commercial Development**

2019 (estimate)	26,031,286	-0-	-0-
2018	26,031,286	-0-	-0-
2017	22,237,854	-0-	-0-
2016	22,055,669	-0-	-0-

All other officers as a group

2019 (estimate)	-0-	-0-	-0-
2018	-0-	-0-	-0-
2017	-0-	-0-	-0-
2016	-0-	-0-	-0-

- 3) *Compensation of Directors/Committee Members.* AT Group compensates its Directors with a *per diem* of Php10,000.00 and allowance or remuneration. As of 31 December 2018, the Directors as a group received Php7.95m. There are no other arrangements pursuant to which any Director of AT was compensated, or is to be compensated, directly or indirectly, during the Corporation's last completed fiscal year and the ensuing year, for any service provided as a director.
- 4) *Employment Contracts, Termination of Employment and Change-in-Control Arrangements.* There is no compensatory plan or arrangement, including payments to be received from the Corporation, with respect to a named executive officer, if such plan or arrangement results or will result from the resignation, retirement or any other termination of such executive officer's employment with the Corporation and its subsidiaries or from a change-in-control of the Corporation or a change in the named executive officer's responsibilities following a change-in-control.

There were no changes in employment and control arrangements as of 28 February 2019.

- 5) *Stock Options:* On 18 July 2007, the Corporation's Shareholders approved a Comprehensive Stock Option Plan ("CSOP") covering directors, officers, managers and key consultants of AT and its significant subsidiaries.

Salient terms and features of the CSOP:

- i. *Number of underlying shares:* 50,000,000 common shares to be taken out of the unissued portion of the Corporation's authorized capital stock; 25,000,000 shares earmarked for the first-tranche optionees.
- ii. *Option Period:* Three (3) years from the date the stock option is awarded to the optionees, 14 July 2011
- iii. *Vesting Period:* Subscription rights covering 1/3 of shares of stock will vest during each year of the 3-year option period
- iv. *Exercise Price:* Php10.00 per share

The following table shows the extent of the stock option award under the CSOP to the three (3) most highly compensated officers of the Corporation and to all other directors and officers of the Company collectively:

<u>Name</u>	<u>Position</u>	<u>No. of Shares</u>
Alfredo C. Ramos	Chairman & previous President	4,385,970
Martin C. Buckingham	EVP and Director	3,508,770
Adrian Paulino S. Ramos	President	2,631,570
Other officers and directors as a group		3,491,236
TOTAL		14,017,546

Qualified employees who were previously granted stock option awards exercised their subscription rights with respect to shares of stock of the Corporation. Details are as follows:

	2014	2013	2012
Number of shares	1,183,604	1,754,190	2,215,788
Total subscription price	Php11,836,040	Php17,541,900.00	Php22,157,880

For the last completed fiscal year and 3 years prior, no movement or adjustment on the exercise price of stock options previously awarded to any of the officers/directors covered, whether through amendment, cancellation or replacement, or any means.

Item 7. Independent Public Accountants

- a) Sycip Gorres Velayo & Company (“SGV”) is the external auditor for the current year. SGV will be recommended to the Shareholders for re-appointment as external auditor at the scheduled AGM. The Audit Committee (the “AuditCom”) recommended and endorsed to the BOD the re-appointment of the external auditor and the fixing of audit fees.

The Corporation engaged Mr. Jose Peptio E. Zabat III of SGV for the examination of the Corporation’s financial statements for 2018. Previously, Mr. John C. Ong, Mr. Martin C. Guantes and Ms. Eleanore A. Layug of SGV were engaged by AT for the examination of the Corporation’s financial statements for the period 2009, 2009-2013 and 2013-2017 respectively. AT has always faithfully complied with the five (5)-year rotation requirement with respect to its external auditor’s certifying partner.

- b) The representatives of SGV (i) are expected to be present at the Meeting, (ii) will have the opportunity to make a statement if they desire to do so, and (iii) are expected to be available to respond to questions raised whenever appropriate or necessary.
- c) SGV has been the Corporation’s independent accountant since 1958. No independent accountant engaged by the Corporation has resigned, or has declined to stand for re-election, or was dismissed, and the Corporation has engaged no new independent accountant. The Corporation has not had any disagreement on accounting and financial disclosures with its current independent accountant/external auditor for the same periods or any subsequent interim period.
- d) For the years ended 31 December 2018, SGV billed AT the sum of Php3,600,000.00 for the following: (i) audit of the AT Group’s annual financial statements, and (ii) other related services involving the examination of AT’s or CCC’s books of account. There were no other professional services rendered by SGV during the period. The Corporation did not engage any other firm for tax accounting, compliance, advice, planning and any form of tax services covering the year 2018.

SGV presented to the AuditCom their Audit Plan before the commencement of the audit services. The Audit Plan as presented to the AuditCom members during their meeting covered the audit scope and objectives, the methodology, applicable accounting standards and the timetable among others.

The incumbent members of the Corporation’s AuditCom, a majority of whom including the Chairman are Independent Directors: (i) Laurito E. Serrano - Chairman (Independent Director); (ii) Emilio S. de Quiros, Jr. : Member (ID); (iii) Fulgencio S. Factoran, Jr. -: Member (ID) ; (iv) Frederic C. DyBuncio – Member and (v) Gerard Anton S. Ramos -: Member.

Item 8. Compensation Plans

No action respecting any plan pursuant to which cash or non-cash compensation may be paid or distributed shall be presented for approval, hence not applicable.

C. ISSUANCE AND EXCHANGE OF SECURITIES

Item 9. Authorization or Issuance of Securities other than for Exchange

No action is to be taken with respect to any authorization or issuance of securities.

Item 10. Modification or Exchange of Securities

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

Item 11. Financial and other information

There is no action with respect to any matter specified in items 9 or 10 above, thus not applicable. *AT and Subsidiaries (the "AT Group") Audited Consolidated Financial Statements* for the year ended 31 December 2018 are incorporated herein by reference.

Item 12. Mergers, Consolidations, Acquisitions and Similar Matters

No action involving any of the following shall be presented to the Shareholders for approval: (i) merger or consolidation of AT into or with any other person, or of any other person into or with AT; (ii) acquisition by AT or any of its security holders of securities of another person; (iii) acquisition by the Corporation of any other going business or of the assets thereof; (iv) sale or other transfer of all or any substantial part of the assets of AT; or (v) liquidation or dissolution of the Corporation.

Item 13. Acquisition or Disposition of Property

No action with respect to the acquisition or disposition by the Corporation of any property shall be presented to the Shareholders for approval.

Item 14. Restatement of Accounts

No action is to taken with respect to the restatement of the Corporation's asset, capital or surplus account.

D. OTHER MATTERS

Item 15. Action with respect to Reports

There is no action to be taken with respect to any report of the Corporation or of its directors, officers, committees, except for the approval and/or ratification of the following reports/minutes/matters:

- a. Minutes of the AGM held on 26 April 2018;
- b. Audited Financial Statements and Annual Report for the year ended 31 December 2018;
- c. Acts and resolutions of the BOD & Management beginning 26 April 2018 and ending on the date of the AGM; and
- d. Appointment of SGV as independent accountant/external auditor for fiscal year 2019

For item (a) above, any action on the part of the Shareholders will not constitute approval or disapproval of the matters referred to in said minutes as the same are deemed to have already been approved. The following were approved during the 2018 AGM: (i) Annual Report and Audited Financial Statements for the fiscal year ended 31 December 2017; (ii) Election of Directors for 2018-2019; (iii) Acts and resolutions of the Board of Directors & Management during the period 27 July 2017 to 26 April 2018; and (iv) Election of SGV as the Corporation's external auditor for the fiscal year 2018.

Copies of the Minutes of the 26 April 2018 AGM are available for inspection by any Shareholder at the Office of the Corporation during business hours. The same are likewise uploaded to the Company website and will be made available at the venue for review by the Shareholders attending the Meeting.

For item (b), AT Group's Audited Financial Statements as of 31 December 2018 are attached to the Information Statement for the review of and approval of the Shareholders.

For item (c), no material corporate action was approved by the Corporation's BOD during the period beginning 26 April 2018 and ending on the date of this IS¹ other than those disclosed to the PSE. In compliance with the *PSE Disclosure Rules, SRC and its Implementing Rules and Regulations (SRC IRR)*, AT promptly discloses material actions and resolutions taken by the BOD.

The affirmative vote of a majority of the votes cast by the Shareholders shall be necessary for the approval of items (a), (b), (c), and (d) above.

Item 16. Matters Not Required to be Submitted

No action is to be taken with respect to any matter which is not required to be submitted to a vote of the Shareholders.

Item 17. Amendment of Charter, By-Laws or Other Documents

No action is to be taken with respect to any amendment of Charter, by-laws or other documents.

Item 18. Other Proposed Actions

None

Item 19. Voting Procedures

AT's By-Laws does not prescribe a manner of voting. Voting may be by *viva voce* or by ballots. The foregoing matters will require the affirmative vote of a majority of the shares of the Corporation present or represented and entitled to vote at the AGM, a quorum being present. Each Shareholder entitled to vote may cast the vote to which the numbers of shares he/she owns entitles him/her. All matters to be brought for approval of the Shareholders of AT at this year's AGM require for approval only a majority of the shares present or represented by Proxy provided a quorum is present.. Except as to the election of directors, the manner of voting shall be non-cumulative. All votes cast shall be counted under the supervision and control of the Corporate Secretary and/or the Assistant Corporate Secretary.

PART II

Information required in proxy form

The Corporation is not making any solicitation of proxies. Statement that proxies are not solicited:

We are not asking you for a proxy and you are requested not to send a proxy.

¹ Any material action to be taken by the Corporation's BOD during the period between the date of this information statement and the date of the Meeting shall be presented for ratification at the Meeting.

PART III
Signature

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 is signed in Pasay City on 11 March 2019.

**ATLAS CONSOLIDATED MINING AND
DEVELOPMENT CORPORATION**

By:


Maria Eleonor A. Santiago
Assistant Corp. Sec. and Compliance Officer

PART IV Management Report

I. Consolidated Audited Financial Statements

The AT Group's Audited Consolidated Financial Statements for 2018 are incorporated herein for reference.

II. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure

Please refer to *Item 7, B. Control and Compensation Information, Part I. Information Required* of the Information Statement (IS) for the discussion on SGV and the identity of its partners who examined the Corporation's financial statements for the past years.

There has been no disagreement between AT and SGV on any matter of accounting principles or practices, auditing scope or procedure, or accounting and financial statement disclosures. No independent accountant who was engaged to audit the Corporation or a significant subsidiary has resigned or was dismissed or otherwise ceased performing services for the Corporation

III. Management's Discussion and Analysis or Plan of Operation

(1) As of 31 December 2018

	<u>2018</u>	Δ%	<u>2017</u>	Δ%	<u>2016</u>	Δ%
Consolidated net income/(loss)	(1,719,662)	-13%	(1,968,582)	124%	(879,496)	8%
Consolidated gross revenues	14,209,893.00	19%	11,964,161.00	-1%	12,079,853.00	7%
Consolidated net revenues	13,295,914.00	20%	11,070,571.00	1%	10,924,490.00	-4%
Costs and operating expenses	13,092,699	30%	10,096,189	-3%	10,385,324	-3%

AT posted a *consolidated net loss* of Php1.720 billion in 2018, 13% lower than in 2017. Revenues and operating costs increased by 19% and 30%, respectively. Below are the summary points year-on-year:

- With sustained production, copper concentrate shipped increased by 14% from 129,700 tonnes in 2017 to 147,400 tonnes in 2018 with copper metal content increasing by 12% to 84.46 million pounds and gold content increasing by 31% to 24,988 ounces.
- Metal prices year-on-year stabilized with average realized copper price at USD2.96/lb, 6% higher than USD2.78/lb, and average realized gold price at USD1,270/oz, 1% higher than USD1,259/oz in 2017.
- Due to the higher volume of shipments, costs and operating expenses were 30% higher. 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. These factors caused average cost per pound to increase by 6% from USD1.75/lb to USD1.86/lb.
- Equity in net earnings of associates increased to Php81.417 million income as compared to net loss of Php7.471 million recognized in 2017;
- Provision for mark to market gain for copper price hedges of Php408 million was recorded as a result of the reversal of last year's accounting valuation as actual settlement prices were closer to the hedged prices.

Gross revenue for the year reached Php14.209 billion, 19% higher year-on-year due to higher volume of shipments and higher metal prices. Copper revenues improved by 17% from Php10.703 billion to Php12.572 in 2018.

- CCC shipped 147 million dmt and 130 million dmt of copper concentrates in 2018 & 2017, respectively. Copper metal content for the year is 84.46 million lbs. while gold is 24,988 oz., representing an increase of 12% & 31% respectively vis-à-vis last year.
- CCC's average daily milling rate increased by 14%, from 39,004 to 44,536 dmt. Realized copper grade declined by 4% from 0.289% to 0.278%. Copper concentrates produced increased by 10% to 149.254 dmt from 134.551 million dmt in

2017. Gold yield increased by 23% to 27,013 ounces from 21,979 ounces production volume from last year. Additional revenue from silver amounted to Php1.665 million.

- Average copper prices increased by 6% to USD2.96/lb. while average gold prices increased by 1% to 1,270/oz.

Cost and operating expenses (98% of net revenues) were higher by 30% due to higher volume shipped in 2018 and higher energy prices, higher waste charged to operations and higher mine product excise tax rate which doubled from 2% to 4% in 2018. *Finance charges* (18% of net revenue) increased by 6% due to additional loans availed for working capital requirements and amortization of the debt issue cost on long term loans arising from the recognition of the difference between nominal interest rates and effective interest rates. *Other income (charges)* decreased by 31% primarily due to the Php408 million provision for mark to market losses for copper price hedges recognized in 2017 and subsequently reversed in 2018 as the loss was not realized.

USD:Php Exchange rate closed at USD1.00:Php52.58 as at 31 December 2018 against USD1.00:Php49.93 as at 31 December 2017. This triggered the recognition of net foreign exchange loss of Php177 million primarily from the restatement of Philippine Peso denominated loans and other payables as CCC has adopted the US dollar as its functional currency. *Benefit from (provision for) income tax* increased by 32% due to the effect of unrealized foreign exchange losses, provision for impairment losses, excess of MCIT over RCIT, provision for NOLCO (Net Operating Loss Carry Over), gain/loss on asset derecognition and debt issue cost.

Changes in Financial Position

The table below shows the highlights in the financial position of the Atlas Group over the last three fiscal years ('000):

	2018	2017	2016
Assets	79,776,974	74,402,241	73,899,134
Liabilities	44,164,223	38,011,671	37,229,042
Retained Earnings	14,273,246	15,992,274	17,960,856

The discussion below pertains to the audited consolidated financial condition of the Group as of 31 December 2018 vis-à-vis that as of 31 December 2017:

Cash and cash equivalents decreased by 3% mainly due to settlement of obligations with creditors and placements in time deposits. *Short-term investments* increased by 240% arising from additional time deposits having maturity beyond 3 months from date of purchase. *Receivables* decreased by 10% due to timely collection of trade receivables and lower interests from time deposits. *Inventories* registered an increase of 5% mainly due to higher copper concentrates on hand at year-end and consumable items and spare parts.

Other Current Assets decreased by 22% due mainly to the settlement of derivative receivable and reclassification of Deposit to Suppliers from Current to Non-Current. These were partly offset by the increase in creditable withholding taxes, advances to suppliers, prepaid taxes, and various prepayments for 2018 operations. *Property, plant and equipment* (49% of total assets) increased by 5% due to acquisition of fixed assets used in operation and mine development costs. Movement in *Mining Rights* (10% of total assets) was due to production-driven depletion during the year.

Goodwill (24% of total assets) pertain to the allocated provisional fair values of identifiable assets and liabilities of CCC. *Investment in Associate* pertains to AT's ownership over BNC, TMMI, URHI, UNC and NRHI (the "Nickel Corporations"), respectively, increased by Php31M or 16% representing its share in the net income of the Nickel Corporations. *Deferred tax assets* (4% of total assets) increased by 51% due to the effects of unrealized foreign exchange losses, provision for impairment losses, excess of MCIT over RCIT, provision for NOLCO, gain/loss on asset derecognition and debt issue cost.

Other Noncurrent Assets (3% of total assets) increased by 34% consists mainly of input VAT credits and Mine Rehabilitation Fund and reclassification of Deposit to Suppliers from Current to Non-Current. *Accounts payable and accrued liabilities* (6% of total liabilities) decreased by 5% mostly due to settlement of payables to suppliers. *Current and non-current portions of long-term debts* (1% and 55% of total liabilities) decreased by 7%, respectively, due to settlement of loans that matured in 2018.

Bank Loans which are short-term in nature increased by 275% due to availment of new bank loans. *Other current liabilities* of Php1.969 billion represent the recognition of a non-cash financing activity pertaining to the financial guarantee by a shareholder on CCC's term loan. *Derivative liabilities* decreased by 100% due to settlement of embedded derivatives.

Income tax payable pertains to the income tax liability for the year. *Retirement benefits liability* decreased by 3% due to payment of retirement benefits and actuarial valuation for adjustment for 2018. *Liability for mine rehabilitation cost* increased by 39% due to accretion of the change of estimate of asset retirement obligation. *No increase in Authorized Capital hence Capital Stock, Additional Paid-In Capital and Subscription Receivable (4%, 25% and 6% respectively of the Total Equity)* remained the same in 2018. Movement in *Retained Earnings* pertain to the net loss for the year amounting to Php1.720 billion.

Key Performance Indicators

The following table shows the key performance indicators of Atlas Group:

Particulars	2018	2017	2016
Current ratio	0.45:1	0.44:1	0.25:1
Debt to equity	1.24:1	1.09:1	1.06:1
Return on equity	-5.19%	-5.62%	-2.47%
Return on assets	-2.16%	-2.65%	-1.22%
Net profit margin	-12.93%	-17.78%	-8.05%

Current Ratio	=	Current Assets / Current Liabilities
Debt-to-Equity	=	Total Liabilities / Total Shareholders' Equity Attributable to Equity Holders of Parent Company
Return on Equity	=	Net Income Attributable to Equity Holders of Parent Company / Average Total Shareholders' Equity Attributable to Equity Holders of Parent Company
Return on Assets	=	Net Income Attributable to Equity Holders of Parent Company / Average Total Assets
Return on Sales	=	Net Income Attributable to Equity Holders of Parent Total Company / Total Consolidated Net Revenues

Liquidity and Capital Resources

Below is a summary of the Group's audited consolidated cash flow as of 31 December 2018:

Particulars (in Php million)	
Net cash flow from operating activities	2,105
Net cash flows used in investing activities	(7,960)
Net cash flows provided by financing activities	5,281
Net increase in cash and cash equivalents	(941)

Cash from operating activities resulted from positive results of operations and from interest received on its cash placements. Net cash used in investing activities was a result of the increased acquisition of property, plant and equipment. Net cash from financing activities increased due to availment of new bank loans.

Material Plans, Trends, Events or Uncertainties

- On January 16, 2018, March 2, 2018 and October 11, 2018, CCC obtained short-term clean loans of US\$50 million, US\$15 million and US\$105 million, respectively with maturities in 2018 and interest rates of 2.87% - 3.95%. The loans were rolled over during the year with maturity date of January 9, 2019.

(2) As of 31 December 2017

The table below shows the results of operations of the AT Group over the last three fiscal years ('000):

	2017	Δ%	2016	Δ%	2015	Δ%
Consolidated net income/(loss)	(1,967,948)	124%	(879,496)	8%	(814,439)	-305%
Consolidated gross revenues	11,964,162	-1%	12,079,853	7%	11,342,317	-30%
Costs and operating expenses	10,096,189	-3%	10,385,324	-3%	10,741,405	-14%

AT posted a *consolidated net loss* of Php1.968 billion in 2017. Its revenues and operating costs dropped by 1% and 3%, respectively. Below are the summary points year-on-year:

- Higher metal prices: average copper price increased by 26% from USD2.21/lb. to USD2.78/lb. which pushed for the increase in copper revenues of 5% of Php540 million. Average gold price improved by 1% from USD1,241/oz. to USD1,259/oz.;
- Higher revenue-others: 16% or Php2.577 million increase in revenues from the sale of magnetite and silver;
- Lower copper ore grade decreased by 10% from 0.321% to 0.289%;
- Lower milling tonnage dropped by 15% from 16.718 million tonnes of ore to 14.236 million tonnes of ore. Unusually high levels of rainfall experienced during the first quarter hampered mine operations which resulted to low tonnage of ore. Meanwhile, production levels during the second half increased by 14% or 41.578 million pounds of copper than 36.616 million pounds of copper in the first half;
- 3% decrease in cost and operating expenses was primarily attributable to lower shipments during the year;
- Equity in net earnings of associates dropped to Php7.471 million loss as compared to net income of Php61.713 million recognized in 2016;
- Debt issue cost amortization on certain long term loans amounted to Php524 million arising from the difference of nominal interest rate over the effective interest rate and;
- Provision for mark to market losses for copper price hedges of Php699 million was recorded as a result of accounting valuation made at year-end.

Gross revenue for the year reached Php12 billion, 1% lower year-on-year due to lower gold revenues mitigated by higher copper revenues. Copper revenues improved by 5% from Php10.164 billion to Php10.703 in 2017.

- CCC's average daily milling rate dropped by 15%, from 45,678 to 39,004 dmt. Realized copper grade declined by 10% from 0.321% to 0.289%. Copper concentrates produced dropped by 23% to 134,551 dmt to 175,700 dmt in 2016. Gold yield decreased by 35% to 21,979 ounces from 33,958 ounces production volume from last year. Additional revenue from magnetite and silver amounted to Php18.4 million.
- CCC shipped 129,718 dmt and 176,130 dmt of copper concentrates in 2017 & 2016, respectively. Copper metal content for the year is 75 million lbs. while gold is 19,112 oz., representing a decrease of 27% & 41% respectively vis-à-vis last year.

Cost and operating expenses (84% of gross revenues) were lower by 3% due to lower costs incurred for waste stripping, materials and supplies, fuel, power, labor and smelting charges. *Finance charges* (18% of gross revenue) increased by 14% due to additional loans availed for working capital requirements and amortization of the debt issue cost on long term loans arising from the recognition of the difference between nominal interest rates and effective interest rates. *Other income (charges)* increased by 46% primarily due to Php699 million provision for mark to market losses for copper price hedges as a result of accounting valuation at year-end.

USD:Php Exchange rate closed at USD1.00:Php49.93 as at 31 December 2017 against USD1.00:Php49.72 as at 31 December 2016. This triggered the recognition of net foreign exchange loss of Php26 million primarily from the restatement of Philippine Peso denominated loans and other payables as CCC has adopted the US dollar as its functional currency. *Benefit from (provision for) income tax* decreased by 74% due to the settlement of bonds which has bond issue cost and decrease in unrealized foreign exchange loss.

Changes in Financial Position

The table below shows the highlights in the financial position of the Atlas Group over the last three fiscal years ('000):

	2017	2016	2015
Assets	74,402,874	73,899,134	70,846,552
Liabilities	38,011,671	37,229,042	34,366,324
Retained Earnings	15,992,908	17,960,856	18,840,352

The discussion below pertains to the audited consolidated financial condition of the Group as of 31 December 2017 vis-à-vis that as of 31 December 2016:

Cash and cash equivalents decreased by 43% mainly due to settlement of obligations with creditors and placements in time deposits. *Short-term investments* increased by 23% arising from additional time deposits whose maturity is more than 3 months from date of purchase. *Receivables* decreased by 29% due to on time collection of trade receivables and lower interests from time deposits. *Inventories* registered an increase of 28% mainly due to higher copper concentrates on hand at year-end and consumable items and spare parts. *Other Current Assets* increased by 38% due to creditable withholding taxes, advances to suppliers, prepaid taxes, and various prepayments for 2018 operations. *Property, plant and equipment* (50% of total assets) increased by 3% due to acquisition of fixed assets used in operation and mine development costs. Movement in *Mining Rights* (11% of total assets) was due to production-driven depletion during the year. *Goodwill* (26% of total assets) pertain to the allocated provisional fair values of identifiable assets and liabilities of Carmen Copper.

Investment in Associate pertains to AT's ownership over BNC, TMMI, URHI, UNC and NRHI (the "Nickel Corporations"), respectively, decreased by 4% representing its share in the net loss in its operations of Php7.471 million. *Deferred tax assets* (3% of total assets) increased by 9% due to the effects of the increase in NOLCO, provision for impairment losses, excess of MCIT over RCIT and debt issue cost. *Other Noncurrent Assets* (2% of total assets) decreased by 14% consists significantly of input VAT credits and Mine Rehabilitation Fund. *Accounts payable and accrued liabilities* (8% of total liabilities) increased by 13% mostly on payables to suppliers. *Current and non-current portions of long-term debts* (10% and 59% of total liabilities) decreased by 78% and increased by 113%, respectively, due to settlement of loans that matured in 2017 and availment of new long-term loans in the year for working capital requirements. *Bank Loans* which are short-term in nature decreased by 4% due to partial settlement of principal. *Other current liabilities* of Php1.870 billion represent the recognition of a non-cash financing activity pertaining to the financial guarantee by a shareholder on CCC's term loan.

Derivative liabilities increased by Php710 million arise from the recognition of embedded derivative liabilities of outstanding copper price hedges as copper increased over hedge prices at year-end. *Income tax payable* pertains to the income tax liability for the year. *Retirement benefits liability* increased by 11% due to actuarial valuation for 2017.

Liability for mine rehabilitation cost increased by 5% due to accretion of asset retirement obligation.

Pursuant to the increase in AT's Authorized Capital Stock to 8.890 billion common shares, *Capital Stock and Additional Paid-In Capital* increased by 71% and 34% respectively, arising from the issuance of new shares of stock. Likewise, *Subscription Receivable* of Php4.84 billion was recognized. Movement in *Retained Earnings* pertain to the net loss for the year amounting to Php1.968 billion.

Key Performance Indicators

The following table shows the key performance indicators of Atlas Group:

Particulars	Consolidated		
	2017	2016	2015
Current ratio	0.44:1	0.25:1	0.42:1
Debt to equity	1.09:1	1.06:1	0.91:1
Return on equity	-5.62%	-2.47%	-2.00%

Return on assets	-2.65%	-1.22%	-1.20%
Net profit margin	-17.78%	-8.05%	-7.18%

Liquidity and Capital Resources

Below is a summary of the Group's audited consolidated cash flow as of 31 December 2017:

Particulars (in Php million)	Amount
Net cash flow from operating activities	1,176
Net cash flows used in investing activities	(3,669)
Net cash flows provided by financing activities	1,453
Net increase in cash and cash equivalents	(1,044)

Cash from operating activities was due to increase in its working capital and interest received. Net cash used in investing activities was a result of the increased acquisition of property, plant and equipment. Net cash from financing activities increased due to proceeds from the issuance of new shares.

Material Plans, Trends, Events or Uncertainties

- *Shareholders' approval and confirmation* : In 2017, AT's Shareholders approved and confirmed the: (i) Increase in the ACS and consequent amendment to article VII of AT's AOI, (ii) Share issue of up to 25% of the proposed increase in ACS equivalent to 1.4725 billion shares, (iii) Waiver of the conduct of public or rights offering of the shares subscribed, and (iv) Issuance of Warrants and the underlying common shares as a result of the exercise of the Warrants to major Shareholders. The aggregate increase in AT's capital stock is Php3billion to Php8.89 billion divided into 8.89 billion common shares, with a par value of Php1.00 per share.

On 17 November 2017, the SEC issued AT's *Certificate of Approval of Increase of Capital Stock and the Certificate of Filing of Amended Articles of Incorporation*. AT filed a *Notice of Exempt Transaction on SEC Form 10-1* with the SEC on 4 December 2017.

- *Refinancing of the USD300 million bond of Carmen Copper Corporation*: CCC has successfully refinanced and settled its USD300 million bond that matured in March 2017 with a seven(7)-year term loan from BDO Unibank Inc. amounting to USD320 million.

(3) As of 31 December 2016

The table below shows the results of operations of the AT Group over the last three fiscal years ('000):

	2016	Δ%	2015	Δ%	2014	Δ%
Consolidated net income/(loss)	(879,496)	8%	(814,439)	(305%)	397,080	(79%)
Consolidated gross revenues	12,079,853	7%	11,342,317	(30%)	16,181,061	12%
Costs and operating expenses	10,385,324	(3%)	10,741,405	(14%)	12,548,952	24%

AT registered a *consolidated net loss* of Php879 million, an 8% increase from last year, a 7% increase in revenues and a 3% decline in operating costs. The following are key factors:

- Higher copper metal content of shipments: Copper metal content increased by 3% from 95 million lbs. to 99 million lbs. as production was affected by higher copper grade which increased by 7% from 0.300% to 0.321%.
- Lower copper prices: Average copper prices dropped by 10% to USD2.21 per pound vis-a'-vis last year's USD2.47/lb.
- Higher revenue from gold and magnetite: Gold revenue increased by 34% as volume shipped increased by 4.9Kozs and gold average price increased from USD1,154/oz. in 2015 to USD1,241/oz. this year. Revenue from magnetite has been realized with a shipment of 25kdmmt in 2016 while none in 2015.

- Lower operating expenses: Operating expenses decreased by 3% from last year brought about by lower waste charged to operation, lower energy and materials and supplies costs as input prices remained low and operational efficiencies were attained. The decrease in operating expenses was further attributed to lower labor cost as a result of right sizing program implemented and lower smelting charges as market rates decreased during the current year.
- Decrease in Equity in net earnings of associates: Revenue from Nickel Corporations declined by 75% from Php244m to Php62m as a result of operational suspension during the latter part of 2016.
- Loss on disputed input tax of Php456 million representing credits disallowed under the revised rules of the Bureau of Internal Revenue and is the subject of a motion for reconsideration (MR) still pending with the Supreme Court.

Gross revenue for the year reached Php12 billion which is 7% higher year-on-year due to increase in volume shipped and higher gold revenues that offset the impact of lower copper prices. Copper revenues improved by 2% year-on-year and registered revenue of Php10.2 billion in 2016.

- Average copper prices during the period slid by 10% to USD2.21/lb. while average gold prices increased by 8% to USD1,241/oz.
- CCC's average daily milling rate declined by 7% in 2016, from 49,205 dmt to 45,678 dmt but the realized copper grade has improved by 7% from 0.300% to 0.321% in 2016. Relatively, the copper concentrates produced in 2016 improved by 1% to 175,700 dmt from prior year. Gold yield improved by 14% to 33,958 ounces as compared to prior year's production volume. Additional revenue was gained from the production of magnetite this year is 17,959 dmt against NIL in 2015.
- CCC shipped 176,130 dmt and 169,304 dmt of copper concentrates in 2016 and 2015, respectively. Copper metal content is 102 million lbs. while gold is 32,211 oz., representing an increase of 3% and 18% respectively, vis-à-vis last year.

Cost and operating expenses (86% of gross revenues) were lower by 3% due to lower costs incurred for waste stripping, materials and supplies, fuel, power, labor and smelting charges. Finance charges (16% of gross revenue) increased by 18% due to additional loans availed for working capital requirements. Other income (charges) increased by 129% due to significant impact on the loss on disputed input tax recognized in 2016 amounting to Php495 million and decline in the share in net earnings of associates by Php182 million.

USD:Php Exchange rate closed at USD1.00:Php49.72 as at 31 December 2016 against USD1.00:Php47.06 as at 31 December 2015. This triggered the recognition of net unrealized foreign exchange gain of Php158 million primarily from the restatement of Philippine Peso denominated loans and other payables as CCC has adopted the US dollar as its functional currency.

The Net Gain (loss) on fair value changes on derivatives are attributable to two derivative transactions: (a) the recognition of derivative assets and liabilities from provisional pricing contracts still outstanding at the end of the year for copper concentrate shipments and (b) Commodity Swap Transaction as at 31 December 2016. CCC has entered into a Copper Asian Swap with Standard Chartered Bank (SCB) on 15 November 2016. Net unrealized loss on provisional pricing of Php23 million was mitigated by the unrealized gain on commodity swap of Php7 million. Benefit from (provision for) income tax decreased in 2016 as compared to 2015 mainly due to the decrease in expenses which are not deductible in the current year but deductible in future years.

Changes in Financial Position

The table below shows the highlights in the financial position of the Atlas Group over the last three fiscal years ('000):

	2016	2015	2014
Assets	73,899,134	70,846,552	65,915,281
Liabilities	37,229,042	34,366,324	29,516,491
Retained Earnings	17,960,856	18,840,352	19,654,791

The discussion below pertains to the audited consolidated financial condition of the Group as of 31 December 2016 vis-à-vis that as of 31 December 2015:

Cash and cash equivalents significantly increased by Php1.9 billion due to additional advances from shareholders during 2016 and collection of receivables towards year-end. Receivables decreased by 0.20% due to collection of trade receivables and reclassification of related party accounts. Inventories decreased by 24% due to sale of product inventory and consumption of

material and supplies. *Other Current Assets* declined due to the increase in prepaid fees and taxes mitigated by the decrease in advance payment to suppliers.

Property, plant and equipment (49% of total assets) increased by 4% due to acquisition of fixed assets used in operation and mine development costs. Movement in *Mining Rights* (11% of total assets) was mainly due to production-driven depletion during the year. *Goodwill* (26% of total assets) pertain to the allocated provisional fair values of identifiable assets and liabilities of CCC.

Investment in Associate pertains to AT's ownership over BNC, TMMI, URHI, UNC and NRHI (the "Nickel Corporations"), respectively. The Group assessed that it has significant influence over these entities and are accounted for as investments in associates. *Deferred tax assets* (3% of total assets) increased by 69% due to the effects of the increase in NOLCO, unrealized foreign exchange losses, provision for impairment losses and the excess of MCIT over RCIT. *Other Noncurrent Assets* (3% of total assets) decreased by 11% due to provision for input VAT written off during the year. The 2016 results of the Nickel Corporations were reported as *Equity in the net income of an associate* which amounted to Php62 million.

Accounts payable and accrued liabilities (7% of total liabilities) decreased by 53% due to payment of trade creditors and lower accruals on contracted services. *Current and non-current portions of long-term debts* (48% and 28% of total liabilities) increased by 476% and decreased by 48% respectively due to the reclassification of bond payable to current which will be due on March 2017. This was a net effect of the payment of maturing debts and the availment of long-term loans for working capital requirements.

Derivative liabilities increased by Php29 million during the year due to the recognition of embedded derivative liability on provisional pricing. *Income tax payable* pertains to the income tax liability for the year. *Retirement benefits liability* decreased by 15% due to the payment of pension cost and actuarial valuation adjustments.

Liability for mine rehabilitation cost increased by 11% due to accretion of asset retirement obligation. *Deferred tax liabilities* increased by 1% mainly due to increase in unrealized foreign exchange gains and re-measurement gain on retirement liabilities.

Key Performance Indicators

The following table shows the key performance indicators of Atlas Group:

Particulars	Consolidated		
	2016	2015	2014
Current ratio	0.25:1	0.42:1	0.60:1
Debt to equity	1.06:1	0.91:1	0.82:1
Return on equity	-2.47%	-2.00%	0.34%
Return on assets	-1.22%	-1.20%	0.19%
Net profit margin	-8.05%	-7.18%	0.76%

Liquidity and Capital Resources

Below is a summary of the Group's audited consolidated cash flow as of 31 December 2016:

Particulars (in Php million)	Amount
Net cash flow used in operating activities	(1,041)
Net cash flows used in investing activities	(1,963)
Net cash flows provided by financing activities	5,303
Net increase in cash and cash equivalents	1,907

Cash from operating activities was mainly driven by decrease in accounts payables and accrued liabilities including interest payments on loans. Net cash used in investing activities was a result of the increased acquisition of property, plant and equipment. Net cash from financing activities increased mainly due to availment of additional loans for working capital requirements.

Material Plans, Trends, Events or Uncertainties

- *Increase in Authorized Capital Stock (ACS)*: On 21 February 2017 Special Shareholders' Meeting (SSM) of AT, the Shareholders approved the: (i) Increase of the ACS and consequent amendment to the article VII of AT's AOI, (ii) Issuance of primary shares out of the increase in ACS, and (iii) Issuance of Warrants and the underlying common shares as a result of the exercise of the Warrants to major Shareholders. The ACS increased from Php6billion to Php8.5billion divided into 8.5billion common shares with a par value of Php1.00 per share of stock.
- *Promissory Notes from SMIC*: In 2016, the Parent Company availed from SMIC senior unsecured loan facilities covering the aggregate amount of Php5,949,128,000 to raise additional working capital. The loans are payable within 5 years from availment, accrued interest at 5% per annum subject to repricing at prevailing market rate and with prepayment option of all or part of the loan prior to maturity.
- *Infusion of Additional Equity Capital by AT to CCC*: In February 2016, AT and CCC executed Subscription Agreements for the equity capital infusion of AT into CCC in the amounts of Php705,375,000 and Php1,146,268,000 respectively at the subscription price of Php10.00 per share for a total of 70,537,500 and 114,626,800 common shares. In June and December 2016 AT subscribed to 19,103,950 and 14,000,000 common shares of CCC at the subscription price of Php100.00 per share for a total subscription price of Php1,910,395,000 and Php1,400,000,000 respectively.
- *Change in Par Value of Common Shares & Increase in ACS*: The change in Par Value of the common shares from Php8.00 per share to Php1.00 per share was approved by AT's Shareholders during the 2016 AGM and approved by the SEC on 29 June 2016. The reduction in par value is to effect a reduction in the unit price of the shares of stock, to widen the corporate base and to improve the marketability of primary share issuance. The decrease in capital stock and par value reduction resulted in *Additional Paid-In Capital (APIC)* of Php14,609,229,418. The AT BOD and Shareholders in 2016 approved the increase in capital stock by Php3b, from Php3b to Php6b divided into 6b common shares at Php1.00 par value. As of December 2016, AT has not issued any share out of the increase in ACS.
- *Reduction in mill throughput at the Carmen Copper Mine*: On 6 April 2016, the implementation of a comprehensive plan to reduce the mill throughput at the Carmen Copper Mine was approved. Impact of the plan is estimated to reduce 2016 and 2017 copper production by 33% after implementation. The comprehensive restructuring involved: (i) Production levels scaled back from its name plate capacity of 60,000 tonnes per day (tpd) to 40k tpd; (ii) Mine site pre-stripping reduced for 2016 and 2017; (iii) Capex levels reduced; and (iv) Reduction in all operating costs which also affect 551 workers, equivalent to 15% of the workforce. The revised milling plan is in response to the recent decline in copper prices.

AT reduced its capital expenditures to \$27 million from the original planned spending of \$104m as it lowers the throughput of its Carmen Copper Mine. The planned capital spending is 74% lower than last year's capex. AT would continue to trim its capex to \$12 million next year.

IV. Brief Description of the General Nature and Scope of the Business of AT and its subsidiaries

(1) Business

Atlas Consolidated Mining & Development Corporation ("AT", "Atlas" or the "Parent Company") was incorporated in accordance with Philippine law on 9 March 1935, initially under the name *Masbate Consolidated Mining Company, Inc.* as a result of the merger of the assets and equities of three pre-war mining companies, namely: *Masbate Consolidated Mining Company Inc.*, *Antamok Goldfields Mining Company*, and *IXL Mining Company*. Its Articles of Incorporation were subsequently amended to reflect its present corporate name and to extend its term of existence for another fifty (50) years from 1985.

Carmen Copper Corporation ("CCC" or "Carmen Copper") is the only significant subsidiary² of AT with the Parent Company owning 100% of the outstanding capital stock of CCC. CCC was incorporated under Philippine law on 16 September 2004.

²Under Part I, 1(B) of Rule 68 of the Amended Rules and Regulations implementing the Securities Regulation Code, "Significant Subsidiary" means a subsidiary, including its subsidiaries, which meet any of the following conditions:

Both AT and CCC have never been involved in a bankruptcy, receivership, or any similar proceeding. During the past three (3) years, AT and CCC did not engage in (i) any transaction involving a material reclassification or reorganization, or (ii) any purchase or sale of a significant amount of assets not in the ordinary course of business.

(2) Business of AT and CCC

AT, through CCC as operating subsidiary, is engaged in metallic mining and mineral exploration and development. CCC, as the operator of AT's copper mines in the City of Toledo, Province of Cebu (the "Carmen Copper Mine"), primarily produces and exports copper metal in concentrate and the principal by-products of copper mining and processing: gold and silver. It is also pursuing the development and commercial production of other marketable by-products such as pyrite, magnetite and molybdenum.

CCC exports one hundred percent (100%) of its copper production. Since the resumption of commercial mining operations at the Carmen Copper Mine in 2008, CCC has been shipping its copper concentrate output to smelters in China, Japan and South Korea pursuant to offtake agreements. In 2013, it began delivering copper concentrate to the plant of the Philippine Associated Smelting and Refining Corporation ("PASAR") in Isabel, Leyte. While a substantial portion of CCC's copper production in 2018 were covered by offtake contracts entered into with MRI Trading AG (MRI) on account of MRI's ability to provide the most favorable terms and facilities, CCC is not dependent upon a single counterparty.

CCC has an existing long-term electrical power purchase agreement with Toledo Power Company ("TPC") which is the principal supplier of the electrical power required for CCC's mining operations. The fuel requirements of CCC are principally provided by Pilipinas Shell Petroleum Corporation under the terms of a supply agreement. The related-party transactions of AT and CCC are limited to advances to and from affiliates mainly for the funding of working capital requirements.

CCC is not dependent upon the registration of, or any agreement respecting intellectual property rights for the conduct of its operations. Except to the extent that CCC is required to obtain an ore transport permit ("OTP") from the Mines and Geosciences Bureau ("MGB") for the shipment of its copper concentrate, CCC's products are not subject to any government examination prior to sale. The extent of competition in the mining industry is largely defined by economic forces prevailing in the world market. These factors determine the cost and pricing structures of mining companies and give rise to price risks.

To manage risks such as commodity price, foreign exchange and interest rate risks, CCC applies a mix of pricing agreements, natural hedges and both freestanding and embedded derivatives. For commodity price, CCC enters into pricing arrangements with off-takers that are covered by the terms of the offtake agreements respecting CCC's sale of copper, and gold and silver by-products. Under such arrangements, the selling price is to be computed based on the average of the agreed market price quotes over the stipulated quotational period, unless CCC exercises its option to fix the price in advance of such quotational period. CCC likewise hedges price risk through put option and swap facilities covering its copper production.

CCC's operating rights with respect to the Carmen Copper Mine are derived from and are governed by its 5 May 2006 *Operating Agreement* with AT. The underlying mining rights pertaining to the areas spanned by the Carmen Copper Mine, on the other hand, are covered by valid and existing Mineral Production and Sharing Agreements ("MPSA") between AT and the Philippine Government, or by pending MPSA Applications or Exploration Permit Applications ("EPA") in the name of AT and/or individual claim owners having effective and enforceable operating agreements with AT.

While the government is considering the adoption of certain fiscal policies that may result in an increase in the rate of its share in mining revenues, no definitive legislation, regulation, or order has been promulgated in pursuit of such end. An escalation in the rate of taxes due on CCC's mining operations will naturally raise the cost of production. To address the risk of higher operating costs, CCC is aggressively pursuing plans to improve production efficiency.

(a) The corporation's and its other subsidiaries' investments in and advances to the subsidiary exceed ten per cent (10%) of the total assets of the corporation and its subsidiaries as of the end of the most recently completed fiscal year; or

(b) The corporation's and its other subsidiaries' proportionate share of the total assets (after inter-company eliminations) of the subsidiary exceeds ten per cent (10%) of the total assets of the corporation and its subsidiaries as of the end of the most recently completed fiscal year; or

(c) The corporation's and its other subsidiaries' equity in the income from continuing operations before income taxes exceeds ten per cent (10%) of such income of the corporation and its subsidiaries consolidated for the most recently completed fiscal year.

➤ *Employees & Officers*

CCC has 2,397 employees as of 31 December 2018, of whom 35 are senior executive officers, 404 junior/mid-level managers, and 1,958 rank and file. Around 1,458 (74%) of these rank-and-file employees are members of the Carmen Copper Workers Labor Organization (CCWLO) with an existing Collective Bargaining Agreement (the “CBA”) covering the period 2015-2020.

➤ *Environmental Protection and Enhancement*

CCC continues to ensure compliance with the applicable environmental laws, regulations and orders. CCC is committed to protect and enhance the environment, reduce ecological footprint of its activities and maintain an excellent track record in responsible mining. True to its commitment, CCC secured ISO 14001:2015 certification from TUV Rheinland which provides a standardized method for resource, waste and materials management and environmental monitoring, development and closure planning and rehabilitation and remediation measures. The certification is valid until March 11, 2021.

In support of the MGB's Mining Forest program, 16.6 hectares of mine affected areas were reforested with 27,835 seedlings planted. CCC donated 16,600 seedlings to various government agencies and private entities. CCC invested Php193.5 million for various environmental maintenance activities, climate change mitigation programs, capital expense projects and research development programs outlined in the company's annual Environmental Protection and Enhancement Program (“EPEP”).

To promote and educate employees and stakeholders on biodiversity, CCC continues to enrich sparsely vegetated areas and maintain 1,263 hectares of plantation including an arboretum. The Corporation's arboretum accommodates 2,264 seedlings of 20 native species. In 2018, the arboretum was developed into an ecological park, the first environmental recreation facility in Toledo City, where visitors may enjoy a taste of forest bathing, which promotes overall well-being. The ecological park shall be used to promote biodiversity and environmental sustainability among different stakeholders.

To manage and conserve water resources, recycled water is being used for milling. Water conservation measures were also initiated including replacement of dilapidated pumps, eliminating tank overflows and immediate repairing of pipeline leaks. To reduce its carbon footprint, CCC heightened its reforestation activities and implemented various climate change mitigation activities such as regular preventive maintenance servicing of all company vehicles, with the aim to reduce carbon emissions.

In preparation for mine closure at the end of its operational lifespan, Php69.6 million was allocated for the Company's Final Mine Rehabilitation and Decommissioning Fund (“FMRDF”). The company's sustainable development initiatives have earned it the *2018 Gawad Tugas for Responsible Mining* from the DENR in Region 7. CCC was also honored with the Presidential Mineral Industry and Environmental Award (“PMIEA”) Platinum Achievement for demonstrating outstanding safety, health and environmental management and community development in the conduct of its mining operation.

➤ *Sustainable Communities*

AT and CCC played a significant role in bringing Toledo to cityhood status through its socio-economic contributions. AT and CCC recognize the three resources, environmental, community social capital and corporate, play critical roles in achieving sustained growth.

CCC ensures that its operations do not bring irreversible effects to the natural environment of Toledo. 1.5% of CCC's operating cost is earmarked for our Social Development and Management program (SDMP), helping provide social safety nets such as access to education, health care and livelihood that benefits the four (4) communities that host CCC operations and thirteen (13) surrounding barangays.

In 2018, CCC revisited the community needs assessment process and enhanced its information, education and communication community campaigns. CCC organized the communities into cooperatives to manage sustainable livelihood programs such as the Carmen Copper Integrated Farm. CCC also built a fitting community legacy with the opening of the Carmen Copper Heritage Center, the first copper mining museum in Southeast Asia.

In the area of livelihood, CCC implemented projects geared towards the development and promotion of economically viable community enterprises by providing the community access to capital. Other projects cover support to household-based food processing, soap making, macramé handicrafts and small local businesses through preferential procurement of goods and services from local sources, as well as cooperative development, market linkages and networking, among others. To date, more than 680,000 beneficiaries have improved access to basic services. To stimulate and facilitate other forms of economic activity, CCC

funded various infrastructure developments that include the construction, improvement, and/or maintenance of farm-to-market roads, water systems, post-harvest facilities and training center, among others.

CCC increased its investment in scholarship grants by providing educational opportunities to 301 underprivileged children in the form of scholarships with 221 in secondary, 80 in tertiary education and 147 under technical vocational training. Nine (9) scholars of the Company graduated and some of them joined the company's workforce. To date, CCC also built and repaired thirty-six (36) classrooms and assisted in the construction of six (6) covered courts or multipurpose halls.

The CCC Hospital maintains its Level 1 status and continues to serve employees and dependents. In 2018, 20,156 patients were served through the *Doktor to the Barangay Program* and 6,455 patients were treated in CCC medical missions. CCC also donated 18 ambulances to communities with 17,879 patients served to date. School-based feeding program of CCC has served 441,569 children in 26 elementary schools, 1 day care center and 1 foundation. In 2018, CCC published its *2017 Sustainability Report* which demonstrates the Company's commitment to sustainable development. The Report, which was aligned with the United Nations Sustainable Development Goals and the UN Global Compact Principles, won the Silver Anvil Award of the Public Relations Society of the Philippines.

➤ *Health and Safety; Occupational Health*

The demands of the mining industry require CCC to manage risks round the clock every day. With a diversified and robust workforce of almost 2,400 employees, the company teaches its people to make safety a way of life, a culture. 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, CCC recorded zero fatal incidents and a significant increase in safe manhours rendered. In 2018, CCC was recertified to OHSAS 18001:2007 for Occupational Health and Safety Management by TUV Rheinland valid until March 2021.

Risk management has also greatly contributed to this end. Each task undergoes risk assessment and job hazard analysis through the Hazard Aspect Identification Risk Assessment Determine Controls tool (HAIRADC). In some situations, where applicable, quick risk assessment techniques such as the SLAM (Stop-Look-Assess-Manage) and TAKE 5 were introduced.

The CCC Hospital (CCCH) continues to promote, maintain and enhance the health, wellness and safety of the employees and their dependents. In 2018, CCCH attended to a total of 14,677 patients through consultations and annual medical examinations. Other services rendered include 20,548 laboratory exams, 4,651 X-ray diagnostic exams and 2,273 dental services. During the company's 14th anniversary celebration in September, the CCCH also spearheaded a medical mission in partnership with SM Foundation that benefitted 317 indigent patients in Toledo.

CCCH has provided medicines and medical supplies to patients and first aid kits to the different departments through the CCCH Pharmacy. In coordination with the National Blood Services Network and the Philippine Red Cross, two (2) blood donation activities for the year 2018 were held that yielded a total of 185 blood units. In 2018, the CCCH was awarded the Best Performing Hospital for the implementation of Unified Disease Registry System.

(3) *Properties*

The AT Group owns/holds operating rights to several mining claims and owns/manages landholdings. These mining rights are covered by MPSA, Applications for MPSA ("APSA"), or EPA.

A. *Land-holdings*

The AT Group has a total landholding of 3,560.3507 hectares in Toledo City, Cebu. Of this, 563.8738 hectares are in the name of AT, 2,904.57 hectares are covered either by lease agreements or other agreements with several individuals and corporate landowners and around 92 has. in the name of its operating subsidiary, CCC. The tables below show the details of AT Group landholding:

1. AT-owned parcels of land

<u>No. of Lots</u>	<u>Area (Has.)</u>
--------------------	--------------------

1.1	Titled Land/s	21	98.0485
1.2	Land/s with Tax Declarations	63	465.8253
	Sub Total	84	563.8738
2.	AT-managed parcels of land		
2.1	Titled Land/s	1	7.5982
2.2	Land/s w/ Tax Declarations	288	2,896.9718
	Sub-Total	289	2,904.5700
3.	CCC – owned parcels of land		
3.1	Acquired (ongoing registration process)	56	85.6052
3.2	Titled	1	0.1150
3.3	With Tax Declarations	2	6.1867
	Sub- Total	6	91.9069

B. Mineral Properties

AT is the registered owner of several mineral rights/properties and operates several mining claims by virtue of existing operating agreements with claim owners. The tables below present the relevant details pertaining to the mining rights of the AT Group.

- CEBU

- i) APPROVED MPSAs

MPSA NUMBER	Location	Mortgage, Lien or Encumbrance	AREA COVERED (in hectares)			DATE OF APPROVAL	WORK PERFORMED
			Owned by AT	Under Operating Agreement	Total Area		
1. MPSA-210-2005-VII	Toledo City, Cebu	None	119.1663	115.1212	234.2875	April 28, 2005	Covers Carmen ore body where open pit mining operations are ongoing.
2. MPSA-264-2008-VII	Toledo City, Cebu	None	546.2330	101.7829	648.0159	July 9, 2008	Covers Lutopan ore body where mining operations are ongoing.
3. MPSA-307-2009-VII	Toledo City, Cebu and City of Naga, Cebu	None	1,274.1270		1,274.1270	December 23, 2009	Exploration activities in the area covered by this MPSA are in progress
Sub-total =			1,939.5263	216.9041	2,156.4304		

- ii) PENDING MPSA APPLICATIONS

MPSA APPLICATION NUMBER	Location	Mortgage, Lien or Encumbrance	AREA (in hectares)			STATUS OF APPLICATION	WORK PERFORMED
			Owned by AT	Under Operating Agreement	Total Area		
1. APSA-000013VII	Toledo City, Cebu	None	287.6172		287.6172	Application under evaluation by MGB Central Office	None. For exploration upon approval of APSA
2. APSA-000042VII	Pinamungajan, Cebu	None	252.3926		252.3926	Application under evaluation by MGB Central Office	-do-
3. APSA-000044VII	Toledo City, Cebu	None	275.2029	256.7019	531.9048	Application under evaluation by MGB Central	-do-
4. APSA-000045VII	Toledo City and Balamban, Cebu	None		2,552.0993	2,552.0993	Application under evaluation by MGB Central Office	-do-
5. APSA-000046VII	Toledo City and Cebu City,	None	1,286.8032	406.0730	1,692.8762	Application under evaluation by MGB	-do-

	Cebu					Central Office	
6. APSA-000196VII	Toledo City, Cebu	None	570.4192	194.3474	764.7666	Application under evaluation by MGB Central Office	-do-
Sub-total =			2,672.4351	3,409.2216	6,081.6567		

iii) **EXPLORATION PERMIT APPLICATION**

EXPLORATION PERMIT APPLICATION NUMBER	Location	Mortgage, Lien or Encumbrance	AREA (in hectares)			STATUS OF APPLICATION	WORK PERFORMED
			Owned by AT	Under Operating Agreement	Total Area		
1. EXPA-000083-VII	Toledo City, Cebu	None	323.5254		323.5254	Application under evaluation by MGB Central Office	For exploration upon approval of EPA
Sub-total =			323.5254		323.5254		
Total CEBU =			4,935.4868	3,626.1257	8,561.6125		

• **SURIGAO DEL SUR**

EXPLORATION PERMIT APPLICATION NUMBER	Location	Mortgage, Lien or Encumbrance	AREA (in hectares)			STATUS OF APPLICATION	WORK PERFORMED
			Owned by AT	Under Operating Agreement	Total Area		
1. EPA-000073-XIII (02-02-05)	Surigao del Sur	None	3,658.1616	210.6984	3,868.8600	Application under evaluation by MGB Regional Office	None. For exploration upon approval of EPA
Total SURIGAO DEL SUR =			3,658.1616	210.6984	3,868.8600		

C. **Operating Statistics**

The following table details CCC's operating statistics related to copper production, shipment and summary of costs for the year ended 31 December 2018 and 2017:

CCC Summary of Operations:

Year-on-Year	2018	2017	Change
Production			
Milling Tonnage ('000 dmt)	16,256	14,236	14%
Daily Milling Average (dmt per day)	44,536	39,004	14%
Ore Grade	0.278%	0.289%	-4%
Copper Concentrate ('000 dmt)	149	135	11%
Copper Metal Gross (in million lbs)	85.83	78.2	10%
Gold (ounces)	27,013	21,979	23%
Shipment			
Number of Shipments	30.0	26.5	13%
Copper Concentrate ('000 dmt)	147	130	14%
Copper Metal Gross (in million lbs)	84.46	75.1	12%
Gold (payable ounces)	24,988	19,112	31%

CCC Summary of Costs:

Year-on-Year (US\$/lb Cu)	2018	2017	Change

C1	1.86	1.75	7%
C2	2.65	2.48	7%
C3	3.20	3.00	7%

Metal Prices (Average Invoiced Price):

Year-on-Year	2018	2017	Change
Copper (US\$/lb)	2.96	2.78	6%
Gold (US\$/ounce)	1,270	1,259	1%

D. Proven and Probable Reserves

CCC Mineral Resources as of December 31, 2018 @ 0.20%Cu cut-off								
Deposits	Measured		Indicated		Inferred		Combined	
	Tonnage 000	Grade (% Cu)	Tonnage 000	Grade (% Cu)	Tonnage 000	Grade (% Cu)	Tonnage 000	Grade (% Cu)
Lutopan Pit	208,700	0.31%	700	0.27%	4,200	0.26%	213,600	0.31%
Carmen Pit	190,700	0.36%	69,800	0.33%	31,600	0.26%	292,100	0.34%
Total	399,400	0.33%	70,500	0.33%	35,800	0.26%	505,700	0.33%

CCC Ore Reserves as of December 31, 2018 @ 0.20%Cu cut-off									
Deposits	Proven Reserves			Probable Reserves			Combined		
	Tonnage 000	Grade (% Cu)	Pounds (millions)	Tonnage 000	Grade (% Cu)	Pounds (millions)	Tonnage 000	Grade (% Cu)	Pounds (millions)
Lutopan Pit	140,000	0.31%	955	70,000	0.31%	477	210,000	0.32%	1,432
Carmen Pit	174,000	0.36%	1,378	58,000	0.34%	434	232,000	0.35%	1,786
Total	314,000	0.34%	2,333	128,000	0.32%	911	442,000	0.34%	3,219

(4) Legal Proceedings.

There is no material pending legal proceeding to which the Corporation or any of its subsidiaries or affiliates is a party or of which any of their property is the subject.

V. Directors and Executive Officers of the Issuer

Please refer to *Item 5, B. Control and Compensation Information, Part I. Information Required* of the IS for a discussion on the identity of each of the Corporation's Directors and Executive Officers, including but not limited to their principal occupation or employment, name and principal business of any organization by which such persons are employed.

VI. Securities: Market Price of and dividends on the Corporation's Common Shares

(1) Market Information

AT's common shares of stock are traded on the Philippine Stock Exchange (PSE). Closing price of AT shares of stock as of the latest practicable date, 28 February 2019, is Php2.92 per share. The trading price range of AT shares of stock for each calendar quarter of the last two (2) fiscal years:

	2017		2018	
	High	Low	High	Low
1Q	5.30	5.28	4.73	4.60
2Q	5.21	5.19	4.11	4.02
3Q	4.75	4.55	3.02	3.01
4Q	5.01	4.87	2.65	2.53

(2) Holders

As of 28 February 2019, there were a total of 20,748 individuals holding AT shares of stock and 2.51% of the total issued and outstanding AT shares of stock were held by foreigners

Top 20 Shareholders of AT as of 28 February 2018:

No.	Name	No. of Shares Held	% of Ownership
1	PCD Nominee Corporation (Filipino)	1,711,994,288	48.10
2	Anglo Philippine Holdings Corporation	966,000,292	27.14
3	SM Investments Corporation	607,239,708	17.06
4	Alakor Corporation	139,450,000	3.92
5	PCD Nominee Corporation (Foreign)	66,836,680	1.88
6	National Book Store	9,203,407	0.26
7	William T. Enrile &/or William R. Enrile II &/or Nelly R. Enrile	4,700,000	0.13
8	The Bank of Nova Scotia	4,425,254	0.12
9	Bank of Nova Scotia	2,950,169	0.08
10	DFC Holdings, Inc.	2,606,061	0.07
11	Tytana Corporation	2,562,439	0.07
12	Mitsubishi Metal Corporation	2,319,048	0.07
13	Globalfund Holdings, Inc.	1,787,000	0.05
14	Metropolitan Bank and Trust Company	1,701,281	0.05
15	National Financial Services LLC	1,474,233	0.04
16	Lucio W. Yan &/or Clara Yan	1,100,000	0.03
17	Eric C. Lim or Christine Yao Lim	1,000,000	0.03
	Toledo City Government	1,000,000	0.03
18	Asian Oceanic Holdings Phils., Inc.	972,501	0.03
19	Donald R. Osborn as Trustee U/W/O Andres Soriano Jr	945,677	0.03
20	Enrile William II	900,000	0.03

Security Ownership of Certain Record and Beneficial Owners of more than 5% of AT common shares of stock as of 28 Feb.2019:

Title of Class	Name & Address of Record Owner	Name of Beneficial Owner & Relationship with Record Owner	Citizenship	Amount and Nature of Ownership ³	Percent of Class (%)
Common	SM Investments Corporation ("SMIC") ⁴ 10 th Floor, One E-Com Center Mall of Asia Complex, Pasay City (Shareholder)	SMIC	Filipino	1,212,028,143	34.05
Common	Alakor Corporation ("Alakor") ⁵ Quad Alpha Centrum 125 Pioneer St., Mandaluyong City (Shareholder)	Alakor	Filipino	479,258,461	13.46
Common	Anglo Philippine Holdings Corporation ("Anglo") ⁶ Quad Alpha Centrum 125 Pioneer St., Mandaluyong City (Shareholder)	Anglo	Filipino	1,019,570,792	28.64
Common	PCD Nominee Corp. (Filipino) ⁷	Clients of PCD Nominee Corp. ⁸	Filipino	1,711,994,288	48.10%

AT has no information as to person/s holding five percent (5%) or more of its securities which are held under a voting trust or similar agreement. There has been no change in the control of the Corporation since the beginning of its last fiscal year. The Corporation is not aware of any arrangement which may result in a change in control of the Corporation.

Security ownership of Directors and Executive Officers of AT as of 28 February 2019:

Title of Class	Name of Directors / Officers and Position	No. of Shares Held ⁹	Percent (%)	Nature of Ownership
Common	Alfredo C. Ramos Director/Chairman of the Board	1,509,062,687	42.40	Record & Beneficial Owner
Common	Frederic C. DyBuncio Director/Vice-Chairman	1,001	0.00	Beneficial Owner
Common	Martin C. Buckingham Director/Executive Vice-President	19,398,901	0.54	Beneficial Owner
Common	Isidro A. Consunji Director	95,991,305	2.70	Beneficial Owner
Common	Adrian Paulino S. Ramos Director/President	5,618,010	0.16	Beneficial Owner
Common	Gerard Anton S. Ramos Director	4,551,000	0.13	Beneficial Owner
Common	Jose T. Sio Director	1,001	0.00	Beneficial Owner

³The listed beneficial or record owner has no right to acquire within thirty (30) days, from options, warrants, rights, privileges or similar obligations or otherwise coming from AT.

⁴ The President and/or Executive Director of SMIC have the power to vote the common shares of SMIC in AT.

⁵ The Chairman of the Board of Directors/President of Alakor has the power to vote the common shares of Alakor in AT.

⁶ The Chairman of the Board of Directors of Anglo has the power to vote the common shares of Anglo in AT.

⁷ The Corporation has no information as to the beneficial owners of the shares of stocks of more than 5% of AT shares held by the PCD Nominee Corp. (Filipino) other than: (i) SMIC with 604,788,435 shares (35.33%); (ii) Anglo with 53,570,500 shares (3.13%) and (iii) Alakor with 339,808,461 shares (19.85%)

⁸The clients of the PCD Nominee Corporation have the power to decide how their shares are to be voted. There are no other individual shareholders who own more than 5% of the Corporation

⁹ The listed beneficial or record owner has no right to acquire within thirty (30) days, from options, warrants, rights, privileges or similar obligations or otherwise coming from the Corporation.

Common	Fulgencio S. Factoran, Jr. Independent Director	110,000	0.00	Beneficial Owner
Common	Jay Y. Yuvallos Director	5,000	0.00	Beneficial Owner
Common	Emilio S. de Quiros, Jr. Independent Director	100	0.00	Beneficial Owner
Common	Laurito E. Serrano Independent Director	2,000	0.00	Beneficial Owner
Common	Roderico V. Puno Corporate Secretary	0	0.00	N/A
Common	Fernando A. Rimando Chief Financial Officer & VP-Finance	0	0.00	N/A
Common	Maria Eleonor A. Santiago Asst. Corporate Secretary/Compliance Officer/Head, Corporate Legal Affairs & Corporate Governance	0	0.00	N/A
Common	Leila Marie P. Cabañes Treasurer	0	0.00	N/A
Common	Feliciano B. Alvarez Chief Audit Executive	0	0.00	N/A
All Directors and Officers as a Group		1,634,741,005	45.92%	

(3) Dividends

There has been no cash dividends declared by AT for the two (2) most recent fiscal years. No restriction exists that limits the ability to pay dividends on common equity or that are likely to do so in the future.

(4) Recent Sales of Unregistered or Exempt Securities, Including Recent Issuance of Securities Constituting an Exempt Transaction

The subscription and issuance of 1,472,500,000 common shares of stock to existing substantial Shareholders of AT (the "Subscribers") in March and August 2017, equivalent to 25% of the total increase in the Corporation's authorized capital stock (ACS) of 5.89billion, constitutes an exempt transaction under *Section 10-1(i) of the SRC and Rule 10-1 of the SRC IRR* (the "Share Issue").

Subscription Aggregate Value (the "Issue Price") of the Share Issue is Php6,455,734,500, based on the Subscription Price of Php4.3842/share, the 90-day VWAP preceding the Pricing Date. Total paid up amount of Php1,613,933,625 was paid in cash by the Subscribers upon execution of the Subscription Agreements with the balance upon call:

Subscriber	Number of Shares to be subscribed	Percentage	Subscription Price at Php4.3842/share	Paid-Up
SM Investments Corporation (SMIC)	598,049,708	41	Php2,621,969,530	Php655,492,383
Anglo Philippines Holdings Corp. (Anglo)	845,000,292	57	3,704,650,280	926,162,570
Alakor Corporation (Alakor)	29,450,000	2	129,114,690	32,278,673
<i>Total</i>	<i>1,472,500,000</i>	<i>100</i>	<i>Php6,455,734,500</i>	<i>Php1,613,933,625</i>

On 17 November 2017, the SEC issued AT's *Certificate of Approval of Increase of Capital Stock and the Certificate of Filing of Amended Articles of Incorporation*. AT filed a *Notice of Exempt Transaction* under *SEC Form 10-1* with the SEC on 4 December 2017. The Shares issued have the same dividend, voting and pre-emption rights as the outstanding shares of the Corporation. No other material rights are granted to common Shareholders except those provided under the Corporation Code,

the AOI and the By-Laws of AT. There is no provision in the AOI or By-Laws of the Corporation that would delay, defer or prevent a change in control of the Corporation.

VII. Compliance with leading practices on Corporate Governance:

The Board of Directors (BOD) and Management of AT unceasingly commit themselves as far as practicable and to the best of their abilities to the principles and practices of good corporate governance as institutionalized in AT's *Code of Corporate Governance* (the "CCG", approved 2017) which updated the previous *Manual of Corporate Governance* (the "Manual", approved 2014).

As AT continuously pursues initiatives aimed at strengthening governance structures, processes and systems, the BOD had duly approved the following Committee Charters to wit: (i) Board Risk Oversight Committee Charter (January 2018); (ii) Audit Committee Charter (March 2018); (iii) Corporate Governance Committee Charter (March 2018); (iv) Related Party Transaction Committee Charter (March 2018); (v) Executive Committee Charter (April 2018) (and vi) Board of Directors Charter (October 2018).

Pursuant to the new approved and adopted CCG which formalized and institutionalized among others, the assessment or evaluation process to measure the level of compliance of the BOD, top level Management and the rest of the employees, the BOD also approved the Performance Evaluation Guidelines for its Directors and Key Officers last October 2018.

Likewise on October 2018, the Related Party Transaction Policy was approved to strengthen the Related Party Transaction Committee's tasks in reviewing all material related party transactions of the company. Furthermore, the BOD also approved and adopted the BOD Diversity Policy to ensure that the BOD shall have an approximate mix of competence and expertise,

Several Corporate Governance Policies were correspondingly approved and adopted in October 2018 by the BOD. These are (i) the Alternative Dispute Mechanism Policy which established an alternative dispute mechanism to resolve disputes between the Corporation and Shareholders and third parties in an amicable and effective manner; (ii) the Loan Policy which set the rules and procedure in the event loans are granted to Directors and Officers to defray their personal financial obligations and needs brought about by medical and calamity emergencies; (iii) Reward Policy which aimed to retain and ensure a work force with exemplary working knowledge, right experience and proverbial expertise relevant to the Corporation's industry/sector; (iv) Information Policy which ensured regulation of the disclosure pertaining to information about the Corporation; (v) Insider Trading Policy which set to protect the public from abusive trading practices and illegal conduct of security trading and ; (vi) Remuneration Policy which aimed to reward directors and officers based on quantum meruit.

In the April 2018 Organizational Board Meeting of the BOD, the respective Chairman and members of the various BOD committees were duly elected and assumed office. Mr. Laurito E. Serrano (ID) was elected as the Lead Director from among the Independent Directors ("IDs"). Except for the Executive Committee Chairman, the Chairmen of the different committees are all Independent Directors.

AT has not deviated from the CCG. New policies are being issued by the Corporation from time to time to fully implement and comply with the CCG and the leading practices on good corporate governance.

AT has not deviated from the CCG. New policies are being issued by the Corporation from time to time to fully implement and comply with the CCG and the leading practices on good corporate governance.

VIII. Undertaking

**DISTRIBUTION OF INFORMATION STATEMENT AND ANNUAL REPORT
TO REGISTERED SHAREHOLDERS**

The Corporation's Information Statement (IS) on SEC Form 20-IS will be sent without charge to registered Shareholders at least fifteen (15) trading days before the 2019 AGM. Both the IS and the Annual Report on SEC Form 17-A are uploaded and posted in AT's website, and the Annual Report will be provided without charge to registered Shareholders upon written request addressed to:

THE OFFICE OF THE CORPORATE SECRETARY
Atlas Consolidated Mining and Development Corporation
5F FiveE-Com Center, Palm Coast corner Pacific Drive
Mall of Asia Complex, Pasay City 1300
Metro Manila, Philippines