
APEX MINING CO., INC.
Annual Meeting of the Shareholders
Valle Verde Country Club, Pasig City
16 June 2014
at 3:00 p.m.

The shareholders of **APEX MINING CO., INC.** (the "Corporation") held their annual meeting on 16 June 2014 at 3:00 p.m. at the Valle Verde Country Club, Pasig City, Philippines.

I. PROCEDURAL MATTERS

Call to Order and Determination of Quorum

Dr. Walter W. Brown acted as Chairman of the meeting. The Chairman called the meeting to order and presided over the same. Ms. Rosanna A. Parica acted as secretary and recorded the minutes.

The Chairman noted and the secretary certified that the notices of annual shareholders' meeting have been served to all stockholders in accordance with the Corporation's By-Laws and that notice of the meeting was published in the Philippine Daily Inquirer and the Manila Bulletin in their respective issues of 23 May 2014 as evidenced by the Affidavits of Publication issued by the two newspapers.

Further, the Chairman noted and the secretary confirmed that per tabulation of the Election Inspectors of the Corporation, there were present in person and by proxy shareholders holding **1,514,410,056 shares** equivalent to **81.04%** of the **1,868,639,664 subscribed and outstanding shares** of the Corporation as of 16 May 2014 and that there was a quorum for the meeting.

I. APPROVAL OF THE AGENDA

The Chairman presented the Agenda for the meeting for the approval of the shareholders. Upon motion made and duly seconded, the following resolution was approved:

RESOLVED, that the Agenda for the Annual Shareholders' Meeting, as presented, be as it is hereby approved.

II. PRESENTATION AND APPROVAL OF THE PREVIOUS MINUTES

The Chairman presented the minutes of the previous shareholders' meeting held on 12 July 2013. Motion was made and duly seconded moving that the reading of the minutes of the Annual Shareholders' Meeting of 12 July 2013 be dispensed with considering that copies of the minute were furnished to the shareholders before the meeting was convened and that the minutes be approved as presented. There being no objections to the motion, the shareholders' passed and approved the following resolution:

RESOLVED, that the minutes of the annual shareholders' meeting held on 12 July 2013 be, as it is hereby, approved.

III. REPORT TO THE STOCKHOLDERS

To complement the information statement issued to the shareholders for the annual meeting and the 2013 Annual Report, the Chairman discussed the Corporation's Management Report.

IV. APPROVAL OF THE 2013 AUDITED FINANCIAL STATEMENTS

The Chairman noted that copies of the 2013 Audited Financial Statements of the Corporation were furnished to the shareholders of the Corporation before the meeting was convened. The Chairman discussed the need to approve the 2013 Audited Financial Statements and inquired if there were any questions or comments with regard to the same.

There being no questions or comments, and upon motion made and duly seconded, the shareholders' passed and approved the following resolution:

“RESOLVED, that the 2013 Audited Financial Statements of the Corporation be, as it is hereby, approved.”

V. RATIFICATION OF THE ACTS OF THE BOARD OF DIRECTORS AND OFFICERS FOR THE PERIOD 13 JULY 2013 UP TO 13 JUNE 2014

The Chairman discussed all the previous acts of the Board of Directors for the period of 13 July 2013 until 13 June 2014 and noted that the shareholders were furnished with a copy of the Board Resolutions passed and approved during said period. There being no comments and objections to the motion, the shareholders passed and approved the following resolution:

“RESOLVED, that all previous acts of the Board of Directors of the Corporation for the period of 13 July 2013 to 13 June 2014 be, as they are hereby, ratified.”

VI. ELECTION OF DIRECTORS

The Chairman explained the need to elect the new members of the Board of Directors of the Corporation. The Chairman thereafter opened the floor for nominations and the following shareholders were nominated:

Walter W. Brown
Ramon Y. Sy
Graciano P. Yumul, Jr.
Noel V. Tanglao
Modesto B. Bermudez
Dennis A. Uy – Independent Director
Joselito H. Sibayan – Independent Director

There being no further nominations, a vote was taken and counted. Upon motion made and seconded, the shareholders passed and approved the following resolutions:

“RESOLVED, that the following:

Walter W. Brown
Ramon Y. Sy
Graciano P. Yumul, Jr.
Noel V. Tanglao
Modesto B. Bermudez
Dennis A. Uy – Independent Director
Joselito H. Sibayan -- Independent Director

be as they are hereby elected as directors of the Corporation, to hold office for a term of one (1) year and until the election and qualification of their successors.”

VII. APPOINTMENT OF EXTERNAL AUDITORS

The Chairman explained the need to hire an external auditor in order for the Corporation to close its financial books for fiscal year 2013-2014. It was recommended by the Board that the auditing firm of Sycip Gorres Velayo & Co. (SGV) be reappointed as external auditor of the Company for the ensuing year. The financial statements of the Company for the fiscal year ended December 31 2013 was prepared by SGV. After discussion, upon motion duly made and seconded, the shareholders passed and approved the following resolutions:

“RESOLVED, that the auditing firm of Sycip Gorres Velayo & Co., is hereby appointed as the external auditor of the Corporation for the ensuing year.”

VIII. APPROVAL OF THE ARTICLES OF INCORPORATION OF THE CORPORATION

The Chairman discussed the proposed amendment of Articles of Incorporation in the language as previously approved by the board, to wit:

- Approval of the Amendment to the Articles of Incorporation of the Corporation for the following matters:

To increase the authorized capital stock of the Corporation from Two Billion Eight Hundred Million Pesos (Php2,800,000,000.00), divided into Two Billion Eight Hundred Million (2,800,000,000) common shares with par value of One Peso (Php1.00) each to up to Twelve Billion Eight Hundred Million Pesos (Php12,800,000,000.00) divided into Twenty Billion Eight Hundred Million (12,800,000,000) common shares with par value of One Peso (Php1.00) per share.

Deny pre-emptive rights to all holders of common shares.

- Approval of the subscription to the increase in authorized capital stock and such other follow-on offering and/or placing and subscription transaction under such terms and conditions that the Board of Directors may determine and the listing of shares issued in connection therewith with the Philippine Stock Exchange.
- Approval of the grant of authority to the Board of Directors to issue such number of shares of stock out of the existing capital stock and increase in authorized capital stock to such persons and at an issue price of not less than par value as the Board of Directors may determine and to accept cash or non-cash properties as payment for such subscription.
- Approval of the grant of authority to the Board of Directors to conduct an equity offering, including, but not limited to, a placing and subscription transaction, under such terms and conditions that the Board of Directors may determine, inclusive of: (i) authority to fix the number of shares for such equity transaction in such number of shares as may be required by the Corporation for funding its projects; (ii) authority to appoint advisers, consultants, underwriters/lead managers, stabilization agent, and other relevant parties for the equity transaction; and (iii) determination of the offering price based on generally accepted pricing formula for publicly traded companies, as may be appropriate or relevant per prevailing market conditions.
- Approval of waiver of the requirement to conduct a rights or public offering for shares issued by the Corporation pursuant to the increase in authorized capital stock and other transactions.
- Amendment of address of principal office

There being no questions or comments, and upon motion made and duly seconded, the shareholders' passed and approved the following resolutions:

RESOLVED, as it is hereby resolved, that the following amendments to the Articles of Incorporation:

- a. Amend the Seventh Article of the Amended Articles of Incorporation to increase the authorized capital stock of the Corporation from Php2,800,000,000 divided into 2,800,000,000 common shares with par value of One Peso each to Php12,800,000,000 divided into 12,800,000,000 common shares with par value of One Peso per share;
- b. Amend the Seventh Article of the Amended Articles of Incorporation to confirm the denial of pre-emptive rights to all holders of shares; and
- c. Amend the Third Article of the Amended Articles of Incorporation to change the address of the principal office of the Corporation to 3304B West Tower, PSE Centre, Exchange Road, Ortigas Center, Pasig City, Philippines.

are hereby approved.”

IX. GRANT OF AUTHORITY TO THE BOARD OF DIRECTORS

In relation to the abovementioned increase in capital stock, the Chairman hereby requested the shareholders to approve the Board of Directors of the Corporation to grant the following authority:

- a. to issue such number of shares of stock out of the existing capital stock and increase in authorized capital stock to such persons and at an issue price of not less than par value as the Board of Directors may determine and to accept cash or non-cash properties as payment for such subscription;
- b. to conduct equity offerings as a means to raise funding for the Company or for expansion, including, but not limited to, placing and subscription transaction, under such terms and conditions that the Board of Directors may determine, inclusive of: (i) authority to fix the number of shares for such equity transaction in such number of shares as may be required by the Corporation for funding its projects or for its expansion; (ii) authority to appoint advisers, consultants, underwriters/lead managers, stabilization agent, and other relevant parties for the equity transaction; and (iii) determination of the offering price based on generally accepted pricing formula for publicly traded companies, as may be appropriate or relevant per prevailing market conditions.
- c. The waiver of the requirement to conduct a rights or public offering for shares issued by the Corporation pursuant to following transactions: (1) all shares issued by the Corporation pursuant to the increase in authorized capital stock; (2) the 72,910,681 Class "B" common stock issued by the Corporation to Mindanao Gold Ltd. on July 16, 2012 at an issue price of Php4.40 per share in exchange for an assignment by Mindanao Gold Ltd. of receivables amounting to Php320,806,998 in favor of the Corporation; and (3) the 37,292,725 Class "A" common stock (issued by the Corporation to Mapula Creek Gold Corporation on July 16, 2012 at an issue price of Php4.40 per share in exchange for an assignment by Mapula Creek Gold Corporation of receivables amounting to Php164,087,992 in favor of the Corporation.

There being no questions or comments, and upon motion made and duly seconded, the shareholders' passed and approved the following resolutions:

RESOLVED, as it is hereby resolved, that the Board of Directors of the Corporation are hereby granted the following authority to:

- a. to issue such number of shares of stock out of the existing capital stock and increase in authorized capital stock to such persons and at an issue price of not less than par value as the Board of Directors may determine and to accept cash or non-cash properties as payment for such subscription;
- b. to conduct equity offerings as a means to raise funding for the Company or for expansion, including, but not limited to, placing and subscription transaction, under such terms and conditions that the Board of Directors may determine inclusive of: (i) authority to fix the number of shares for such equity transaction in such number of shares as may be required by the Corporation for funding its

projects or for its expansion; (ii) authority to appoint advisers, consultants, underwriters/lead managers, stabilization agent, and other relevant parties for the equity transaction; and (iii) determination of the offering price based on generally accepted pricing formula for publicly traded companies, as may be appropriate or relevant per prevailing market conditions.

- c. The waiver of the requirement to conduct a rights or public offering for shares issued by the Corporation pursuant to following transactions: (1) all shares issued by the Corporation pursuant to the increase in authorized capital stock; (2) the 72,910,681 Class "B" common stock issued by the Corporation to Mindanao Gold Ltd. on July 16, 2012 at an issue price of Php4.40 per share in exchange for an assignment by Mindanao Gold Ltd. of receivables amounting to Php320,806,998 in favor of the Corporation; and (3) the 37,292,725 Class "A" common stock (issued by the Corporation to Mapula Creek Gold Corporation on July 16, 2012 at an issue price of Php4.40 per share in exchange for an assignment by Mapula Creek Gold Corporation of receivables amounting to Php164,087,992 in favor of the Corporation."

X. ADJOURNMENT

There being no other business to be discussed, upon motion made and duly seconded, the meeting was thereupon adjourned.


ROSANNA A. PARICA
Corporate Secretary

ATTEST:

DR. WALTER W. BROWN
Chairman of the Board