

**MINUTES OF THE  
ANNUAL GENERAL MEETING OF THE  
SHAREHOLDERS OF NICKEL ASIA CORPORATION**

*Held on 07 June 2024, at 10:00 a.m.  
via remote communication  
presided from 28F NAC Tower 32nd Street,  
Bonifacio Global City, Taguig, 1634 Metro Manila*

**Shareholder Attendance:**

83.05% of the Company's outstanding capital stock

**Director present at the Company's principal office:**

Gerard H. Brimo, *Director, Chairman*  
Martin Antonio G. Zamora, *Director, President and CEO*  
Mr. Shiro Imai, *Director, Chairman of the Related Party Transactions Committee*  
Ms. Florencia G. Tarriela, *Lead Independent Director, Chairman of the Audit Committee*  
Mr. Leonides Juan Mariano C. Virata, *Director*  
Mr. Harvey T. Ang, *Director*

**Directors present via remote communication:**

Ms. Maria Patricia Z. Riingen, *Director, Vice Chairman*  
Mr. Yusuke Niwa, *Director*  
Atty. Angelo Raymundo Q. Valencia, *Independent Director, Chairman of the Board Risk Oversight Committee*

**Officers present at the Company's principal office:**

Maria Angela G. Villamor, *Senior Vice President - Finance and Revenue Management Group; Chief Financial Officer; Treasurer*  
Atty. Barbara Anne C. Migallos, *Corporate Secretary*  
Atty. Georgina Carolina Y. Martinez, *Senior Vice President – Corporate Support and Compliance Services; Chief Compliance Officer; Chief Compliance Officer; Chief Governance Officer; Assistant Corporate Secretary*

**Others present via remote communication:**

Sycip Gorres Velayo & Company, *External Auditors (represented by Ms. Eleanore A. Layug)*

**I. CALL TO ORDER**

The Chairman, Mr. Gerard H. Brimo, called the meeting to order and presided over the same. The Corporate Secretary, Atty. Barbara Anne C. Migallos, recorded the minutes of the proceedings.

The Chairman welcomed the stockholders to the 2024 Annual Stockholders' Meeting (the "Meeting") of Nickel Asia Corporation (the "Company"), held via remote communication. He then proceeded to introduce the incumbent Directors of the Company:

Mr. Martin Antonio G. Zamora, President and CEO; Ms. Maria Patricia Z. Riingen, Vice Chairman; Mr. Shiro Imai, Chairman of the Related Party Transactions Committee; Mr. Yusuke Niwa; Mr. Leonides Juan Mariano C. Virata; Ms. Florencia G. Tarriela, Lead Independent Director and Chairman of the Audit Committee; Atty. Angelo Raymundo Q. Valencia, Independent Director and Chairman of the Board Risk Oversight Committee; and Mr. Harvey T. Ang.

The Chairman proceeded to introduce Ms. Maria Angela G. Villamor, Senior Vice President and Chief Financial Officer, and Atty. Barbara Anne C. Migallos, Corporate Secretary, who were present with the Chairman and the President at the Company's principal office where the meeting was presided from.

The Chairman also acknowledged the representatives of the Company's independent external auditors, Sycip Gorres Velayo & Company (SGV & Co.) who attended the meeting remotely.

## **II. PROOF OF REQUIRED NOTICE OF THE MEETING**

The Chairman then inquired whether the Notices of the Meeting were properly sent to stockholders. The Corporate Secretary certified that in accordance with SEC rules, the Notice with the Agenda, together with the Definitive Information Statement approved by the SEC was posted on the website of the Corporation on 9 May 2024. The Notice and Agenda was also published in print and online in The Manila Standard and Business Mirror for two (2) consecutive days, on 15 May 2024 and 16 May 2024.

## **III. CERTIFICATION OF QUORUM AND EXPLANATION OF VOTING PROCEDURE**

The Corporate Secretary certified that there are present via remote communication, or represented by proxy, 83.05% of the outstanding capital stock of the Company. Accordingly, there was a quorum for purposes of the meeting.

The Corporate Secretary explained that as indicated in the Notice of the Meeting, stockholders may participate and attend the meeting only by remote communication. A dedicated email address was disclosed consistent with SEC rules so that stockholders would be able to register or to submit proxies on or before 28 May 2024. Shareholders who did so were considered present at the Meeting.

### **Voting Procedure and General Protocol**

At the request of the Chairman, the Corporate Secretary explained the protocol and voting procedure for the meeting.

1. The required quorum for an annual stockholders' meeting is the presence in person or by proxy of stockholders representing a majority of the outstanding capital stock. As earlier stated, there is a quorum for today's meeting.

2. Only the items on the Agenda and in the Definitive Information Statement will be voted upon. As stated in both the Notice and Definitive Information Statement, stockholders may cast their votes through an online ballot which must be submitted on or before 28 May 2024 to the dedicated email address. Voting instructions were provided in the Definitive Information Statement.

Proxy forms, which contain each item on the Agenda that requires shareholders' vote, were also made available in the Company website, for use by the shareholders for today's meeting.

3. In the election of directors, cumulative voting may be adopted. The nine (9) nominees with the greatest number of votes will be elected directors.

The names of each of the nominees are stated in the online voting form, and in the proxy. The shareholder may vote for all of the nominees, or withhold a vote for all or for certain nominees. Votes are cast and counted in accordance with the shareholders' instructions, as reflected in the proxies.

4. The Company's stock transfer agent, Stock Transfer Service, Inc. tabulated the votes. As necessary, such tabulation is subject to the review by SGV & Co., the Company's independent external auditor.
5. The results of the voting on each item will be announced when the particular item is taken up. A tabulation of results will be posted on the Company's website after the Meeting.
6. Stockholders were requested to submit their questions on or before 28 May 2024, through the dedicated email address that was provided to shareholders. Management will endeavor to answer all the questions. If, due to time constraints, we are not able to answer all the questions, responses to remaining questions will be sent via email.

#### **IV. APPROVAL OF MINUTES OF PREVIOUS MEETING**

The Chairman announced that the first item on the Agenda was the reading and approval of the Minutes of the Annual General Stockholders' Meeting held on 2 June 2023 (the "2023 AGM"). The Minutes of the 2023 AGM were posted on the Company's website five business days after that meeting. At the request of the Chairman, the Corporate Secretary presented the resolution for approval:

***"RESOLVED**, that the reading of the Minutes of the Annual Meeting of Stockholders held on 2 June 2023 be as it is hereby dispensed with, and that said Minutes are hereby approved."*

According to the Corporate Secretary, based on the tabulation of votes, stockholders representing 83.05% of the Company's outstanding capital stock voted in favor of the proposed resolution.

The Chairman declared the motion carried and announced that the Minutes of the Stockholders' Meeting held on 2 June 2023 were hereby approved.

## **V. ANNUAL REPORT AND AUDITED FINANCIAL STATEMENTS FOR THE YEAR 2023**

The next item on the Agenda was the approval of the Annual Report and of the Company's Audited Financial Statements and the Notes thereto for the year ended 31 December 2023. Copies of the report and the audited financial statements were previously distributed to the shareholders in accordance with pertinent SEC rules.

The President and Chief Executive Officer, Mr. Martin Antonio G. Zamora, presented the highlights of the Annual Report, followed by the Senior Vice President and Chief Financial Officer, Ms. Maria Angela G. Villamor, who presented the financial and operating highlights.

### *The President's Report*

Staying true in its commitment to creating lasting and transformational impacts in communities while fostering future growth, the Company has made significant progress towards its 2025 objectives of becoming the premier Environmental, Social, and Governance (ESG) investment in the Philippines and to be counted among the Top 25 PSE-listed companies in terms of market capitalization.

The five operating mines achieved a total sales volume of 16.5 million wet metric tons (WMT) of nickel ore, a 3% increase from the previous year's 15.9 million tons.

Exports of saprolite and limonite ore amounted to 8.9 million WMT from 8.2 million WMT in the previous year, while 7.5 million WMT of low-grade limonite ore were sold to its associate companies, Coral Bay Nickel Corp. (CBNC) and Taganito HPAL Nickel Corp. (THPAL).

The average price per WMT for saprolite and limonite ore exports stood at \$30.59, a 22% decrease from the previous year's \$39.39. On the other hand, the average price for payable nickel on limonite sales to the two HPAL plants, which are linked to the London Metal Exchange (LME), was \$9.89 per pound, translating to \$14.66 and \$18.48 per WMT, respectively. Combined revenue per WMT averaged \$23.30, down from \$29.17 in 2022.

Consolidated revenue for the year was PhP24.7 billion, lower than the PhP28 billion the prior year, primarily due to a decline in nickel ore prices resulting from an oversupply in the nickel industry. The revenue includes PhP2.3 billion from services and

other activities provided to the HPAL plants and PhP687.5 million from electricity sales by Jobin-SQM Inc. (JSI).

The attributable net income for the year, inclusive of the Company's share in equity losses in CBNC and THPAL, amounted to PhP3.7 billion.

The Board of Directors approved a special cash dividend of PhP0.07 per common share in November 2023. A regular cash dividend of PhP0.08 per common share and a special cash dividend of PhP0.05 per common share were approved on March 13, 2024. The amount of PhP1.81 billion was paid on April 12, 2024 to shareholders of record as of March 27, 2024.

The Company's commitment to positively impacting the lives of communities and individuals is best demonstrated through its actions as a responsible corporate citizen. In terms of tax payments, the group paid PhP1.8 billion into the national and local government coffers for 2023. With respect to social support, expenditures from Social Development and Management Program (SDMP) and Corporate Social Responsibility (CSR) programs amounted to PhP458.36 million, which includes PhP247.47 million in CSR projects and PhP167.4 billion in royalties dedicated to supporting Indigenous Peoples' communities.

Looking ahead, the Company is excited about three promising projects, namely, Dinapigue, Bulanjao, and Manicani, which are scheduled to either ramp up or kick off in 2024. The gold-copper exploration subsidiary, Cordillera Exploration Co., Inc. (CEXCI), a joint venture with Sumitomo Metal Mining, will be drilling multiple gold and copper targets in Isabela in 2024. These initiatives are expected to significantly enhance operations in the coming years.

The diversification into renewable energy is on track. Emerging Power, Inc. (EPI)'s solar generation capacity, driven by its subsidiary JSI, almost tripled from 2022, reaching 172 MW peak in the first quarter of 2024. Pre-development activities for the second solar project in Subic, the Subic Tower Project, are nearing completion, with construction of the 145 MW plant expected to commence in 2024. The Company plans to complete the 120 MW peak solar project in Leyte under Greenlight Renewables Holdings Inc., a joint venture with Shell, by the first quarter of 2025.

With respect to geothermal energy, the installation of initial 2 MW turbines under Biliran Geothermal Inc. (BGI) has paved the way for a further 10 MW expansion, with the aim to reach a full capacity of 50 MW in the medium term.

The Company's mining subsidiaries received multiple accolades at the 69<sup>th</sup> Annual National Mine Safety and Environment Conference, with operations honored with the Presidential Mineral Industry Environmental Award. The Institute of Corporate Directors acknowledged corporate governance performance with the Company receiving two Golden Arrows for its ASEAN Corporate Governance Scorecard. EPI was the sole CSR awardee for Subic Bay Metropolitan Authority's 2023 Mabuhay Business Awards.

Internationally, Hinatuan Mining Corporation was a runner-up at the 2023 ASEAN Mineral Awards.

Prestigious citations from Finance Asia and Asia Money showcased the Company's dedication to its investors. These milestones culminated in the Company's inclusion in the 30-member Philippine Stock Exchange Index in October 2023.

Despite a downturn in nickel prices due to a surplus from increased Indonesian output, the future remains encouraging, particularly for Class 1 nickel used in EV batteries. Global EV sales surged by 34% to 9.8 million units in 2023, with EV penetration projected to reach 34% by 2030, requiring about 1.3 million tons of nickel. As for Class 2 nickel, which is used in manufacturing stainless steel, the eventual recovery of the Chinese economy is expected to stimulate global recovery and contribute to the rebound of Class 2 nickel.

The Company's sustainability agenda was enhanced by the expansion of the renewable energy subsidiary, EPI, which significantly reduced emissions equivalent to removing 22,673 cars from the roads, or planting 1.7 million tree seedlings grown for 10 years based on U.S. Environmental Protection Agency (EPA) computations. Government initiatives like the Green Energy Option Program and Renewable Portfolio Standards bolster the Company's optimism about renewable energy in the Philippines.

Despite current challenges in the global nickel industry, the Company remains committed to its corporate ambitions. With the expertise of directors, dedication of colleagues, and support from shareholders and partner communities, the Company is well-positioned to face future challenges successfully.

### *Financial and Operating Highlights*

Ms. Villamor first reported on the key performance indicators of the Company's financial performance. Total Shipments Volume, Realized Prices, and Forex Rates are the main drivers of revenue values.

In 2023, the Company completed shipments of 16.45 million WMT, which is 3% higher compared to 2022. The oversupply of nickel from Indonesia led to lower prices for both foreign exports and HPAL deliveries. Consequently, the weighted average price per metric ton decreased by 20%, from \$29.17 in 2022 to \$23.30 in 2023. Despite lower revenue values, the weaker peso benefitted the Company with higher revenues in peso conversion.

Total cost per metric ton sold in 2023 was PhP803. Non-controllable costs, such as excise taxes and royalties based on revenue, decreased by nearly PhP500 million. Meanwhile, controllable costs increased by half a percent due to cost efficiencies implemented during the year. These factors led to a net decrease in total cost per metric ton sold by 6%.

The decline in nickel prices also negatively impacted the HPAL plants, Coral Bay Nickel Corp. (CBNC) and Taganito HPAL Nickel Corp. (THPAL), in which the Company owns 15.625% and 10% respectively, resulting in a share of losses amounting to PhP1 billion.

For the entire year, consolidated revenues reached PhP24.7 billion. Net income was PhP5.79 billion, resulting in an Earnings Per Share of PhP0.27. Of this net income amount, PhP3.75 billion is attributable to the Company's equity holders.

Despite the impact of weak metal prices, the Company's balance sheet remained robust and liquid, with total assets increasing to PhP57.9 billion from PhP49.76 billion in the previous year. Cash, cash equivalents, and financial assets totaled PhP17.3 billion, accounting for 30% of total assets. Total current assets stood at PhP23.5 billion, representing 41% of total assets and 2.4 times the amount of current liabilities. By the end of 2023, total equity increased by 6% at PhP43.1 billion.

The Company's cash position remained strong, with operations generating PhP11.5 billion in cash, and after income tax payments, cash from operating activities amounted to close to PhP8.97 billion. Other major sources of cash during the year are the termination of AFS investments of PhP2.3 billion, and the net loan availments of about PhP4.96 billion. During the year 2023, the Company allocated cash of PhP6.4 billion to capital expenditures for the mining and renewable energy businesses, and the Company paid dividends of PhP4.9 billion. At the close of 2023, cash and cash equivalents increased by PhP4.7 billion, bringing cash balance to PhP15.5 billion.

### *Open Forum*

The Chairman then asked the Corporate Secretary to inform the stockholders of any questions received. The Corporate Secretary confirmed that there were no questions received from the stockholders.

At the request of the Chairman, the Corporate Secretary presented the resolution for approval:

***“RESOLVED, that the Annual Report, together with the Audited Financial Statements and the notes thereto of the Corporation for the year ended 31 December 2023, be as they are hereby approved.”***

The Corporate Secretary stated that based on the tabulation of votes, stockholders owning a total of 83.05% of the Company's outstanding capital stock voted in favor of the approval of the proposed resolution.

The Chairman then declared that the motion was carried. The Company's Annual Report and the Audited Financial Statements and the notes thereto for the year ended 31 December 2023 were approved, ratified and confirmed.

## VI. RATIFICATION AND APPROVAL OF ACTS OF THE BOARD OF DIRECTORS AND EXECUTIVE OFFICERS

The Chairman said that the next item on the Agenda is the ratification and approval of the acts of the Board of Directors and executive officers during the year 2023. The Corporate Secretary presented the resolution for approval:

*“RESOLVED, that all acts, contracts, proceedings, elections and appointments made or taken by the Board of Directors, and Executive Officers and management of the Corporation during the past year and up to today’s meeting, as set forth in the Minutes of the Meetings of the Board of Directors, and/or all acts and proceedings performed or taken pursuant thereto, be as they are hereby, approved, ratified and confirmed.”*

At the Chairman’s request, the Corporate Secretary informed the stockholders that based on the tabulation of votes, shareholders representing 83.05% of the Company’s outstanding capital stock, have voted in favor of the approval and ratification of the acts of the Board of Directors and Officers of the Company during the past year.

The Chairman declared the motion carried. The resolution to ratify and approve all of the acts of the Board of Directors and/or Officers of the Corporation during the past year was approved.

## VII. APPOINTMENT OF INDEPENDENT AUDITORS

The Chairman said that the next item on the Agenda is the appointment of the Company’s independent external auditors. He said that the Audit Committee recommended the appointment of Sycip Gorres Velayo & Company as independent auditors of the Company for 2024, and the Board of Directors approved and accepted the recommendation. The Corporate Secretary presented the resolution for approval:

*“RESOLVED, that the accounting firm of Sycip, Gorres Velayo & Company, as recommended by the Audit Committee and the Board of Directors, be appointed as the external auditor of the Corporation for the year 2024 and until its successor is duly appointed.”*

At the Chairman’s request, the Corporate Secretary informed the stockholders that based on the tabulation of votes, shareholders representing 83.05% of the outstanding capital stock, voted in favor of the appointment of Sycip Gorres Velayo & Company as the independent external auditors of the Company for 2024.

The Chairman declared the motion carried. The appointment of Sycip, Gorres Velayo & Company as independent external auditors of the Company for 2024 was approved.



## VIII. ELECTION OF DIRECTORS

The Chairman said that the next item on the Agenda is the election of directors for the ensuing year, at least two of whom must be independent directors.

The Corporate Secretary reported that there were nine (9) nominees for the nine (9) seats on the Company's Board of Directors for election at this Meeting. The Nominations Committee screened the nine (9) nominees including the nominees for independent directors and thereafter prepared a Final List of qualified candidates, which was incorporated in the Information Statement for today's meeting. The following are the nominees:

1. Maria Patricia Z. Riingen
2. Martin Antonio G. Zamora
3. Harvey T. Ang
4. Jose Isidro N. Camacho
5. Shiro Imai
6. Yusuke Niwa
7. Leonides Juan Mariano C. Virata
8. James J.K. Hung (Independent Director)
9. Florencia G. Tarriela (Independent Director)

The Chairman asked the Corporate Secretary to inform the body of the votes cast for each of the nine (9) nominees to the nine (9) seats on the Company's Board of Directors.

The Corporate Secretary reported that all nine (9) nominees for the nine (9) seats on the Board received sufficient votes to elect them as Director of the Company. According to the Corporate Secretary, the tabulation of votes showing the exact numbers of votes received will be posted on the Company's website after the meeting.

The Chairman then declared that the following have been elected as Directors of the Company:

1. Maria Patricia Z. Riingen
2. Martin Antonio G. Zamora
3. Harvey T. Ang
4. Jose Isidro N. Camacho
5. Shiro Imai
6. Yusuke Niwa
7. Leonides Juan Mariano C. Virata
8. James J.K. Hung (Independent Director)
9. Florencia G. Tarriela (Independent Director)

**IX. OTHER MATTERS**

The Chairman asked if there were any other matters or business that the shareholders wished to raise. None of the shareholders came forward with questions or concerns.

**X. ADJOURNMENT**

There being no other matters to discuss, on motion made and duly seconded, the meeting was thereupon adjourned.

Prepared by:

**BARBARA ANNE C. MIGALLOS**  
*Corporate Secretary*

Attest:

**GERARD H. BRIMO**  
*Chairman*

***Nickel Asia Corporation***  
***Minutes of the Annual Stockholders' Meeting***  
***Held on 07 June 2024***