

**MINUTES
OF THE ANNUAL MEETING OF STOCKHOLDERS
OF NICKEL ASIA CORPORATION**

**Held on 6 June 2016 at 2:30 p.m.
at the Ascott Ballroom, 5th Floor, Ascott Bonifacio Global City
5th Ave. cor. 28th St., Bonifacio Global City, Taguig City**

Directors Present:

Manuel B. Zamora, Jr., Chairman
Philip T. Ang, Vice Chairman
Gerard H. Brimo, President and Chief Executive Officer
Luis J.L. Virata, Director
Takanori Fujimura, Director
Martin Antonio G. Zamora, Director
Frederick Y. Dy, Independent Director; Audit Committee Chairman
Fulgencio S. Factoran, Jr., Independent Director

Also Present:

Atty. Barbara Anne C. Migallos, Corporate Secretary
Jose B. Anievas, Chief Operating Officer
Emmanuel L. Samson, Chief Financial Officer
Atty. Jose Roderick F. Fernando, Vice President for Legal and Compliance Officer

Sycip Gorres Velayo & Company, External Auditors, represented by Eleanor A. Layug Partner in Charge and members of the audit team, and Jaime F. del Rosario, Partner in Assurance

I. Call to order

The Chairman, Mr. Manuel B. Zamora, Jr. 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 introduced the Directors present at the meeting, among them Mr. Frederick Y. Dy, Independent Director and Chairman of the Audit and of the Risk Committees, and Atty. Fulgencio S. Factoran, Jr., Independent Director, member of the Nominations Committee.

The shareholders were informed of the presence of representatives of the Company's independent external auditors, Sycip Gorres Velayo & Company (SGV & Co.).

II. Proof of Required Notice of the Meeting

The Corporate Secretary, Atty. Barbara Anne C. Migallos, certified that notices, together with the Agenda of the Annual General Stockholders' Meeting and the Information Statement duly approved by the Securities and Exchange Commission (SEC), were sent to the shareholders beginning 10 May 2016 and not later than 13 May 2016, within the periods prescribed under applicable rules and in conformity with corporate governance best practices. The Notice was also published in a newspaper of general circulation on 1 June 2016.

The Corporate Secretary presented a notarized certification that she executed to attest to these facts under oath.

III. Certification of Quorum and Explanation of Voting Procedure

The Corporate Secretary certified that shareholders owning **8,316,939,456** shares representing **84.63%** of the outstanding capital stock of the Company are present in person or by proxy. Accordingly, there was a quorum for purposes of the meeting.

Voting procedure

The Corporate Secretary explained the **voting procedure** for the meeting.

1. The required quorum for meetings of shareholders is the presence, in person or by proxy, of shareholders holding a majority of the outstanding capital stock. To approve an agenda item, the YES vote of at least a majority of those present is required. There are no items requiring a higher vote under the Corporation Code.
2. Only items reflected on the agenda and the Information Statement will be voted upon. No resolution that is not in the Agenda will be voted on.
3. Voting is by balloting.

Shareholders who are present and did not submit proxies prior to the meeting were given ballots upon registration.

In the case of proxies submitted prior to the meeting, the designated proxy was provided with ballots for casting in accordance with the instructions contained in the proxies.

The proxy form contains every item on the Agenda requiring a vote, with spaces provided for YES, NO or ABSTAIN votes. The shareholder issuing the proxy indicates his vote on this form, and the votes are cast in accordance with such instructions.

4. The Company's transfer agent, Stock Transfer Service, Inc. (STSI), tabulated the proxies and the ballots with the Company's external auditors, SGV and Company.
5. The results of the voting on each item will be announced when the particular item is taken up by the body and will be posted on the Company's website.

IV. Approval of Minutes of Previous Meeting

The Chairman announced the first item on the Agenda which is the reading and approval of the Minutes of the Annual Stockholders' Meeting held on June 5, 2015.

A stockholder moved that the reading of the Minutes of the Annual Meeting of Stockholders held on June 5, 2015 be dispensed with and that the said Minutes be approved. The motion was seconded.

The Chairman requested the Corporate Secretary to inform the body of the votes of the shareholders on the approval of the Minutes of the Annual Stockholders Meeting held on June 5, 2015. The Corporate Secretary reported that shareholders holding **7,056,508,576** shares representing **83.72%** of the outstanding capital stock of the Company, voted YES to the approval of the Minutes of the June 5, 2015 Annual General Stockholders' Meeting. The Minutes of the June 5, 2015 Annual General Stockholders' Meeting were approved.

V. Annual Report and Audited Financial Statements for the Year 2014

The Company's President and Chief Executive Officer, Mr. Gerard H. Brimo presented highlights of the Annual Report, followed by the Chief Financial Officer, Mr. Emmanuel L. Samson, who presented the financial and operating highlights.

The President's Report

Mr. Brimo welcomed the shareholders to the Company's Annual Stockholders' Meeting. He pointed out that the President's report, in the form of a Joint Statement with the Chairman, is contained in the 2015 Annual Report.

The President said that the Company achieved many things in 2015. The Company sold more than twenty million (20M) wet metric tons of nickel ore, which is ten percent (10%) higher than the previous year, and has been steadily increasing for seven (7) consecutive years. Two of the company's mines now use crushers to properly size the ores and improve efficiency. The loading facilities have also been improved that loading 4 vessels can now be done simultaneously. The Company has also completed two conveyor belts, one over three kilometers long located at the Company's Taganito mine, the largest of the Company's mine sites. The conveyor belts

are designed to carry four (4) million metric tons of limonite ore per year to provide daily feed to the new Taganito HPAL plant. These improvements have contributed to the increase in shipment volumes and productivity, which translated to a 9% reduction in total costs in expenses per wet metric ton of ore sold. With the purchase of Geogen Corporation in the second half of 2015, the Company is now in the process of developing its fifth mining operation, the Isabela Nickel Project, which is expected to be on stream by next year.

The Company's gold and copper exploration subsidiary, Cordillera Exploration Company, Inc. (CEXCI), recently purchased a company with an exploration permit in Zambales discovered to contain good gold grades. After three months of surface geological work, the Company is now drilling to test for the lateral and depth extensions. These are just the beginning of what the Company hopes to be a commercially viable gold deposit, and the Company is optimistic that good news awaits the near future.

It is also in 2015 when the Company formally entered the renewable energy business with the conversion of the loan extended by the Company to Emerging Power, Inc. (EPI) to equity resulting to a 66% equity ownership in EPI. EPI has a number of renewable energy projects in the pipeline such as a one hundred (100) megawatt solar project and a fifty (50) megawatt wind project in the Subic Bay Freeport, two geothermal service contracts in the province of Biliran, and a geothermal service contract in Mindoro Oriental covering the Montelago geothermal field. Seven (7) megawatts are now being produced in the Subic solar project, and the balance of ninety-three (93) Megawatts should be substantially completed by the end of this year. In Biliran, EPI will move ahead with the construction of a five (5) Megawatt power plant this year after five (5) wells have already been drilled in this potentially very large geothermal field. Two (2) wells have already been drilled in the Montelago project which are currently undergoing thermal recovery upon the results of which the decision to further develop will depend. The President said that the Company views the renewable energy business, which harnesses natural resources to generate energy, as a proper fit for the Company as it is in the natural resource business. It also provides the Company with an opportunity to generate a lower, more stable revenue base that will smooth out the ups and downs in the mining business. The renewable energy business is capital intensive and may take time to develop but the Company is well on its way.

Last year was a debacle for virtually all commodities, including nickel, said the President. The slow down in China and the strong US dollar which tends to depress commodity prices have contributed to the low prices of metal. In the case of nickel specifically, the high level of inventory following five years of surplus production have been contributing factors in the price decrease. In January 2015, the average LME price was \$6.70 per pound, and throughout the year, the price dropped to \$3.94 per pound in December. The decline continued in January and February of this year, with an average of \$3.77 per pound, the lowest in thirteen years. The decline in LME nickel

price and various ore products have lowered the company's revenues and profits in 2015.

The President emphasized that amidst the cyclical low in metal prices, the Company's mining operations are still profitable and should continue to be so this year. This is important to know given that at current price levels, around sixty percent (60%) of nickel producers worldwide are losing money and are cash flow negative. The Company is fortunate that it is in a position to ride out this cyclical low in metal prices. However, the Company's two (2) nickel processing plant affiliates, Coral Bay Nickel Corporation and Taganito HPAL Nickel Corporation, were not able to make money at current price levels. While this does not translate to loss of cash, it does depress the Company's overall results.

The President said that the Company hopes to see better prices in the second half of 2016 but admits that this year will still be a very challenging one. Continuing the Company's productivity improvement programs, developing the Company's fifth (5th) mining operation, growing the renewable energy business under EPI, drilling the gold under CEXCI, and keeping an eye out for opportunities, will be the main objectives of the Company for 2016.

Finally, the President emphasized that in good times or bad, the Company remains faithful to the principles of sustainable development, as it has always been. Last year, the Company's oldest operation, Rio Tuba Nickel, received the Presidential Mineral Industry Environmental Award, the highest recognition of environmental industry, while the Taganito operation won the Best Mining Forest Award. It was also in 2015 when the Company started the process of obtaining ISO 1401 Certifications on Environmental Management Systems for its four (4) operating mines. Obtaining ISO 1401 certification is a lengthy and complicated process and having the four (4) mines to work simultaneously towards achieving this was a daunting task. The President was pleased to announce that early this year, following a two-stage audit by the certifying entity, all four (4) operations met the standards and the issuance of the Certifications was duly endorsed. The Company is now working towards getting the Company's various mines certified under ISO 1801 on occupational health and safety standards. Indeed, the health and safety of the workforce, the protection of the environment, and ensuring that its host communities are developed through the company's various social development programs, are the hallmarks of responsible mining which is what the Company ensures to uphold at all times.

Financial and Operating Results

The Chief Financial Officer, Mr. Emmanuel L. Samson, then presented the financial highlights for the year 2015, with comparative figures for 2014 and 2013.

In 2015, shipment volume was at 19.7M tonnes, an increase from the 17.9M tonnes in 2014. Over a three-year period, the annualized increase in shipment volume

is around 18.5%. For the four (4) operating subsidiaries, the Taganito Mine, followed by the Rio Tuba mine were the drivers for shipment volume.

In 2014, the company's revenue increased by 130% while revenues fell by 29%, or at roughly PhP14.4B this year. The main drivers for this year's revenue are the Taganito and Rio Tuba mines. The substantial fall in revenue in 2015 can be attributed to the huge drop in nickel LME and various ore prices. In 2015, the nickel LME price averaged at \$5.36/lb compared to \$7.65/lb in 2014. In terms of realized ore prices, saprolite ore price fell from an average of \$58/tonne in 2014 to \$28/tonne in 2015, and from \$17/tonne in 2014 to \$9/tonne in 2015 for limonite ore.

The CFO then reported that there are four types of ore namely the a) high grade saprolite; b) middle grade saprolite; c) middle grade and high iron limonite; and d) the low grade limonite. In terms of volume, the main driver is the low grade limonite which is delivered to two of the Company's processing plants. In 2015, sales of low grade limonite amounted to 7.8M tonnes out of a total of 19.7M tonnes, or roughly forty percent (40%) of the total sales for the year. The growth however comes from the middle grade saprolite ore which increased from 4.7M tonnes shipped out in 2014 to 6.2M tonnes in 2015. In terms of revenues, the key contributor is the middle grade saprolite ore which generated close to PhP7B in revenues.

Operating Margins

In 2015 operating margin stood at about \$6 which is significantly lower than the margin realized in 2014 which is at \$18. This is because revenue on a per wet metric ton basis fell from \$30 to \$16.

Revenues; EBITDA

In summary, revenues in 2015 fell by 38% from PhP24.7B in 2014 to PhP15.4B in 2015. EBITDA, on the other hand, dropped from PhP15.8B in 2014 to PhP6.5B in 2015.

Net Income

The Company's net income from mining operations stood at PhP2.8B. However, the Company recognized its share of equity losses from its two processing plants amounting to PhP800M, translating to actual earnings of only about PhP2B. In contrast, the Company in 2014 recognized around 522M in equity earnings from the two processing plants.

Nickel Market

The CFO reported that in 2014, Indonesia effected a ban on the export of ores including nickel ore. At the time the ban was effected, LME nickel price was around \$6.20 per pound. This incited an excitement about a potential supply deficit in the market created by the Indonesia ore export ban leading to nickel prices skyrocketing as high as \$9.46 which was sustained for a few months until around August 2014 when LME nickel prices started going down. By the end of 2015, nickel LME price was down

to \$3.88. After 5 consecutive years of surplus, the reality is that there is too much inventory of nickel and inventory still is growing quite significantly.

For this year, the Company is optimistic. Market is reportedly expected to swing to a deficit this year. Due to expected lower production in China and Europe, production will decrease by 69,000 tonnes. Taken with the expected increase in consumption in China and Indonesia, overall consumption is expected to increase by 72,000 tonnes this year, bringing the deficit to around 49,000 tonnes, a first time in 6 years. The CFO said that prices are slowly recovering, although are still quite at a low. The bottom has probably been already hit, and the Company is already off to a good start.

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 2015. A stockholder moved for the adoption and approval of the following resolution:

“Resolved, that the shareholders of Nickel Asia Corporation (the ‘Company’) ratify and approve, as they hereby ratify and approve, all of the acts, contracts, proceedings, elections and appointments made or taken by the Board of Directors and executive officers of the Company during the past year.”

At the Chairman’s request, the Corporate Secretary informed the body of the votes of the stockholders on the matter. The Corporate Secretary reported that shareholders holding **6,972,706,758** shares representing **82.63%** of the outstanding capital stock of the Company voted in favor of the approval and ratification of the acts of the Board of Directors and/or Officers of the Corporation during the past year.

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

VII. Appointment of External Auditor

The Chairman said that the next item on the Agenda is the appointment of the Company’s independent auditors. He said that the Audit Committee recommended the appointment of Sycip Gorres Velayo & Company as independent auditors of the Company for 2016, which recommendation was accepted by the Board of Directors.

A shareholder moved for the appointment of Sycip Gorres Velayo & Company as independent auditors of the Company for 2016, which motion was seconded.

At the Chairman’s request, the Corporate Secretary informed the body that shareholders holding **6,967,706,758** shares representing **82.57%** of the outstanding capital stock of the Company voted in favor of the appointment of Sycip Gorres Velayo

& Company as the independent external auditor of the Company for 2016. The Chairman declared that the appointment of Sycip Gorres Velayo & Company as independent auditors of the Company for 2016 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 Annual Stockholders 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. Philip T. Ang
2. Gerard H. Brimo
3. Frederick Y. Dy (Independent Director)
4. Fulgencio S. Factoran, Jr. (Independent Director)
5. Takanori Fujimura
6. Takeshi Kubota
7. Luis J. L. Virata
8. Manuel B. Zamora, Jr.
9. Martin Antonio G. Zamora

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 table below provides the detailed distribution of the votes cast on each of the Directors:

Nominee	Votes	%
Philip T. Ang	6,870,871,408	81.32%
Gerard H. Brimo	7,049,527,976	83.63%
Frederick Y. Dy- Independent	7,051,748,576	83.66%
Fulgencio S. Factoran, Jr. – Independent	7,050,835,576	83.64%
Takanori Fujimura	6,840,799,022	80.93%
Takeshi Kubota	6,840,799,022	80.93%
Luis J. L. Virata	6,843,220,230	80.96%
Manuel B. Zamora, Jr.	7,015,967,290	83.19%
Martin Antonio G. Zamora	6,870,871,408	81.32%

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. Indeed, the vote of the shareholders was overwhelmingly in favor of the nine (9) nominees for

the nine (9) seats on the Company's Board of Directors. The Chairman then declared all of the nine nominees as duly elected members of the Company's Board of Directors

IX. Other Matters

The Chairman then asked whether there were other matters to be taken up at today's meeting. None of the stockholders 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:

MANUEL B. ZAMORA, JR.
Chairman

Nickel Asia Corporation
Annual General Meeting of the Stockholders
6 June 2016 Minutes