

**MINUTES OF THE ANNUAL MEETING
OF THE STOCKHOLDERS**

OF

MINERALES INDUSTRIAS CORPORATION

Held at the Makati Sports Club, Makati City
On July 27, 2011, 4:00 p.m.

PRESENT:

Stockholders Present in Person	6,867,997
Stockholders Present by Proxy	99,533,864
Total No. of Shares Present/ Represented	106,401,861
Total No. of Shares Outstanding	190,000,000

1. Call to Order

The Chairman of the Board, Mr. Michael T. Defensor, called the meeting to order and presided over the same. The Corporate Secretary, Atty. Ana Maria A. Katigbak, recorded the minutes of the proceedings.

2. Proof of Notice

The Corporate Secretary reported that the Definitive Information Statement and Notice of the meeting were transmitted by personal delivery of mail to the stockholders of record at their respective addresses indicated in the corporate records at least 15 business days before the meeting.

3. Certification of Quorum

The Corporate Secretary reported that based on the certification of the Corporation's stock and transfer agent, at least 106,401,861 shares were present or represented by proxy at the meeting out of the total of 190,000,000 outstanding shares. This constitutes 56% of the Corporation's outstanding capital stock. She then certified that a quorum existed for a valid transaction of business.

4. Approval of Previous Minutes

Upon inquiry by the Chairman, the Corporate Secretary advised that copies of the minutes of the previous stockholders' meeting held on August 31, 2007 were provided to the stockholders upon registration at the meeting. After some discussion and upon motion made and duly seconded, the said minutes were deemed read and approved by the stockholders. At this instance, the Corporate

Secretary noted for the record that management received proxies from at least a majority of the outstanding capital stock instructing the proxy holder or the

President of the Corporation to vote in favor of the approval of the minutes of the August 31, 2007 stockholders' meeting.

5. Management Report

The President, Mr. Gener Mendoza, rendered the management report. The following highlights were noted:

- For 2010, income amounted to about Php130,000 derived mainly from the sale of marketable securities.
- Operating expenses increased by 32%. This is due largely to expenses incurred arising from the issuance of 10,000,000 shares in December 2009 and which was completed in early 2010.
- For the year 2010, the company posted a net loss of Php1.3 million.
- Total assets went up by 62% due mainly to the private placement of 10,000,000 shares.
- Total liabilities declined by 89%.
- Total stockholders' equity went up by 111% with the completion of the private placement in early 2010.
- For the coming year, given the favorable economic climate and business outlook, management is more optimistic about the prospects for developing strategic partnerships even outside the mining industry. In this connection, the Board of Directors has recently approved the change in primary purpose of the company from that of a mining company to a holding company.

After some discussion, the management report was noted by the stockholders. At this instance, the Corporate Secretary noted for the record that management received proxies from at least a majority of the outstanding capital stock instructing the proxy holder or the President of the Corporation to vote in favor of the approval of the management report.

6. Ratification of Acts of Officers and Directors

The stockholders then proceeded to discuss the acts of management and the Board of Directors for the past year. After some discussion and upon motion made and duly seconded, the following resolution was approved:

*“RESOLVED, That the stockholders of **Minerales Industrias Corporation** (the “Corporation”) approve, ratify and confirm, all the acts, decisions and resolutions of the Board of Directors and officers of the Corporation made or undertaken in the year 2010 and until the date of this meeting as they are reflected in the books and records of the Corporation.”*

At this instance, the Corporate Secretary advised that management received proxies from at least a majority of the outstanding capital stock instructing the proxy holder or the President of the Corporation to vote in favor of the ratification of the acts of officers and directors of the Corporation.

7. **Appointment of External Auditors**

The Chairman advised that the next item in the agenda is the appointment of external auditors. Upon motion made and duly seconded, the following resolution was approved:

"RESOLVED, That the stockholders of Minerales Industrias Corporation approve, ratify and confirm, the appointment of SyCip, Gorres, Velayo & Co. as the external auditors of the Corporation for the current year."

At this instance, the Corporate Secretary advised that management received proxies from at least a majority of the outstanding capital stock instructing the proxy holder or the President of the Corporation to vote in favor of the appointment of SyCip Gorres Velayo & Co. as external auditors of the Corporation for the current year.

8. **Election of Directors**

The meeting then proceeded with the election of directors for the current year. The Corporate Secretary stated that under Article VI of the Amended Articles of Incorporation, there are seven (7) seats in the Board of Directors. Under SRC Rule 38, on the other hand, public companies are required to have at least two (2) independent directors. The Corporation received a total of five nominees for regular directors and two nominees for independent directors, namely:

For Regular Directors:

MICHAEL T. DEFENSOR
 GENER T. MENDOZA
 VICTOR Y. ELEAZAR
 ISABELITA P. MERCADO
 ANTONIO VICTORIANO F. GREGORIO III

For Independent Directors:

VICTORIA M. VAZQUEZ
 WILLIAM D. TY

On motion made and duly seconded, the above nominees were unanimously elected as directors of the Corporation for the current year to serve as such for a period of one year and until their successors are duly elected and qualified.

9. **Amendment of the Articles of Incorporation- Change of Primary Purpose**

The Chairman advised that the meeting would proceed with the proposal to amend the articles of incorporation to change the primary purpose clause to revert to being a holding company. The proposed language of the primary purpose clause was included in the definitive information statement previously distributed to the stockholders of record. At this instance, the Corporate Secretary advised that stockholders representing 56% of the outstanding capital stock were present or represented at the meeting. However, considering that the Corporation Code requires

approval of the stockholders representing at least 2/3 of the outstanding capital stock, the proposal to amend the articles of incorporation to change the primary purpose clause could not be passed at the meeting of the stockholders. The Chairman then advised that the same will be resubmitted to the stockholders at the next annual stockholders' meeting.

10. Amendment of the Articles of Incorporation- Increase in Capital

Upon the request of the Chairman, the President gave a brief background of the proposal. It was noted that on December 20, 1999, the stockholders of the Corporation representing at least 2/3 of the outstanding capital stock approved the Php500,000,000.00 increase in its authorized capital stock, or from Php240,000,000.00, divided into 240,000,000 shares, with a par value of Php1.00 per share, to Php740,000,000.00, divided into 740,000,000 shares, with a par value of Php1.00 per share. At the stockholders' meeting held on August 31, 2007, the stockholders approved the delegation to the Board of Directors of the prerogative to determine the investor/s to whom shares may be issued amounting to an aggregate of Php560,000,000.00, which will come from the above mentioned increase in authorized capital stock already approved by the stockholders on December 20, 1999 (to the extent of Php500,000,000.00), and from the unissued capital stock of the Corporation (to the extent of Php60,000,000.00), and the terms and conditions of such share issuance. In view of the passage of time, however, the management of the Corporation is submitting the same resolution for reconfirmation by the stockholders except that the shares available for subscription shall now be Php550,000,000 only, following the private placement of Php10,000,000 shares completed in early 2010.

After some discussion and upon motion made and duly seconded, the stockholders approved, confirmed and ratified, the previous resolution of the stockholders to increase the authorized capital stock from Php240 million to Php740 million, and to delegate to the Board of Directors the prerogative to determine the investor/s to whom shares may be issued amounting to an aggregate of Php550,000,000.00 and the terms and conditions of such share issuance.

The Corporate Secretary noted for the record that management received proxies from at least a majority of the outstanding capital stock instructing the proxy holder or the President of the Corporation to vote in favor of the ratification of the previous resolution to increase the authorized capital stock to Php740 million and to delegate to the Board of Directors the prerogative to determine the investor/s to whom shares may be issued amounting to an aggregate of Php550,000,000.00 and the terms and conditions of such share issuance.

11. Amendment of By-Laws- Change of Annual Meeting Date

The Chairman announced that the next item in the agenda was the amendment of by-laws to change the annual meeting date from the fourth Wednesday of April of each year to the fourth Wednesday of May of each year. The proposed amendment was intended to give the management of the Corporation sufficient time to prepare all reports and materials needed for the conduct of the stockholders' meeting. After some discussion and upon motion made and duly seconded, the stockholders approved the proposal and the following resolution was passed:

*RESOLVED, That the stockholders of **Minerales Industrials Corporation** approve, ratify and confirm, the amendment of the By-Laws of the Corporation to change the annual meeting date from the fourth Wednesday of April of each year to the fourth Wednesday of May of each year;*

RESOLVED, FURTHER, to authorize the directors and officers of the Corporation, to sign, execute and submit to the Securities and Exchange Commission, and other appropriate government and regulatory agencies, any and all documents which may be required to implement the foregoing."

The Corporate Secretary noted for the record that management received proxies from at least a majority of the outstanding capital stock instructing the proxy holder or the President of the Corporation to vote in favor of the amendment of the by-laws to change the annual meeting date to the fourth Wednesday of May of each year.


12. Other Matters


A stockholder inquired on the status of the stock rights offering previously disclosed by the company. The President advised that the same was deferred because of the PSE rule that a stock rights offering cannot be implemented for the purpose of acquiring mining rights.

13. Adjournment

There being no further business to transact, the meeting was thereupon adjourned.

ATTEST:


MICHAEL T. DEFENSOR
Chairman of the Stockholders' Meeting


ANA MARIA A. KATIGBAK
Secretary of the Stockholders' Meeting