

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

*Held on 03 June 2022, at 10:00 a.m.  
via remote communication  
presided from 28F NAC Tower 32nd Street,  
Bonifacio Global City, Taguig, 1634 Metro Manila*

**Shareholder Attendance:**

78.89% 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*

**Directors present via remote communication:**

Mr. Philip T. Ang, *Director and Vice Chairman*  
Mr. Masahiro Kamiya, *Director; Chairman of the Related Party Transactions Committee*  
Mr. Yusuke Niwa, *Director*  
Ms. Maria Patricia Z. Riingen, *Director*  
Mr. Luis J. L. Virata, *Director*  
Mr. Jaime J. Bautista, *Lead Independent Director, Chairman of the Audit Committee*  
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 – Compliance and Corporate Support Services Group; Chief Compliance Officer; Chief Governance Officer; Assistant Corporate Secretary*

**Others present via remote communication:**

External Auditor:  
Sycip Gorres Velayo & Company, External Auditors (represented by Jaime F. del Rosario and members of the external audit team)

**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 2022 Annual Stockholders' Meeting (the "Meeting") of Nickel Asia Corporation (the "Company"). He then proceeded to introduce the incumbent Directors of the Company who were present via remote communication: Philip T. Ang, Vice Chairman, Masahiro Kamiya, Chairman of the Related Party Transactions Committee, Mr. Yusuke Niwa, Ms. Maria Patricia Z. Riingen, Mr. Luis J. L. Virata, Mr. Jaime J. Bautista, Lead Independent Director and Chairman of the Audit

Committee, and Atty. Angelo Raymundo Q. Valencia, Independent Director; Chairman of the Board Risk Oversight Committee.

The Chairman introduced Mr. Martin Antonio G. Zamora, Director, President and CEO, Ms. Maria Angela G. Villamor, Senior Vice President - Finance and Revenue Management Group, Chief Financial Officer, and Treasurer, and Atty. Barbara Anne C. Migallos, Corporate Secretary, who were present 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 13 May 2022. The Notice and Agenda was also published in print and online in Business Mirror and Manila Standard for two (2) consecutive days, on 13 May 2022 and 14 May 2022.

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

The Corporate Secretary certified that there are present via remote communication, or represented by proxy, 78.89% 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 23 May 2022. 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 holding 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. Items that are not on the Agenda cannot be submitted to a vote by the shareholders.

3. As stated in both the Notice and in the Definitive Information Statement, stockholders may cast their votes through an online ballot which must be submitted on or before 12:00 noon of 23 May 2022 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.

4. 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.

5. 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.
6. 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.
7. Stockholders were requested to submit their questions on or before 2 June 2022 at 12 noon, 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 MEETINGS**

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 4 June 2021 (the "2021 AGM"). The Minutes of the 2021 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 4 June 2021 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 a total of 10,752,973,596 shares or 78.89% 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 4 June 2021 were hereby approved.

## **V. ANNUAL REPORT AND AUDITED FINANCIAL STATEMENTS FOR THE YEAR 2021**

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 2021. 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 - Finance and Revenue Management Group, Chief Financial Officer, and Treasurer, Ms. Maria Angela G. Villamor, who presented the financial and operating highlights.

### **The President's Report**

The President welcomed the shareholders to the Company's Annual Shareholders' Meeting, and presented the joint report of the Chairman and the President for the year 2021.

In November 2021, the Board of Directors of the Company approved a new vision statement for the Company:

*"We strive to contribute to sustainable national development by adopting our ESG roadmap in order to achieve the highest standards in the responsible utilization of our country's natural resources."*

More than just a simple revision of the old statement, the new vision statement heralds the changes that the Company is today undergoing as the Environmental, Social, and Governance (ESG) process is being finalized - changes that will enable the Company to be at the forefront of truly sustainable development of the country's natural resources and result in an even more stable and successful company.

It was in 2020 when the Company pledged this commitment. Part of it was recognizing that the values driving ESG have in fact been at the core of NAC's own values. A self-assessment against the Global Reporting Initiative standards in 2014 was conducted, by incorporating a Sustainability Report in the Company's Annual Reports - one of the first in the local mining industry to do so.

When the Board approved incorporating reference to ESG into the Company's Vision statement, there was no reason to be reticent – the Company is what it is today because the communities, the people, and its partners have no doubt, that wherever the Company operates, lives change for the better.

The town of Bataraza in Palawan which hosts the Rio Tuba operation used to be a fourth-class municipality, but is now first-class and the richest municipality in the entire

MIMAROPA region, while the town of Claver in Surigao del Norte, where the Taganito operation is located, is on the cusp of becoming a city. This has been the Company's track record for over half a century.

To put substance behind the new vision statement, key commitments under the three ESG pillars were identified.

Under the first pillar, Environment, the Company committed to being part of the global effort to achieve sustainability through achieving Carbon Sink, a Net Positive Biodiversity Impact, and a Net Positive Water Impact.

Under the Social pillar, the Company committed to ensuring Good Health and Well-being for the Company's employees, providing Equal Opportunity at all levels and across all backgrounds, and establishing Sustainable Communities after mine conversion.

Finally, under the Governance pillar, The Company has chosen to commit to an Inclusive Leadership and Management, establish a Strong Organizational Culture, and institute a Robust and Comprehensive Risk Management System.

The Company is just in the beginning of its ESG journey.

As part of the process of crafting a new vision statement for the Company, OneNAC Vision was put together that set out two clear targets for 2025: to be the premier ESG investment in the Philippines and to be among the Top 25 PSE-listed companies in terms of market capitalization. To achieve these, the OneNAC Vision is anchored on three focus areas: (1) Results – to deliver promises to shareholders through efficiency and effectiveness; (2) Resources – to optimize the utilization of resources while exploring business expansion through people who strive to be “best in class”; and (3) Relationships – to seamlessly work as a Company and maintain collaborative partnerships with stakeholders to protect the Company's social license to operate.

Last November 26, the Presidential Mineral Industry Environment Awards were handed out, bestowed to deserving mining organizations and permit holders for their outstanding levels of initiatives and innovations in the pursuit of environmental protection, safety and health management, and social and community development. This is the highest award conferred by the President of the Philippines on the Philippine mining industry's best. Management is pleased to announce, and is proud of the multiple awards the Company's operating companies received:

Rio Tuba Nickel Corporation:

Platinum Achievement Awards, Surface Mining Operations  
PMIEA Titanium Achievement Award,  
Quarry Operations Category

Hinatuan Mining Corporation:

PMIEA Award, Surface Mining Operations  
Best Mining Forest, Metallic Mining Category

Safest Surface Mining Operation, Safest Mining Operation  
 Best Surface Safety Inspector  
 Best Surface Miner

Taganito Mining Corporation:  
 PMIEA Award,  
 Surface Mining Operations

Moreover, the five awards received by Hinatuan represent a sweep of all awards that a surface mining operation can win. More importantly, with Hinatuan winning the Presidential award in 2021 means that all four of the operating companies have now won this highest honor at least once.

How the Company impacts the lives of the communities and people is best exemplified by its actions as a responsible corporate citizen. In the area of tax payments, the group paid PhP7.3 billion into the national and local government coffers for 2021 alone. The Rio Tuba operations in Palawan are consistently one of the highest taxpayers in the province, and Taganito operations in Surigao del Norte, the largest mine, are regularly listed among the largest taxpayers in the country by the Bureau of Internal Revenue.

For social support, SDMP projects and CSR programs amounted to an expenditure of PhP309 million, including PhP36 million in CSR projects devoted to Indigenous Peoples' communities and royalties totaling PhP185 million.

NAC and its subsidiaries directly employed 1,887 people. Labor relations have been excellent – there are existing CBA agreements with the unions at the four major operations that were cited for the following achievements:

Rio Tuba Nickel Corporation:  
 DOLE Safety Seal

Hinatuan Mining Corporation:  
 DOLE Safety Seal Certification  
 Regional Winner, Search for Outstanding LMC in the Organized Category

Taganito Mining Corporation:  
 DOLE Safety Seal certificate  
 National Winner, Search for Outstanding Labor-Management Cooperation (LMC) in the Organized Category  
 TESDA accredited Competency Assessment Center

Cagdianao Mining Corporation:  
 DOLE Safety Seal Certification  
 DOLE Certification as a child-labor-free establishment for not engaging in child labor and not using products or materials produced from child labor  
 TESDA-accredited as a Competency Assessment Center for heavy equipment operation

In terms of operations, the four operating subsidiaries achieved total sales of 17.9 million wet metric tons of nickel ore.

Exports of saprolite ore to Chinese and Japanese customers increased to 9.6 million wet metric tons. Similarly, limonite ore exports also increased to 1.2 million wet metric tons.

As for operations in Rio Tuba and Taganito, 7.1 million wet metric tons of low-grade limonite ore were sold to associate companies, Coral Bay and Taganito HPAL.

With respect to prices, average price for saprolite ore exports was \$42.1 per wet metric ton while the average price of limonite exports, principally of the high iron variety, also increased to \$27.1 per wet metric ton.

The Company realized an average of \$8.4 per pound of payable nickel on limonite sales to two HPAL plants. These prices translate to \$12.1 per wet metric ton.

On a combined basis, the Company averaged \$29.1 per wet metric ton in 2021, up 30% from the previous year.

Due to higher ore sales volume and prices, consolidated revenues grew to PhP27.4 billion. This includes the services and other activities performed by Rio Tuba and Taganito operations to the HPAL plants and the sales of electricity from Emerging Power Inc. and the diesel power plant in Surigao.

Attributable net income also rose by 92% to PhP7.8 billion, which includes the share in the earnings of Coral Bay and Taganito HPAL.

On March 10, 2022, the Board of Directors approved a regular cash dividend of 17 cents and a special cash dividend of 5 cents per common share

On nickel outlook, LME nickel price ended the year strongly at almost \$29,000 per ton. The rise in LME nickel price was driven by the decrease in inventory in exchange warehouses, which reached critically low levels at the end of the year.

Driving this on the demand side, nickel consumption by both the stainless steel and EV sectors was strong, on the back of stainless-steel production growth of over 10 percent and EV sales increase of more than 100 percent over the previous year. On the supply side, COVID-related cuts impacted global nickel production.

These factors led to a deficit of about 160,000 tons for 2021 vis-à-vis market expectations of a surplus.

Going forward, there is little debate among industry players and analysts that the main driver of nickel demand will remain the electric vehicle (EV) sector.

In 2021, EV batteries consumed around 194,000 tons of nickel on the back of EV sales of about 6 million vehicles, more than double the number sold in the previous year. By 2025, consumption of nickel is expected to further triple to 566,000 tons.

Further bolstering nickel price prospects are the low cost of nickel relative to an EV unit, the likelihood that nickel-rich batteries will continue to be the dominant EV battery type, and ESG considerations, which are expected to increase nickel production costs.

In line with the OneNAC Vision, the Company has increased its commitment to develop a significant renewable energy generation business through Emerging Power, Inc., an 86.29-percent owned subsidiary. This is in line with the country's transition toward sustainable clean energy and in competitive track record of developing, operating and maintaining renewable energy projects.

Our Subic assets currently consist of a 68-megawatt peak solar farm, of which 30 megawatts were operationalized in April 2021. Construction of another 32-megawatt peak solar plant was just commenced, which would bring total capacity to 100 megawatts by the second quarter of this year.

In 2021, Subic generated and sold 73,596 megawatt-hours of power at an average tariff of PhP4.65 per kilowatt-hour. It posted a net income of PhP17.06 million from a loss the year prior.

On 3 February 2021, EPI successfully secured another 100-megawatt service contract from the Department of Energy for Subic, which will be developed beginning next year. In November 2021, the board approved in principle a 1-gigawatt plus development pipeline, anchored by EPI's Subic operations.

EPI is also developing pilot geothermal projects in Mindoro and Biliran through a finance, build, operate, and transfer arrangement with Symba Renewable Energy, a developer from Iceland. These are currently being executed and if successful, may be expanded to realize 20 megawatts in Mindoro and 50 megawatts in Biliran.

For NAC, 2021 is the year when taking this new normal into account, the Company chose to embark on a transformation: from being mainly focused on the mining of nickel in the most responsible way possible, to becoming a natural resources company with a new - and fast-growing - footprint in the renewable energy sector.

Central to the green economy required by an environmentally-friendly world is these two areas of operation – mining and renewable energy. In both areas, management is confident that the Company has what it takes to succeed.

#### *Report of the Chief Finance Officer*

Ms. Villamor first reported on key business drivers of the Company's financial performance. Total Shipments Volume, Realized Prices, and Forex Rate are the main drivers of revenue. Cost per WMT sold is a measure of cost efficiency, and Share in net

earnings of CBNC and THPAL show how the Company's investments in downstream processing performed during the year.

In 2021, the Company sold 17.94 million Wet Metric Tonne, almost the same level of sales in 2020. The strong Ni LME favored the Company with higher prices for both the Ore Export and Hpal Deliveries which increased by 19% and 45%, respectively, compared to the realized prices of the prior year. The Weighted Average Realized Price for all sales reached \$29.13/Wet Metric Tonne, which is 30% higher compared to the realized price in 2020. The weaker Peso benefitted the Company with higher Peso equivalent for all its \$ denominated Sales.

Moving on, Total Costs/WMT sold of PhP758, a 9% increase as royalties and excise tax payments were based on higher revenue amounts. The strong Ni LME also benefitted both CBNC and THPAL with higher earnings. The Company's 10% share in the income of these associates amounted to PhP558 million, equivalent to 7% of the attributable income for the year.

The performance of these key business drivers explains the Company's high profitability in 2021. Total Revenues, shown in the first chart, reached PhP27.4 billion, a 26% increase compared to 2020 Total Revenue. Net income, the top chart on the right, reached PhP10.6 billion, a 94% increase, and represents a 39% net income margin. Income to the equity holders of the parent amounted to PhP7.8 billion, resulting in an Earnings Per Share of PhP0.57, up 90% from the 2020 Earnings per share of PhP0.30.

The high profitability also ensured the maintenance of a strong and robust financial position of the Company. Combined Cash, cash equivalents and AFS Investments reached PhP17.2 billion, or 1/3 of total assets, while Current Assets stood at PhP24 billion or 46% of total assets. This enabled the Company to enjoy high liquidity as Current Assets are twice the amount needed for Working Capital. Also during the year, the Company's Renewable Energy subsidiary, Jobin Sqm Inc., completed the 30 MW expansion of its solar farm, bringing the total operating capacity to over 60 MW. Post dividend payments, the Company's Equity remains strong at PhP36.3 billion at end of 2021.

The Company's cash position remained robust with operations generating cash of PhP12 billion, of which PhP675 million was spent on the capital expenditures requirements of the mining business, about PhP1 billion to complete the 30 MW expansion of the JSI solar farm, and PhP3.2 billion were invested in financial assets. Dividends to shareholders of the parent company amounted to PhP3 billion, or 38.4% of attributable income for the year. Including the dividends paid by the mining subsidiaries, Rio Tuba Nickel Mining Corporation and Taganito Mining Corporation, to the minority shareholders, total dividends paid in 2021 reached PhP7.8 billion. Thus, at the close of 2021, the Company has cash and cash equivalents of PhP10.8 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 2021, be as they are hereby approved.”*

The Corporate Secretary stated that based on the tabulation of votes, stockholders owning a total of 10,747,050,656 shares or 78.84% of the Company’s outstanding capital stock voted in favor of the approval of the Annual Report, together with the Audited Financial Statements and the notes thereto of the Corporation for the year ended 31 December 2021.

The Chairman the 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 2021 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 2021. 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 holding 10,750,325,256 shares, representing 78.87% 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 auditors. He said that the Audit Committee recommended the appointment of Sycip Gorres Velayo & Company as independent auditors of the Company for 2022, and the Board of Directors approved and accepted the recommendation. The Corporate Secretary presented the resolution for approval:

***“RESOLVED**, that 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 2022 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 holding 10,749,698,996 shares, representing 78.86% 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 2022.

The Chairman declared the motion carried. The appointment of Sycip Gorres Velayo & Company as independent auditors of the Company for 2022 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. Gerard H. Brimo
2. Martin Antonio G. Zamora
3. Harvey T. Ang
4. Jaime J. Bautista (Independent Director)
5. Masahiro Kamiya
6. Yusuke Niwa
7. Maria Patricia Z. Riingen
8. Angelo Raymundo Q. Valencia (Independent Director)
9. Luis Juan L. Virata

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

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

1. Gerard H. Brimo
2. Martin Antonio G. Zamora
3. Harvey T. Ang
4. Jaime J. Bautista (Independent Director)
5. Masahiro Kamiya
6. Yusuke Niwa
7. Maria Patricia Z. Riingen
8. Angelo Raymundo Q. Valencia (Independent Director)
9. Luis Juan L. Virata

The Chairman thanked Mr. Philip T. Ang, the Company's outgoing Director and Vice Chairman, for his invaluable contributions to the Company for the past 13 years.

#### **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 03 June 2022***