

MINUTES OF THE ANNUAL MEETING OF THE SHAREHOLDERS

Nickel Asia Corporation
6th Floor, NAC Centre, Legaspi Village
Makati City, Metro Manila
10:00 a.m., 16 June 2010

Present :

Manuel B. Zamora, Jr.
Philip T. Ang
Luis J.L. Virata
Gerard H. Brimo
Martin G. Zamora
Takanori Fujimura
Takeshi Kubota
Chitaru Okamura (for PAMCO)

Also Present:

Michio Iwai
Emmanuel L. Samson
Ronaldo B. Zamora
Fulgencio S. Factoran, Jr.
Masahiro Kamiya
Junya Watanabe
Raymond M. Cruz
Barbara Anne C. Migallos
Jose Roderick F. Fernando

I. Call to Order

The Chairman of the Board, Mr. Manuel B. Zamora, Jr., called the meeting to order and presided over the same. The Corporate Secretary, Ms. Barbara Anne C. Migallos, recorded the minutes of the proceedings.

II. Announcement of Quorum

The Corporate Secretary certified that there was a quorum for the transaction of business by the Shareholders.

III. Approval of Minutes of Previous Meeting

Being the first annual meeting, there were no prior Minutes to approve.

IV. Annual Report and Audited Financial Statements

The Annual Report and the Financial Statements having been previously distributed, the same were approved by the Shareholders.

V. Ratification and Approval of All Acts of Directors and Officers

Upon motion made and duly seconded, the Shareholders ratified and approved all the acts of the Directors and of the Officers for the preceding year.

VI. Approval of Amendments of Articles of Incorporation

Having been previously discussed extensively at the Board level, the proposed amendments to the Articles of Incorporation of the Company, upon motion made and duly seconded, were approved by the Shareholders. The said amendments to the Articles of Incorporation of the Company are:

- a. Increase of the Authorized Capital Stock of the Company from P500 Million to P800 Million;
- b. Decrease in the par value of the Company's shares from P1.00 to P0.50;
- c. Creation of 720 Million preferred shares with par value of P0.10, with a yearly dividend of 7% per annum, but otherwise not entitled to participate in any further dividends; and
- d. Increase in the number of Directors of the Company from seven (7) to nine (9).

Further, the Shareholders likewise waived their pre-emptive rights to the shares that would be reserved for the Stock Option Plan.

VII. Approval of Stock Dividend

Upon motion duly made and seconded, the Shareholders approved the declaration by the Board of stock dividends in the amount of P75 Million in favor of shareholders of record as of 15 June 2010, conditioned upon approval by the SEC of the Company's application for the increase in its Authorized Capital Stock from P500 Million to P800 Million. The stock dividend was further approved by the Shareholders to fully pay for their respective subscriptions to the said increase of P300 Million, in proportion to their shareholdings.

VIII. Approval of Stock Option Plan

The basic terms of the Stock Option Plan, as approved by the Board, was likewise approved by the Shareholders. Said terms being:

- a. Participants in the Plan would be all of the Officers of the Company and its operating subsidiaries, including the respective Resident Mine Managers of said subsidiaries.
- b. The shares for the Plan, which is estimated to be 12 Million shares, would come from the unissued shares after the approval of the increase in the Authorized Capital Stock.

- c. Each participant in the Plan is entitled to such number of shares equivalent to 3 years annual salary, with an exercise price equivalent to the IPO prices less a discount of 10%.
- d. The term of the Plan is for 6 years and the shares will vest in favor of the participant at the rate of 25% per year after the first year of the Plan.
- e. The participant can exercise the vested Options by giving notice within the term of the Plan, and can opt to either purchase the shares at the exercise price or request the Company to advance the purchase price and to sell the shares, in which case the participant will receive the sales proceeds less the exercise price.
- f. The Option shall terminate upon voluntary resignation or termination for cause, in which case the employee shall forfeit any and all rights to the Plan. However, if separation is due to other causes or due to retirement or disability, the employee must exercise the Options already vested within 1 year from separation.
- g. The Plan shall be administered by a Stock Option Committee to be created by the Board, which shall consist of 3 members.

IX. Initial Public Offering

Again, having been presented with the terms of the IPO, basically an offering size of US\$100 Million, plus a 15% over-allotment, and with a Company valuation of a range between US\$400 Million and US\$600 Million, the Shareholders approved the planned IPO. Likewise, since a portion of the shares for the IPO would come from newly issued shares once the amendments are approved by the SEC, the Shareholders thus waived their pre-emptive rights over the said shares to be issued for the IPO.

X. Approval of Amendment of By-Laws

Having been presented with the need to likewise amend the By-Laws of the Company in order to comply with rules and regulations for publicly listed companies, the Shareholders approved the proposed amendments to the By-Laws of the Company. Said amendments include providing for the election of independent Directors in accordance with SEC guideline and likewise the creation of the Nomination and Audit Committees.

XI. Waiver of Pre-emptive Rights to Additional Subscription by SMM or its Domestic Subsidiary

Upon motion duly made and seconded, the Shareholders approved the additional subscription by SMM, or its domestic subsidiary, to an additional 1%

equity in the Company, the same to be taken from authorized but unissued shares.

Thus, the Shareholders likewise waived their pre-emptive rights to the said shares to be subscribed by SMM or its domestic subsidiary.

XII. Appointment of External Auditors

Upon motion duly made and seconded, SGV & Co. was appointed as external auditors of the Company for the year 2010 to 2011.

XIII. Election of Directors

Upon nominations made, the following were elected to the Board of Directors for the year 2010 to 2011:

Manuel B. Zamora, Jr.
Philip T. Ang
Gerard H. Brimo
Luis J. L. Virata
Martin Antonio G. Zamora
Takanori Fujimura
Takeshi Kubota

Likewise, Mr. Ronaldo B. Zamora and Mr. Fulgencio S. Factoran, Jr. were also elected to the Board, to serve and assume their position once the SEC approves the amendments to the Articles of Incorporation of the Company increasing the number of Directors from seven (7) to nine (9).

XIV. Other Matters/Adjournment

There being no other matters to discuss, the meeting was adjourned.


BARBARA ANNE C. MIGALLOS
Corporate Secretary 

ATTEST:


MANUEL B. ZAMORA, JR.