

MINUTES OF THE ANNUAL STOCKHOLDERS' MEETING
OF
SEMIRARA MINING CORPORATION

May 4, 2010 (Tuesday),¹ 10:00 o'clock in the morning
Fairways Room, Manila Golf & Country Club
Harvard Road, Forbes Park, Makati City, Metro Manila

1. CALL TO ORDER

Mr. David M. Consunji, Chairman of the Board, turned over the floor to the Vice-Chairman, Mr. Isidro A. Consunji, and the latter accordingly presided over the meeting. The Vice-Chairman thereafter acknowledged the presence of the following Directors of the Corporation, namely:

1. Victor A. Consunji
2. Jorge A. Consunji
3. Herbert M. Consunji
4. Cesar A. Buenaventura
5. Ma. Edwina C. Laperal
6. George G. San Pedro
7. Victor C. Macalincag
8. Federico E. Puno

Atty. John R. Sadullo, as the Secretary of the meeting, recorded the minutes of the proceedings.

2. PROOF OF NOTICE OF MEETING AND CERTIFICATION OF QUORUM

The Secretary of the meeting certified that the Definitive Information Statement and Notice of today's meeting were transmitted and delivered by registered mail to the stockholders of record at their respective addresses as indicated in the corporate records, at least fifteen (15) business days prior to the date of this meeting, or on April 8, 2010. As of March 23, 2010, the "Record Date", the Corporation has 277,572,800 outstanding common shares. Based on the Certification of the Corporation's Stock Transfer Agent, Rizal Commercial Banking Corporation, at least 196,284,270 or 70.71% of the Corporation's outstanding common capital stock were present in person or represented by proxies at today's meeting. Thus, a quorum existed for the transaction of corporate business.

3. APPROVAL OF MINUTES OF PREVIOUS MEETING OF STOCKHOLDERS

The stockholders present having been furnished copies of the minutes of the annual meeting of stockholders, and upon motion duly made and seconded the following resolution was unanimously approved, confirmed and ratified by the stockholders:

"RESOLVED, as it is hereby resolved, that the stockholders of Semirara Mining Corporation (the "Corporation") approve, confirm and ratify, as they do hereby, the Minutes of Annual Stockholders' Meeting held on May 4, 2009."

¹ Re-scheduled in view of the declaration of May 3, 2010 as a regular holiday in lieu of May 1, 2010 (Labor Day) pursuant to Proclamation No. 2043 dated April 28, 2010.

4. MANAGEMENT REPORT FOR THE FISCAL YEAR 2008

Mr. George G. San Pedro, Director and Resident Manager of the Corporation rendered the Management Report, as follows:

Under "PRODUCTION AND OPERATIONS" -

Your Company's production and operations did a remarkable performance.

In 2009, demand for Semirara coal showed a significant increase. This rising demand prompted your Company to further augment its mining capacity and reflect its old mining equipment to meet increasing coal demand.

Your Company invested in additional 37 units of 100-tonner dump trucks, 9 units excavators, and various support mining equipment amounting to P2.8 billion. These raised excavation capacity by 69% posting a Total Material movement of 60.3 million bank cubic meters. The strip ratio or waste material to coal ratio went up by 16% due to advance stripping and controlled coal extraction for efficient coal stockpile inventory management. Nevertheless, coal production posted a significant growth of 41% from 2008 production at 4.8 million tons.

Your Company undertook cost saving measures, by installing new mine facilities to maximize transport and handling of clean coal from the auxiliary stockpile area and provide more clean coal storage flexibility for immediate shipment, and make oxygen and acetylene gases readily available through in-house production.

In 2008, exploration drilling at the eastern side of the Panian Mine yielded promising results with the discovery of a significant volume of additional coal deposit. In 2009, more exploratory and confirmatory drilling activities were done beyond the ultimate pit limit of the current mine.

On the other hand, the Department of Environment and Natural Resources approved the amendment of the Company's Environmental Compliance Certificate increasing your Company's annual coal production to 8 million tons. Another significant development was the approval by the Department of Energy of the extension of the Coal Operating Contract until 2027. This confluence of events further encouraged your Company to enhance its exploration pursuits in Semirara Island to develop more mineable areas extending to nearby Caluya group of islands.

Favorable weather conditions during the year gave operations the opportunity to maximize mining activities, such that your Company was able to serve the growing demand and even posted a healthy ending inventory level of 763.6 thousand tons.

"MARKET"

In the coal market front, the global coal industry offers a vast potential for your Company to expand its market and grow its business. Over the years, the growing demand for coal worldwide gave your Company strong motivation to increase its capacity. Since it started exporting coal in 2007, export sales became the major growth driver for your Company. The additional capital investments undertaken demonstrated to be fruitful as your Company was able to prove its reliability as a new player in the export market. Given the vast untapped markets for coal, the challenge of your Company in 2009 evolved from establishing product acceptability to capacity expansion in order to meet increasing demand.

Another successful round of capacity expansion program during the year resulted to a 35% growth in sales volume from 3.3 million tons in 2008 to 4.5 million tons this year.

The slight 5% drop in local sales at 2.2 million tons from 2.3 million tons in 2008 was sufficiently compensated by export sales which more than doubled, reflecting a growth of 128% at 2.3 million tons from 993 thousand tons in 2008. Market share of export and local sales during the year was 51% and 49%, respectively.

Sales to the Calaca power plants in Batangas recovered as it posted a 43% growth from previous year's volume of 756 thousand tons to 1.1 million tons this year. However, sales to the power industry declined by 10% from 1.5 million tons in 2008 to 1.3 million tons this year. The local power industry still accounted for a significant market share of 29%.

Similarly, sales to local cement industries registered at 615 thousand tons, recording a slight 3% drop from 2008 volume. Nevertheless, your Company welcomed a positive development in 2009 when it was able to successfully secure a supply contract with a new customer who is a significant player in the cement industry. Cement plants accounted for 14% of your Company's market share.

Meanwhile, sales to other industries continued to grow. A 21% increase was recorded from previous year's sales of 236 thousand tons to 285 thousand tons in 2009. Sales to other industries posted a 6% market share.

Partnerships with new global coal traders pushed your Company's marketing efforts, enabling your Company to penetrate new markets, including Thailand, Japan, and Taiwan, while deliveries to India, China, and Hong Kong continued. With the expansion of its export markets, your Company's export sales had been steadily increasing over the years.

Composite FOB average price for the year remained healthy at P2,600 per ton, posting a 2% growth over last year's average price of P2,549 per ton.

"FINANCE"

Your company was quite aggressive in 2009. Supported by its robust financial condition, it set its foot in the power generation business by investing in 2 x 300 MW Coal Fired Thermal Power Plants in Calaca, Batangas formerly owned by National Power Corporation.

Historically, the said asset has been the major customer of your Company. Before embarking on a market diversification strategy in 2000, the plants took up more than 90% of your Company's market share.

The Power Sector Assets and Liabilities Management Corporation or PSALM awarded the Power Plant to the winning bidder DMCI-Holdings, Inc, your Company's parent company on 8 July 2009 through a negotiated bid which was conducted in early 2009 after a series of failed attempts to privatize the Power Plant.

Under an Amendment, Accession and Assignment Agreement dated 2 December 2009 among PSALM, DMCI-HI and SEM-Calaca Power Corporation or SEM-Calaca (a wholly-owned subsidiary of the Company), DMCI-HI, with PSALM's consent, assigned its rights and obligations under the Asset Purchase Agreement or APA and Land Lease Agreement or LLA to SEM-Calaca. Under an Assignment Agreement dated 1 December 2009, DMCI-HI and SEM-Calaca agreed to an assignment cost of P54.3 million for the APA and LLA. Subsequent to the execution of the Amendment, Accession and Assignment Agreement, the control, possession, obligation to operate the Power Plant and the rights to its revenues were transferred to SEM-Calaca.

On 2 December 2009, SEM-Calaca paid PSALM P7.1 million representing 40% down payment for US\$351 million purchase price of the Power Plant and US\$10.4 million advance rental payment for the 25-year lease of the premises underlying the Power Plant and for purchase orders for parts and services for the Power Plant.

The 60% balance of the purchase price is payable to PSALM via 14 equal semi-annual payments beginning 2 June 2010 with an interest rate of 12% per annum, compounded semi-annually with prepayment option of the Deferred Payment any time subject to certain conditions. It was subsequently settled in full by SEM-Calaca on 5 March 2010. It was funded by a combination of internally generated cash and bridge loans availed from several banks.

The acquisition of the Power Plant is a strategic move on the part of your Company to allow forward integration of its core business and secure its market share in the power industry. The investment posts rewarding opportunities because as a stand-alone investment, it is expected to provide fair return on investment.

Sales and Profitability

Going back to the core business of your Company, high coal prices combined with healthy sales volume resulted to a historical high level of Revenues at P11.67 billion, posting a 37% growth from 2008 Revenues of PHP8.49 billion, inclusive of sales to Sem-Calaca Power Corp. Meanwhile, with the acquisition of the Power Plant in December, the consolidated revenue for 2009 amounted to P11.94 billion. Energy Sales from 2 December until 31 December 2009 amounted to P443.49 million.

Although your Company incurred higher fixed costs and shipping costs in 2009, economies of scale brought down Cost of Coal Sold per ton by 2% at P1,917.98 from P1,964.21 in 2008. Non-Cash Cost is at 11% and 17% of total Cost of Coal Sold in 2009 and 2008, respectively. At consolidated level, total Cost of Coal Sold, inclusive of Shipping, Hauling, and Shiploading costs amounted to P8.92 billion and P6.94 billion in 2009 and 2008, respectively. The recorded cost of Energy Sales of P440.47 million from the power business, brought total Cost of Sales in 2009 to P9.36 billion.

Gross Profit recorded an impressive growth of 67% from P1.55 billion last year to P2.58 billion this year. This is a result of higher income generation in the coal business, plus additional income on the new investment in the Power Plant.

Your Company recorded a 58% increase in Operating Expenses from P458.93 million in 2008 to P723.92 million in the current year. Government share, which is a function of Net Coal Revenues is now beyond the minimum of 3% of gross revenue, accounting for 63% of the total expense. The power business incurred Operating Expenses amounting to P25.66 million, resulting to a consolidated Operating Expenses of P749.58 million in 2009.

The bulk or 70% of the consolidated Finance Costs of P112.19 million is attributed mainly to the interest cost of the PSALM debt amounting to P78.76 million. Meanwhile, the Company's Finance Costs significantly dropped by 67% from P101.24 million in 2008 to P33.44 million in 2009 due to the declining long-term loan balances and decelerated further by lower interest rates during the year.

Conversely, almost all of the recorded consolidated Finance Income of P52.75 million was generated by your Company, posting an income of P52.74 million. The current year's Finance Income dropped by 32% compared to 2008 level of P77.23 million due to reduction in cash level available for short term investments.

Your Company recorded a significant amount of Foreign Exchange Losses at P152.25 million, 84% more than last year's losses of P82.78 million. This is due to higher Foreign Exchange rate at settlement date mostly of indent orders of parts and equipment against contract date. On the other hand, the power business recognized Foreign Exchange Gains totaling to P199.95 million mainly coming from unrealized forex gain resulting from the fluctuation of the peso against the US dollar from P47.2 / USD1 at the time the power plant was acquired to P46.2 / USD1 as at year-end.

Furthermore, at the consolidated level, your Company recognized Equity in Net Losses of Associates amounting to P39.35 million, a sizeable jump from 2008 level of P1.77 million. This accounted for the losses incurred by its investments in DMCI Mining Corporation and DMCI Power Corporation at P21.99 million and P17.36 million, respectively.

On the contrary, your Company recorded Other Income of P91.77 million this year, 69% more than 2008 level of P54.44 million, mainly from gains on sale of retired equipment and insurance claims. Consolidated Other Income totaled to P92.27 million.

The resulting Net Income Before Tax posted an impressive 81% growth at P1.87 billion from P1.03 billion. Provision for Income Tax fell by 73% at P63.29 million from P237.02 million in 2008. Your Company enjoyed higher Income Tax Holiday from its registration with the Board of Investments in 2008 due to amendment of the sales threshold accruing to capacity expansion. Of the consolidated provision for income tax amounting to P63.29 million, P57.93 million represented derecognition of deferred tax asset.

Before elimination entries, your parent Company posted a Net Income After Tax of P1.79 billion from P796.40 million last year, while the Power Plant generated a Net Income After Tax of P63.19 million. Total consolidated Net Income After Tax was P1.81 billion, more than double at 127% increase from last year's level. Consolidated Earnings per Share correspondingly increased from P2.87 in 2008 to P6.52 this year.

Financial Condition, Solvency and Liquidity

The Company's Cash and Cash Equivalents declined by 54% from P1.01 billion in 2008 to P464.94 million this year due to the huge investments made, in addition to debt service and payment of cash dividends. Meanwhile, the Power Plant posted an ending cash balance of P16.98 million, thus consolidated Cash and Cash Equivalents closed at P481.92 million.

Your Company's Net Receivables also dropped by 46% from P1.78 billion in 2008 to P963.24 million this year due to higher contribution of export sales which have shorter turn-over rates. On the other hand, the power business booked Energy Sales Receivables amounting to P290.85 million. The resulting consolidated Net Receivables totaled to P1.25 billion, which is 23% of Total Current Assets.

Cost of coal inventory went up by 63% at P1.47 billion from 2008 level of P896.73 million due to high ending coal inventory level plus fuel, spareparts and materials inventory. Your Company's Net Inventories reflected a 44% increase from P1.38 billion in 2008 to P1.99 billion as at the close of the current year. The Power Plant also booked total Inventories, mainly comprised of spare parts and supplies, amounting to P1.01 billion. Consolidated Inventories is sizeable at P3.08 billion, representing 55% of Total Current Assets.

The 59% increase in your Company's Other Current Assets from P323.73 million in 2008 to P515.62 million this year is mainly due to the recording of prepaid income tax amounting to P149.44 million and increase in advances to suppliers. Consolidated Other Current Assets represented 14% of Total Current Assets at P759.89 million.

Given the movements of the foregoing accounts, your Company's Total Current Assets dropped by 6.5% at P4.21 billion from P4.5 billion in 2008. However, with the Power Plant's Total Current Assets of P1.64 billion, consolidated amount of P5.58 billion posted a 24% increase from last year's level.

Your Company's Total Non-Current Assets grew by 515% at P9.69 billion from 2008 level of P1.61 billion. This is mainly caused by the surge in Total Investments from P223.23 million to P7.40 billion this year as a result of the acquisition of the Power Plant and new mining equipment. Finally, Other Non-Current Assets posted an 86% decrease

from P283.75 million to P39.97 million this year due to reclass of security deposits for its operating lease transactions amounting to P270.75 million. As a result, consolidated Total Non-Current Assets amounted to P18.25 billion.

Total consolidated Assets closed at P23.83 billion, P15.70 billion of which accounted for the Power Plant's Total Assets. Your Company's Total Assets in 2008 stood at P6.11 billion.

With the expansion of its business and investments, your Company's Total Liabilities correspondingly rose by 125% at P4.07 billion from P1.81 billion in 2008. Consolidated Total Liabilities closed at P13.98 billion.

Your Company's Total Equity was beefed up by the recording of Deposit for Future Subscription amounting to P5.4 billion representing deposits made by DMCI-HI and Dacon Corporation for subscription of additional shares of stocks for the stock rights offering planned by your Company to strengthen its equity base to match its sizeable investment in the Power Plant. After dividend payout of P1.65 billion and recording additional Retained Earnings from your Company's Income for the year amounting to P1.75 billion and the Power Plant's Net Income generation of P62.93 million, the consolidated Equity, net of Cost of Shares Held in Treasury, closed at P9.84 billion, 129% more than 2008 level of P4.3 billion.

In the current year, your Company's Current Ratio closed at 1.19:1, while consolidated Current Ratio stood at 1.01:1. Current Ratio was healthier in 2008 at 2.75:1. The deterioration in this ratio is mainly due to the avilment of more short-term debts to bridge finance the investment in the Power Plant and use of internally generated cash to fund the acquisition of the power assets from PSALM.

Meanwhile, at the parent level, your Company maintained last year's DE ratio of 0.41:1. However, consolidated balance sheets reflected a DE ratio 1.42:1.

Our theme - "STRONG CORE. SOLID GROWTH" aptly describes your Company in 2009 and hopefully in the next years ahead.

The year 2009 was a fruitful year for your Company as it was able to take advantage of the opportunities that it was presented with.

After resiliently facing the storms in the past, your Company is now enjoying the fruits of a strengthened core business - coal mining - as it was able to carve a dependable niche in both local and export markets that guarantees business sustainability.

Meanwhile, your Company's robust financial returns allowed it to finance strategic investments to further promote growth and value creation for its stakeholders. The acquisition of the 2 x 300 MW power plants in Calaca, Batangas toward the end of the year not only secures its coal supply contract with the Power Plant, but promises huge earning potentials as well.

On another positive note, I am pleased to inform you that your Company once again is a silver awardee among the Top 30 Companies for 2009 Corporate Governance Scorecard of the PSE and SEC.

The comprehensive CSR program for the community under the banner program, the FIVE Es - Electrification, Education, Employment, Economics and Environment were continuously enhanced being the five major focal points of your Company's CSR activities. The highlights in 2009 were the training and development of school teachers in partnership with SEAMEO Innotech and empowerment of women through special training and immersion in the community to become Barangay Health Workers. Reforestration, electrification, employment generation and livelihood programs were also continuously undertaken.

*With its determination to continuously improve its operations over the years, your Company has established a **strong core**. Taking advantage of its solid coal mining business and sound investment opportunities, your Company is poised to record a steady and solid growth in the years to come.*

After rendition of the Management Report, the Vice-Chairman then opened the floor for any questions and/or clarifications.

A fellow stockholder inquired on the stock rights offering of the Corporation. He stated that at what ratio and price would be the stock rights offer. The Vice-Chairman answered that since the equity of the acquired corporation (SEM-Calaca Power Corporation) is bigger than the acquiring company (Semirara Mining Corporation) the decision was to beef-up the equity, hence at the initial board approval of the rights offering, it was approved that the offer ratio would be 1:3, i.e., one (1) Rights Share for every three (3) shares held by the stockholder as of the Record Date. The Vice-Chairman further stated that at the time of the initial approval of the rights offering, the price of the share of the Corporation was only at about P42.00. However, when March 2010 came, the price went up to more than P70.00. The required equity approved by the Board was somewhere between P4.5 to P5 billion pesos. Since the current price of the Corporation's share (of more than P70.00 per share), the required equity reduced the rights offering to 1:5 to lessen the equity contribution coming from the existing stockholders.

The Vice-Chairman thereafter apprised the stockholders that the slide in the schedule to the Corporation's Rights Offering Prospectus is the requirement of the Philippine Stock Exchange (PSE) that the determination of the mining reserve of the Corporation must be rendered by a local competent person.

To further explain the current status of the Corporation's rights offering, the Vice-Chairman requested a representative from the BDO Capital and Investment Corporation (BDO Representative). Accordingly, the BDO Representative stated that the price of the rights offer may be at around P70.00 per share, subject to change depending on the market prices and board approval of the Corporation.

The inquiring stockholder further stated that the price of the rights offering seems to be a bit high. The Vice-Chairman answered that the price is based on the market price, which is currently at P78.00. The insisting stockholder posed another question on how the Corporation arrived at the price of P70.00 for the rights offering. The BDO Representative answered that the P70.00 was arrived two weeks ago when the Corporation's shares is "hovering around that area."

The stockholder stated that when would be the listing the rights offer with the PSE? The Vice-Chairman answered that the listing would be as soon as the Corporation has complied with the requirement of the PSE. The Vice-Chairman thereafter asked the Corporation's Vice-President for Special Projects, Mr. George B. Baquiran as to when would the mine reserve appraisal be finished? Mr. Baquiran stated that the Corporation is expecting the full report of the competent person's appraisal within the week, which can be used by the Corporation to comply with the PSE requirement. The Vice-Chairman clarified that the final report still to be issued, which Mr. Baquiran affirmatively answered.

Moreover, the inquiring stockholder asked if there is a discount on the rights offer to the stockholders. The Vice-Chairman answered that since there is a guarantee that the principal stockholder is prepared to buy the remaining unsold shares at market price, there is probably no reason to give a discount.

Finally, the stockholder suggested of reducing the cash dividend and giving a fraction thereof as stock dividend to the stockholders. The Vice-Chairman explained

that the Corporation may be able to sustain its current cash dividend for the succeeding year.

Since there are no further questions or clarifications on the Management Report, as read and delivered, upon motion duly made and seconded, the following resolution was unanimously approved, confirmed, and ratified by the stockholders:

Stockholders' Resolution

"RESOLVED, as it is hereby resolved, that the stockholders of Semirara Mining Corporation (the "Corporation") approve, confirm and ratify, as they do hereby, the Management Report, as read and delivered by the Corporation's Resident Manager and Director, Mr. George G. San Pedro, for the fiscal year 2009."

In closing, the Vice-Chairman thereafter announced to the stockholders that the Board of Directors of the Corporation have authorized the declaration of cash dividend of P6.00 per share, the record date of which is on May 27, 2010 and the payment date is on June 23, 2010.

5. RATIFICATION OF THE ACTS OF THE OFFICERS AND BOARD OF DIRECTORS

The meeting then proceeded to the next item of the agenda on the ratification of the acts of Officers and Board of Directors of the Corporation performed or undertaken in the year 2009 and until the date of this meeting. Upon motion made and duly seconded, the following resolution was unanimously approved, confirmed and ratified:

Stockholders' Resolution

"RESOLVED, as it is hereby resolved, that the stockholders of Semirara Mining Corporation (the "Corporation") approve, confirm and ratify, as they do hereby, all the acts, decisions and resolutions of the Board of Directors and Officers of the Corporation made or undertaken in the year 2009 and until the date of this meeting as these are reflected in the books and records of the Corporation."

6. APPROVAL OF THE CORPORATION'S CORPORATE SURETYSHIP, SHAREHOLDER'S SUPPORT AND PLEDGE OF 67% OF THE CORPORATION'S SHARES HELD IN SEM-CALACA POWER CORPORATION

The Vice-Chairman apprised the stockholders that SEM-Calaca Power Corporation (SEM-Calaca), a wholly-owned subsidiary of the Corporation, is now the owner of the 600MW Coal-Fired Thermal Power Plant ("Calaca Power Plant"). On December 2, 2009, SEM-Calaca paid the Power Sector Assets & Liabilities Management Corporation (PSALM) the amount of US\$140,400,000.00, which is equivalent to forty percent (40%) down payment of Calaca Power Plant's purchase price. Consequently, upon payment and compliance with other conditions, possession and operation of the Calaca Power Plant was turned-over to SEM-Calaca on December 2, 2010.

On March 5, 2010, SEM-Calaca completed payment of its deferred balance to PSALM for the acquisition of the Calaca Power Plant amount to US\$203.67 Million inclusive of accrued interest from turn-over date.

SEM-Calaca will secure a loan in the amount of PhP9.6 Billion from Banco De Oro Unibank, Inc., Bank of the Philippine Islands and Philippine National Bank (collectively as the "Lenders"). The loan proceeds shall be used for the purpose of (i)

refinancing the short- and medium-term loans and portion of shareholders' advances extended to SEM-Calaca for Calaca Power Plant's 40% acquisition cost down payment and prepayments made thereafter to PSALM; (ii) finance the initial balance of the Project Debt Facility's Debt Service Reserve Account, and (iii) finance SEM-Calaca's permanent working capital requirements. Under the terms of the loan, it is a pre-requisite to drawdown that the stockholders' approve the following securities to guarantee repayment by SEM-Calaca to wit:

- a) Corporate Suretyship, the terms of which shall be suspended if SEM-Calaca meets the minimum contracted power capacity, as stated in the Project Debt Facility, for its Calaca Power Plant and revived, if SEM-Calaca is unable to meet said capacity within the term of the loan;
- b) Pledge of sixty-seven percent (67%) of the Corporation's shares held in SEM-Calaca; and
- c) Shareholder's Support that will fund the Calaca Power Plant rehabilitation cost overruns an amount in excess of US\$60 Million or its Peso equivalent.

Upon motion duly made and seconded, the following resolution was approved, confirmed and ratified:

Stockholders' Resolution

"RESOLVED, as it is hereby resolved, that the Stockholders of **Semirara Mining Corporation** (the "Corporation") comprising at least two-thirds (2/3) of the outstanding capital stock of the Corporation, approve, as they hereby approve, the execution of the following securities to secure the Php9.6 Billion loan (the "Loan") to be obtained by SEM-Calaca Power Corporation (the "SCPC") from **BANCO DE ORO UNIBANK, INC., BANK OF THE PHILIPPINE ISLANDS AND PHILIPPINE NATIONAL BANK** (collectively referred to as the "Lenders"), to wit: (i) Corporate Suretyship the terms of which shall be suspended if SCPC meets the minimum contracted power capacity, as stated in the Project Debt Facility dated February 17, 2010 as amended, for its 600 MW Batangas Coal-Fired Thermal Power Plant (the "Calaca Power Plant") and revived, if SCPC is unable to meet said capacity within the term of the loan; (ii) the Pledge of 67% of the Corporation's shares in SCPC; and (iii) Shareholder's support that will fund the Calaca Power Plant's rehabilitation cost overruns an amount in excess of USD 60 Million or its Peso equivalent.

RESOLVED, that the Corporation's President, **Victor A. Consunji**, be, as he is hereby authorized, with full power and authority to sign, execute and deliver any amendment, contract, agreement, document or papers, as may be necessary required or proper to implement the aforementioned authority under such terms and conditions deemed conducive and beneficial to the interest of the Corporation."

7. ELECTION OF DIRECTORS

The meeting proceeded with the election of the members of the Board of Directors. The Secretary of the meeting apprised the stockholders of the mechanics on the election of directors. He explained that pursuant to Article I, Section 5 of the Amended By-laws of the Corporation, at all meetings of stockholders for the election of the members of the Board of Directors, cumulative voting is allowed and each stockholder may distribute his votes in accordance with the applicable law.

Section 24 of the Corporation Code of the Philippines provides that a stockholder entitled to vote shall have the right to vote in person or by proxy the number of shares of

stock standing in his own name in the stock books of the Corporation on record date and said stockholder may vote such number of shares for as many persons as there are directors to be elected, or he may cumulate said shares and give one candidate as many votes as the number of directors to be elected multiplied by the number of his shares, or he may distribute them on the same principle among as many candidates as he shall see fit. The quorum required in the election of the members of the Board of Directors is a majority of the outstanding capital stock entitled to vote. The eleven (11) nominees obtaining the highest number of votes in accordance with Section 24 of the Corporation Code shall be proclaimed directors.

The Secretary of the meeting further explained that being a publicly-listed company, the Corporation is required under SEC regulations and the Corporation's Revised Code of Corporate Governance to have at least two (2) independent directors being twenty (20%) of the seats of the Board. Messrs. Victor C. Macalincag and Federico E. Puno have been nominated by a stockholder of the Corporation, Mr. Antonio C. Olizon, as independent directors. The Nomination and Election Committee has passed upon the qualifications of each of Messrs. Macalincag and Puno in accordance with the Corporation's Revised Code of Corporate Governance and the SEC's Guidelines on the Nomination and Election of Independent Directors.

Further, the Secretary explained that based on the nominations received by the Nomination Committee and/or Corporate Secretary in accordance with the Procedure on Nomination and Election of Directors prior to deadline for submission of nominations on March 10, 2010, there are eleven (11) nominees for directorship inclusive of two (2) nominees for independent directorship. After the determination of the final list of candidates, no other nomination will be allowed on the floor in accordance with the Amended By-Laws of the Corporation. The following nominees' names appear in the Final List of Candidates for Directorship:

As Regular Directors:

1. David M. Consunji
2. Victor A. Consunji
3. Isidro A. Consunji
4. Cesar A. Buenaventura
5. Jorge A. Consunji
6. Herbert M. Consunji
7. Ma. Cristina C. Gotianun
8. Ma. Edwina C. Laperal
9. George G. San Pedro

As Independent Directors:

10. Victor C. Macalincag
11. Federico E. Puno

There being no objections, the Chair hereby directed the Corporate Secretary to cast the votes of the stockholders present or presented by proxies at today's meeting for the persons who have been so nominated. And with the casting of votes, the Chair hereby declared the following as directors of this Corporation for a period of one (1) year and until their successors shall have been elected and qualified.

Regular Directors:

1. David M. Consunji
2. Victor A. Consunji
3. Isidro A. Consunji
4. Cesar A. Buenaventura

5. Jorge A. Consunji
6. Herbert M. Consunji
7. Ma. Cristina C. Gotianun
8. Ma. Edwina C. Laperal
9. George G. San Pedro

Independent Directors:

10. Victor C. Macalincag
11. Federico E. Puno

8. APPOINTMENT OF EXTERNAL AUDITOR

Thereafter, the meeting proceeded with the appointment of the external auditors of the Corporation for the current fiscal year. Upon motion made and duly seconded, the following resolution was unanimously adopted:

Stockholders' Resolution

"RESOLVED, as it is hereby resolved, that the stockholders of Semirara Mining Corporation (the "Corporation") approve, confirm and ratify, as they do hereby, the appointment of **SyCip Gorres Velayo & Company** as the external auditors of the Corporation for the current fiscal year."

9. OTHER MATTERS

There were no other matters to be taken up during the meeting.

10. ADJOURNMENT

There being no other matters to be taken, the same was, upon motion made and duly seconded, adjourned.

ATTESTED:



DAVID M. CONSUNJI
Chairman of the Stockholders' Meeting



JOHN R. SADULLO

Secretary of the Stockholders' Meeting