



MINUTES OF THE ANNUAL STOCKHOLDERS' MEETING
September 17, 2019 at 2:00 PM
Ballroom 2, Fairmont Makati
1 Raffles Drive, Makati Avenue, Makati City

		<i>Percentage of Total</i>
No. of Outstanding and Voting Shares	250,000,001	
Shareholders Present:	192,087,868	76.835%

Directors Present:

John Eric T. Francia	<i>Chairman, Board</i> <i>Chairman, Executive Committee</i>
Raymundo A. Reyes, Jr.	<i>Member, Executive Committee</i>
Jaime Alfonso Zobel de Ayala	<i>Member, Executive Committee</i>
Jaime Urquijo Zobel de Ayala	<i>Member, Personnel and Compensation Committee</i>
Augusto Cesar D. Bengzon	<i>Chairman, Personnel and Compensation Committee</i> <i>Member, Audit Committee</i>
Maria Corazon G. Dizon	<i>Member, Executive Committee</i> <i>Member, Board Risk Management and Related Party Transactions Committee</i>
Raphael Perpetuo M. Lotilla (independent director)	<i>Chairman, Corporate Governance and Nominations Committee</i> <i>Member, Executive Committee</i>
Ma. Aurora Geotina-Garcia (independent director)	
Alberto A. Lim (independent director)	

1. Call to Order

The Chairman, Mr. John Eric T. Francia, called the meeting to order at 2:00 p.m. and welcomed the stockholders.

2. Notice of Meeting

The Secretary, Mr. Dodjie D. Lagazo, certified that notice of the meeting was sent by August 27, 2019 to each stockholder of record as of August 16, 2019, the record date for the meeting, in accordance with the By-Laws and applicable rules. The notice was also published online on July 24, 2019 in the disclosure system website of the Philippine Stock Exchange.

3. Determination of Quorum

The Secretary certified that there was a quorum for the meeting since based on partial tabulation, stockholders owning 191,162,410 shares or 76.465% of the total outstanding shares are present in person or by proxy, including stockholders representing 1,818 shares or 0.0001% of the total outstanding voting shares who have voted *in absentia* or through remote communication.

The Secretary also reported that as of September 13, 2019, after the proxy validation process, stockholders owning 191,153,531 voting shares representing 99.995% of the total voting shares represented in this meeting (based on partial tabulation), and 76.461% of the total outstanding shares, have cast their votes on the items for consideration in the meeting; that the votes of these stockholders had been tabulated; that he would be referring to such partial tabulation when reporting the voting results throughout the meeting; and that there were remaining votes that have yet to be counted but the results of the complete and final tabulation of votes would be reflected in these minutes.

4. Instructions on Rules of Conduct, Voting Procedures and Voting Requirements

The Chairman requested that any stockholder wishing to speak should first identify himself or herself after being acknowledged by the Chair and to limit his or her remarks to the item under consideration. Thereafter, the Secretary explained that the rules of conduct, the voting procedures, and the voting requirements were provided to the stockholders together with the notice of the meeting and printed copies were made available to the stockholders or their proxies upon registration at the meeting.

The Secretary further emphasized the following points:

- (i) Generally, the stockholders approve any item by the affirmative vote of the stockholders representing at least a majority of the issued and outstanding voting stock.
- (ii) The approval of the amendments of the Articles of Incorporation requires the affirmative vote of shareholders representing not less than two-thirds of the outstanding capital stock.

The Secretary further explained that stockholders may cast their votes either manually using the ballot provided upon registration or electronically using the computers near the registration area. Both the paper ballot and electronic voting platform set forth the proposed resolutions for consideration by the stockholders, which resolutions would be shown on the screen as they are taken up during the meeting. He added that beginning this year's meeting, the Corporation has introduced a facility for voting *in absentia* or through remote communication as an additional mode through which stockholders who are not in attendance may cast their votes.

5. Approval of the Minutes of the 2018 Stockholders' Meeting

The Chairman then proceeded with the approval of the minutes of the annual stockholders' meeting held on April 12, 2018. Copies of the minutes were distributed to the stockholders upon registration and an electronic copy of the minutes was posted on the website of the Corporation.

There being no question on the item under consideration, the Chairman requested for a motion for approval.

On motion of Ms. Joanne Melanie D. Trinidad-Gemanil, seconded by Ms. Jessica Mae B. Balangue, the stockholders approved the minutes and adopted the following Resolution No. S-2019-001, which was shown on the screen:

Resolution No. S-2019-001

RESOLVED, to approve the minutes of the annual stockholders' meeting held on April 12, 2018.

As tabulated by the Committee of Inspectors of Proxies and Ballots and validated by SyCip Gorres Velayo and Co. ("SGV"), the votes on the motion for the approval of the minutes and the adoption of Resolution No. S-2019-001 are as follows:

	For	Against	Abstain
Number of voted shares	191,157,188	0	0
% of shares voted	100%	0%	0%

6. Annual Report of Officers

Message of the Chairman and Report of the President

The Chairman acknowledged the presence of the shareholders, colleagues from the Board of Directors and management, and other guests.

The Chairman recounted how earlier this year, the Ayala Group's energy platform, AC Energy, Inc. ("**AC Energy**"), acquired a controlling interest in PHINMA Energy, the parent company of the Corporation. He said that AC Energy will combine the strengths of its domestic energy unit with that of PHINMA Energy and will make the latter its energy platform for growth in the Philippines. As such, PHINMA Energy will be renamed AC Energy Philippines.

The primary focus of such investment and business combination is in power generation and retail electricity business. PHINMA Energy is also in the resource exploration business, with its controlling stake in the Corporation. As such, AC Energy has to take a position as to whether it would like to participate in this sector. The Chairman narrated how AC Energy conducted a review, and arrived at the following observations and conclusions:

- (1) The Philippines has potential in oil and gas resources. AC Energy believes that Malampaya is not a fluke. The Chairman shared that various studies indicate that there are strong potential petroleum resources in the West Philippine Sea, particularly off the Western Palawan coast.
- (2) Notwithstanding the country's potential, there has been underinvestment in the sector. The last offshore exploratory well was drilled in 2015, which was followed by offshore and onshore appraisal wells in 2017 and 2018. The government has therefore encouraged more investments to unlock the potential in the sector.

- (3) Malampaya is reaching the end of life in the next decade or so. It powers more than 3000MW or around 20% of the country's electricity today, and there is no replacement in sight. While LNG could be an alternative, its price could be quite volatile.
- (4) As the country shifts towards lower carbon energy mix, and with the increasing role of renewables, there is a need to complement the variable nature of renewables, which gas pipe powerplants are able to provide. Having indigenous gas and developing the next Malampaya is ideal to achieve the country's energy security.
- (5) While offshore exploration is a risky proposition, technological improvements over the past decade has helped in the de-risking process. The cost of offshore deepwell drilling has also declined over the last few years due to lower global oil prices.
- (6) Of the Corporation's assets, Service Contract 55 or SC 55 presents an opportunity that could provide an interesting alternative to Malampaya, if developed successfully. In 2015, gas was discovered in the first well ever drilled in said frontier basin. The Chairman expressed excitement over the petroleum prospects of said area, saying that the Corporation's Chief Operating Officer will explain the Corporation's current activities and forward exploration plans to bring this block to drill-ready status.

The Chairman further described the SC 55 area as just being ~50 kilometers off the coast of Southwest Palawan, and to the Corporation's knowledge, it is not within disputed waters. Given the foregoing, the Chairman expressed that management would like to heed the call of government to revive investments in the offshore resource exploration sector. The Chairman expressed plans for the Corporation to become the energy exploration organization of AC Energy; hence, the proposed change of company name to "ACE Enexor, Inc."

The Chairman detailed that ACE Enexor will be making investments to nurture and harness these potential energy sources. The Corporation will utilize leading-edge technology to improve the Corporation's chance of success and will bring in strategic partners to help realize the potential of the Corporation's exploration block.

Given the foregoing, and with good amount of luck, the Chairman expressed hope in locking significant energy resources for the country.

Message of the Chief Operating Officer

The Chairman then called on Mr. Raymundo A. Reyes, Jr., the Chief Operating Officer, to render his report.

Mr. Reyes acknowledged the presence of stockholders and other guests.

Considering that it is already September, Mr. Reyes mentioned that he will no longer repeat the 2018 annual report but would rather give an update on the active service contracts of the Corporation. Mr. Reyes shared that the Corporation is a participant in two (2) service contracts, SC 6 and SC 55, both covering areas in offshore West Palawan.

Mr. Reyes reported that the Corporation holds a 7.78% participating interests in SC 6 Block A and 2.475% carried interest in both Block A and B. Prospect generation studies are underway for Block A, whereas Block B has been dormant for some time.

The Corporation also owns, indirectly, 37.5% participating interests in SC 55 through its subsidiary, Palawan 55 Exploration and Production Corporation ("Palawan 55"). Mr. Reyes explained that Palawan

55 is the operator of SC 55, and that said block is currently the focus of the Corporation's exploration efforts.

Mr. Reyes further detailed that SC 55 covers some 10,000 sq. km. of the southwest coast off Palawan, inwater depths between 1 kilometer and 2 kilometers. Mr. Reyes claimed that the Corporation is particularly excited with the area because it is within the same trends of the Northern Palawan and Northwest Sabah petroleum fields.

Mr. Reyes described SC 55 as being ~300 kilometers from the Malampaya gas field, which has 2.7 trillion cubic feet of gas and 100 million cubic feet of condensate, and the Kamansu gas fields in offshore Sabah, which is a cluster of four (4) gas fields with reserves of over 4 trillion cubic feet.

SC 55 Block B, on the other hand, is ~200 to 300 kilometers south of Reed Bank, the area which is currently in dispute between the Philippines and China. Mr. Reyes recalled that numerous petroleum prospects have been mapped by the former operators, including Trans-Asia, the predecessor of the Corporation, BHP Billiton, and Otto Energy of Australia. Mr. Reyes identified for the shareholders the potential targets on the map shown on the screen.

Mr. Reyes recounted that in 2012, BHP Billiton aborted the drilling of the Cinco prospect at the last minute, when it failed to receive clearance from the Palawan Council for Sustainable Development, before the scheduled mobilization of the contracted drilling rig. In 2015, Otto Energy discovered natural gas at the Hawkeye-1 well but deemed that the find was non-commercial. Mr. Reyes disclosed that Otto has since withdrawn from all its contracts in the Philippines.

Mr. Reyes shared that the Corporation believes that the contract area is virtually unexplored; that the Cinco prospect remains a viable target, the greater Hawkeye area is not fully tested, and that there are other potential drilling structures on the block. For the foregoing reasons, the Corporation assumed operatorship, and conducted follow-on studies on the Cinco and Hawkeye corridors.

Mr. Reyes further mentioned that Palawan 55 had processed over 1,000 sq.km. of 3D seismic data out of the BHP Billiton and Otto Energy surveys, as outlined on the map shown on the screen. The re-processing program had been completed, which resulted in significant improvement in the resolution of seismic profiles in the study area. Moreover, Palawan 55 conducted quantitative interpretation of the re-processed data, a physical technique that allows prediction of reservoir rock type and fluid type, whether oil, gas or water. Mr. Reyes reported that said project will be completed shortly.

Mr. Reyes also noted that in addition to the identified prospects, there are numerous leads as shown on the map appearing on the screen that might be developed eventually into prospects. Palawan 55 is currently interpreting the reprocessed 3D seismic data to generate additional prospects in the greater Hawkeye area and refine the mapping of the Cinco prospect. Mr. Reyes further relayed that resource assessment has already started.

Palawan 55 also commenced the first phase of drilling preparation, including well design, issuance of tenders for long-lead items such as wellhead casings and conductors, Reed market survey, contract strategy, all of which are being done in preparation of drilling.

In view of the encouraging results of the current work programs, Palawan 55 has notified the DOE of the consortium's election to proceed from the exploratory period to the appraisal period. During the appraisal period, the consortium committed to drill one (1) deep water well within the first two (2) years, and to re-interpret 3D seismic data not covered by the reprocessing program, which may lead to additional 3D seismic surveys.

In conclusion, Mr. Reyes reported that the Corporation is now awaiting the DOE's confirmation of SC 55's entry into the appraisal period.

The Chairman then opened the floor for questions or comments from the stockholders on the annual report or the 2018 audited financial statements.

Mr. Stephen Soliven asked as to when the Corporation can probably have sales or discovery, and if the Corporation has any estimate thereto.

The Chairman replied that the Corporation has yet to focus on the drilling program but, as Mr. Reyes mentioned, is in the process of finishing studies that will be available in the next couple of months. In parallel, though, the Corporation is already preparing for the committed drilling. The Chairman opined that until the Corporation affirmatively proves the resources on a commercial basis, estimating or determining the sales prospects the would be premature at this point.

Mr. Soliven further inquired as to whether the Corporation is related to the Philippine Oil Geothermal Energy Incorporated ("POGEI") which folded up years ago. The Chairman, in consultation with Mr. Reyes, stated that the Corporation is not aware of any such entity. Mr. Reyes shares that POGEI was an exploration company that drilled two (2) offshore wells in the Visayas, after which, the company disappeared. Mr. Reyes said that there is no relationship between the Corporation and POGEI.

There being no other questions and comments from the stockholders, Mr. Jenson O. Lim, seconded by Ms. Girlie C. Caldit, moved for the noting of the annual report, the approval of the 2018 consolidated audited financial statements, and the adoption of the following Resolution No. S-2019-002, which was shown on the screen:

Resolution No. S-2019-002

RESOLVED, to note the Corporation's Annual Report, which consists of the Chairman's Message, the President's Report, and the audio-visual presentation to the stockholders, and to approve the consolidated financial statements of the Corporation and its subsidiaries as of December 31, 2018, as audited by the Corporation's external auditor, SyCip Gorres Velayo & Co.

As tabulated by the Committee of Inspectors of Proxies and Ballots and validated by SGV, the votes on the motion for the noting of the annual report, the approval of the 2018 audited financial statements, and the adoption of Resolution No. S-2019-002 are as follows:

	For	Against	Abstain
Number of voted shares	191,157,188	0	0
% of shares voted	100%	0%	0%

7. Ratification of the Acts of the Board of Directors and Officers

The Secretary, upon the Chairman's request, explained that stockholders' ratification is being sought for all the acts and resolutions of the Board, the Executive Committee, and other Board Committees exercising powers delegated by the Board, which were adopted from April 12, 2018 until September 17, 2019 as well as for all the acts of the Corporation's officers performed to implement the resolutions of the Board or its Committees, or in connection with the Corporation's general conduct of its business. The acts and resolutions of the Board are reflected in the minutes of the meetings, and they include the election of officers and members of the various Board Committees, updating of the lists of authorized representatives and bank signatories, treasury matters, budget and funding plan, investments, and matters covered by disclosures to the Securities and Exchange Commission and the Philippine Stock Exchange.

The Chairman asked the stockholders if they have any questions or comments. There being none, the Chairman requested for a motion for approval.

Ms. Mary Ann D. Ballesteros, seconded by Ms. Therese Angeline C. Sevilla, moved for the ratification of the acts and resolutions of the Board, the Executive Committee, and other Board Committees, as well as all the acts of the officers performed pursuant to Board resolutions and the By-Laws of the Corporation since the annual stockholders' meeting on April 12, 2018 until September 17, 2019, and the adoption of the following Resolution No. S-2019-003, as shown on the screen:

Resolution No. S-2019-003

RESOLVED, to ratify each and every act and resolution, from 12 April 2018 to 17 September 2019 (the "Period"), of the Board of Directors (the "Board") and the Executive Committee and other Board committees exercising powers delegated by the Board, and each and every act, during the Period, of the officers of the Corporation performed in accordance with the resolutions of the Board, the Executive Committee and other Board committees as well as with the By-laws of the Corporation.

As tabulated by the Committee of Inspectors of Proxies and Ballots and validated by SGV, the votes on the ratification of the acts of the Board of Directors and Officers of the Corporation and the adoption of Resolution No.S-2019-003 are as follows:

	For	Against	Abstain
Number of voted shares	191,157,188	0	0
% of shares voted	100%	0%	0%

8. Election of Directors

The next item in the Agenda was the election of the nine (9) members of the Board for the ensuing year. The Chairman of the meeting requested Mr. Lagazo, the Secretary, to explain this item.

Mr. Lagazo explained that in accordance with the requirements of the Corporation's By-Laws, the Manual of Corporate Governance, and the Rules of the Securities and Exchange Commission, the following stockholders were duly nominated to the Board for the ensuing term: John Eric T. Francia, Augusto Cesar D. Bengzon, Maria Corazon G. Dizon, Raymundo A. Reyes, Jr., Jaime Z. Urquijo, Jaime Alfonso Zobel de Ayala, Ma. Aurora Geotina-Garcia, Alberto A. Lim, and Raphael Perpetuo M. Lotilla.

Ms. Geotina-Garcia, Mr. Lim, and Mr. Lotilla have been nominated as Independent Directors.

The Corporate Governance and Nomination Committee of the Board has ascertained that the nine (9) nominees, including the three (3) nominees for Independent Directors, are qualified to serve as Directors of the Corporation, and that each has given his or her consent to the nomination.

The Chairman asked the stockholders if they have any questions or comments. There being none, the Chairman requested the Secretary to report the results of the election.

The Secretary reported that based on the partial tabulation of votes, each of the nine (9) nominees has garnered at least 191,155,349 votes, which represent 76.46% of the total outstanding shares and 99.996% of the shares represented in the meeting. Given this, he certified that each nominee has received enough votes for election to the Board.

With such certification, the Chairman of the meeting requested for a motion for the adoption of a resolution declaring the election of the nine (9) nominees.

On motion of Ms. Jenelyn C. Baligat-Baltazar, seconded by Ms. Ma. Cristina D. Cardinal, the stockholders elected the nine (9) nominees as directors of the Corporation for the ensuing year to serve as such until their successors are elected and qualified, and adopted Resolution No. S-2019-004, as follows:

Resolution No. S-2019-004

RESOLVED, to elect the following as directors of the Corporation to serve as such beginning today until their successors are elected and qualified:

Augusto Cesar D. Bengzon
Maria Corazon G. Dizon
John Eric T. Francia
Raymundo A. Reyes, Jr.
Jaime Z. Urquijo
Jaime Alfonso Zobel de Ayala
Ma. Aurora D. Geotina-Garcia (*Independent Director*)
Alberto A. Lim (*Independent Director*)
Raphael Perpetuo M. Lotilla (*Independent Director*)

As tabulated by the Committee of Inspectors of Proxies and Ballots and validated by SGV, the final votes received by the nominees based on the total cumulative votes received are as follows:

Director	For	Against	Abstain
1. John Eric T. Francia	191,157,155	0	0
2. Augusto Cesar D. Bengzon	191,157,155	0	0
3. Maria Corazon G. Dizon	191,157,155	0	0
4. Raymundo A. Reyes, Jr.	191,157,155	0	0
5. Jaime Z. Urquijo	191,157,155	0	0
6. Jaime Alfonso Zobel de Ayala	191,157,188	0	0
7. Ma. Aurora Geotina-Garcia	191,157,155	0	0
8. Alberto A. Lim	191,157,155	0	0
9. Raphael Perpetuo M. Lotilla	191,157,155	0	0

9. Approval of the Amendment of the Title and the First Article of the Articles of Incorporation to Change the Name of the Corporation to “ACE Enexor, Inc.”

At the request of the Chairman, the Secretary explained that the Board has agreed to endorse an amendment to the Articles of Incorporation of the Corporation to reflect the change in the Corporation's name to “ACE Enexor, Inc.”

The Chairman asked the stockholders if they have any questions or comments. There being none, Ms. Aubrey Mae L. Patupat moved for the approval of the amendment of the Title and First Article of the Articles of Incorporation to change the Corporation's name to ACE Enexor, Inc., and the adoption of the following Resolution No. S-2019-005, as shown on the screen. Ms. Nesly Joy S. Javier-Castillo seconded the motion:

Resolution No. S-2019-005

RESOLVED, as recommended by the Board of Directors in Resolution No. B-2019-0723-02, to approve the amendment of the Title and the First Article of the Articles of Incorporation to change the name of the Corporation from “PHINMA Petroleum and Geothermal, Inc.” to “ACE Enexor, Inc.,” as follows (xxx are ellipses to denote that portions of the provision not subject of the amendment were redacted for brevity):

Amended Articles of Incorporation of

ACE Enexor, Inc.

Know all men by these presents: xxx

FIRST: The name of the corporation shall be:

ACE Enexor, Inc.

xxx

As tabulated by the Committee of Inspectors of Proxies and Ballots and validated by SGV, the votes on the approval of the amendment of the Title and First Article of the Articles of Incorporation to change the Corporation’s name to “ACE Enexor, Inc.,” and the adoption of Resolution No. S-2019-005 are as follows:

	For	Against	Abstain
Number of voted shares	191,157,188	0	0
% of shares voted out of the total outstanding shares	76.463%	0%	0%

At that point, the name of the Corporation as appearing in the backdrop for the meeting transitioned from “PHINMA Petroleum and Geothermal, Inc.” to “ACE Enexor, Inc.”

10. Approval of the Amendment of the Third Article of the Articles of Incorporation to Change the Principal Office of the Corporation to the 4th Floor, 6750 Office Tower, Ayala Ave., Makati City

The Secretary then stated that the second proposed amendment to the Articles of Incorporation is to change the principal place of business of the Corporation from Level 11, PHINMA Plaza, 39 Plaza Drive, Rockwell Center, Makati City to the 4th Floor, 6750 Office Tower, Ayala Ave., Makati City.

The Chairman asked the stockholders if they have any questions or comments. There being none, Ms. Amirah L. Peñalber moved for the approval of the amendment of the Third Article of the Articles of Incorporation to authorize the Corporation to change the Corporation’s principal place of business to the 4th Floor, 6750 Office Tower, Ayala Ave., Makati City, and for the adoption of Resolution No. S-2019-006, as shown on the screen. Mr. Edsel John R. Serrano seconded the motion:

Resolution No. S-2019-006

RESOLVED, as recommended by the Board of Directors in Resolution No. B-2019-0723-03, to approve the amendment of the Third Article of the Articles of Incorporation to change the principal office of the Corporation from “Level 11, PHINMA Plaza, 39 Plaza Drive, Rockwell Center, Makati City” to “4th Floor, 6750 Office Tower, Ayala Avenue, Makati City, Philippines”, as follows:

THIRD: That the place where the principal office of the corporation is to be established or located is at 4th Floor, 6750 Office Tower, Ayala Avenue, Makati City, Philippines.

As tabulated by the Committee of Inspectors of Proxies and Ballots and validated by SGV, the votes on the approval of the amendment of the Third Article of the Articles of Incorporation to change the Corporation's principal place of business to the 4th Floor, 6750 Office Tower, Ayala Avenue, Makati City, Philippines, and for the adoption of Resolution No. S-2019-006 are as follows:

	For	Against	Abstain
Number of voted shares	191,157,188	0	0
% of shares voted out of the total outstanding shares	76.463%	0%	0%

11. Approval of the Amendment of the Title of the By-Laws to Change the Name of the Corporation to "AC Energy Philippines, Inc."

The next item on the agenda is the amendment of the Corporation's By-Laws.

At the request of the Chairman of the meeting, Mr. Lagazo enlightened the stockholders on the endorsement by the Board of the proposed amendment to the By-Laws of the Corporation to reflect the change in the Corporation's name to "ACE Enexor, Inc."

The Chairman asked the stockholders if they have any questions or comments. There being none, Mr. Miguel R. Principe moved for the approval of the amendment of the Title of the By-Laws to change the Corporation's name to ACE Enexor, Inc., and the adoption of Resolution No. S-2019-007, as shown on the screen. Ms. Timothea Lois C. Salcedo seconded the motion:

Resolution No. S-2019-007

RESOLVED, as recommended by the Board of Directors in Resolution No. B-2019-0723-04, to approve the amendment of the Title of the By-Laws to change name of the Corporation from "PHINMA Petroleum and Geothermal, Inc." to "ACE Enexor, Inc." as follows:

AMENDED BY-LAWS OF

ACE Enexor, Inc.

(formerly PHINMA Petroleum and Geothermal, Inc.)

As tabulated by the Committee of Inspectors of Proxies and Ballots and validated by SGV, the votes on the approval of the amendment of the Title of the By-Laws to change the Corporation's name to "AC Energy Philippines, Inc.", and for the adoption of Resolution No. S-2019-007 are as follows:

	For	Against	Abstain
Number of voted shares	191,157,188	0	0
% of shares voted	100%	0%	0%

12. Approval of the Amendment of Article V of the By-Laws to Change the Principal Office of the Corporation to the 4th Floor, 6750 Office Tower, Ayala Ave., Makati City

At the request of the Chairman, Mr. Lagazo then discussed the endorsement by the Board of the proposed amendment to the By-Laws of the Corporation to redefine the powers and functions of the Executive Committee, Audit Committee, and Personnel and Compensation Committee, re-organize the Nomination Committee into the Corporate Governance and Nomination Committee, and create the Board Risk Management and Related Party Transactions Committee.

There being no questions or comments on the item, Ms. Katreena Dachele C. Chang moved for the approval of the amendment of Article V of the By-Laws to redefine the powers and functions of the Executive Committee, Audit Committee, and Personnel and Compensation Committee, re-organize the Nomination Committee into the Corporate Governance and Nomination Committee, and create the Board Risk Management and Related Party Transactions Committee be approved, and the adoption of Resolution No. S-2019-008, as shown on the screen. Ms. Katherine Rose F. Lacio seconded the motion:

Resolution No. S-2019-008

RESOLVED, as recommended by the Board of Directors in Resolution No. B-2019-0723-05, to amend Article V of the By-Laws to update the Committees of the Corporation, as follows:

ARTICLE V: Committees

SECTION 1. EXECUTIVE COMMITTEE. The Committee shall be composed of not less than three (3) but not more than five (5) members, majority of whom shall be citizens of the Philippines, and shall designate among the members of the Committee a Chairman and a Vice Chairman. The Board may, from time to time, increase the membership of the Committee, and appoint additional members therein, who may or may not be Directors. Except as provided in Section 34 of the Revised Corporation Code of the Philippines, the Committee shall act on such specific matters within the competence of the Board as may from time to time be delegated to it.

ARTICLE V-A: Corporate Governance and Nomination Committee

SECTION 1. CREATION. The Committee shall be composed of at least three (3) Directors, all of whom shall be Independent Directors.

SECTION 2. FUNCTION. The Committee shall be tasked to ensure that good corporate governance principles and practices are being complied with and observed by the Corporation, and to determine the nomination and election process for the Corporation's Directors.

ARTICLE V-B: Audit Committee.

SECTION 1. CREATION. The Committee shall be composed of at least three (3) Non-Executive Directors, majority of whom shall be Independent Directors chaired by an Independent Director, who shall not chair any other Committee. The Chairman should not be the chairman of the Board or of any other committees.

SECTION 2. FUNCTION. The Committee shall be responsible for ensuring that adequate, effective and adequate financial reporting, internal

control, internal and external audit, and compliance systems are established and maintained.

ARTICLE V-C: Personnel and Compensation Committee

SECTION 1. CREATION. The Committee shall be composed of at least three (3) members, one of whom shall be an Independent Director.

SECTION 2. FUNCTION. The Committee shall be responsible for establishing a formal and transparent procedure for developing a policy on executive remuneration and for fixing the remuneration packages of corporate officers and Directors, ensuring that compensation is consistent with the Corporation's culture, strategy, and control environment and aligned with the long-term interests of the Corporation and stakeholders.

ARTICLE V-D: Board Risk Management and Related Party Transactions Committee

SECTION 1. CREATION. The Committee shall be composed of at least three (3) Non-Executive Directors, majority of whom shall be Independent Directors. An Independent Director shall chair the Committee. The Chairman should not be the chairman of the Board or of any other committee.

SECTION 2. FUNCTION. The Committee shall be responsible for the oversight of the Corporation's Enterprise Risk Management (ERM) system and for the review of all material related party transactions of the Corporation.

As tabulated by the Committee of Inspectors of Proxies and Ballots and validated by SGV, the votes on the amendment to Article V of the By-Laws to redefine the powers and functions of the Executive Committee, Audit Committee, and Personnel and Compensation Committee, re-organize the Nomination Committee into the Corporate Governance and Nomination Committee, and create the Board Risk Management and Related Party Transactions Committee, and the adoption of Resolution No. S-2019-008 are as follows:

	For	Against	Abstain
Number of voted shares	191,157,188	0	0
% of shares voted	100%	0%	0%

13. Appointment of External Auditor and Fixing of Its Remuneration

The next item on the agenda is the appointment of the Corporation's external auditor. At the request of the Chairman, Mr. Lagazo informed the stockholders that the Audit Committee evaluated the performance during the past year of the Corporation's present auditor, the firm of SGV and found it satisfactory. Therefore, the Committee and the Board agreed to endorse the appointment of SGV as the Corporation's external auditor for the present fiscal year for an audit fee of PHP190,960.00, inclusive of value-added tax and out of pocket expenses.

With no stockholder raising any question or comment, on motion of Ms. Ma. Angelica M. Santos-Dalit, seconded by Ms. Angeli Mae D. Sipoy, the stockholders approved the appointment of SGV as external auditor of the Corporation for the current fiscal year including the SGV's audit fee, and the adoption of the following Resolution No. S-2019-009:

Resolution No. S-2019-009

RESOLVED, as endorsed by the Board of Directors, to approve the appointment of SyCip Gorres Velayo & Co. as the external auditor of the Corporation for the year 2019 for an audit fee of PHP190,960.00, inclusive of value-added tax and out-of-pocket expenses.

As tabulated by the Committee of Inspectors of Proxies and Ballots and validated by SGV, the votes on the election of SGV as external auditor of the Corporation, the approval of its audit fee, and the adoption of Resolution No. S-2019-009 are as follows:

	For	Against	Abstain
Number of voted shares	191,157,188	0	0
% of shares voted	100%	0%	0%

14. Other Matters

The Chairman opened the floor for additional questions or comments from the stockholders on matters which are relevant and of general concern to the stockholders.

Mr. Guillermo Gili, Jr. inquired as to how the 9-dash line of China affects the operations of the Corporation.

The Chairman responded by first referring to his earlier statements (in the Message of the Chairman / Report of the President) that as far as management is aware, the Corporation's operations are within the Philippine territory, at roughly 50 kilometers off the West Palawan shores, which distance is similar to where Malampaya is relative to the Palawan shoreline. Secondly, the Chairman disclosed that the Corporation conducted drilling in 2015, during which there was no geopolitical incident, and expressed hope that such order continues. While acknowledging the lack of certainty, the Chairman expressed belief that the 9-dash line is not an issue in the Corporation's case.

Mr. Soliven remarked that he noticed in the the Corporation's audited financial statements that there were investments in UITFs, which is a source of the Corporation's other income. Mr. Soliven clarified if the said activities were approved via board resolutions.

The Chairman answered in the affirmative, citing the limits of authority within Management to place these low-risk investments (good as cash equivalents). In consultation with the Corporation's Chief Financial Officer, the Chairman responded that the investments are within the limits set forth by the Board. The Chairman further noted that the Corporation holds cash and cash equivalents to fund the existing studies that are being conducted. Instead of putting said assets in low-yielding accounts, there are certain parameters where the management can place these, such as UITFs.

Mr. Gregorio Pahena asked about the stand of the Corporation's female directors in relation to the SOGIE (Sexual Orientation and Gender Identity and Expression) Equality Bill. The Chairman remarked that this is not within the purview of the Corporation's business, but that Mr. Pahena can approach Ms. Dizon and Ms. Geotina-Garcia after the meeting to ask for their personal views on the SOGIE Equality Bill.

There being no other questions or comments from the stockholders, the Chairman proceeded to recognize two (2) individuals who were present in the meeting who have contributed significantly to the Corporation and taken the Corporation to where it is now. The Chairman acknowledged the presence of the former Chief Executive Officer, Dr. Francisco L. Viray, and one of the former independent directors, Ms. Corazon dela Paz-Bernardo. The Chairman shared that Dr. Viray and Ms. dela Paz-Bernardo had really encouraged Management team to persist in the power to discover and that now, Management will try to optimize what they have and realize the power of potential. The Chairman expressed hope that something will be borne out of all the efforts that were put in the Corporation and

gave assurance that management will do what it can to further develop the potential resource that it has and make significant positive impact on the country's energy sector.

15. Adjournment

There being no other matters to discuss, on motion of Mr. Mark Angelo B. Almero, seconded by Mr. Christian Justin P. Boro, the meeting was adjourned.


DODJIE D. LAGAZO
Corporate Secretary


ALAN T. ASCALON
Assistant Corporate Secretary


RAISSA C. VILLANUEVA
Assistant Corporate Secretary

ATTESTED BY:


JOHN ERIC T. FRANCIA
Chairman of the Board and of the Meeting