

**MINUTES OF THE STOCKHOLDERS' MEETING OF
APC GROUP, INC.**

Held on 11 June 2015 at 3:00 P.M.
at SMX Convention Center, Seashell Lane,
Mall of Asia Complex, Pasay City

1.0 CALL TO ORDER

Mr. Willy N. Ocier, Chairman of the Meeting, called the meeting to order and presided over the same. The Assistant Corporate Secretary recorded the minutes of the proceedings.

2.0 PROOF OF NOTICE OF MEETING

The Chairman of the Meeting called upon Atty. Richard Anthony D. Alcazar, the Assistant Corporate Secretary, to show proof that notices of the meeting had been sent to the stockholders of record as of 21 May 2015. Forthwith, the Assistant Corporate Secretary presented a *Certification* from Cavatas-MSI Express Services, Inc. showing that the notices of the meeting were sent to the stockholders of record in accordance with the Corporation's By-Laws. Upon the instruction of the Chairman of the Meeting, the *Certification* attesting to the delivery of the notices was appended to the original copy of the Minutes of the Meeting.

3.0 CERTIFICATION OF QUORUM

The Assistant Corporate Secretary certified that out of Seven Billion Five Hundred Four Million Two Hundred Three Thousand Nine Hundred Ninety Seven (7504,203,997) shares of the total outstanding capital stock of the Corporation, there were present in person and by proxy Five Billion Thirty-Five Million Forty Nine Thousand Six Hundred Eighteen (5,035,049,618) shares, representing an attendance Sixty-Seven Percent Point Zero Nine Sixty Three (67.0963%) of the total outstanding capital stock of the Corporation. Accordingly, the Assistant Corporate Secretary certified that a quorum existed for the transaction of the business at hand.

4.0 APPROVAL OF THE PREVIOUS MINUTES

Upon motion duly made and seconded, the reading of the Minutes of 2014 Annual Stockholders' Meeting, copies of which were distributed to the stockholders prior to the meeting, was dispensed with and the same was approved as circulated.

5.0 APPROVAL OF YEAR 2014 OPERATIONS
AND RESULTS AND FINANCIAL STATEMENTS

The Chairman of the Meeting informed the body that SEC FORM 20-IS in CD format which include the audited financial statements for the year ended December 31, 2014 were distributed to the stockholders prior to this meeting. The report and the financial statements for year ended December 31, 2014 indicate all pertinent actions undertaken during the year.

The Executive Vice President, Mr. Jackson T. Ongsip, reported on the highlights of the 2014 operations and results, as follows:

PRESIDENT'S REPORT

To our fellow stockholders, members of the Board of Directors, and friends, I would like to welcome you to the 2015 Annual Stockholders Meeting of APC Group.

In 2014, The Company continued its effort to pursue developments on its existing energy and natural resource exploration projects.

As of today, the status of our projects are as follows:

1. The Kalinga Apayao Geothermal Project, the joint venture among Aragorn Power and Energy Corporation (APEC), a subsidiary of APC, Guidance Management Corporation and Chevron Kalinga Limited is underway. We have completed Sub-phases 1 and 2 of the Geothermal Service Contract, which covers the geochemical and geophysical surveys. The application for the Environmental Clearance Certificate (ECC) and the engagement of engineering services in preparation for the Sub-phase 3 involving the drilling of exploration wells is in progress.

At the same time, we are committed to promote and build community relationship with the indigenous people through contributions for livelihood programs, scholarship grants to 167 college students, and other community projects.

2. APC has Mineral Production and Sharing Agreement (MPSA) with the DENR-MGB for a cement project in Ginatilan, Cebu. The Environmental Clearance Certificate (ECC) for the cement plant and port development is now in the final stages of renewal.

Please allow me to go through the highlights of the Company's financial performance for the prior year.

The Company realized revenues of Php156.3 million in 2014 compared to Php10.6 million in 2013. Consolidated net income was at Php120.8 million in 2014 compared to net loss of Php71.4 million in 2013.

The Company remains financially healthy with total Assets of Php412.1 million, Liabilities of Php114.6 million and Stockholders' Equity of Php297.5 million as of December 31, 2014. Details of the financial statements are contained in the Information Statement sent to the stockholders.

In closing, I would like to thank our members of the Board of Directors for their guidance, our employees for their hard work and dedication, and you our shareholders for your continued trust and support.

6.0 **RATIFICATION OF ALL ACTS AND PROCEEDINGS OF THE BOARD OF DIRECTORS, EXECUTIVE COMMITTEE AND MANAGEMENT**

The Chairman of the Meeting presented to the body the following resolution for consideration, which upon motion duly made and seconded, was unanimously approved by the stockholders:

“RESOLVED, AS IT IS HEREBY RESOLVED, That all the acts of the Corporation’s Board of Directors, Executive Committee, Management Committee, and the other committees for the period 2014-2015 and until the date of the annual stockholders’ meeting be, as the same are hereby approved, confirmed and ratified.”

7.0 **ELECTION OF DIRECTORS**

The Chairman of the Meeting announced that the next item in the agenda is the election of the members of the Board of Directors for the ensuing year.

The Assistant Corporate Secretary explained that under Section 2, Article IV of the Corporation’s By-Laws, the “directors of the Corporation numbering seven (7) shall be elected annually and each director shall hold office for the ensuing year and until his successor shall have been elected and qualified. The Nomination Committee received nominations in favor of the following stockholders as Directors of the Corporation for the ensuing year:

Willy N. Ocier
Frederic C. DyBuncio
Bernardo D. Lim
Tomas D. Santos (*Independent*)
Laurito E. Serrano (*Independent*)
Edmundo L. Tan
Virginia A. Yap

Since there were no other nominations, and there were as many nominees as there were seats to be filled, the Chairman of the Meeting instructed the Asst. Corporate Secretary to cast all votes in favor of the stockholders duly nominated who were therefore deemed elected as Directors of the Corporation for the year 2015-2016 in the order enumerated, until their successors shall have been duly elected and qualified.

8.0 APPOINTMENT OF EXTERNAL AUDITOR

Upon motion duly made and seconded, the auditing firm of Sycip Gorres Velayo & Company was retained as the Corporation's external auditor.

9.0 ADJOURNMENT

There being no further business to transact, and upon motion duly made and seconded, the meeting was adjourned.



RICHARD ANTHONY D. ALCAZAR
Secretary of the Meeting

Attested by:



WILLY N. OCIER
Chairman of the Meeting