

BENGUET CORPORATION
MINUTES
OF THE ANNUAL STOCKHOLDERS' MEETING
28 MAY 2014

The annual stockholders' meeting of Benguet Corporation (the "Company") was held at the Big Function Room, Manila Golf & Country Club, Harvard Road, Forbes Park, Makati City, on Wednesday, 28 May 2014.

I. Call to Order

Mr. Daniel Andrew G. Romualdez, Chairman of the Board, presided over the meeting. The meeting was called to order at 3:10 in the afternoon. Atty. Hermogene H. Real, the Corporate Secretary, recorded the minutes of the meeting.

II. Proof of Notice of the Meeting

Upon query of the Chairman if notice of the meeting had been sent to the stockholders of the Company, the Corporate Secretary certified that written notices of the meeting, together with the Proxy Statement, were sent either by mail or through messenger services at the respective addresses indicated in the books of the Company to each stockholder of record as of April 16, 2014, at least thirty (30) days before the annual meeting date in compliance with the Company's Amended By-Laws. The same notices were also published in People's Journal and People's Tonight, both newspapers of general circulation, on May 24, 2014 and May 26, 2014, respectively. [The Sworn Affidavit of Service/Mailing of the Notice to resident and non-resident stockholders, and a complete set of the notice and proxy materials are attached to the original of the Minutes of this meeting.¹]

III. Determination of Quorum

The Chairman requested the Corporate Secretary to confirm the presence of a quorum at the meeting. The Corporate Secretary certified that a quorum existed for the transaction of business, there being present in person or represented by proxy a total of 150,964,349 shares or 77.13% of the Company's outstanding capital stock of 164,395,364 shares. [Appended to the original of the Minutes is the report dated May 28, 2014 of SGV & Co., the Company's external auditors, showing the results of tabulation of the number of shares

¹Annex "A" - Affidavit, Notice and proxy Materials

present at the meeting.²]

There being a quorum present, the Chairman declared that the meeting was ready to proceed with the transaction of business. He then introduced to the stockholders each member of the Board of Directors present.

IV. Approval of the Minutes of the Last Regular Annual Stockholders' Meeting

The Chairman requested the Corporate Secretary to read the Minutes of the Annual Stockholders' Meeting held on May 30, 2013.³ Considering that copies of the Minutes of said meeting had earlier been furnished to the stockholders, upon motion duly made and seconded, the reading of said Minutes of the last Annual Stockholders' Meeting was dispensed with, and the stockholders unanimously adopted the following resolution:

“**RESOLVED**, as it is hereby resolved, that the Minutes of the Stockholders' Meeting held on May 30, 2013 be, as they are hereby, approved as presented.”

V. Presentation of Management's Report

The Chairman announced that the next order of business was the review of the Company's operations for the years 2013 - 2014 with some interim updates on BC's mineral production/exploration projects. He stated that copies of the Annual Report as well as SEC 17-A with the 2013 Audited Financial Statements were distributed in advance to the stockholders together with the Proxy Statement prior to the meeting, thus any questions on the report will be entertained after the presentation.

He then called the Officer-in-Charge/Senior Vice President-Chief Finance Officer, Mr. Renato Claravall, to present the highlights of the Company's operations for the calendar year 2013 and 2014 First Quarter Report as well as its current activities, including the projections of the Company for 2014. Mr. Claravall took the floor and reported on behalf of the President & CEO, Mr. Philip Romualdez, who unfortunately was not able to attend this meeting as he is in New York for the Investment Forum.

²Annex "B" - Quorum Tabulation

³Annex "C" – Minutes of the Annual Stockholders Meeting held on May 30, 2013

The year 2013 was a challenging year for the Company. Its goal was to achieve consistent profitability and sustainable growth. Market forces, however, did not cooperate. Management's strength and its effort to resolve was tested with prices of the Company's two main product lines, nickel and gold which continues to soften during the year .

Notwithstanding the challenges, management continued to expand its customer base for the nickel ore, pushed for higher operating efficiencies in its nickel production. The Company ramped up its gold milling operation and implemented operating efficiency programs.

Despite the challenges, the Company continued to fulfill its responsibilities to the communities it is involved with and to its environmental commitments. It ensured that it is compliant with the rules and regulations of the mining industry and implemented BenguetCorp's (BC) approved Annual Environmental Protection and Enhancement Program (AEPEP) and Social Development and Management Programs.

The Company allocated resources for, among others: (1) the progressive rehabilitation and maintenance of environmental structures such as the tailings disposal system, ponds, dams, tunnels and canals for silts and waste; (2) the monitoring, waste and risk management and safety programs; (3) the maintenance and rehabilitation of its nursery with a total of 167,850 seedlings planted

The Company also provided for or assisted its host communities with: (1) Human resource development and institutional building; (2) Enterprise development and networking; (3) Infrastructure development and support services; (4) Education and educational support program; (5) Health services; and (6) Socio-cultural activities and education.

Moving past the challenges, BC continued to advance the development of its existing properties and projects to prepare for the Company's long term sustainability, as follows:

- 1) The Balatoc Tailings Project is in the fund raising stage with pre-development almost completed.
- 2) The Company is pursuing the development of the Greater Acupan Project, the Ampucao copper and gold prospect, the Bulk Water Project, among others.

If these projects cannot be funded internally, BC will be seeking partners to accelerate the development of these projects.

The year 2013 was a set back but management firmly believes that 2014 will be far better year for the Company in terms of sustainable growth.

BC started the year 2014 with aggressive production targets effectively 50% on both product mines. As a result, BC's first quarter income reached Php67Million closed to 90% over its performance during the comparable period of 2013. It was achieved by higher production volume. The Company performed much better than even its own targets for the year. It continued its Cost Efficiency Programs. The Company had been successful in the first quarter of 2014 maintaining its cost base while producing more in terms of production. Gold price continued to soften and nickel price continued to soften. However, there are bright signs in the horizon.

Mr. Claravall thanked the shareholders for their patience and BC commits that their patience will be rewarded. He likewise thanked the members of the Board of Directors, who guided, pushed and motivated management to deliver positive results, as well as the employees who are tirelessly doing their best to make all of these happen.

After a brief review of the highlights of the Company's operations for the years 2013-2014, as well as the Company's projections in 2014, the Chairman then declared the table open for questions concerning the Management's Statement, the Annual Report for the year 2013, the first quarter report for the year 2014, and the 2013 Audited Financial Statements.

There being no further comments or questions, upon motion duly made and seconded, said reports were noted and approved by the stockholders through the following resolution:

“RESOLVED, as it is hereby resolved, that the Annual Report containing the Management Report in SEC Form 17-A, together with the consolidated financial statements for the calendar year ended 2013 be, as they are hereby, approved as presented.”

VI. Approval, confirmation and ratification of all Acts, Contracts, Resolutions, Investments and Proceedings made and entered into by Management and/or the Board of Directors during the period from May 30, 2013 to May 28, 2014

The Chairman took up the next item in the Agenda which was the approval, confirmation and ratification of all acts, contracts, resolutions, investments and proceedings of the Board of Directors and its Corporate Officers for the period from May 30, 2013 to May 28, 2014.

On motion duly made and seconded, there being no objections, the stockholders unanimously adopted the following resolution:

“RESOLVED, as it is hereby resolved that all acts, resolutions, contracts and investments made by Management and/or the Board of Directors for the period from May 30, 2013 to May 28, 2014, be as they are hereby confirmed, ratified and approved .”

VII. Approval of the amendment of Article Third of the amended Articles of Incorporation of Company

The Chairman reported to the stockholders that during the regular meeting of the Board of Directors of the Company held on March 28, 2014, the Board approved the amendment of Article Third of the amended Articles of Incorporation of the Company to indicate therein the complete address of the

Company's principal office from Metro Manila to 7th Floor, Universal-Re Building, 106 Paseo de Roxas, 1226 Makati City, Philippines, pursuant to SEC Memorandum Circular No. 6, Series of 2014.

He stated that the Company would like to get stockholders' approval on the proposed amendment. He then asked a motion to approve the amendment to Article Third of the Amended Articles of Incorporation on the change of principal office address.

There being no further comments, questions or objection, upon motion duly made and seconded, the following resolution was approved:

"RESOLVED, That Article III of the Articles of Incorporation of Benguet Corporation be, as it is hereby amended, to read as follows:

"THIRD. That the place where the principal office of the corporation is to be established or located is at the 7th Floor, Universal-Re Building, 106 Paseo de Roxas, Makati City 1226, Philippines".

VIII. Approval of the amendment of Article Seventh of the amended Articles of Incorporation and Article I, Section 1 of the amended By-Laws of the Company on the increase of the authorized capital stock of the Company

The Chairman informed the stockholders that during the regular meeting of the Board of Directors held on March 28, 2014, the Board approved the amendment of Article Seventh of the amended Articles of Incorporation and Article I, Section 1 of the amended By-Laws of the Company on the increase of the authorized capital stock of the Company. The capital increase will affect only the common shares which will increase from the present amount of P600 million, consisting of 120 million common Class A shares and 80 million Common Class B shares, both having par value of P3.00 each, to the total amount of P717,300,000, consisting of 143,460,000 Common Class A shares and 95,640,000 Common Class B shares, both having par value of P3.00 each. After the amendment, the total authorized capital stock of the Company will have increased to P784,800,000 from P667,500,000.

He further explained that the increase in capitalization and the corresponding amendments of Article Seventh of the amended Articles of Incorporation and Article I, Section 1 of the amended By-Laws of the Company, are made necessary by the need to accommodate new and additional capital investment in the Company to be used for the development of current and future projects.

He stated that the Company would like to get stockholders' approval on the proposed amendment. He then asked if there are questions, comments or objection. There being none, he asked for a motion to approve the amendments

to the amended Articles of Incorporation and amended By-Laws on the increase in authorized capital stock of the Company as discussed.

A stockholder stood up and made a motion to approve, which was duly seconded by another stockholder. Hence, the following resolutions were approved:

“RESOLVED, That Article SEVENTH of the Amended Articles of Incorporation and Article 1, Section 1 of the Amended By-Laws of the Corporation, be, as it is hereby amended, to read as follows:

(1) AMENDED ARTICLES OF INCORPORATION: -

“SEVENTH. That the capital stock of the Corporation is SEVEN HUNDRED EIGHTY FOUR MILLION EIGHT HUNDRED THOUSAND PESOS (P784,800,000.00) and said capital stock is divided into three classes consisting of (a) ONE HUNDRED FORTY THREE MILLION FOUR HUNDRED SIXTY THOUSAND (143,460,000) shares of Common Class A Stock of the par value of Three Pesos (P3.00) each; (b) NINETY FIVE MILLION SIX HUNDRED FORTY THOUSAND (95,640,000) shares of Common Class B Stock of the par value of Three pesos (P3.00) each; and (c) such number of shares of Convertible Preferred Class A Stock of such a par value as shall be authorized and fixed by the Board of Directors, provided that the number of shares of Convertible Preferred Class A Stock actually authorized by the Board of Directors shall not be less than ELEVEN MILLION TWO HUNDRED ELEVEN THOUSAND SIX HUNDRED NINETY FIVE (11,211,695) shares and shall not be more than a number of equivalent to 150% of the number of shares of Common Stock that shall be outstanding after completion of the Exchange Offer approved by the stockholders of the Corporation at the Special Stockholders’ Meeting held on December 28, 1973, and provided further that that the par value of such Convertible Preferred Class A Stock to be fixed by the Board of Directors shall not be higher than Six Pesos and Two Centavos (P6.02) per share, and shall be such number as shall be equal to the quotient obtained by dividing Sixty Seven Million Five Hundred Thousand Pesos (P67,500,000.00) by the number of the shares of Convertible Preferred Class A Stock actually authorized by the Board of Directors. xxx”.

(2) AMENDED BY-LAWS: -

Section 1. Authorized Capital, Stock Certificate. – The capital stock of this Company is SEVEN HUNDRED EIGHTY FOUR MILLION EIGHT HUNDRED THOUSAND PESOS (P784,800,000.00) and said capital stock is divided into three classes consisting of (a) ONE HUNDRED FORTY THREE MILLION FOUR HUNDRED SIXTY THOUSAND (143,460,000) shares of Common Class A Stock of the par value of Three Pesos (P3.00) each; (b) NINETY FIVE MILLION SIX HUNDRED FORTY THOUSAND (95,640,000) shares of Common Class B Stock of the par value of Three pesos (P3.00) each; and (c) such number of shares of Convertible Preferred Class A Stock of such a par value as shall be authorized and fixed by the Board of Directors, provided that the number of shares of Convertible Preferred Class A Stock actually authorized by the Board of Directors shall not be less than ELEVEN MILLION TWO HUNDRED ELEVEN THOUSAND SIX HUNDRED NINETY FIVE (11,211,695) shares and shall not be more than a number of equivalent to 150% of the number of shares of Common Stock that shall be outstanding after completion of the Exchange Offer approved by the stockholders of the Corporation at the Special Stockholders' Meeting held on December 28, 1973, and provided further that that the par value of such Convertible Preferred Class A Stock to be fixed by the Board of Directors shall not be higher than Six Pesos and Two Centavos (P6.02) per share, and shall be such number as shall be equal to the quotient obtained by dividing Sixty Seven Million Five Hundred Thousand Pesos (P67,500,000.00) by the number of the shares of Convertible Preferred Class A Stock actually authorized by the Board of Directors”.

xxx xxx “

IX. ELECTION OF DIRECTORS

The Chairman proceeded to the next item in the Agenda which is the election of the Board of Directors of the Company for the years 2014-2015. He informed the stockholders that there are no other nominees for independent directors submitted to the Corporate Secretary and, as indicated in the Company's Proxy Statement, no further nominations shall be entertained or allowed on the floor during the actual annual stockholders' meeting since the period for nominations of independent directors has lapsed which is not later than forty five (45) days prior to the stockholders' meeting. As disclosed in the Proxy Statement, the election of directors is still enjoined under the Temporary Restraining Order (TRO) issued by the Supreme Court.

At this point, the Corporate Secretary referred the stockholders to the Notice of Annual Meeting of Stockholders and Information Statement, particularly on page 4 thereof labelled as Status of the TRO, where it was stated that “as of the date of this statement, the election of directors is still enjoined under the Temporary Restraining Order (TRO) issued by the Philippine Supreme Court. Unless such TRO is set aside to allow an election, no election can be held.”

She then informed the body that as of the date and time of this meeting, no order lifting the TRO has been received by the Company. Hence, no election of directors could be held.

The Chairman declared and announced that the incumbent members of the Board of Directors of the Company shall continue to hold office on a hold-over capacity until such time that their successors shall have been duly elected and qualified, as follows:

- (1) To represent Common Class "B" Stock:
Benjamin Philip G. Romualdez
Andres G. Gatmaitan
Isidro C. Alcantara, Jr.
Bernardo M. Villegas, as independent director
- (2) To represent the Convertible Preferred Class "A" and Common Class "A" Stocks:
Daniel Andrew G. Romualdez
Maria Remedios R. Pompidou
Alberto C. Agra, as independent director
Rogelio C. Salazar
Luis Juan L. Virata
Cesar C. Zalamea

IX. Other Business

A. Conversion Premium for Convertible Preferred "A" shares

The Chairman informed the shareholders that for the year 2013, the conversion premium for converting Convertible Preferred "A" shares into Common Class "A" shares is P24.28 per share.

B. Approval/Ratification of Stock Option Awards

The Chairman informed the stockholders that on matters arising after the notices to the stockholders' meeting were sent, there is need for approval of the stock option grants to certain directors in recognition of their long years of service to the Company.

During the regular meeting of the Board of Directors held just two hours ago, the Board approved the grant to selected 5 directors. The Company would like to get stockholders' approval on the stock option grants. He then asked for a motion to approve the awards to the 5 directors unless there are comments, questions or objections.

There being none, a stockholder stood up and made a motion to approve, which was duly seconded by another stockholder. Hence, the grant of stock option awards to five (5) directors in recognition of their long years of service to the Company was approved.

XI. Adjournment

The Chairman inquired from the stockholders if there are other matters that they would like to take up.

There being no other question and no other business to transact, upon motion duly made and seconded, the meeting was adjourned at 3:50 p.m.

Prior to the adjournment, the Chairman informed the body that since the TRO has not been lifted as of the date of this meeting, the 2014 annual stockholders' meeting will be adjourned for up to ninety (90) days or until August 30, 2014 to allow the election of directors in the event that the TRO is lifted anytime during the said 90-day period; and that the proxies for the May 28, 2014 Annual Stockholders' Meeting will still be valid for ninety (90) days from the date of the said meeting.

HERMOGENE H. REAL
Corporate Secretary

ATTEST:

DANIEL ANDREW G. ROMUALDEZ
Chairman