

**REGULAR ANNUAL MEETING OF THE STOCKHOLDERS OF
LEPANTO CONSOLIDATED MINING COMPANY**

Held through remote communication
via video-conferencing
on Monday, July 27, 2020 at 4:00 P.M.

1. Call to order

The Chairman of the Board, Mr. Felipe U. Yap, called the meeting to order and welcomed the stockholders to the meeting. The Assistant Corporate Secretary, Atty. Odette A. Javier, recorded the minutes of the meeting.

The Chairman explained that the meeting was being conducted remotely or via Zoom to avoid any health and safety risks on everyone concerned and in keeping with the IATF safety regulations.

2. Proof of due notice of meeting and determination of quorum

As the first order of business, the Chairman called upon the Corporate Secretary to present proof that notice of the meeting had been sent out in accordance with the rules of the Securities and Exchange Commission (SEC) and to report on the attendance at the meeting.

The Secretary confirmed that the Notice with the Agenda of the meeting was published on July 2 and 3, 2020 in the Philippine Star and July 4 and 5, 2020 in the Manila Times in accordance with the rules of the SEC. Furthermore, the said Notice and Agenda, together with the Information Statement, were duly disclosed and had been uploaded in the PSE EDGE and on the Company website not later than July 6, 2020.

The Secretary next reported that with the assistance of the Chief Accountant, Ms. Jennifer O. Baldoz, he had examined all proxies and all powers of attorney filed of record. In addition, he had examined the tally of stockholders who had pre-registered and voted online. Based upon such examination, he declared that out of the 66,355,164,424 shares issued, outstanding and entitled to vote as of June 29, 2020, there were 44,756,357,115 shares considered present at the meeting, or an attendance of 67.45%, and certified that there was a quorum for the business at hand.

The Secretary said that all the other members of the Board were present: the Chairman; the President, Mr. Bryan U. Yap; the independent directors Ray C. Espinosa and Val Antonio B. Suarez as well as Messrs. Marilyn V. Aquino, Douglas J. Kirwin, Regis V. Puno, and Cresencio C. Yap.

PROCEDURE FOR DISCUSSION AND VOTING

At the request of the Chairman, the Corporate Secretary explained the procedure for discussion and voting:

The REQUIREMENTS AND PROCEDURE FOR VOTING AND PARTICIPATING in today's meeting are set forth in the Information Statement which has been uploaded in the PSE EDGE and the Company's website. As stated therein, stockholders may participate through remote communication or by Proxy.

Only stockholders who have timely pre-registered or submitted proxies may participate in today's meeting. Those who have pre-registered should have voted on-line on the four resolutions proposed for adoption by the stockholders and for the nominees for election to the Board of Directors on or before July 23.

Each proposed resolution will be shown on the screen and read by the Asst. Corporate Secretary while the same is being taken up. The total affirmative and negative votes in respect of each resolution or nominee for Director, as well as the abstentions, will be reflected in the minutes.

As of July 24, 2020, after the Proxy validation process, stockholders owning 44,756,357,115 shares representing 67.45 % of the total outstanding voting shares had cast their votes on the items for consideration.

Participants may ask questions through the chat facility of Zoom. The questions will be read by the Asst. Corporate Secretary after the President's report under Agenda Item No. 4 and they will be addressed accordingly.

For orderly proceedings, the host will mute all audio facilities, so that only the Chairman, and whoever he requests to speak up, will be enabled to speak.

The Chairman inquired whether there were any challenges to the Secretary's certification of quorum. There being none, the Chairman affirmed the presence of a quorum.

Thereafter, the Chairman directed the Secretary to spread the Notice of the Regular Annual Meeting in the minutes.

NOTICE OF 2020 ANNUAL STOCKHOLDERS' MEETING

Please be informed that the **Annual Stockholders' Meeting of Lepanto Consolidated Mining Company** will be held on **Monday, July 27, 2020 at 4:00 o'clock p.m.** The Meeting will be conducted virtually via remote access communication and the access link will be provided in the Company's website at www.lepantomining.com

The agenda for the Meeting will be as follows:

1. Call to Order
2. Proof of due notice of the meeting and determination of quorum
3. Approval of the Minutes of the Annual Meeting held on April 15, 2019
4. Approval of the Annual Report
5. Election of Directors
6. Appointment of External Auditor
7. Amendment of Article VII of the Articles of Incorporation
 - a. To increase the authorized capital stock from P6.64 Billion to P12.00 Billion
 - b. To remove the requirement that issued Class "B" shares not exceed 4/6 of the issued Class "A" shares provided that the shares held by non-Philippine nationals shall not at any time exceed 40% of the total shares subscribed, issued, and outstanding.
8. Transaction of such other and further business as may properly come before the Meeting
9. Adjournment

Only stockholders of record as of June 29, 2020 are entitled to notice of, and to vote at, the Meeting. The stock and transfer book of the Company will be closed from June 29, 2020 to the close of business hours on July 27, 2020.

The Definitive Information Statement and Management Report and SEC Form 17-A and other pertinent documents are posted on the Company's website and PSE Edge. Guidelines for registration and participation in the Meeting shall likewise be posted on the Company's website.

Stockholders who intend to participate in the Meeting via remote communication should email on or before July 17, 2020 the Asst. Corporate Secretary at oaj@lepantomining.com a scanned copy of a valid government-issued identification card (ID) for registration and verification purposes. Indirect stockholders should include in their email their broker's certification of shareholding.

Stockholders may also be represented and vote at the Meeting by submitting a Proxy via email to oaj@lepantomining.com together with a government-issued ID. Hardcopies of proxies may also be submitted to the Company's principal office at the 21st Fl., Lepanto Building, 8747 Paseo de Roxas, Makati City. Proxies emailed or submitted after July 17, 2020 shall not be recorded for the Meeting.

Makati City, 2 July 2020.

(sgd.) **ETHELWOLDO E. FERNANDEZ**
Corporate Secretary

3. Approval of minutes

The Chairman noted for the record that the draft minutes of the regular annual meeting of April 15, 2019 was uploaded in the Lepanto website about two weeks ago. He then submitted the minutes for the consideration and approval of the stockholders.

The Chairman asked the Asst. Corporate Secretary to present the resolution for approval by the stockholders. The resolution was shown on the screen and read by the Asst. Corporate Secretary.

The Corporate Secretary informed the body that shareholders representing 44,756,357,115 shares, or 100% of the shares present or represented at the meeting, have voted to approve the said minutes.

The Chairman thus declared that the Minutes of the Annual Meeting of the Stockholders held on April 15, 2019 have been approved.

4. Approval of Annual Report

The Chairman noted that the 2019 Annual Report, as part of the Information Statement, was made available to all stockholders through the Company's website.

The Chairman made his report based on the letter of the Chairman and the President to the stockholders embodied in the 2019 Annual Report, as follows:

2019 proved to be a challenging year. Despite the increase in tonnage mined, we were affected by lower than expected metal grades and complex metallurgical issues from the combined mining of the copper/gold ore from the QPG deposits and gold ore from the Victoria/Teresa.

We produced a total of 10,028 dry metric tons of concentrates, 25,958 ounces gold, 2,912,623 lbs. copper, and 86,888 ounces silver. Consolidated revenues reached P2.05 billion, and net loss, ₱1.03 billion.

In the last quarter of the year, we studied various scenarios on separately processing our copper ore and gold ore. However, these would require modifications of both our mine and mill operations, including additional capital equipment, but without guaranteed outcomes. We opted therefore to temporarily phase out our copper concentrate production and focus on improving and increasing our gold/silver dore output buoyed by the general bullishness on the rising prices of these precious metals (Gold is currently trading in the high \$1800's /oz.). In line with this thrust, we brought back several key people who were involved during the development and operation of the Victoria mine as consultants.

In the first half of the year, we struggled like the rest of the country with the effects of the Covid 19 pandemic. Being part of an export-oriented industry, we were allowed by the government to operate albeit under stringent conditions. Almost every aspect of our operations was affected, from exploration and development to milling and mining due to manpower mobility, shortage of essential supplies, transport, and other logistical problems. We have been able to cope with the evolving norm which fortunately has allowed us to continue operating to the present time.

While the socio-economic landscape continues to change and the “new normal” has yet to be established, we will continue to meet the challenges we face by improving our production, reducing our costs, and moving towards profitability.

We would be remiss if we did not express our profound gratitude to you our shareholders for your enduring patience and support, to our Board of Directors for their guidance and counsel and to our officers and employees for their loyalty and perseverance. We also express our thanks to our other stakeholders: legal counsels, external auditors, the Mankayan community, suppliers, and partners in government for soldiering with us through this difficult time.

Thank you and may we exhort everyone to please “Stay safe”.

The Chairman then asked the President, Mr. Bryan U. Yap, to report on the results of operations for the first quarter of 2020. Following are the highlights of the President’s report:

Early this year, in view of the rising gold and silver prices, Lepanto decided to refocus on gold/silver dore production and temporarily suspend copper production. We have thus concentrated our attention on the Victoria and Teresa deposits.

Since the start of purely gold/silver mining in March, we have increased our mining rate from an initial 800 tonnes per day to 1,200 tonnes per day to-date. Gold ounces produced have also improved from only 588 ounces in April to an expected 1,500 ounces in July. We expect to increase monthly gold production to about 1,800 ounces by December.

Last year, we automated our gravity concentration system with the acquisition of an Intensive Leach Reactor, eliminating the use of shaking tables and direct smelting of the gravity concentrates. The CIP Plant is being refurbished to further improve gold recovery. Our gold recovery has now increased to 87%.

Given the continued optimism on the prices of precious metals, we are prioritizing the development of the remaining reserve of the Victoria to increase its contribution to our production and working on a drilling program to delineate its extension.

The Chairman then said that the stockholders may ask questions through the chat facility of Zoom. There being no questions, the Chairman asked the Asst. Corporate Secretary to present to the stockholders the resolution approving the Annual Report for 2019. The resolution was shown on the screen and read by the Asst. Corporate Secretary, as follows:

RESOLVED, That the Annual Report of the Board of Directors of the Company for the calendar year ended December 31, 2019, together with the financial statements of the Company inclusive of the Consolidated Balance Sheet, the Consolidated Statement of Income and Retained Earnings and the Consolidated Statement of Cash Flow as of December 31, 2019, as audited by the Company's independent auditors, Sycip, Gorres, Velayo and Co., and their certification and notes to the financial statements be, as the same hereby are, noted and approved.

The foregoing resolution was approved by a total of 44,756,357,115 shares or 100% of the shares present or represented at the meeting.

5. Election of Directors

The Chairman stated that in compliance with the Company's ByLaws and Corporate Governance Manual, two (2) independent directors should be elected by the stockholders. Acting on nomination letters duly received, the Nomination Committee has approved the nominations of Atty. Ray C. Espinosa and Atty. Val Antonio B. Suarez for re-election as independent directors. The Nomination Committee has also approved the nominations of the following for re-election to the Board:

FELIPE U. YAP
MARILYN V. AQUINO
ETHELWOLDO E. FERNANDEZ
DOUGLAS JOHN KIRWIN
REGIS V. PUNO
CRESENCIO C. YAP
BRYAN U. YAP

Considering that there were nine (9) Board seats to be filled, and there were only nine (9) nominees, including for two independent directors, the chairman declared all nine nominees as duly elected directors. The Chairman directed the Corporate Secretary to distribute all the votes equally among the said nominees, or 44,756,357,115 votes for each nominee.

The Chairman then presented to the stockholders the re-elected directors of the Company. He also presented to the stockholders the Company's senior officers.

6. Re-Appointment of External Auditor

The Chairman said that the next item on the agenda was the appointment of external auditor and that the Audit Committee and the Board of Directors have recommended that Sycip Gorres Velayo & Co. ("SGV") be re-appointed.

The Chairman asked the Asst. Corporate Secretary to present the resolution for approval by the stockholders and the votes received thereon. The resolution was shown on the screen and read by the Asst. Corporate Secretary. The Asst. Corporate Secretary advised that 44,756,357,115 shares or 100% of the shares present or represented at the meeting had voted in favor of the re-appointment of SGV as external auditor.

The Chairman then introduced to the stockholders the SGV partners who were in attendance, namely: Wilson P. Tan, Chairman and Managing Partner, Maria Vivian C. Ruiz, Vice Chair and Deputy Managing Partner, Martin C. Guantes, Partner, Assurance Leader, Aris C. Malantic, Partner, Market Group 7 Leader, Jaime F. del Rosario, Partner, Business Services Group Leader, Eleanore A. Layug, Partner, Marc Bonnie B. Wong, Senior Director, Chris Yroniel D. Ong, Associate Director.

The Chairman also acknowledged the presence of representatives from the transfer agent, the Stock Transfer Service, Inc. the General Manager, Mr. Richard Regala.

7. Adjournment

There being no further business to transact, the meeting was thereupon adjourned.

ATTEST:

FELIPE U. YAP
Chairman of the Stockholders' Meeting

ETHELWOLDO E. FERNANDEZ
Secretary of the Stockholders' Meeting