

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

held at the Rigodon Ballroom, The Peninsula Manila
corner Ayala and Makati Avenues, Makati City
on April 21, 2014 at 4:00 P.M.

1. Call to order

The Chairman of the Board, Mr. Felipe U. Yap, called the meeting to order. He welcomed the stockholders to the meeting and expressed his appreciation for their attendance. He then requested the assembly to rise to sing the National Anthem.

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 By-laws and to report on the attendance at the meeting.

The Secretary declared that Varied Services, Inc., whose services were engaged for the delivery and mailing of the notices of the meeting for today, April 21, 2014, had provided proof of such delivery and mailing, and has certified that all notices for the meeting were sent to the stockholders in accordance with the By-laws.

The Secretary next reported that, with the assistance of the Controller and the Transfer Agent, Stock Transfer Services, Inc., he had examined all proxies and all powers of attorney filed of record and had caused the signatures on these documents to be verified against those of record with the Transfer Agent. In addition, he had examined the tally of stockholders who had signed in as present in person at the meeting. Based upon such examination, he declared that there were 31,353,389,776 shares present by proxy and 380,535,812 shares present in person, or a total of 31,633,325,588 shares present by proxy and in person, out of the 43,421,336,081 shares issued, outstanding and entitled to vote as of March 3, 2014 or an attendance of 72.85%. He then certified that there was a quorum for the business at hand. (A summary of the tabulation of attendance is filed with the record and incorporated by reference as an integral part of these minutes.)

The Chairman inquired whether there was any challenge 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.

LEPANTO CONSOLIDATED MINING COMPANY
21st Floor, Lepanto Building, Paseo de Roxas
Makati City, Philippines

NOTICE OF REGULAR ANNUAL MEETING

TO ALL STOCKHOLDERS:

NOTICE IS HEREBY GIVEN that the regular annual meeting of the stockholders of Lepanto Consolidated Mining Company will be held at the Rigodon Ballroom, The Peninsula Manila, corner Ayala and Makati Avenues, Makati City, Philippines, on **Monday, April 21, 2014 at 4:00 o'clock p.m.** The agenda for this meeting is 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, 2013
4. Approval of the Annual Report
5. Election of Directors
6. Amendment of Article Third of the Articles of Incorporation to indicate therein the complete address of the Company's principal office pursuant to SEC Memorandum Circular No. 6, Series of 2014
7. Appointment of External Auditor
8. Transaction of such other and further business as may properly come before the meeting.

Proxies must be filed with and received at the Company's offices not later than by the close of business hours on April 10, 2014. Proxies received after the cut-off date shall not be recorded for this meeting.

Only holders of issued stocks of record as at the close of business hours on March 3, 2014 and whose status as stockholders on that date has been satisfactorily established per the corporate records to the Secretary of the Company will be entitled to notice of, and to vote at, said meeting. The stock and transfer book of the Company will be closed from March 3, 2014 to the close of business hours on April 21, 2014.

Makati City, Philippines, March 17, 2014.

BY ORDER OF FELIPE U. YAP, CHAIRMAN OF
THE BOARD AND CHIEF EXECUTIVE OFFICER:

(sgd.) ETHELWOLDO E. FERNANDEZ
Corporate Secretary

3. Approval of Minutes

The Chairman next noted for the record that copies of the minutes of the annual meeting of the stockholders on April 15, 2013, as they appear of record in the Minute Book of the Company, had been distributed on the floor to all stockholders present. He then submitted the minutes for the consideration and approval of the stockholders.

Upon motion duly made and seconded, the reading of the minutes of the annual meeting of the stockholders held on April 15, 2013 at Makati City, was dispensed with, and the said minutes were unanimously approved.

4. Approval of Annual Report

The Chairman noted that copies of the 2013 Annual Report of the Company, which had been approved by the Board of Directors, were made available at the meeting. The Chairman made his report based on the letter of the Chairman and the President to the stockholders embodied in the 2013 Annual Report, as follows:

2013 turned out to be a more difficult year than the previous year. Gold continuously fell from an average of \$1,671/oz. in January to \$1,221/oz. in December. Silver dropped from a January average of \$31.11/oz. to \$19.60/oz. Globally, mines struggled to adjust their operations in the light of the falling prices. In addition, the anticipated government rationalization of the mining industry, in particular the revision of the revenue-sharing scheme, did not materialize with the moratorium on the processing of new mineral applications remaining effectively in force for the second year.

The impact of the drop in metal prices was partly cushioned by increases in our gold and silver production. Gold production rose from 29,201 ounces in 2012 to 33,240 ounces in 2013, silver from 51,449 ounces to 67,815 ounces. The increased production was not sufficient however to offset the decline in prices. Sales totaled P 2.02 billion down from P2.13 billion the previous year. Losses from operations amounted to P295.7 million, compared with a loss of P33 million the previous year. A consolidated net loss of P326.6 million was registered compared with a consolidated net income of P118.4 million in 2012.

Your company finalized late last year a collective bargaining agreement with a new union, the Lepanto Local Employees Union (LLEU), which decisively won over the KMU-affiliated Lepanto Employees Union (LEU) in a certification election held in October 2013. The CBA with the LLEU was signed in January this year, followed in February by the signing of another CBA, this time with the supervisors union known as the Lepanto Local Staff Union.

On 27 July 2013, an overwhelming 84% or 283 of the 335 community elders and leaders of the indigenous people of the affected barangays in Mankayan, Benguet voted "yes" to the issuance of a Financial or Technical Assistance Agreement (FTAA) to Far Southeast Gold Resources Inc. (FSGRI). The taking of the vote is a necessary step in the Free and Prior Informed Consent (FPIC) process, a prerequisite to the partial conversion of MPSA 01-90-CAR into an FTAA in favor of FSGRI. Such conversion will enable Gold Fields to take a majority position in the project by exercising its option of purchasing a further 20% stake in FSGRI.

With regard to the Far Southeast project, underground drilling activities in 2013 targeted the high grade areas of the orebody. The planned drilling was completed in May 2013. Limited confirmatory surface geotechnical drilling was also completed.

Given the data on hand, a decision was made to explore the option of a smaller but higher grade mine operation for the project and a desktop concept study was submitted in the fourth quarter of 2013. The development of a smaller mine operation - in contrast to the larger scale mine originally anticipated- would entail less initial capital, require a shorter development period and result in earlier cash generation. A decision has been taken to move this option forward into a pre-feasibility study.

While completing the necessary requirements to obtain the FTAA, Lepanto and FSGRI will procure, without prejudice to such application for conversion, the renewal of MPSA 01-90 CAR of which they are joint contractors and which will otherwise expire in March 2015. This MPSA covers a substantial portion of the Far Southeast orebody as well as Lepanto's Victoria, Teresa and Enargite mines, among others.

Among our various CSR initiatives, we are especially proud of our education programs. Our Lepanto Educational Assistance Program (LEAP) benefited a total of 485 college students from Mankayan, Cervantes and Ouirino, 100 of whom completed their courses in 2013. Aside from the LEAP, we provided scholarships to ten students of Mining Engineering, Metallurgy and Geology through our Development of Mining Technology and Geosciences Program. Four Mining Engineering grantees graduated in March and successfully passed their licensure examinations. One Geology scholar graduated last October. All five graduates are now working with the company.

Lepanto established the Lepanto Skills Development Center which offers programs following the curriculum of the Technical Education and Skills Development Authority (TESDA). The first course offered was Shielded Metal Arc Welding (SMAW), from which 29 students have graduated, all of whom have been granted National Certifications from the TESDA.

We extend our grateful appreciation and thanks to our fellow members of the Board for their invaluable guidance in dealing with the multifaceted affairs of the company; our officers, managers and the rest of our employees for their perseverance and dedication to achieving the company's goals; our banks, suppliers and service providers for their unstinting support; and especially our shareholders for their continued faith in our company.

The Chairman then called on the President, Mr. Bryan U. Yap, to report on the results of operations for the first quarter of 2014. Following are the highlights of the President's report:

- In the first quarter of the year, we produced 8,276 ounces of gold and 13,034 ounces of silver. First quarter net loss amounted to P69 million.
- Reeling from the steep decline in gold prices which affected all mining companies around the world, we re-evaluated at the start of the year the different ore sources from our Victoria and the Teresa ore bodies. In mid-February, we decided to suspend mine extraction from the lower grade Teresa orebody and to concentrate on the Victoria which has been giving us comparatively higher gold grades. This resulted in the downscaling of our projected tonnage for 2014 from 2,200 tonnes per day to 1,300 tonnes per day, but at a higher average grade of 2.3 gram/tonne. After full evaluation, we have determined that the Teresa orebody was just not giving us an adequate return at present gold prices.

Corollary to our concentration on mining Victoria, at lower tonnage but higher-grade, we will continue to initiate cost-cutting measures, improve

operating efficiencies and exercise stringent controls over capital expenditures to cover only essential items and development activities.

Update on the Far Southeast Project:

- We are continuing our negotiations with the IP communities in Mankayan, Benguet for a Memorandum of Agreement evidencing their Free and Prior Informed Consent to the issuance of an FTAA to the Far Southeast Project. We hope to finalize the MOA by the next quarter.
- In the meantime, detailed re-examination and re-logging of drill core is underway, to better understand the nature and controls on higher grade mineralisation with a view to using a more selective mining method for the project. Work on a 6 million tonnes per annum pre-feasibility study on the basis of a long-hole open stope operations that will focus initially on the higher-grade sections of the orebody will be prepared.

The President then replied to questions raised on the floor:

In reply to the query of Mr. Jose Ferrer, the President said that Gold Fields Switzerland already owns 40% of Far Southeast Gold Resources, Inc. and has the option of acquiring a further 20% interest in the company. On the other hand, the interest of Philex Mining Corporation in Lepanto is about 5% of the outstanding capital.

All other clarificatory questions from the floor having been satisfactorily addressed, and upon motion duly made and seconded, the stockholders adopted the following resolution:

RESOLVED, That the Annual Report of the Board of Directors of the Company for the calendar year ended December 31, 2013, 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, 2013, 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.

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 Mr. Ray C. Espinosa and Atty. Val Antonio B. Suarez for re-election as independent directors. In compliance with the SEC rules, no further nomination for the two seats may now be made. Therefore, what is open for nomination are the seven (7) remaining board seats for the year 2014 to 2015. He then declared the table open for nominations to the seven (7) board seats.

Ms. Josefina C. Subido nominated the following for re-election as Directors for 2014-15:

FELIPE U. YAP
BRYAN U. YAP
CRESENCIO C. YAP

ETHELWOLDO E. FERNANDEZ
MARILYN V. AQUINO
JOSE G. CERVANTES
RICARDO PUNO, JR.

The nomination was seconded by Ms. Eden C. Calde and she further moved that the nominations be closed. There being no objections, the Chairman declared the nominations closed and the persons nominated as duly elected.

The Secretary advised that, the Proxy submitted by Hongkong & Shanghai Banking Corporation Ltd. indicates that the entire 49,775,506 shares represented by the proxy are voting in favor of the nominees for independent directors, but not for the other nominees. The total votes cast for each of the Directors will therefore show that only the independent directors, Atty. Ray Espinosa and Val Suarez, were voted by all the shareholders represented in this meeting. Taking into account the votes against the other nominees, following are the numbers of votes received by each nominee:

<u>Name</u>	<u>Number of Votes</u>
FELIPE U. YAP	31,584,035,082
BRYAN U. YAP	31,585,293,588
CRESENCIO C. YAP	31,585,293,588
ETHELWOLDO E. FERNANDEZ	31,583,550,082
MARILYN V. AQUINO	31,585,293,588
JOSE G. CERVANTES	31,584,035,082
RICARDO PUNO, JR.	31,585,293,588
RAY C. ESPINOSA	31,633,325,588
VAL ANTONIO B. SUAREZ	31,633,325,588

Thereafter, the Chairman directed the Secretary to let the minutes of this meeting reflect that clarification.

The Chairman then presented to the stockholders the re-elected directors who were all in attendance, namely: Mr. Bryan U. Yap, Ms. Marilyn V. Aquino, Mr. Jose G. Cervantes, Atty. Ethelwoldo E. Fernandez, Mr. Ray C. Espinosa, Mr. Val Antonio B. Suarez, Mr. Ricardo Puno, Jr. and Mr. Cresencio C. Yap.

6. Amendment of Article Third of the Articles of Incorporation

The Secretary proposed the Amendment of Articles Third of the Articles of Incorporation to indicate therein the complete address of the Company's principal office pursuant to SEC Memorandum Circular No. 6, Series of 2014.

Upon motion duly made and seconded, the Stockholders approved the amendment of article third of the Articles of Incorporation, adopting the following resolution:

RESOLVED, that the stockholders of Lepanto Consolidated Mining Company approve the amendment of Article Third of the Company's Articles of Incorporation to indicate therein the exact address of the principal office of the Corporation in compliance with SEC Memorandum Circular No. 6, Series of 2014, to read as follows:

THIRD. That the domicile and principal office of the corporation shall be established at the Lepanto Building, 8747 Paseo de Roxas, Barangay Bel-Air, Makati City, and that the corporation may establish and maintain branch offices anywhere in the Philippines as necessity therefor arises from time to time.

7. Re-Appointment of External Auditor

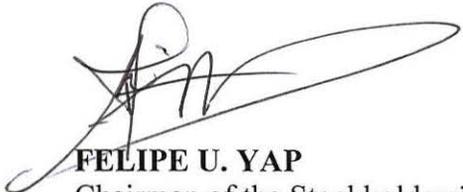
Upon motion duly made and seconded, the recommendation of the Board of Directors to re-appoint SyCip Gorres & Velayo ("SGV") as external auditors was unanimously approved by the stockholders. The Chairman then introduced to the stockholders the SGV partners who were in attendance, namely: Mr. Wilson P. Tan, Assurance Head; Mr. Jaime F. del Rosario, Group Leader and Head of Natural Resources Development; and Ms. Eleonore Layug, Assurance Partner.

The Chairman also acknowledged the presence of Mr. Artemio F. Disini, president of Lepanto from 1993 to 2003, Mr. Frederick Louw, director of Far Southeast Gold Resources, Inc. and of the representatives from the Stock Transfer Service Inc., namely the president, Mr. Tony Laviña, and general manager, Mr. Richard Regala.

8. Adjournment

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

A T T E S T:


FELIPE U. YAP
Chairman of the Stockholders' Meeting


ETHELWOLDO E. FERNANDEZ
Secretary of the Stockholders' Meeting