



MINUTES OF THE ANNUAL STOCKHOLDERS' MEETING OF  
**MRC ALLIED, INC.**  
Dusit Hotel, Makati City  
On 28 February 2013

**I. CALL TO ORDER**

The Chairman, Benjamin M. Bitanga, presided over and called the meeting to order at around 2:10 p.m.

**II. PROOF OF NOTICES OF MEETING & CERTIFICATION OF QUORUM**

Upon inquiry by the Chairman, the Corporate Secretary certified that the appropriate notices were sent to all stockholders in accordance with the By-Laws of the Corporation. The Corporate Secretary likewise certified that out of the total **4,125,000,000** issued and outstanding common shares, there were **2,821,500,000** common shares present or represented by Stockholders by way of proxies and the said number of shares is equivalent to **68.40%** of the total issued and outstanding capital stock of the Corporation. Hence, the Corporate Secretary declared that a quorum was present.

**III. APPROVAL OF PREVIOUS MINUTES**

In view of the fact that copies of the minutes of the Annual Stockholder's Meeting held last 05 July 2011 have been previously distributed to all stockholders, on a motion made and duly seconded, the Stockholders passed and approved the following resolution:

**Stockholders' Resolution, Series of 2013**

RESOLVED, that the reading of the minutes of the Annual Stockholders' Meeting held last 05 July 2011, be, as it is hereby, dispensed with and that the same be, as it is hereby, approved.

**IV. PRESIDENT'S REPORT AND APPROVAL OF THE CONSOLIDATED AUDITED FINANCIAL STATEMENTS FOR THE YEAR 2011**

**A. THE PRESIDENT'S REPORT -**

The President, Benjamin M. Bitanga, started his report on the status of the mining assets of the Corporation. The President mentioned that in view of the moratorium imposed by the government on the issuance of mining permits the Corporation could not actively pursue its permit applications. The President however informed the Stockholders that once the moratorium is lifted the Corporation will actively pursue the approval of the Corporation's several mining

permit application which are pending with the Mines and Geosciences Bureau of the Department of Environment and Natural Resources.

The President also informed the shareholders that the Corporation will be undergoing equity restructuring in order to eradicate or, at least, substantially reduce the deficit reflected in the Corporation's books. Through this equity restructuring the Corporation will be freed from recorded debts and the Corporation will be able to post an income by the end of 2013.

**B. CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2011**

Upon motion duly made and seconded, the Stockholders passed and approved the following resolution:

**Stockholders' Resolution, Series of 2013**

RESOLVED that the Consolidated Audited Financial Statements for the year 2011 of MRC Allied, Inc., as presented in the meeting, is hereby approved.

**V. RATIFICATION OF ALL BOARD ACTIONS AND RESOLUTIONS AS WELL AS MANAGEMENT'S ACTIONS FOR THE YEAR 2012**

After some discussion and upon motion made and duly seconded, the following resolution was duly passed and approved:

**Stockholders' Resolution, Series of 2013**

RESOLVED that all the corporate acts of the Management and Officers and all the resolutions of the Board of Directors of MRC Allied, Inc. for the year 2012, be, as they are hereby, approved and ratified.

**VI. APPOINTMENT OF EXTERNAL AUDITORS**

The Chairman said that Management is recommending to the stockholders the members of the firm Reyes Tacandong & Co. as the external auditors of the Corporation for the year 2012. Upon motion made and seconded, the Stockholders passed and approved the following resolution:

**Stockholders' Resolution, Series of 2013**

RESOLVED, that Reyes Tacandong & Co. be appointed, as it is hereby appointed, as the external auditors of MRC Allied, Inc. for the year of 2012.

**VII. ELECTION OF MEMBERS OF THE BOARD OF DIRECTORS**

As disclosed in the SEC Form 20-IS, the following were nominated and consequently duly elected as members of the Board of Directors of the Corporation

to serve as such until the next stockholders meeting or until their successors shall have been duly elected and qualified:

A.) For Regular Directors:

(1) Benjamin M. Bitanga, (2) Bernard B. Rabanzo, (3) Edwin H. Monzon, (4) Jimmy Tiu Yaokasin and (5) Javier Gimenez Montes.

B.) For Independent Directors:

(1) Joel Muyco and (2) Benito Techico

#### **VIII. AMENDMENT OF BY-LAWS TO INCORPORATE RULE 38 OF THE SECURITIES REGULATION CODE**

The Chairman informed the Stockholders that there is a need to amend the By-Laws of the Corporation in order for it to be compliant with various statutory requirements particularly Rule 38 of the Securities Regulation Code. Upon motion made and duly seconded, the following resolution was duly passed and approved:

##### **Stockholders' Resolution, Series of 2013**

RESOLVED, that the By-Laws of MRC Allied, Inc. be amended in order to incorporate and to conform with the provisions of Rule 38 of the Securities Regulation Code on the nomination and election of Independent Directors.

#### **IX. APPROVAL OF DEBT-TO-EQUITY CONVERSION AND REDUCTION OF PAR VALUE**

The Chairman informed the Stockholders that in line with the equity restructuring that the Corporation intends to implement there is a need to implement a debt-to-equity conversion in amount not exceeding PESOS: ONE BILLION (PhP 1,000,000,000.00) at a reduced par value of PhP 0.10 per share. Upon motion made and duly seconded, the following resolution was duly passed and approved:

##### **Stockholders' Resolution, Series of 2013**

RESOLVED, that the debt-to-equity conversion in the maximum amount of PESOS: ONE BILLION (PhP 1,000,000,000.00) is hereby approved;

RESOLVED FURTHER, that the reduction of par value from Twenty Centavos (PhP 0.20) to Ten Centavos (PhP 0.10) per share is hereby approved.

**X. ADJOURNMENT**

On motion made and which was duly seconded, the meeting was adjourned at around 3:20 p.m.

*Certified Correct:*

A handwritten signature in dark ink, appearing to read "K. Maceren", is written over a light green rectangular background.

**KENNETH JOEY H. MACEREN**  
Corporate Secretary

*Attested by:*

A handwritten signature in dark ink, appearing to read "B. Bitanga", is written in a cursive style.

**BENJAMIN M. BITANGA**  
Chairman of the Meeting