

**Minutes of the Annual Meeting of the Stockholders of <sup>1</sup>**  
**GLOBAL FERRONICKEL HOLDINGS, INC.**  
**held on 26 June 2024**  
**via video conference in Parañaque City**

ATTENDANCE:

Number of Shares represented by Stockholders Attending in person or by proxy	3,633,430,496
Total Number of Issued and Outstanding Shares Percentage of	5,125,175,687 70.89%

DIRECTORS PRESENT:  
(via video conference)

Joseph C. Sy  
Dante R. Bravo  
Mary Belle D. Bituin  
Francis C. Chua  
Dennis Allan T. Ang  
Edgardo G. Lacson  
Noel B. Lazaro  
Gu Zhi Fang  
Sergio R. Ortiz-Luis, Jr.  
Jennifer Y. Cong

ALSO PRESENT:  
(via video conference)

Eveart Grace P. Claro

I. Call to Order

Atty. Dante R. Bravo acted as Chairman of the meeting. After he introduced Board Chairman Mr. Joseph C. Sy and the members of the Board, Atty. Bravo called the meeting to order. Atty. Eveart Grace Pomarin-Claro recorded the minutes as Corporate Secretary.

II. Certification of Quorum

The Corporate Secretary informed everyone that the meeting is being convened via zoom and recorded following the Securities and Exchange Commission (SEC) requirements. She noted the presence of the current/nominee directors at the meeting. She also presented proof of publication of the Notice of the meeting on print and online platforms of the Manila Times and The Manila Standard, and the Company's website [www.gfni.com.ph](http://www.gfni.com.ph) and the PSE Edge profile. The publication dates were May 30 and 31, 2024. The last day of the first publication was on May 31, 2024 which is more than 25 days prior to this meeting. The Corporate Secretary certified that the stockholders of record have been duly notified.

Further, the rules of conduct of the meeting and the voting procedures for the virtual meeting were previously circulated to all registered stockholders via email, published on print and online platforms of the Manila Times and The Manila Standard on May 30 and 31, 2024, and posted on the Company's website [www.gfni.com.ph](http://www.gfni.com.ph) and on the PSE Edge profile. During the meeting the rules and procedure were also read by the Corporate Secretary. She explained that stockholder of record were given until June 24, 2024 to send their question on any items on the agenda by email at [asm2023@gfni.com.ph](mailto:asm2023@gfni.com.ph) Voting in absentia was utilized for this meeting and for this purpose the stockholders had until June 18, 2024 to cast their votes either by sending their ballots or their

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<sup>1</sup> This draft minutes is for the approval of the Stockholder on the next ASM in 2025.

proxy forms at [asm2024@gfni.com.ph](mailto:asm2024@gfni.com.ph) Validation of proxies and tabulation of votes were completed on June 22, 2024.

The Corporate Secretary certified that there being present in person or by proxy, stockholders owning 3,633,430,496 common shares issued, outstanding, and entitled to vote equivalent to 70.89% of the outstanding capital stock of 5,125,175,687, a quorum existed.

*Note: prior to the meeting the sound check was made to determine if proceedings audio is audible to all directors/participants present.*

III. Approval of the Minutes of Last Year's Annual Stockholders' Meeting held on June 29, 2023

The Chairman proceeded on the first item on the agenda which is the approval of the minutes of the previous meeting on June 29, 2023, copies of which were earlier circulated to the stockholders and uploaded to the Company's website. The Corporate Secretary presented the tally of votes and proxies which showed that the majority of the Company's outstanding shares equivalent to 3,633,430,496 approved the Minutes of the Annual Stockholders' Meeting held on June 29, 2023 with no votes against or abstaining from it. There was no question received for this item. Based on the Corporate Secretary's report, the Chairman directed that the tally of votes be reflected on the minutes of the meeting.

IV. Approval of the Audited Financial Statements and Annual Report; President's Report

The next item on the agenda was the Audited Financial Statements of December 31, 2023 which was earlier circulated to the stockholders. At this juncture, Atty. Bravo delivered his Report as President of the Company:

2023 has been a year of robust financial performance for Global Ferronickel Holdings, Inc. We recorded a significant growth in revenues, achieving a 30.5% increase amounting to ₱8.8 billion. This impressive growth was primarily driven by the higher volume of medium-grade ores from our Palawan mine, which commenced commercial shipments in September 2022 and became a subsidiary in December 2022.

Albert Einstein once said, 'In the midst of every crisis, lies great opportunity.'

*Solid Financial Foundation and Strategic Investments*

"This year, we faced challenges at our Surigao mine due to adverse weather conditions and fluctuating ore prices. Yet, our diversified operations and strategic investments allowed us to turn these challenges into opportunities for growth."

Our operating income for the year stood at ₱2.8 billion, supported by stringent cost management. Although the cost of sales rose to ₱3.6 billion, reflecting higher contract hire and personnel costs, we maintained stable operating costs at ₱2.4 billion. This balance was achieved through efficient management of general and administrative expenses and reduced shipping and distribution costs.

Net income attributable to shareholders was ₱1.5 billion, with an EPS of ₱0.3022. Excluding a non-recurring gain in the previous year, our net income grew by 3.9%, and EPS increased by 5.8%. Our balance sheet remains strong with a net cash position of ₱1.3 billion, allowing us to deliver enhanced returns to shareholders, including ₱524.2 million in dividends and a ₱295.4 million share buyback.

*Enhancing Efficiency and Expanding Horizons in Subsidiary Operations*

Our Palawan mining operations have shown remarkable growth and efficiency in 2023. The mine generated ₱3,947.9 million in export revenues, a significant increase from ₱157.4 million the previous year. This growth is attributed to year-round operations, resulting in 26 shipments predominantly of medium-grade nickel ore. We aim to double production capacity from 1.5 million WMT to 3 million WMT by next year through enhanced operational efficiencies and robust infrastructure.

The Surigao mine remains a vital part of our portfolio despite challenges. In 2023, it generated ₱4,818.1 million in export revenues, a decrease from the previous year due to lower ore prices and reduced shipment volumes caused by adverse weather. Moving forward, we aim to increase the shipment of higher-grade ores to optimize revenue and enhance profitability.

#### *Operational Efficiency and Exploration*

##### *Enhancing Efficiency through Innovation and Exploration*

In our commitment to operational excellence, we have implemented several cost-saving measures and leveraged technological advancements. By centralizing procurement and maintaining our equipment rigorously, we have reduced downtime and optimized costs. Additionally, we are investing in electric vehicles for mining operations to reduce our carbon footprint and align with our sustainability goals.

Our future growth strategy includes expanding our resource base through exploration in regions such as Northern Luzon, Visayas, and additional areas in Surigao. By increasing our resource base, we aim to support the establishment of a value-added processing plant in the Philippines.

#### *Performance and Sustainability*

##### *Green Future: Compliance, Conservation, and Community*

"Jochen Zeitz [Yoh-khen Zaits] aptly stated, 'Sustainability is not just about doing less harm. It's about doing more good.' Our commitment to environmental stewardship is reflected in our adherence to the United Nations Sustainable Development Goals and our proactive implementation of flood control measures at the Palawan mine."

Our commitment to sustainability is reflected in our adherence to the United Nations Sustainable Development Goals (UN SDGs). Our operations align with 15 of the 17 UN SDGs, underscoring our dedication to responsible mining practices and community well-being. Our environmental management strategies, guided by the Philippine Mining Act of 1995 and the ISO 14001:2015 standards, ensure rigorous environmental practices.

We have prioritized flood control measures in the Palawan mine, safeguarding our operations and reducing environmental impacts. Additionally, our long-term sustainability goals include significant reductions in greenhouse gas emissions, enhancing biodiversity, and promoting sustainable land use.

#### *Investment Analysis*

##### *Strategic Growth: Investing in Long-Term Success*

"Peter Drucker, the renowned management consultant, once said, 'The best way to predict the future is to create it.' At Global Ferronickel Holdings, Inc., we embrace this philosophy by investing in advanced technologies, exploring new regions, and expanding our high-grade nickel production capabilities."

Our strategic focus on expanding our resource base is a key driver of our long-term growth. In Surigao and other regions, we are actively exploring opportunities to secure additional resources and diversify our geographic footprint. We are also evaluating potential acquisitions of existing mines to rapidly expand our resource base and production capacity.

A cornerstone of our growth strategy is the establishment of a value-added processing plant in the Philippines, aimed at producing higher-value nickel products essential for electric vehicles and renewable energy storage. This project, estimated at \$1 billion, will be financed through a mix of equity, debt, and strategic partnerships.

#### *Market Outlook*

##### *Forging Ahead: Nickel Demand and Production Insights for 2024*

The nickel market in 2024 presents a dynamic landscape with significant developments in key

regions. Indonesia's nickel production surge positions it as a global powerhouse, influencing global supply dynamics and pricing. Despite challenges, the outlook remains strong, supported by drivers such as population growth, urbanization, and the transition to renewable energy.

*Conclusion*

*Navigating Challenges: Confidence in Our Strategic Vision*

In the face of market fluctuations and regulatory challenges, Global Ferronickel Holdings, Inc. has demonstrated remarkable resilience. We are confident in our strategic direction and the potential for future growth, driven by our focus on high-grade nickel production, diversification into other nickel products, and exploration of new opportunities.

Our commitment to sustainable practices and long-term value creation remains at the core of our operations. Through our proactive approach to risk management and continuous improvement, we ensure stability and sustained performance, delivering long-term value to our shareholders.

"As we conclude, let us remember that together, we are not just mining resources; we are mining the future. Our strategic initiatives, sustainability commitments, and relentless pursuit of excellence position us to navigate challenges and seize opportunities, ensuring long-term value for our shareholders."

He ended his report by thanking everyone for the continued trust and support. And saying "Together, we are shaping a sustainable and prosperous future for Global Ferronickel Holdings, Inc."

The Chairman asked the Corporate Secretary if there was a question received for this item. The Corporate Secretary informed him that there was none.

He directed the Corporate Secretary the tally of votes and proxies received. The Corporate Secretary reported that based on the votes received, the majority of the outstanding shares of the Company, equivalent to 3,583,814,395, approved the Company's Audited Financial Statements as audited by the Company's external auditors as of December 31, 2022, Sycip, Gorres, Velayo & Co. and the Annual Report of the Company. With no votes against or 2,498,451 abstain.

V. Election of Directors

For the next item on the agenda, the Corporate Secretary presented the nominee directors as pre-screened by the Nominations Committee. The Nomination Committee Chairman Mr. Edgardo G. Lacson presented the following nominees who were thereafter elected as directors of the Company to serve as such until the election and qualification of their successors.

Regular Directors	VOTES		
	For	Against	Abstain
Joseph C. Sy	3,628,074,047	5,356,449	0
Dante R. Bravo	3,632,502,496	928,000	0
Gu Zhi Fang	3,607,154,593	26,275,903	0
Dennis Allan Ang	3,607,154,593	26,275,903	0
Mary Belle D. Bituin	3,607,154,593	26,275,903	0
Francis C. Chua	3,607,154,593	26,275,903	0
Jennifer Y. Cong	3,607,154,593	26,275,903	0
Noel B. Lazaro	3,536,063,919	50,248,927	0
<b>Independent Directors:</b>			
Edgardo G. Lacson	3,633,430,496	0	0
Sergio R. Ortiz-Luis Jr.	3,611,583,042	21,847,454	0

The Chairman asked if there was a question received for this item. The Corporate Secretary informed him that there was none.

VI. Ratification of acts of the Board of Directors and proceedings of the Board of Directors Board Committees and Management

The next item on the agenda was ratification of acts of the Board of Directors and proceedings of the Board of Directors Board Committees and Management as presented. In the exercise of powers delegated by the Board, which were adopted from June 30, 2023 until today, these acts and resolutions are reflected in the minutes of the meetings, and they include the election of officers, members of the Board committees, the appointment of attorneys-in-fact and authorized signatories, treasury-related matters, declaration of cash dividends and matters covered by disclosures to the SEC and the PSE. Stockholders' ratification is also being sought for acts of our officers performed in the general conduct of our business or in accordance with the resolutions of the Board, the Executive Committee and other Board committees, and our by-laws from June 30, 2023 until today. These acts were performed to implement the resolutions of the Board or its Board committees or part of the general conduct of business.

For the resolutions subject for ratification, The Chairman asked if there was a question received for this item. The Corporate Secretary informed him that there was none.

The Chairman asked the Corporate Secretary to present the tally of votes and proxies for this matter. There were 3,631,272,496 votes which is equivalent to the majority of the outstanding shares cast in favor of the ratification of the acts of the Board of Directors, the Board Committees and the Management for June 30, 2023 up to present. With 0 votes against and 2,158,000 abstain.

#### VII. Appointment of External Auditor

For the next time on the agenda, the Audit, Risk and Related Party Transaction Committee, represented by its Chairman and Independent Director Mr. Sergio Ortiz-Luis Jr.. He presented that after careful deliberation on and evaluation of the performance of SGV & Co. for the past years, the quality of their audit work, the size of their firm, their competitive fees, and their reputation, the Committee has endorsed to the Board and for ratification of the stockholders, the appointment of the Company's external auditors, Sycip Gorres Velayo & co. ("SGV & Company") as external auditors of the Company's Financial Statements for the calendar year 2024. Mr. Jose Pepito "Pepz" E. Zabat, III is recommended to be the partner-in-charge. Based on the votes received, the majority of the outstanding shares of the Company equivalent to 3,633,430,496 approved the following resolution: "RESOLVED, the Company appoints Sycip Gorres Velayo & Co. as the External Auditor of the Company's Financial Statements for the calendar year 2024."

The Chairman asked if there was a question received for this item. The Corporate Secretary informed him that there was none.

#### VIII. Adjournment

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

PREPARED BY:



**EVEART GRACE P. CLARO**  
Corporate Secretary