

THIS IS THE DRAFT OF THE MINUTES OF THE MAY 8, 2017 ANNUAL STOCKHOLDERS' MEETING OF THE ENERGY DEVELOPMENT CORPORATION. FINAL AND SIGNED MINUTES SHALL BE POSTED UPON THE STOCKHOLDERS' APPROVAL IN THE 2018 ANNUAL STOCKHOLDERS' MEETING

MINUTES OF THE ANNUAL MEETING OF THE STOCKHOLDERS

OF

ENERGY DEVELOPMENT CORPORATION

Held on May 8, 2017 at 10:10 a.m.
At the PSE Auditorium, Philippine Stock Exchange Centre
TekTite Towers, Exchange Road, Ortigas Center, Pasig City

CALL TO ORDER

The Chairman, Mr. Federico R. Lopez,¹ called the meeting to order and presided over the same. The Corporate Secretary, Atty. Ana Maria A. Katigbak, recorded the proceedings.

The Chairman acknowledged the presence of the following directors at the meeting:

FEDERICO R. LOPEZ

PETER D. GARRUCHO, JR.

FRANCIS GILES B. PUNO²

JOAQUIN E. QUINTOS IV

VICTOR EMMANUEL B. SANTOS, JR

RICHARD B. TANTOCO³

MANUEL I. AYALA (Independent Director)

¹ **Federico R. Lopez** is the Chairman of the Board and CEO, Chairman of the Nominations and Compensation Committee, and Chairman of the Corporate Social Responsibility Committee.

² **Francis Giles B. Puno** is the Chairman of the Risk Management Committee.

³ **Richard B. Tantoco** is the President and COO.

EDGAR O. CHUA (Independent Director)⁴

FRANCIS ED. LIM (Independent Director)

The Treasurer and Chief Finance Officer, Nestor H. Vasay, and other company officers and executives present at the meeting were likewise acknowledged.

PROOF OF NOTICE AND CERTIFICATION OF QUORUM

The Corporate Secretary reported that Notice of the meeting had been sent to all the stockholders as provided in the By-Laws.

The Corporate Secretary announced that there were present, in person and by proxy, stockholders owning at least 22,270,791,617 shares representing at least 79.2% of the outstanding capital stock. (The list of attendees and proxies is available at the office of the Corporation). She therefore certified that there was a quorum for the transaction of business.

The Corporate Secretary then explained that under the Company's Articles of Incorporation, all common shares and voting preferred shares shall have full voting rights. Section 24 of the Corporation Code provides that except for delinquent stock, every stockholder present at this meeting in person or by proxy is entitled to vote the number of shares in his name as of the record date, March 15, 2017, and each stockholder may cumulate his votes in the election of directors. For all items in the agenda to be approved in the meeting other than

⁴ **Edgar O. Chua** is the Chairman of the Audit and Governance Committee and Chairman of the Related Party Transactions Committee.

the election of directors, the vote of the stockholders representing at least a majority of the outstanding common and voting preferred shares will be sufficient to approve the matter. For the election of directors, the eleven (11) nominees receiving the highest number of votes will be declared the duly elected members of the Board of Directors for the current term.

These voting procedures have also been discussed in the Information Statement that was distributed to all stockholders prior to this meeting.

APPROVAL OF PREVIOUS MINUTES

The next item of business was the approval of the minutes of the previous meeting of the stockholders held on May 12, 2016, copies of which had been earlier distributed to the stockholders and was also made available for viewing in the Company's website.

Upon motion duly made and seconded and in the absence of any objections raised despite opportunity given by the Chairman, the stockholders representing at least 22,254,375,043 shares or 79.2% of the outstanding capital stock, approved the following resolution:

Resolution No. 1, Series of 2017

“RESOLVED, that the minutes of the Annual Stockholders' Meeting of Energy Development Corporation held on May 12, 2016 be, as it is hereby, approved.”

The Corporate Secretary noted that 3,782,500 shares abstained on the motion and no shares voted against it.

***MANAGEMENT REPORT AND AUDITED FINANCIAL STATEMENTS FOR
YEAR ENDED DECEMBER 31, 2016***

The next matter on the agenda was the Annual Report of Management, copies of which had been previously distributed to the stockholders together with audited financial statements as of the year ended December 31, 2016.

The Chairman delivered his message to the stockholders. Then the President/Chief Operating Officer, Mr. Richard B. Tantoco, presented the management report and the audited financial statements for the year ended December 31, 2016. After the report, the Chairman entertained questions from the floor.

All stockholders' comments and questions were answered by the Board and Management and recorded as Annex "A" to the Minutes.

After some discussion, on motion made and duly seconded, the stockholders representing at least 22,238,279,043 shares or 79.1% of the outstanding capital stock approved the following resolution:

Resolution No. 2, Series of 2017

“**RESOLVED**, that the Annual Report of Management as presented by the Chairman and the President, and the Company’s audited financial statements for the year ended December 31, 2016 be, as it is hereby, approved.”

The Corporate Secretary noted that stockholders representing 16,096,000 shares voted against the motion, while 3,782,500 shares abstained on it.

RATIFICATION OF CORPORATE ACTS

The next item on the agenda was the ratification and approval of Management’s acts from the last annual stockholders’ meeting up to the present. The Chairman stated that a summary of the acts of the Board and Management for ratification was distributed to all stockholders of record as part of the Definitive Information Statement, and copies were likewise provided to all stockholders attending the meeting as they registered their attendance. It was noted that such acts for ratification were also being flashed on the screen for the stockholders’ reference as the matter was being discussed.

There being no questions on the matter, the Chairman declared that he would entertain a motion for the ratification of the acts of the Board of Directors, officers and management of the Corporation from the last annual stockholders’ meeting to date.

Whereupon, on motion made and duly seconded, the stockholders representing at least 22,234,554,931 shares or 79.1% of the outstanding capital stock, approved the following resolution:

Resolution No. 3, Series of 2017

“RESOLVED, that all acts, contracts, resolutions and actions, authorized and entered into by the Board of Directors and Management of the Company from the date of the last annual stockholders’ meeting up to the present be, as they are hereby, approved, ratified and confirmed.”

The Corporate Secretary noted that stockholders representing 18,993,400 shares voted against the motion while 4,609,212 shares abstained on it.

ELECTION OF DIRECTORS

The next matter on the agenda was the election of the members of the Board of Directors of the Corporation.

The Corporate Secretary stated that in accordance with SEC rules, the Company’s Corporate Governance Manual and relevant Committee Charter, only nominees whose names have been submitted to and evaluated by the Nomination and Compensation Committee, and whose names appear in the Final List of Candidates set forth in the Definitive Information Statement, shall be eligible for election as regular and independent directors.

She explained that under Section 24 of the Corporation Code, every

stockholder, present at this meeting in person or by proxy, is entitled to vote the number of shares in his name as of the record date, March 15, 2017, and each stockholder may vote such number of shares for as many persons as there are directors to be elected - which is 11; or he may cumulate said shares and give one candidate votes equal to the number of his shares multiplied by 11; or he may distribute his votes among as many candidates as he shall see fit. However, the total number of votes cast by the stockholder shall not exceed the number of shares owned by him multiplied by 11.

The stockholders were informed that Securities Transfer and Services Inc. assisted in the validation of proxies and tabulation of votes.

The Corporate Secretary announced that there are eleven (11) board seats under the Corporation's By-laws. The Nomination and Compensation Committee had received and evaluated the nominations of a total of only eleven (11) candidates, consisting of eight (8) candidates for regular directors and three (3) candidates for independent directors.

The Chairman, in his concurrent capacity as Chairman of the Nomination and Compensation Committee, announced the names of the nominees for regular and independent director whose names were screened and nominations duly approved in accordance with corporate governance requirements for publicly-listed corporations:

For Regular Directors

1. OSCAR M. LOPEZ
2. FEDERICO R. LOPEZ
3. PETER D. GARRUCHO, JR.

4. FRANCIS GILES B. PUNO
5. JONATHAN C. RUSSELL
6. VICTOR EMMANUEL B. SANTOS, JR.
7. RICHARD B. TANTOCO
8. JOAQUIN E. QUINTOS IV

And for Independent Directors

9. MANUEL I. AYALA
10. EDGAR O. CHUA
11. FRANCISCO ED. LIM

The Company's Investor Relations Officer, Mr. Eruditio Recio, made a brief presentation, flashing on the screen for the stockholders' reference, the profile, background and qualifications of all nominees to the Board of Directors, which was also made available as part of the Information Statement.

At the Chairman's request, the Corporate Secretary announced that based on the tabulation by Securities Transfer Services, Inc., the eleven (11) nominees who received the highest number of votes were as follows:

For Regular Directors

1.	OSCAR M. LOPEZ	-	22,103,947,074 votes
2.	FEDERICO R. LOPEZ	-	20,866,356,474 votes
3.	PETER D. GARRUCHO, JR.	-	21,842,441,619 votes
4.	FRANCIS GILES B. PUNO	-	20,773,527,894 votes
5.	JONATHAN C. RUSSELL	-	19,537,909,767 votes
6.	VICTOR EMMANUEL B. SANTOS, JR.	-	20,810,158,788 votes
7.	RICHARD B. TANTOCO	-	22,114,226,274 votes
8.	JOAQUIN E. QUINTOS IV	-	21,884,833,263 votes

And for Independent Directors

- | | | | |
|-----|-------------------|---|----------------------|
| 9. | MANUEL I. AYALA | - | 22,209,420,543 votes |
| 10. | EDGAR O. CHUA | - | 22,248,516,743 votes |
| 11. | FRANCISCO ED. LIM | - | 22,248,516,743 votes |

Thereafter, upon motion made and seconded, the following resolution was approved to declare the eleven (11) nominees as the duly elected directors of the Corporation for the current term and until their successors shall have been elected and qualified as provided in the By-Laws:

Resolution No. 4, Series of 2017

“RESOLVED, that the following be, as they are hereby, declared as the duly elected and qualified members of the Board of the Directors of Energy Development Corporation for the current term 2017-2018:

For Regular Directors

1. OSCAR M. LOPEZ
2. FEDERICO R. LOPEZ
3. PETER D. GARRUCHO, JR.
4. FRANCIS GILES B. PUNO
5. JONATHAN C. RUSSELL
6. VICTOR EMMANUEL B. SANTOS, JR.
7. RICHARD B. TANTOCO
8. JOAQUIN E. QUINTOS IV

And for Independent Directors

9. MANUEL I. AYALA
10. EDGAR O. CHUA
11. FRANCISCO ED. LIM”

The Chairman also acknowledged that the duly elected independent directors were Messrs. Manuel I. Ayala, Edgar O. Chua, and Francis Ed. Lim.

The details of the abstaining and dissenting votes in the election of Directors are recorded as an Annex "B" to these Minutes.

APPOINTMENT OF EXTERNAL AUDITOR

The next item was the appointment of the Corporation's external auditor. The Chairman of the Audit and Governance Committee, Independent Director Edgar O. Chua, informed the stockholders that the committee reviewed the qualifications and performance of the Company's external auditor SGV & Company, and is endorsing its reappointment for the current year.

Whereupon, on motion made and duly seconded, the stockholders at the meeting representing at least 22,242,695,643 shares or 79.1% of the outstanding capital stock, approved the following resolution:

Resolution No. 5, Series of 2017

"RESOLVED, that auditing firm SyCip Gorres Velayo & Co. be reappointed as the Company's external auditor for the current year 2017-2018."

The Corporate Secretary noted that stockholders representing 11,679,400 shares voted against the motion while 3,782,500 shares abstained on it.

ADJOURNMENT

There being no further business to transact on motion duly made and seconded, the meeting was adjourned.

ANA MARIA A. KATIGBAK
Corporate Secretary

ATTESTED:

FEDERICO R. LOPEZ
Chairman of the Stockholders' Meeting

RICHARD B. TANTOCO
President and Chief Operating Officer

DRAFT

ANNEX "A"
(Annual Report Question & Answers)

- 1. Stockholder Mr. Jose T. Ferrer, noting the number of estimated power plants by 2020, asked to be provided with an estimated figure on the number of renewable energy plants in the country.**

The President/Chief Operating Officer, Mr. Richard Tantoco replied that, at its peak, renewable energy constitutes around forty percent (40%) of the energy mix in the country, but the ratio has now dropped to around thirty percent (30%). He then noted that this number will gradually decrease in view of the new power plants coming in, unless the government changes its policy.

- 2. Stockholder Mr. Jose T. Ferrer asked whether EDC has other projects related to geothermal energy.**

Mr. Tantoco confirmed that there are expansion opportunities in the field of geothermal energy but stressed that these are considered in light of the other players in the industry who are also looking into geothermal energy, among others, to increase their renewable energy facilities.

- 3. Stockholder Mr. Jose T. Ferrer asked about the status of the plans on the Bacman III Project.**

Mr. Tantoco answered that the project is still on hold because of low power prices with high cost. He stated, however, that the Company is looking for viable resources and alternative use of the asset.

- 4. Stockholder Mr. Robert Go asked whether EDC produces solar panels, noting that the production of solar panels emits pollution to the environment.**

The Chairman Federico R. Lopez stated that that the Company is not involved in the production of solar panels. He confirmed that the Company merely engages in in the installation of solar panels around the Philippines.

- 5. Stockholder Mr. Robert Go asked where the solar panels are manufactured.**

The Chairman answered that the solar panels actually come from sources outside of the Philippines and none of these are locally manufactured.

6. Stockholder Mr. Robert Go asked whether stockholders could obtain a complimentary copy of the BINHI book.

The Chairman confirmed that any stockholder who wishes to have a copy of the BINHI book will be provided one. Mr. Tantoco also added that the BINHI book was based on collaborative project of the Company with Prof. Pastor “Pete” L. Malabrigo of University of the Philippines (UP) Los Baños and his team, with the aim of saving 96 identified species of endangered plants endemic only to the Philippines. EDC then came up with program to propagate and preserve these endangered trees for the future Filipino generation. Thereafter, a video on the BINHI project was shown to the stockholders.

7. Stockholder Mr. Alfredo Parungao thanked the Chairman for his report. He praised the Board of Directors of EDC for disclosing the acts of the directors for approval of the stockholders and noted that EDC is one of a few corporations in the Philippines which does this practice.

The Chairman thanked Mr. Parungao for his kind remarks. The Chairman explained that as part of the Board of Directors’ efforts to increase transparency in the Company, it was decided that specific acts approved by the Board should be disclosed to the stockholders during the ASM for their approval.

8. Stockholder Mr. Alfredo Parungao inquired whether there are still other areas which have good potential for tapping geothermal energy.

Mr. Tantoco cited several areas such as places near Bacman III, Mt. Apo, Mt. Zayon, Leyte and Mahanagdong, and other greenfield areas that are mostly located in Mindanao.

9. Stockholder Mr. Alfredo Parungao asked about the adverse effects of calamities such as major earthquakes to EDC’s facilities.

Mr. Tantoco confirmed that strong earthquakes, similar to the one which happened recently in Batangas, could adversely affect EDC’s facilities. Nevertheless, it was clarified that not all earthquakes are detrimental for the Company. He explained that the small earthquakes which are regularly experienced around EDC’s facilities are actually beneficial as they tend to release pressure under the earth. This is positive for EDC.

10. Stockholder Mr. Jose T. Ferrer asked about the impairment of the Northern Negros power plant. Specifically, Mr. Ferrer asked whether EDC still has plans of developing the said plant.

The Chairman answered that they are still exploring their options and that have not come to a definitive conclusion as to what to do with that resource due to the massive energy supply in the area.

11. Stockholder Mr. Romeo Aguilar noted that currently, there are 11 million Filipinos with no access to electricity. Mr. Aguilar asked whether EDC has plans of undertaking public offerings or IPOs as he would be willing to invest his money in green power to help other people.

The Chairman answered that currently, there are no official fund raising plans pertaining to this. But he noted that EDC has other projects which they would be announced in the future.

DRAFT

ANNEX "B"
Results of the 2017 Annual Stockholders' Meeting

RESOLUTION	APPROVING	DISSENTING	ABSTAINING
Approval of the Minutes of the Previous Stockholders' meeting TOTAL VOTES: 22,258,157,543	22,254,375,043 (79.2%)	0	3,782,500
Approval of the Management Report and Audited Financial Statements for the year ended December 31, 2016 TOTAL VOTES: 22,258,157,543	22,238,279,043 (79.1%)	16,096,000	3,782,500
Confirmation and Ratification of all acts and resolutions of Management and the Board of Directors from the date of the last stockholders' meeting as reflected in the books and records of the company TOTAL VOTES: 22,258,157,543	22,234,554,931 (79.1%)	18,993,400	4,609,212
Approval of the Appointment of SGV & Co. as the Company's external auditor TOTAL VOTES: 22,258,157,543	22,242,695,643 (79.1%)	11,679,400	3,782,500
Other Matters TOTAL VOTES: 22,258,157,543	19,017,768,106 (67.6%)	3,217,072,575	23,316,862
Adjournment TOTAL VOTES: 22,258,157,543	22,139,146,374 (78.8%)	113,429,769	5,581,400

ELECTION OF REGULAR DIRECTORS				
NAME OF DIRECTOR	VOTES RECEIVED IN FAVOR OF ELECTION	%	VOTES RECEIVED AGAINST THE ELECTION	ABSTAINING VOTES
Oscar M. Lopez	22,103,947,074	78.60%	150,427,969	3,782,500
Federico R. Lopez	20,866,356,474	74.2%	1,379,067,369	12,733,700
Richard B. Tantoco	22,114,226,274	78.64%	607,453,263	5,222,100
Peter D. Garrucho, Jr.	21,842,441,619	77.67%	411,933,424	3,782,500
Joaquin E. Quintos IV	21,884,833,263	77.82%	369,541,780	3,782,500
Victor Emmanuel B. Santos Jr.	20,810,158,788	73.99%	1,444,216,255	3,782,500
Francis Giles B. Puno	20,773,527,894	73.87%	1,480,847,149	3,782,500
Jonathan C. Russell	19,537,909,767	69.48%	2,716,465,276	3,782,500

ELECTION OF INDEPENDENT DIRECTORS				
NAME OF DIRECTOR	VOTES RECEIVED IN FAVOR OF ELECTION	%	VOTES RECEIVED AGAINST THE ELECTION	ABSTAINING VOTES
Edgar O. Chua	22,248,516,743	79.11%	5,858,300	3,782,500
Francisco Ed. Lim	22,248,516,743	79.11%	5,858,300	3,782,500
Manuel I. Ayala	22,209,420,543	78.97%	43,299,600	5,437,400

*Note that the percentages are based on total issued and outstanding shares.