

## **ANNEX “A”**

### **EXPLANATION OF AGENDA ITEMS**

1. **Call to Order** – The Chairman of the Board and CEO, Mr. Felipe U. Yap, will call the meeting to order.
2. **Proof of due notice of the meeting and determination of quorum** – The Corporate Secretary, Atty. Ethelwoldo E. Fernandez, will certify that (a) in accordance with SEC Notice dated April 20, 2020, notice of the meeting was duly published in two newspapers of general circulation for two consecutive days at least 21 days before the meeting date; and that (b) a quorum exists for the transaction of business.

The said published notice of the meeting advised stockholders that: (a) those who intend to participate in the meeting via remote communication should send by email on or before September 15, 2021 to the Asst. Corporate Secretary at [oaj@lepantomining.com](mailto:oaj@lepantomining.com) a scanned copy of a valid government-issued identification card (ID) for registration and verification purposes. An Indirect shareholder should include in the email a scanned copy of his/her broker’s certification of shareholding. (b) Stockholders may also be represented and vote at the meeting by submitting a Proxy (form attached) via email to [oaj@lepantomining.com](mailto:oaj@lepantomining.com) together with a scanned copy of a valid 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.

Stockholders who have successfully registered will receive an email with (a) instructions on how to access the Ballot through a secure online portal which will allow them to vote at the meeting. The Ballot gives the stockholder the option not to vote directly, but to allow the Chairman to vote all items (except the election of directors) as his/her Proxy; and (b) the ZOOM meeting link. A stockholder who participates and votes *in absentia* or by remote communication shall be deemed present for purposes of quorum.

3. **Approval of the Minutes of the Annual Meeting held on July 27, 2020**– The minutes of the previous stockholders’ meeting may be accessed through the Corporation’s website [www.lepantomining.com](http://www.lepantomining.com). A resolution on this item requires the approval of a majority of the votes of stockholders present and eligible to vote.
4. **Approval of the Annual Report** – The Chairman will deliver a report to the stockholders on the Company’s performance in 2020. The President, Mr. Bryan U. Yap, will report on the Outlook for 2021. The Chairman will then open the floor for clarificatory questions. Then, the audited financial statements for the year ended 31 December 2020 (attached to the Information Statement and accessible through the company’s website) will be presented for the approval by the stockholders. A resolution on this agenda item requires the approval of a majority of the votes of stockholders present and eligible to vote.

5. **Retention of Messrs. Ray C. Espinosa and Val Antonio B. Suarez as independent directors** – The Board is submitting to the stockholders for approval the retention for two more years of Messrs. Ray C. Espinosa and Val Antonio B. Suarez as independent directors, beyond the term limit of nine years per SEC Memorandum Circular No. 4, Series of 2017.

6. **Election of Directors** – The Nomination Committee received nominations for the Board of Directors within the prescribed period and found such nominees to have all the qualifications and none of the disqualifications to serve as directors. The names of the nominees and their respective personal profiles, including directorships in listed companies, are duly indicated in the Information Statement. Election of directors will be done by plurality of votes.

Each shareholder is entitled to one (1) vote per share multiplied by the number of board seats to be filled, i.e. nine (9), and may cumulate his/her votes by giving as many votes as he/she wants to any candidate provided that the total votes cast shall not exceed the total votes to which he/she is entitled.

In the event that only nine (9) are nominated to fill the nine seats in the Board, the Chairman, unless otherwise instructed by a stockholder, may direct the Corporate Secretary to cast all votes in favor of those nominated.

7. **Amendment to Article Seven of the Articles of Incorporation** – The stockholders will be asked to approve an amendment to the Seventh Article of the Articles of Incorporation to increase the authorized capital stock from P6.64 Billion to P12.00 Billion.

The Board is recommending to the stockholders that the Board of Directors be authorized to take appropriate steps and means to support the increase in the authorized capital stock from P6.64 Billion to P12.0 Billion.

Approval of the foregoing amendment to Article VII requires the affirmative vote of shareholders owning or representing at least 2/3 of the outstanding capital of the company.

8. **Appointment of External Auditor** – The Corporation's Audit Committee has recommended the re-appointment of SyCip Gorres Velayo & Co. as external auditors for the current year. A resolution on this agenda item requires the approval of a majority of the votes of stockholders present and eligible to vote.

9. **Transaction of such other and further business as may properly come before the Meeting** - Stockholders may propose to discuss other issues and matters.

10. **Adjournment** – After all matters in the agenda have been taken up, the Chairman will entertain a motion to adjourn the meeting.