

THE PHILODRILL CORPORATION
MINUTES OF THE
2023 ANNUAL MEETING OF STOCKHOLDERS

held on June 21, 2023, 2:30 p.m.
via remote communication

Number of Shares Issued and Outstanding	:	191,868,805,358
Shares represented in person and by proxies	:	108,709,175,719
Percentage of Attendance	:	56.658%

CALL TO ORDER AND PROOF OF SERVICE OF NOTICE

The formal proceedings started with the Philippine national anthem, then invocation. The Philodrill Corporation's new Chairman of the Board, Mr. Gerard Anton S. Ramos, welcomed the stockholders to Philodrill's 2023 Annual Stockholders' Meeting (the "Meeting") and called the same to order at 2:30 p.m. As Philodrill adapts to the changing world and the latest technology trends, the Annual Meeting was held via remote communication

Mr. Ramos acknowledged the continuous support and guidance of the distinguished Members of the Board present, starting with Mrs. Presentacion S. Ramos, Mrs. Maureen Alexandra Ramos-Padilla, Mr. Adrian Paulino S. Ramos, Mr. Christopher M. Gotanco, and Mr. Reynaldo E. Nazarea. The nominees for Independent Directors were also present, Messrs. Allen L. Copok, Vincent L. Tempongko, and John Peter Hager.

The Chairman also acknowledged the presence of the Management Team of Philodrill headed by the Vice President for E&P, Mr. Dennis Panganiban, and the Treasurer Mr. Reynaldo E. Nazarea, together with the Corporate Secretary, Atty. Adrian S. Arias. The representatives from Stock Transfer Service, Inc., and SyCip Gorres Velayo and Co. were likewise present during the meeting.

The Chairman welcomed all shareholders and guests attending the meeting.

Before the first order of business, a moment of silence was observed, in memory of the Company's departed Chairman and President, Mr. Alfredo C. Ramos. To honor him, a short video presentation was shown as a tribute to the late ACR.

For the first order of business, the Chairman asked the Corporate Secretary if the required Notices for the Annual Meeting were duly sent to all stockholders of record (March 15, 2023). In compliance with the requirements of the Securities and Exchange Commission on the alternative mode for distributing the Notice of the meeting, information on the date, time, and place of the meeting has been published in The Manila Times and Business World on May 29 & 30, 2023, both in print and online format. Likewise, Notices were sent via email to the stockholders of record. The electronic copy of the Definitive Information Statement, Management Report, SEC Form 17-A, and other required documents are also available at the Company's website philodrill.com, and uploaded at the PSE Edge portal.

CERTIFICATION OF THE PRESENCE OF A QUORUM

The Chairman inquired from the Corporate Secretary whether or not a quorum was present for the transaction of business at the meeting.

The Corporate Secretary replied that as verified by the Transfer Agent, STSI, at least 108,709,175,719 shares, representing 56.658% of the Company's outstanding capital stock

were in attendance and participated by remote communication either personally or by proxy. For this year's ASM a total of 25 proxies were validated, equivalent to all the shares represented in the meeting. A quorum, therefore, existed for the transaction of business.

As the Annual Stockholders' Meeting is again held by remote communication, the Corporate Secretary explained the voting and tabulation procedures.

In compliance with the requirements of Section 49 of the Revised Corporation Code, the voting procedures are as follows

- All stockholders of record as of March 15, 2023, who will participate in the meeting are required to send a digital copy of their Registration Form, together with the required documents to info@philodrill.com or 2023asm@philodrill.com no later than June 14, 2023, for validation.
- Upon successful registration, each stockholder will be provided a Proxy Form and/or ballot to enable him to vote on each item on the Agenda. All votes will be counted and tabulated by the Election Committee composed of representatives from the Office of the Corporate Secretary.
- The stockholder has the option to either vote in absentia, in which case the stockholder will have to complete the ballot included in the Registration Form; or to appoint the Chairman of the meeting as Proxy.
- The Proxy Validation Committee will tabulate all votes received through Proxy or in absentia, and an independent third party will validate the results.
- Stockholders who notified the Company of their intent to attend the meeting remotely can either vote in advance or during the meeting through the link provided to their email addresses. Votes are subject to the validation of an independent third party.
- In all items for approval, each voting share entitles the registered owner to one vote. For items other than the Election of Directors, the registered Stockholder has the option to vote: For, Against, or Abstain. The vote is considered cast for all the shares of the registered Stockholder.
- In the election of directors, straight and cumulative voting shall be allowed. A stockholder may vote such number of shares for as many persons as there are directors to be elected or he may cumulate the shares and give one nominee all his votes; provided that, the total number of votes cast by him shall not exceed the number of shares owned by him multiplied by the number of directors to be elected.

Stockholders are encouraged to send their questions and/or comments during the meeting by email to 2023asm@philodrill.com with the subject "ASM Question/Comment". Relevant questions on the agenda items were read by the Moderator and answered by concerned officers during the meeting.

All details pertaining to registration, proxy and voting are fully disclosed in the Definitive Information Statement filed with the SEC and uploaded in the Company's website [@www.philodrill.com](http://www.philodrill.com) and through the PSE Edge portal <https://edge.pse.com.ph/>

READING AND APPROVAL OF THE MINUTES OF THE LAST ANNUAL MEETING OF STOCKHOLDERS

The Chairman announced that the next order of business is the reading and approval of the Minutes of the last Annual Stockholders' Meeting held on June 15, 2022, the original copy of which was available for inspection at the Office of the Corporate Secretary. The same is likewise accessible through the Corporation's website @ <http://www.philodrill.com>

Mr. Benavidez, a stockholder, raised a motion to dispense with the reading of the Minutes of the Annual Stockholders' Meeting held last June 15, 2022. He moved for immediate approval since the video of the proceedings last year was already uploaded to the website and made available for public viewing. Likewise, the Minutes of the last Annual Stockholders' Meeting are available on the website since June 20, 2022, and there were no questions raised or corrections made by any stockholder. In order to save time and effort in the reading of a 13-page document, he moved that the Minutes be approved, confirmed, and ratified. The motion was duly seconded and there being no objections, the Chairman declared the motion approved.

RESOLUTION NO. 2023-06-21-01

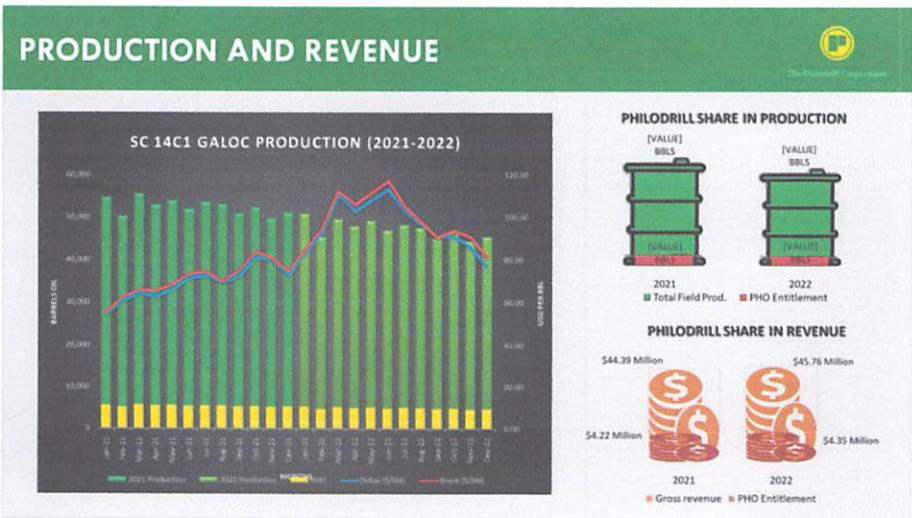
“RESOLVED, that the Minutes of the Annual Stockholders' Meeting of The Philodrill Corporation held on June 15, 2022, be approved, confirmed, and ratified.”

MANAGEMENT REPORT

The Chairman then proceeded to the next item on the Agenda, the Management Report on the Results of Operations for the year 2022. He asked the President, Mr. Adrian Ramos, to render the Management Report.

Ladies and Gentlemen, good afternoon. It is my honor and privilege to present the Management Report to the stockholders for the first time as your President.

The Galoc Field, under Service Contract 14C-1, in which Philodrill now has a 10.18% equity stake, continues to be the main source of our company's revenues. Despite Galoc production decreasing by 6%-9% year on year, the company's share in petroleum revenues increased by 14.4%, from P207.1M to P237.5M, as a result of stronger oil prices in 2022. This increase in revenues was coupled with a 24.4% decrease in our share in production costs and a 5.8% decrease in depletion expense, for an overall more efficient year operationally.



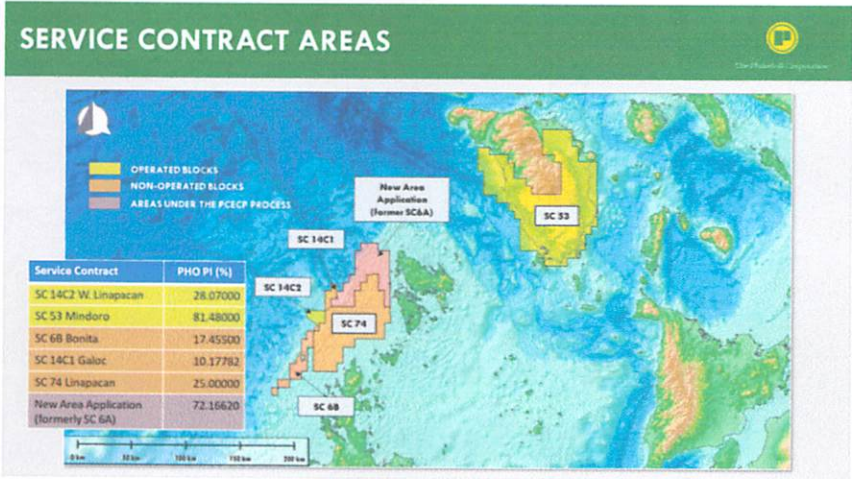
The company registered a Net Loss for 2022 of P339.3M, as compared with a net income of P36.3M in 2021. In 2022, the management, in coordination with our external auditors conducted a review of our existing Deferred Oil Exploration Costs and determined that a provision to declare a portion of these assets as unrecoverable, amounting to P423.8M, was appropriate. Without this one-time adjustment, net income for the year would have stood at P84.5M.

CONSOLIDATED STATEMENTS OF INCOME (in million pesos, except EPS)		
	2022	2021
REVENUES		
Petroleum Operations	237.5	207.1
Equity in Net Earnings of Associates	33.2	38.0
Interest & Other Income (net)	11.0	15.8
	281.7	260.9
COSTS AND EXPENSES		
Production Costs	105.4	139.5
Depletion Costs	48.3	51.3
General & Administrative	64.9	60.8
Foreign Exchange (Gains) Losses	(40.6)	(16.5)
	178.0	235.1
PROVISION FOR UNRECOVERABLE COSTS	423.8	—
INCOME (LOSS) BEFORE INCOME TAX	(320.1)	25.8
(PROVISION FOR) BENEFIT FROM INCOME TAX	(19.2)	10.5
NET INCOME (LOSS)	(339.3)	36.3
EARNINGS (LOSS) PER SHARE	(0.0018)	0.0002

Highlights from our 1st Quarter performance are shown on screen. Revenues year on year are lower by 19.2% on account of lower oil prices and production over the same period. As a result, the company registered a net loss of P941k versus a net income of P3M for the same period in 2022.

HIGHLIGHTS – 1Q PERFORMANCE (in million pesos)		
	Unaudited	
	1Q 2023	1Q 2022
REVENUES	59.0	73.0
COSTS AND EXPENSES	74.8	56.2
NET INCOME (LOSS)	(0.9)	3.0

Aside from Galoc, Philodrill is an operator or member of several other service contracts under exploration, development, or application with the Department of Energy. These are namely, SC14C2 or West Linapacan, SC53 Mindoro, SC6B Bonita, SC74 Linapacan, and SC6A Octon. The participating interest of Philodrill is shown on screen.



While SC6A is under a new application process for a new Service Contract with the Department of Energy, the others are in various stages of exploration and development. Of these, SC6B Bonita is the most advanced, with Nido Petroleum entering into a Farm-in Agreement with the consortium in early 2022, which has since been approved by the DOE in December. With a new operator for the service contract, the goal is to bring the Cadlaofield to production as soon as possible.

The Board and Management of Philodrill would like to thank all our stockholders, partners, officers, and staff for your support. With your help, we will be able to honor the legacy and

vision that our late Chairman, Mr. Alfredo C. Ramos, had for his beloved company, in the months and years ahead.

After the President's Report, the Chairman opened the floor for any questions, comments, or issues that the stockholders may have regarding the Management Report.

Stockholders were encouraged to participate in the ASM by sending their questions and/or comments during the meeting by email to 2023asm@philodrill.com with the subject "ASM Question/Comment". The following questions were raised during the meeting:

From Mr. Benny Gan – I have been in the oil and gas industry for a long time and I know that delays in the project implementation happen. Is the current timetable for drilling in Cadlao 4 attainable? And how many barrels of oil are we expecting from Cadlao?

The Vice President for Exploration and Production, Mr. Dennis Panganiban, confirmed that the timetable for drilling and redevelopment of Cadlao is still attainable. The Operator, Nido Petroleum Pty. Ltd. is expected to spud the well by the 4th Quarter of the year, to be followed by an EWT for about six (6) months. Should this be successful, the JV can easily transition into full commercial oil production by the 2nd Quarter of 2024.

On the second question, based on the recent study conducted by RISC for Nido, there are about 6.2M barrels that can still be recovered from the field.

After the Management Report and as the stockholders have been sufficiently informed of the current status of the Company, a motion was raised that the Management Report and Financial Statements for the year 2022 be noted and approved.

The motion having been seconded and there being no objections, the Chairman declared the motion carried and duly approved.

RESOLUTION NO. 2023-06-21-02

***"RESOLVED**, that the Management Report of the Company for the year 2022 and the Audited Financial Statements be noted and approved."*

RATIFICATION AND/OR CONFIRMATION OF THE ACTS AND RESOLUTIONS OF THE BOARD OF DIRECTORS AND MANAGEMENT

The next item on the agenda is the ratification of the acts and resolutions of the Board of Directors and Management.

The Corporate Secretary explained that the ratification by the stockholders is sought for the acts and resolutions of the Board of Directors, its Committees, and Management of the Company taken or adopted since the annual stockholders' meeting last June 15, 2022, until the date of the meeting, June 21, 2023. Atty. Arias referred the stockholders to the summary of resolutions for ratification/confirmation which were flashed on the screen for the stockholders to view, it was also noted that the same are disclosed in the Company's Information Statement. After sufficient time, a stockholder moved for the approval of all the acts and resolutions of the Board of Directors, its Committees, and Management of the Company taken or adopted since the Annual Stockholders' Meeting last June 15, 2022, until June 21, 2023.

The motion having been seconded and there being no objections, the Presiding Officer declared the motion carried and the resolution approved.

RESOLUTION NO. 2023-06-21-03

“RESOLVED, that the acts and resolutions of the Board of Directors, its Committees, and the Management taken or adopted since the annual stockholders’ meeting last June 15, 2022, until the date of this meeting June 21, 2023, be approved, confirmed and ratified.”

**APPOINTMENT OF EXTERNAL AUDITOR
FOR THE CALENDAR YEAR 2023**

The next order of business is the appointment of an Independent External Auditor for the Company for the fiscal year 2023. The Audit Committee has evaluated the performance of the current external auditor, SyCip Gorres Velayo & Co. Based on the recommendation of the Audit Committee, The Philodrill Corporation reappoints SyCip Gorres Velayo& Co. as external auditor for the fiscal year 2023. Representatives of SGV & Co. were present in the meeting to answer any questions addressed to them.

A total of 108,617,019,469 shares representing 99.92% of the total voting shares represented in the June 21, 2023 meeting voted in favor of the appointment of SyCip Gorres Velayo& Co. as the Company’s External Auditor for 2023. Therefore, the resolution appointing SyCip Gorres Velayo& Co. as the Company’s External Auditor for 2023 is hereby approved.

RESOLUTION NO. 2023-06-15-04

“RESOLVED, that Sycip Gorres Velayo& Co. are hereby appointed external auditors of the Company for fiscal year 2023.”

AMENDMENT OF THE BY-LAWS

The Corporate Secretary discussed the proposed amendments to the Company’s By-laws.

Pursuant to the recommendation of the Corporate Governance Department of the SEC on the Company's application for amendment of By-Laws filed on October 18, 2022, the following are the prescribed revisions to Philodrill’s By-laws to comply with existing Corporate Governance rules and regulations of the SEC. The matter has been approved by the Board in its meeting on May 29, 2023, and was submitted to the Stockholders for approval and ratification

FROM	TO
ARTICLE I SECTION 2 SECTION 2. SPECIAL MEETINGS – Special meetings of the stockholders may be called by the Chairman of the Board, or by the President, or by order of the Board of Directors, whenever either one or the Board shall deem it necessary, and it shall be the duty of the Chairman or the President to order and call such meetings whenever the holders of record of <u>not less than one-fourth of the outstanding capital stock of the Company</u> with voting privilege shall, in writing, so request. All stockholders may attend meetings or vote in person through remote communication or voting in absentia.	ARTICLE I SECTION 2 SECTION 2. – SPECIAL MEETINGS – Special meetings of the stockholders may be called by the Chairman of the Board, or by the President, or by order of the Board of Directors, whenever either one or the Board shall deem it necessary, and it shall be the duty of the Chairman or the President to order and call such meetings whenever the holders of record of <u>at least ten percent (10%) or more</u> of the outstanding capital stock of the Company with voting privilege shall, in writing, so request. All stockholders may attend meetings or vote in person through remote communication or voting in absentia.

ARTICLE II SECTION 9 SECTION 9. – INDEPENDENT DIRECTORS – The Company shall have <u>two (2) independent directors or at least 20% of its board size, at any one time, whichever is lesser.</u>	ARTICLE II SECTION 9 SECTION 9. – INDEPENDENT DIRECTORS – The Company shall have <u>independent directors constituting at least 20% of its board size.</u>
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A total of 108,709,175,719shares equivalent to 100% of the voting shares represented in the meeting, voted in favor of all the proposed amendments. As such, the foregoing provisions of the Company’s By-laws are hereby amended, as approved by the Stockholders representing at least 56.658% of the Company’s outstanding capital stock.

RESOLUTION NO. 2023-06-21-05

RESOLVED, that “*the majority of Stockholders of The Philodrill Corporation, owning 56.658% of the Company’s outstanding capital stock, approved and agreed to amend Article I, Sections 2, and Article II, Section 9 of the Company’s By-Laws. ”*

ELECTION OF DIRECTORS

The Presiding Officer announced that the next item on the Agenda is the election of the Directors. The Corporate Secretary noted that in accordance with the Company’s Revised Manual on Corporate Governance, all nominations for director were reviewed and approved by the Corporate Governance and Nominations Committee.

Under SEC rules, only nominees whose names have been submitted to and evaluated by the Corporate Governance and Nominations Committee, and whose names appear in the Final List of Candidates set forth in the Definitive Information Statement, shall be eligible for election as independent directors.

The Company received the following nominations for regular and independent directors for the ensuing term 2023-2024, which were evaluated by the Corporate Governance and Nominations Committee:

The nominees for Regular Directors are:

- 1) PRESENTACION S. RAMOS
- 2) MAUREEN ALEXANDRA R. PADILLA
- 3) GERARD ANTON S. RAMOS
- 4) ADRIAN PAULINO S. RAMOS
- 5) CHRISTOPHER M. GOTANCO
- 6) REYNALDO E. NAZAREA

For Independent Directors:

- 7) ALLEN L. COPOK
- 8) VINCENT L. TEMPONGKO
- 9) JOHN PETER C. HAGER

The nominees for Directors each have received at least 108,709,175,719 votes, representing 100% of the total voting shares represented in the June 21, 2023 meeting.

The Corporate Secretary certified that all 9 Nominees for Directors have received sufficient votes to elect them as Board of Directors of The Philodrill Corporation for the term 2023 to 2024.

RESOLUTION NO. 2023-06-15-06

*“**RESOLVED**, that the following be elected as members of the Board of Directors of the Company, to serve as such beginning June 21, 2023, and until their successors are elected and qualified:*

*Mrs. Presentacion S. Ramos
Mrs. Maureen Alexandra R. Padilla
Mr. Gerard Anton S. Ramos
Mr. Adrian Paulino S. Ramos
Mr. Christopher M. Gotanco
Mr. Reynaldo E. Nazarea
Mr. Allen L. Copok (Independent Director)
Mr. Vincent L. Tempongko (Independent Director)
Mr. John Peter C. Hager (Independent Director).”*

At this point, the President welcomed the new members of the Board who will serve the year 2023-2024, especially the incoming Independent Directors. He also formally thanked the outgoing Independent Directors, Messrs. Honorio A. Poblador and Nicasio I. Alcantara who served Philodrill for several years, helping steer the Company towards its goals. Mr. Adrian Ramos extended his gratitude for their invaluable service to Philodrill.

The same was acknowledged by Mr. Poblador.

ADJOURNMENT

The Chairman inquired if there are matters which the stockholders would want to discuss in the Meeting.

There being no further questions and matters to discuss, upon motion duly made and seconded, the Meeting was adjourned at 3:05 p.m.

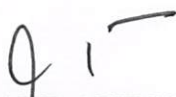
Certified Correct:



ADRIAN S. ARIAS
Secretary of the Meeting



Attest:



GERARD ANTON S. RAMOS
Chairman

REPUBLIC OF THE PHILIPPINES)
) S.S.

SUBSCRIBED AND SWORN to before me this 26 JUN 2023 at
MANDALUYONG CITY, affiants exhibiting to me their competent ID as follows:

Name	Competent ID	Date and Place of Issue
Gerard Anton S. Ramos		
Adrian S. Arias		

NOTARY

Doc. No. 67
Page No. 15
Book No. 1
Series of 2023.


ATTY. JOSEPHINE C. LAFIGUERA - ILAS
NOTARY PUBLIC - CITY OF MANDALUYONG
APPT. NO. 0644-23 UNTIL 12-31-2024
QUAD ALPHA CENTRUM, 125 PIONEER STREET
MANDALUYONG CITY 1550
PTR NO. 3131139/ MANDALUYONG CITY / 01-16-2023
IBP NO. 273594/01-06-2023/RSM CHAPTER
MCLE COMPLIANCE NO. VI-0030421/04-14-2022
ROLL NO. 44784