

**MINUTES OF THE 2018 ANNUAL STOCKHOLDERS' MEETING
OF BASIC ENERGY CORPORATION
HELD AT THE MANILA GOLF AND COUNTRY CLUB
HARVARD ROAD, FORBES PARK, MAKATI CITY, ON JUNE 27, 2018 AT 3:00 P.M.**

TOTAL NUMBER OF SHARES OUTSTANDING AND ENTITLED TO VOTE	4,553,375,349
TOTAL NUMBER OF SHARES REPRESENTED IN PERSON OR BY PROXY	3,056,493,204
PERCENTAGE OF ATTENDANCE	67.12 %

PROCEEDINGS

I. CALL TO ORDER

After the introduction of the members of the Board of Directors and the Advisory Board and key officers of the Corporation, present at the meeting, the Chairman of the Board, Mr. Oscar C. de Venecia called the 2018 Annual Stockholder's Meeting of Basic Energy Corporation to order.

II. PROOF OF THE REQUIRED NOTICE OF MEETING

The Chairman then requested the Corporate Secretary, Atty. Corazon M. Bejasa, to certify as to the due notice to all the stockholders of the Annual Stockholders' Meeting and as to the existence of a quorum. The Corporate Secretary certified that notices for the 2018 Annual Stockholders' Meeting of the Corporation were sent to all stockholders of record as of June 5, 2018, by mail and personal delivery.

III. DETERMINATION OF EXISTENCE OF QUORUM

The Corporate Secretary further certified that out of the 4,553,375,349 outstanding subscribed and issued shares of stock of the Corporation entitled to attend and vote at the meeting, a total of 3,056,493,204 shares are represented in this meeting, either in person or by proxy, and these shares account for 67 % of the total outstanding subscribed and issued shares of the Corporation. She then certified that there is a quorum for the transaction of business in the Annual Stockholders' Meeting.

IV. APPROVAL OF THE MINUTES OF PREVIOUS MEETING

The Chairman proceeded with the next item in the agenda which is the presentation and approval of the Minutes of the 2017 Annual Stockholders' Meeting held last June 28, 2017. A motion was submitted that since the minutes of the said meeting have been previously given before the meeting to the stockholders present at the meeting, the reading of the said minutes be dispensed with, and that the same, as circularized to the stockholders, be approved. Upon motion, which was duly seconded, and there being no objections to said motion, the Chairman declared that the Minutes of the 2017 Annual Stockholders' Meeting, were deemed approved.

V. PRESENTATION OF THE 2017 ANNUAL REPORT AND HIGHLIGHTS OF THE 2017 AUDITED FINANCIAL STATEMENTS

The President and CEO, Mr. Oscar L. de Venecia, Jr., presented the 2017 Annual Report of the Board of Directors and Management to the stockholders of the Corporation and the highlights of the 2017 Audited Financial Statements of the Corporation.

After the presentation of the aforementioned reports, the table was opened for questions and clarifications from the stockholders. Since there were no questions asked on the reports presented, after the appropriate motion was made, which was duly seconded, and there being no objection thereto, the Chairman declared that the 2017 Annual Report to Stockholders and the highlights of the 2017 Audited Financial Statements, were considered approved.

VI. RATIFICATION OF ALL ACTS OF THE BOARD AND MANAGEMENT

The Chairman advised the body that the list of resolutions and actions approved and adopted by the Board of Directors from the last stockholders meeting held in June 27, 2017 to June 21, 2018 was enclosed in the stockholders' kits distributed to the stockholders prior to the meeting. A motion was submitted that with the approval of the 2017 Annual Report on the operations of the Corporation for the term 2017-2018, all acts done by the Board of Directors and Management for the term 2017-2018 be confirmed and ratified. Upon a motion, which was duly seconded and there being no objection thereto, the Chairman declared that all acts done by the Board of Directors and Management for the term 2017-2018 were considered confirmed and ratified.

VII. ELECTION OF DIRECTORS

The Chairman proceeded with the election of the eleven (11) Directors for the ensuing year, 2018-2019. He reported to the body that in compliance with the Corporation's Manual on Corporate Governance, the Nominating Committee endorsed to the Board the nomination of the following nominees as members of the Board of Directors of the Corporation for the term 2018-2019 and the Board of Directors approved the nominations, as follows:

1. Oscar C. de Venecia
2. Francis C. Chua
3. Ramon L. Mapa
4. Oscar L. De Venecia, Jr.
5. Ma. Florina M. Chan
6. Jaime J. Martinez
7. Supasit Pokinjaruras
8. Isidoro O. Tan
9. Harvey L. N. Dychiao as Independent Director
10. Eduardo V. Manalac as Independent Director, and
11. Oscar S. Reyes as Independent Director

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Upon motion, which was duly seconded, and there being no objection thereto, the Chairman dispensed with the balloting of votes for the election of the Directors of the Corporation considering that there were only 11 nominees for the 11 seats in the Board. As directed by the Chairman, the Corporate Secretary cast all the votes of the stockholders present or represented in this meeting, in favor of the election of the aforementioned 11 nominees as directors of the Corporation for the term 2018-2019. Thereafter, the Chairman declared all the aforementioned 11 nominees as elected Directors of the Corporation for the term 2018-2019.

VIII. AMENDMENT OF THE AMENDED ARTICLES OF INCORPORATION

The Corporate Secretary presented to the body the proposed amendment of Article Seventh of the Amended Articles of Incorporation of the Corporation for the creation of Three Billion (3,000,000,000) preferred shares with a par value of Twenty Five centavos (Php 0.25) per share. A motion was submitted for the approval by the stockholders of the resolution for the amendment of Article Seventh of the Amended Articles of Incorporation of the Corporation to read, as follows:

"SEVENTH: That the authorized capital stock of said corporation is TWO BILLION FIVE HUNDRED MILLION PESOS (Php 2,500,000,000.00) Philippine Currency and said capital stock is divided into SEVEN BILLION (7,000,000,000) Common Shares with a par value of Twenty Five centavos (Php0.25) per shares and THREE BILLION (3,000,000,000) Preferred Shares with a par value of Twenty Five centavos (Php 0.25) per share.

"Preferred shares may be issued from time to time in one or more series as the Board of Directors, through a resolution, may determine, and authority is hereby expressly granted to the Board of Directors, to establish and designate each particular series of preferred shares, to fix the number of shares to be included in each of such series, and to determine the terms of each series such as the dividend rate, price, amount of participation, whether voting or non-voting, the convertibility and redemption features, and other terms and conditions for each series of such series, which resolution(s) shall thereupon be deemed as part of these Articles of Incorporation.

"Except as otherwise stated herein, no holder of common or preferred shares in the Corporation shall be entitled as a right to subscribe for, purchase or receive any part of any new or additional issue or sale of stock of any class, whether now or hereafter authorized, or of any bonds, debentures, or other securities convertible into stock of any class; and all such additional shares of stock, or bonds, debentures or other securities convertible into stock may be issued to such person or persons and on such terms and for such consideration (so far as may permitted by law) as the Board of Directors, in their absolute discretion, may deem advisable."

On motion, which was duly seconded and there being no objection thereto, the Chairman considered as approved the aforementioned resolution for the amendment of Article Seventh of the Amended Articles of the Corporation.

IX. APPOINTMENT OF EXTERNAL AUDITORS

The Chairman reported to the body that the Audit Committee and the Board of Directors of the Corporation re-nominated SGV & Company with Ms. Leovina Mae V. Chu as the engagement partner, as External Auditors of the Corporation for 2018. Upon motion, which was duly seconded, and there being no objection thereto, the Chairman considered as approved the appointment of SGV & Company as the External Auditors of the Corporation for the fiscal year

ending December 31, 2018, as recommended by the Audit Committee and the Board of Directors of the Corporation.

X. ADJOURNMENT

Before the adjournment of the meeting, the Chairman then expressed his gratitude to all the stockholders present and represented in the meeting for their time and effort in attending the annual stockholders' meeting.

There being no other matters in the agenda, upon motion to adjourn, which was duly seconded, the Chairman adjourned the Corporation's 2018 Annual Stockholders' Meeting.

CERTIFIED CORRECT:

Corazon M. Bejasa
Corporate secretary

ATTESTED BY:

Oscar C. de Venecia
Chairman