

BENGUET CORPORATION
MINUTES
OF THE ANNUAL STOCKHOLDERS' MEETING
25 August 2010

The annual stockholders' meeting of Benguet Corporation (the "Company") was held at the Fairways Dining Room, Manila Golf & Country Club, Harvard Road, Forbes Park, Makati City, on Wednesday, 25 August 2010.

I. Call to Order

Mr. Dennis R. Belmonte, Officer-in-charge and Acting CEO, presided over the meeting and acted as Chairman in the absence of Mr. Benjamin Philip Romualdez, Chairman & President. The meeting was called to order at 3:10 in the afternoon. Atty. Hermogene H. Real, the Corporate Secretary, recorded the minutes of the meeting.

II. Proof of Notice of the Meeting

Upon query of the Acting Chairman if notice of the meeting had been sent to the stockholders of the Company, the Corporate Secretary certified that written notices of the meeting, together with the Proxy Statement, were sent either by mail or through messenger services at the respective addresses indicated in the books of the Company to each stockholder of record as of July 8, 2010, at least thirty (30) days before the annual meeting date in compliance with the Company's Amended By-Laws. The same notices were also published in People's Journal and People's Tonight, both newspapers of general circulation, on Saturday, August 21, 2010 and on Monday, August 23, 2010, respectively. [The Affidavit of Service/Mailing of the Notice to resident and non-resident stockholders, and a complete set of the notice and proxy materials are attached to the original of the Minutes of this meeting.¹]

III. Determination of Quorum

The Acting Chairman requested the Corporate Secretary to confirm the presence of a quorum at the meeting. The Corporate Secretary further certified that a quorum existed for the transaction of business, there being present in person or represented by proxy a total of 124,312,482 shares or 76.33% of the Company's outstanding capital stock of 162,860,767 shares. [Appended to the original of the Minutes is the report dated August 25, 2010 of SGV & Co., the

¹Annex "A" - Affidavit, Notice and proxy Materials

Company's external auditors, showing the results of tabulation of the number of shares present at the meeting.²]

There being a quorum present, the Acting Chairman declared that the meeting was ready to proceed with the transaction of business. He then introduced to the stockholders each member of the Board of Directors present.

IV. Approval of the Minutes of the Last Regular Annual Stockholders' Meeting

The Acting Chairman requested the Corporate Secretary to read the Minutes of the Annual Stockholders' Meeting held on December 16, 2009.³ Considering that copies of the Minutes of said meeting had earlier been furnished to the stockholders, upon motion duly made and seconded, the reading of said Minutes of the last Annual Stockholders' Meeting was dispensed with, and the stockholders unanimously adopted the following resolution:

“**RESOLVED**, as it is hereby resolved, that the Minutes of the Stockholders' Meeting held on December 16, 2009 be, as they are hereby, approved as presented.”

V. Presentation of the President's Report

The Acting Chairman announced that the next order of business was the review of the Company's operations for the years 2009 - 2010 with some updates on BC's mineral production/exploration projects. He stated that copies of the Annual Report as well as SEC 17-A with the 2009 Audited Financial Statements were distributed in advance to the stockholders together with the Proxy Statement prior to the meeting, thus any questions on the report will be entertained after the presentation.

He then presented the 2009 Annual Report of the Company and reported the significant highlights of the Company's operations as well as its current activities, among others, to wit:

“While 2009 may be considered a difficult year, there are concrete indications that your Company is poised to significantly improve its operations. During the year, the Acupan Contract Mining Project and the Irisan Lime Project continued to increase their profitability. Your Company

²Annex "B" - Quorum Tabulation

³Annex "C" – Minutes of the Annual Stockholders Meeting held on December 16, 2009

likewise aggressively pursued and took major steps in the development of various mineral assets and projects. It completed the Definitive Feasibility Study to reprocess mill tailings to recover gold under the Balatoc Tailings Project. It signed an off-take/contractor agreement to undertake mining activities in the Santa Cruz Nickel Project and create revenues from the property's nickel and iron ores. In line with its objective to spin off mining projects into independent business units, your Company created wholly owned subsidiaries Balatoc Gold Resources Corporation and BengueCorp Nickel Mines, Inc. to undertake the activities of Balatoc Tailings Project and Santa Cruz Nickel Project, respectively. An exclusive financial advisor has been engaged for each project. Your Company obtained an Environmental Compliance Certificate for the Surigao Coal Project. Finally, your Company continued to source funding for the development of its various mining projects, as well as to resolve issues on the Kingking project and those of the old debt with creditors.

CONSOLIDATED RESULTS

Consolidated net loss for the year amounted to ₱185 million which was substantially lower by 62% than the net loss of ₱483 million in 2008. The positive variance was attributed to the ₱47 million gain on the sale of Catitipan property in Davao and foreign exchange gain of ₱56 million this year compared to foreign exchange loss of ₱241 million last year. The consolidated loss in 2009 includes non-cash accrued interest expense of ₱179 million, other non-cash expenses of ₱27 million and foreign exchange gain of ₱56 million.

Operating revenue decreased to ₱241 million in 2009 from ₱345 million in 2008 mainly due to lower revenues from sale of chromite fines and trucking services.

MINING

Earnings from the **Acupan Contract Mining Project or ACMP** significantly improved to ₱33.1 million in 2009 from ₱8.7 million in 2008. The improvement of 280% was substantially due to increased gold production of 2,129 ounces in 2009 versus 1,820 ounces in 2008 and the rise in gold prices of US\$981/oz in 2009 against US\$840/oz in 2008. ACMP ended the year 2009 at a milling rate of 70 tonnes per day, while today it is at 110 tonnes per day. Your Company is targeting to further expand capacity of the ACMP mill to 150 tonnes per day by early 2011 and to 300 tonnes per day by end 2011. As of end June 2010, ACMP has produced 1,322 ounces, a 44% increase over production for the same period last year.

Revenues from the **Irisan Lime Project** significantly improved to ₱16.5 million in 2009 from ₱7.0 million in the previous year, or an increase of 136%. Despite the drop in sales volume to 7,857 tonnes from 9,440 tonnes last year, earnings more than doubled primarily due to reduction in kiln operating cost.

EXPLORATION, RESEARCH AND DEVELOPMENT

Your Company continued to move forward on its various projects, particularly in gold and nickel, as gold remained a stable yet promising commodity for the future, while nickel prices rebounded considerably from its slump in late-2008 to early-2009. These developments have sustained positive expectations in the mining industry.

Your Company completed its Definitive Feasibility Study for the **Balatoc Tailings Project or BTP**. It engaged an external Competent Person to review and prepare reports required under the Philippine Mineral Reporting Code which is modeled after the Joint Ore Reserve Committee (Code) of Australia. Your Company obtained BTP's Environmental Compliance Certificate last June 2009. In April 2010, the Board of Investments approved the registration of the project as a pioneer enterprise, with corresponding incentives such as a 6-year income tax holiday. In June 2010, the Department of Environment and Natural Resources granted BTP a Mineral Processing Permit. BTP will reprocess mill tailings accumulated during the three (3) decades of operation of your Company's gold mines in the Benguet District, and recover the residual gold through a 3,000-TPD mill. Bringing BTP into commercial operation is estimated to take 15 months.

Your Company entered into a processing agreement with Balatoc Gold Resources Corporation, a wholly owned subsidiary, to implement BTP. It likewise appointed ATR Kim Eng Capital Partners, Inc. as financial advisor to raise additional development capital. ATRKE finalized the Information Memorandum on BTP in July 2010 and has sent out letters of invitation to various prospective investors to provide both equity and debt financing.

In line with your Company's strategic plan to create and spin off business units to implement various mining projects, your Company entered into an agreement with its wholly owned subsidiary, Benguetcorp Nickel Mines, Inc. to undertake the operation of the **Santa Cruz Nickel Project**. The mine is covered by an approved Mineral Production Sharing Agreement and P323 million had already been invested on mine development. An Environmental Compliance Certificate was obtained in June 2009 and a Declaration of Mining Project Feasibility was issued in November 2009. These government permits now allow your Company to do mining in the area.

In October 2009, BNMI signed off-take/contractor agreements involving separate delineated areas of the SCNP property. The first agreement with DMCI Mining Corporation (DMCI) calls for the mining and sale of high grade nickel ore with 2.0% nickel cut-off grade of up to 200,000 tons per year for the next three (3) years. As of July 2010, DMCI has made 14 shipments equivalent to 630,000 metric tons. Another agreement was signed with Sino Phil (Surigao) Group Limited, but has subsequently been terminated due to non-performance.

In addition to mining and direct ore shipment, BNMI is likewise tasked to undertake further exploration of the property as well as to complete the research and feasibility studies on sintering and tank leaching technologies to add value to the mine products. BNMI will raise funds for these additional activities and has engaged First Metro Investment Corporation as the financial advisor, lead manager and underwriter.

In October 2009, your Company obtained the ECC for its **Surigao Coal Project** and is targeting to mine an initial 'open-pittable' reserve of 1 million tons at a production rate of 60,000 tons per year in line with its DOE-approved work program. At the same time, your Company has engaged a consultant to study the feasibility of putting up a mine mouth power plant in the property. If found feasible, the plant would be the primary market for the mine's coal product at minimal hauling cost. Additionally, your Company is considering the capability of the Hubo River in the same property to support a hydropower plant. The coal and hydro plants are envisioned to be complementary, and would provide an opportunity for your Company to participate in the energy sector and help alleviate the growing power supply deficiency in Mindanao.

In December 2008, your Company won the bidding as the designated Operator / Contractor of the Balatoc Sub-Tribe of Kalinga in the reopening and development of the **Batong Buhay Mines** located in Kalinga Province. The property is held by the Philippine Mining Development Corporation, the corporate mining arm of the DENR. In December 2009, a Joint Venture Agreement was reached among the Tribe, your Company and its financial partner. However, due to unresolved issues with regard to tribal conflicts, land problem, engineering constraints and with the attendant risks involved, your Company decided to withdraw from the project. Under a Mutual Rescission Agreement, your Company's various expenses and advances in the project will be reimbursed by the Tribe through the entry of a new investor. To be negotiated with the Tribe is the Company's retaining interest in the project in recognition of its contribution to bring the project to its present state.

Regarding the **Kingking Porphyry Copper Gold Prospect**, the DENR issued a resolution dated November 23, 2009 directing both your Company and NADECOR to work together to bring the project to the declaration of mining feasibility stage. On January 15, 2010 however, the DENR modified its position and ordered NADECOR to solely implement the work program of the extended exploration period. The DENR order is the subject of an appeal by your Company.

On July 22, 2010, your Company signed Heads of Terms with St. Augustine Mining Ltd., a subsidiary of Russell Mining & Minerals Inc., which sets out the terms for the transfer of your

Company's interest in, and withdrawal from the Kingking project. The signing will not affect the status of Kingking's Mineral Production Sharing Agreement, until completion of the transaction with St. Augustine.

Investment on Kingking over the years has totaled some ₱1.2 Billion and with almost 90 kilometers of drilling meterage, the property is one of the most explored properties in the Philippines.

LAND DEVELOPMENT

For the **Woodspark Rosario Subdivision**, cash collection in 2009 amounted to ₱5 million which brought up the total cash collection to-date to ₱32 million derived from cash sales and payments of reservation deposits, down payment and monthly amortizations. Lot sales, reservations and dacion in 2009 totaled 22 lots with an aggregate area of 2,843 square meters valued some ₱6 million. Total lots sold and reserved to-date is 154 lots with an aggregate area of 24,000 square meters valued at ₱41 million. Woodspark attained 90% completion of its horizontal development for Phase 1, 77% for Phase 2 and 20% for Phase 3.

HEALTH CARE SERVICES

Earnings from the **Benguet Laboratories** slightly improved to ₱3.2 million in 2009, from ₱2.4 million in 2008. BL is now in partnership with about 50 medical practitioners of various disciplines and expertise. It also serves various Health Management Organizations catering to private entities and government organizations located in Northern Luzon. It is looking forward to expanding its services in the Clark Export Processing Zone.

ENVIRONMENTAL PROTECTION

Your Company is committed to the continued protection and enhancement of the environment by ensuring that its mining operations are compliant with the strict regulations of the DENR-MGB and other government agencies. To meet its environmental obligations, your Company's Benguet Gold Operations (BGO) spent ₱7.1 million for the maintenance and structural rehabilitation of its tailings disposal system, drainage tunnels, mine waste dump, and other mining infrastructure, and for its reforestation activities covering about 13 hectares. The activities are based on the approved Annual Environmental Protection and Management Programs and are closely coordinated with and monitored by the Mine Monitoring Teams, the Mine Rehabilitation Fund Committees, the MGB-Cordillera Administrative Region, the Local Government Units and the Environment Management Bureau.

COMMUNITY SERVICES

The ACMP, which is part of the Benguet Gold Operations, is continually committed to a socially responsible mining operation by supporting its host communities as well as neighboring areas. During the year, it implemented various Social Development and Management Programs for Barangays Virac and Poblacion. Its community services include programs for health, medical, peace and order, safety, livelihood, education, social services and waste management. All programs were implemented in coordination with the Local Government Units, various government agencies and organizations, and the host communities.

In the aftermath of Typhoon Pepeng, your Company responded with rescue, medical and relief operations in Sitio Luneta and Barangay Loacan in the Antamok area. Your Company likewise provided two relocation sites for the new dwellings of the affected families. Your Company also extended rescue assistance in landslide-affected areas in La Trinidad and Baguio City.

GOOD CORPORATE GOVERNANCE

Your Company adheres to the principles of corporate governance and faithfully complies with the guidelines of the Securities and Exchange Commission and the Philippine Stock

Exchange. It continually posts on its website corporate disclosures and reports which were submitted to the SEC and PSE, for transparency and easy access and reference of the investing public.

DEBT STATUS

As of the end of 2009, the Parent Company's principal loans subject to the repayment plan amounted to approximately ₱1.5 billion or US\$32 million. Since October 2009, your Company has made specific and firm proposals for the settlement of its debt through the PNB Trust Banking Group, as Trustee bank under the Restructuring Agreement/ Mortgage Trust Indenture. In June 2010, your Company's Board of Directors approved the buy-back from Strato International Holdings Ltd. of BC debt papers equivalent to a significant portion of the secured debt, and a proposal for a similar buy-back or debt restructuring to other creditors/holders of BC debt papers. Negotiations are currently ongoing.

PRIVATE PLACEMENT

On April 7, 2010, your Company's Board of Directors approved a Memorandum of Agreement between your Company and RYM Business Management Corporation for a private placement of up to P330 million in your Company's common shares equivalent to 14.6 million Class "A" shares and 9.7 million Class "B" shares. The subscription of authorized and unissued shares of your Company is divided into two transactions: the first transaction was completed on April 23, 2010 with full payment of P150 million and the second transaction shall be completed within 180 days with a full payment of ₱180 million by RBMC to your Company.

The funds from the private placement will be utilized for general corporate purposes and to fund in part the development of the various mining projects of your Company, which would include BTP and ACMP. In turn, the income generated from these projects will be used to advance the other mineral properties of your Company.

OUTLOOK

With gold still the best earning mineral commodity, your Company will try to increase production in ACMP towards its target of 300 tonnes per day capacity by end 2011. It will finalize the financing and development of BTP under BGRC as a stand-alone business within 2010.

The contractual arrangement between BNMI and DMCI to mine and sell nickel ore from its Santa Cruz property has provided your Company with a steady new source of revenues. Your Company is looking to maximize utilization of the property by conducting its own exploration and mining activities in areas not covered by DMCI. In this undertaking, it plans to partner with interested financiers/off-takers who would likewise participate in the research and development work for a nickel sintering plant in the mine site. Your Company will exert parallel effort to complete the necessary requirements for fund-raising activities and possible public listing of BNMI with the PSE within 2010.

Your Company's direction to evaluate putting up a power plant in the Surigao coal property and operate it as an Independent Power Producer is a new and exciting challenge. It is an investment opportunity that would maximize the utilization of your Company's coal resource and at the same time see your Company participate in the power sector to help alleviate the country's energy deficit.

Your Company is committed to finally resolve the Kingking impasse and the old debt issue with its creditors. Initiatives are in place and with the favorable resolution of both, your Company is well positioned to strengthen its financial condition and move its many projects forward to development and commercial operation as the world economy begins to recover."

In summary, the following substantial additional information were disclosed

to the stockholders:

(1) On April 7, 2010, the Company's Board of Directors approved a Memorandum of Agreement (MOA) between the Company and RYM Business Management Corporation (RBMC) for a private placement of up to P330 million in the Company's common shares equivalent to 14,558,880 million class "A" shares and 9,705,840 million class "B" shares. The subscription of authorized and unissued shares of the Company is divided into two transactions: the first transaction was completed on April 23, 2010 upon full payment of P150 million and the second transaction shall be completed within 180 days from date of signing of the MOA upon full payment of P180 million by RBMC to the Company.

The funds from the private placement will be utilized for general corporate purposes and to fund, in part, the development of the various mining projects of the Company, such as the Balatoc Tailings Project and Acupan Contract Mining Project.

(2) On June 4, 2010, the Company's Board of Directors approved the proposed buy-back from Strato International Holdings Ltd. of BC debt papers equivalent to a significant portion of the secured debt, and a proposal for a similar buy-back or debt restructuring to other creditors/holders of BC debt papers. Negotiations are currently ongoing.

(3) On July 22, 2010, the Company signed Heads of Terms with St. Augustine Mining Ltd., subsidiary of Russell Mining & Minerals Inc., which set out the terms for the transfer of the Company's interest in, and withdrawal from the Kingking Project. The signing will not affect the status of Kingking's Mineral Production Sharing Agreement, until completion of the transaction with St. Augustine Mining Ltd.

For and in behalf of the Company, the Acting Chairman expressed his sincere appreciation to, and accordingly acknowledged the dedication and efforts of the officers, managers and employees of the Company who continue to render service under the guidance and supervision of the Board of Directors. He likewise expressed his gratitude to the Company's shareholders and the Board of Directors, for their wisdom, valuable support and contributions especially last year which proved to be a difficult year due to global financial crisis coupled with the pressures to settle the Company's debt and settlement of dispute with NADECOR.

After a brief review of the highlights of the Company's operations for the years 2009-2010, as well as the Company's projections in 2010, the Acting Chairman then declared the table open for questions concerning the President's Statement, the Annual Report for the year 2009, the interim quarterly reports for the year 2010, and the 2009 Audited Financial Statements.

Atty. Pacifico asked how soon will the Company make a profit. Mr. Belmonte answered that the Company's nickel project is improving its cash flow and the Company is set to recover financially within a year or two. The Company

expects to improve its revenue through its gold operations as it also plans to expand the production capacity of the Acupan Contract Mine Project (ACMP) to 300 tons per day to take advantage of the increasing gold price.

There being no comments or questions on the above-mentioned reports, upon motion duly made and seconded, said reports were noted and approved by the stockholders through the following resolution:

“RESOLVED, as it is hereby resolved, that the Annual Report containing the Management Report in SEC Form 17-A, together with the consolidated financial statements for the calendar year ended 2009 be, as they are hereby, approved as presented.”

VI. Approval of the Private Placement Transaction and Waiver of the Requirement to Conduct a Rights or Public Offering of the Shares Subscribed for Listing Purposes

Mr. Belmonte proceeded to the next item in the Agenda which was the approval of the private placement transaction and waiver of the requirement to conduct a rights or public offering of the shares subscribed for listing purposes which was explained on page 13 of the Proxy Statement.

The Corporate Secretary reported that the Company received votes in person and by proxy a total of 77,195,024 or 76.14% of Class A shares and a total of 25,216,779 or 41.02% of Class B shares or a combined total of 102,411,803 or 62.88% of Class A and B shares in favor of the approval of the private placement transaction between the Company and RYM Business Management Corporation for a private placement of the Company’s shares up to the total amount of P330 million and waiver of the requirement to conduct a rights or public offering of the shares subscribed for listing purposes.

On motion duly made and seconded, there being no objections, the stockholders approved the private placement transaction and the waiver of the requirement to conduct a rights or public offering of the shares subscribed for listing purposes and adopted the following resolutions:

“RESOLVED, as it is hereby resolved, that the Board resolutions adopted during the special Board of Directors meeting of April 7, 2010 on the approval of the private placement transaction and the corresponding listing of shares, be as they are hereby confirmed, ratified and approved;

“RESOLVED, FURTHER, as it is hereby resolved, that the stockholders approve, as they hereby approve the waiver of the requirement to conduct a rights or public offering of the shares subscribed under the private placement for purposes of listing of said shares.”

VII. Confirmation and Ratification of All Acts, Contracts, Resolutions, Investments and Proceedings Made and Entered into by Management and/or the Board of Directors during the Period December 16, 2009 to August 25, 2010

The Acting Chairman took up the next item in the Agenda which was the confirmation and ratification of all acts, contracts, resolutions, investments and proceedings of the Board of Directors and its Corporate Officers for the period December 16, 2009 to August 25, 2010.

On motion duly made and seconded, there being no objections, the stockholders unanimously adopted the following resolution:

“**RESOLVED**, as it is hereby resolved that all acts, resolutions, contracts and investments made by Management and/or the Board of Directors for the period December 16, 2009 to August 25, 2010, be as they are hereby confirmed, ratified and approved .”

VIII. Election of Directors

The Acting Chairman proceeded to the next item in the Agenda which was the election of the Board of Directors of the Company for the years 2010-2011. He informed the stockholders that there are no other nominees for independent directors submitted to the Corporate Secretary and, as indicated in the Company’s Proxy Statement, no further nominations shall be entertained or allowed on the floor during the actual annual stockholders’ meeting since the period for nominations of independent directors is not later than forty five (45) days prior to the stockholders’ meeting. As disclosed in the Proxy Statement, the election of directors is still enjoined under the Temporary Restraining Order (TRO) issued by the Supreme Court.

At this point, the Corporate Secretary referred the stockholders to the Notice of Annual Meeting of Stockholders and Information Statement, particularly on page 5 thereof labelled as Status of the TRO, where it was stated that “as of the date of this statement, the election of directors is still enjoined under the Temporary Restraining Order (TRO) issued by the Philippine Supreme Court. Unless such TRO is set aside to allow an election, no election can be held.”

She then informed the body that as of the date and time of this meeting, no order lifting the TRO has been received by the Company, hence, no election of directors could be held.

The Acting Chairman declared and announced that the incumbent members of the Board of Directors of the Company shall continue to hold office on a hold-over capacity until such time that their successors shall have been duly elected and qualified, as follows:

- (1) To represent Common Class "B" Stock:
Benjamin Philip G. Romualdez
Andres G. Gatmaitan
Isidro C. Alcantara, Jr.
Bernardo M. Villegas, as independent director
- (2) To represent the Convertible Preferred Class "A" and Common Class "A" Stocks:
Dennis R. Belmonte
Maria Remedios R. Pompidou
Daniel Andrew G. Romualdez
Luis Juan L. Virata

IX. Other Business

A. Conversion Premium for Convertible Preferred "A" shares

The Acting Chairman informed the shareholders that for the year 2009, the conversion premium for converting Convertible Preferred "A" shares into Common Class "A" shares is P0.14 per share.

B. Approval/Ratification of proposed transaction with St. Augustine Mining Ltd. (SAML) / Russell Mining and Mineral, Inc. (RMMI) for resolution of issues in the Kingking Copper-Gold Project

The Acting Chairman informed the body that, on matters arising after the notices to the stockholders' meeting were sent and not reasonably known to management beforehand, there is a need for approval in principle of proposed transaction with St. Augustine Mining Ltd. (SAML), an affiliate of Russell Mining and Mineral, Inc. (RMMI), on the Kingking Project. He said that the details thereof are explained in the additional material given at the start of the meeting.

The Acting Chairman explained that in the June 4, 2010 regular meeting of the Board of Directors, the Board approved in principle the proposed transaction. On July 22, 2010, the Company signed a Heads of Terms with SAML, which set out the terms of the transfer of the Company's interest in the Project under the Operating Agreement (OA) and the Mineral Production Sharing Agreement (MPSA), but subject to execution of definitive transactional documents by the parties and their performance of the conditions thereof. The transactional documents are still being prepared and negotiated, but the Company would like to get stockholders' approval on the transaction. He then asked the body if there are any objections, there being none, he then recommended the approval in principle of the transaction with SAML on the transfer of the Company's interest in the Kingking Project and related properties subject to performance of the conditions in the Heads of Terms and transactional documents.

On motion duly made and seconded, the stockholders approved the aforesaid recommendation and adopted the following resolution:

“RESOLVED, as it is hereby resolved, that the transaction with St. Augustine Mining Ltd. on the transfer of the Company’s interest in the Kingking Project and related properties subject to performance of the conditions in the Heads of Terms and transactional documents, be approved in principle, as it is hereby approved in principle, under such terms and conditions beneficial to the Company.”

X. Adjournment

The Chairman inquired from the stockholders if there are other matters that they would like to take up.

There being no question and no other business to transact, upon motion duly made and seconded, the meeting was adjourned at 3:50 p.m.

Finally, the Chairman informed the body that since the TRO has not been lifted as of the date of this meeting, the 2010 annual stockholders’ meeting will be adjourned for up to ninety (90) days or until November 25, 2010 to allow the election of directors in the event that the TRO is lifted anytime during the said 90-day period; and that the proxies for the August 25, 2010 Annual Stockholders’ Meeting will still be valid for ninety (90) days from the date of the said meeting.

HERMOGENE H. REAL
Corporate Secretary

A T T E S T:

DENNIS R. BELMONTE
Acting Chairman