

**MINUTES OF THE ANNUAL MEETING
OF THE STOCKHOLDERS**

OF

ENERGY DEVELOPMENT CORPORATION

Held on May 8, 2018 at 10:15 A.M.
At One Rockwell East Tower Function Room
Rockwell Drive, Rockwell Center, Makati City

CALL TO ORDER

The Chairman, Mr. Federico R. Lopez¹, called the meeting to order and presided over the same. The Corporate Secretary, Atty. Bernadette Ann V. Policarpio, recorded the proceedings.

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

RICHARD B. TANTOCO²

FRANCIS GILES B. PUNO³

JONATHAN C. RUSSELL

CHRISTOPHER EU SUN LOW

DAVID ANDREW BALDWIN

EDGAR O. CHUA (Independent Director)⁴

FRANCISCO ED. LIM (Independent Director)

MANUEL I. AYALA (Independent Director)⁵

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

² **Richard B. Tantoco** is the President and COO.

³ **Francis Giles B. Puno** is the Chairman of the Risk Management Committee.

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

⁵ **Manuel I. Ayala** is the Chairman of the Related Party Transactions Committee.

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.

As there were present, in person and by proxy, stockholders owning at least 26,716,474,463 shares representing at least 95.04% of the outstanding capital stock, the Corporate Secretary certified that there was a quorum for the transaction of business. (The list of attendees and proxies is available at the office of the Company).

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 the meeting in person or by proxy is entitled to vote the number of shares in his name as of the record date, March 15, 2018. For all items in the agenda to be approved in the meeting other than 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 were discussed in the Definitive Information Statement that was distributed to all stockholders prior to the meeting.

APPROVAL OF THE MINUTES OF THE PREVIOUS STOCKHOLDERS' MEETING

The next item of business was the approval of the minutes of the special meeting of the stockholders held on December 12, 2017, a copy of which had been earlier distributed to each stockholder 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 26,715,335,961 shares, or 95.03% of the outstanding capital stock, approved the following resolution:

Resolution No. 1, Series of 2018

“**RESOLVED**, that the minutes of the Special Stockholders' Meeting of Energy Development Corporation held on December 12, 2017 be, as it is hereby, approved.”

The Corporate Secretary noted that 567,921 shares abstained on the motion and no shares voted against it.

MANAGEMENT REPORT AND AUDITED FINANCIAL STATEMENTS

The next matter on the agenda was the approval of the Management Report, a copy of which had been previously distributed to each stockholder together with the Audited Financial Statements as of the year ended December 31, 2017.

The Chairman first delivered his message to the stockholders. Thereafter, the President and Chief Operating Officer, Mr. Richard B. Tantoco, presented the Management Report and the consolidated Audited Financial Statements for the year ended December 31, 2017. 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" of these Minutes.

After discussion, and on motion made and duly seconded, the stockholders representing at least 26,699,239,961 shares, or 94.97% of the outstanding capital stock, approved the following resolution:

Resolution No. 2, Series of 2018

"RESOLVED, that the Management Report as presented and the Company's consolidated Audited Financial Statements as at and for the year ended December 31, 2017 be, as these are hereby, approved."

The Corporate Secretary noted that 16,663,921 shares abstained on the motion and no shares voted against it.

RATIFICATION OF ACTS OF MANAGEMENT

The next item is the ratification and approval of corporate acts. 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. 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 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 and Management of the Company from the last annual stockholders' meeting to date.

Whereupon, on motion made and duly seconded, the stockholders representing at least 26,698,219,049 shares or 94.97% of the outstanding capital stock, approved the following resolution:

Resolution No. 3, Series of 2018

“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 17,684,833 shares abstained on the motion and no shares voted against it.

ELECTION OF DIRECTORS

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

The Corporate Secretary explained 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. The background and qualifications of the nominees were provided in the same Definitive Information Statement.

She further explained that under Section 24 of the Corporation Code, every stockholder present at the meeting, in person or by proxy, is entitled to vote the number of shares in his name as of the record date, March 15, 2018, 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 Corporate Secretary announced that there were only eight (8) candidates for the eight (8) available seats for regular director, and three (3) candidates for three (3) seats for independent director. The candidates receiving the highest number of votes for the eight (8) available seats for regular director and for the three (3) available seats for independent director shall be declared as the duly elected members of the Board of Directors for 2018-2019.

The stockholders were informed that BDO Trust and Investments Group assisted in the validation of proxies and tabulation of votes.

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

For Regular Directors

1. FEDERICO R. LOPEZ
2. FRANCIS GILES B. PUNO
3. JONATHAN C. RUSSELL
4. RICHARD B. TANTOCO
5. JOAQUIN E. QUINTOS IV
6. DAVID SIMON LUBOFF
7. DAVID ANDREW BALDWIN
8. CHRISTOPHER EU SUN LOW

For Independent Directors

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

The Company's Corporate Information Officer and Head of Investor Relations, Mr. Ryan Z. Velasco, made a brief presentation, flashing on the screen for the stockholders' reference the full details of the background and qualifications of the nominees, which have also been disclosed in the Company's Definitive Information Statement.

At the Chairman's request, the Corporate Secretary announced that based on the tabulation by BDO Trust and Investments Group, the eleven (11) candidates who received the highest number of votes were as follows:

For Regular Directors

1. FEDERICO R. LOPEZ	-	26,634,469,521 votes
2. RICHARD B. TANTOCO	-	26,338,702,328 votes
3. FRANCIS GILES B. PUNO	-	26,290,626,564 votes
4. JONATHAN C. RUSSELL	-	26,290,626,564 votes
5. JOAQUIN E. QUINTOS IV	-	26,290,626,564 votes
6. DAVID SIMON LUBOFF	-	26,326,567,060 votes
7. DAVID ANDREW BALDWIN	-	26,290,884,257 votes
8. CHRISTOPHER EU SUN LOW	-	26,326,824,753 votes

For Independent Directors

9. MANUEL I. AYALA	-	26,706,748,382 votes
10. EDGAR O. CHUA	-	26,706,748,382 votes
11. FRANCISCO ED. LIM	-	26,706,748,382 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 Company for the ensuing term to act as such until their successors are duly elected and qualified in accordance with the By-Laws:

Resolution No. 4, Series of 2018

“**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 2018-2019:

Regular Directors

1. FEDERICO R. LOPEZ
2. RICHARD B. TANTOCO
3. FRANCIS GILES B. PUNO
4. JONATHAN C. RUSSELL
5. JOAQUIN E. QUINTOS IV
6. DAVID SIMON LUBOFF
7. DAVID ANDREW BALDWIN
8. CHRISTOPHER EU SUN LOW

Independent Directors

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

The details of the abstentions and dissenting votes in the election of Directors are recorded in Annex “B” of these Minutes.

APPOINTMENT OF EXTERNAL AUDITOR

The next item was the appointment of the Company'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 current 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 26,708,584,283 shares or 95.01% of the outstanding capital stock, approved the following resolution:

Resolution No. 5, Series of 2018

“RESOLVED, that the auditing firm SGV & Co. be, as it is hereby, reappointed as the Company's external auditor for the current year 2018-2019.”

The Corporate Secretary noted that stockholders representing 7,249,800 shares voted against the motion while 69,799 shares abstained on it.

ADJOURNMENT

There being no other item in the agenda, the Chairman inquired if there was any matter that a stockholder wished to take up. As there was none, the Chairman entertained a motion for adjournment.

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

BERNADETTE ANN V. POLICARPIO
Corporate Secretary

ATTESTED BY:

FEDERICO R. LOPEZ
Chairman and Chief Executive Officer

RICHARD B. TANTOCO
President and Chief Operating Officer

ANNEX "A"

(Questions & Answers after the Chairman's Message and
the President and Chief Operating Officer's Report)

- 1. Stockholder Mr. Jose T. Ferrer welcomed the Company's new partner Philippines Renewable Energy Holdings Corporation ("PREHC"). He expressed his hope for the parent companies of PREHC to help EDC in financing and providing technical expertise because he is aware that the two parent companies of PREHC have substantial interests in renewable power. The tender offer undertaken last year was also commended. As a stockholder of the Company, he explained that his primary reason in investing with EDC is to help the environment.**

Mr. Federico R. Lopez, Chairman of the Board and Chief Executive Officer, thanked Mr. Ferrer for his comment.

- 2. Stockholder Mr. Robert Go noted that the pictures of the Board in the Management Report were too serious and requested that happier and less gloomy pictures be used in the next report, including its cover page.**

The Chairman noted the suggestions of Mr. Go.

- 3. Stockholder Mr. Robert Go also inquired whether EDC is involved in any research with the Philippine government regarding renewable energy in the Philippine's Benham Rise.**

The Chairman answered that they are not part of any activities involving the Benham Rise.

- 4. Stockholder Mr. Antonio Garcia noted that it is already midyear and referred to the PSE requirement for a 15% minimum public float by the end of the year. He asked if the Board had any plans of increasing or decreasing the minimum float.**

The President and Chief Operating Officer, Mr. Richard B. Tantoco, explained that the Board is not aware that the increase to 15% minimum public float will be effective by December. He stated that it will be too premature to act pending the actual approval by the Securities and Exchange Commission of such an increase. He further explained that EDC will have to react to market realities if it does happen.

- 5. Stockholder Mr. Antonio Garcia asked about the Board's plan if such increase pushes through this December.**

The President stated that there are two (2) options: first is to increase the float and the other is to delist. He explained that in terms of the timing and the price of a potential delist, the major shareholders have not yet made a decision. However, everyone was assured that, similar to the first process, any tender offer will be transparent and that the Board will protect the rights of the minority stockholders through observance of the SEC and PSE Rules.

- 6. Stockholder Mr. Antonio Garcia said that the message on climate change and on making resilient the Company's assets was very clear. He asked if EDC plans on diversifying and expanding its projects to other businesses to hedge against losses in the renewable industry, considering that being resilient in the industry is very expensive.**

The President stated that the strategy is to be a pure play renewable energy company. He explained that with the resiliency measures that the Company is doing right now, they will end up cracking the issues that hits EDC from time to time. He said that EDC needs to engineer more specific and targeted solutions.

The Chairman added that in the past, there were efforts to diversify and get into new projects, but the Company has since taken these off. The Board strongly believes that EDC and the geothermal industry have a very big role to play in de-carbonizing the electricity sector both locally and globally. He added that the right solution is to enforce strong resiliency measures to withstand any kind of weather and to bring down the cost of renewable energy to compete with any fossil fuel. In order to achieve these, the Chairman said that we need to be laser-focused in everything we do.

- 7. Stockholder Mr. Antonio Garcia said that EDC used to have a good dividend policy but after the tender offer last year, no dividend was declared. He then asked if it would be more prudent for the Board of Directors to consider that there are still minority shareholders in the Company who need the dividends.**

Mr. Tantoco noted such concern and said that the Company has been spending a lot to bring the assets back to optimum operation. He said that the Company has cash right now but its Chief Financial Officer is very conservative and does not want to declare any dividends until the Company

regains 100% of its lost assets. Mr. Tantoco assured the stockholders that such concern is under consideration by the Board.

- 8. Stockholder Mr. Alfred D. Abueg asked about the investment and operating cost efficiency of EDC. He noted that EDC operates through solar, wind, water and other sources. Considering several environmental factors, he asked which energy source is most efficient in producing power vis-à-vis the investment and operating cost incurred by EDC.**

The President stated that for every one US dollar to be invested, the Board has two choices: one is to invest it in a power plant for increased efficiency or output and the other is to invest on a steam-field. Every time the Board invests in increased efficiency or output improvement in the power plant, the income is infinitely better than drilling new wells or improving the steam-field.

He said that the Company has currently over ten solar portfolios and EDC entered the market at the time when the market was rational. At present, based on the registration at the Department of Energy, there are over 300 companies, mostly entrepreneurial, installing solar panels. When they looked at the prices they are offering to the customers, it no longer made sense to the Board to chase that business.

He also stated that each of these technologies has its own built-in efficiency relative to the investment cost and power output and analysis shows that return of investment is best at a geothermal power plant primarily, and secondarily on the other resources.

- 9. Stockholder Mr. Alfred D. Abueg asked about hydroelectric energy as a possible area of investment.**

The President stated that EDC upgraded the Pantabangan-Masiway hydroelectric power plant complex twice in 2006 and it has performed quite well as an asset.

He informed the body that according to recent statistics, this year has had the lowest water level in 12 years due to evaporation and lower water inflows. Based on his discussions with the local water utilities, the Philippines is just lucky this year to have more unseasonal rains that contributed to the reservoir, otherwise Metro Manila is close to having serious water issues.

- 10. Stockholder Mr. Alfred D. Abueg said that he was advised by his brokers that eventually EDC will not be traded. Considering that the 15% float may possibly increase to 20%, he asked what the float was prior to and after the tender offer.**

The Chairman stated that prior to the tender offer, EDC had 49.28% public float but presently, the float is about 10.88%.

- 11. Stockholder Mr. Alfred D. Abueg then commended the concerns of Management and the Board regarding the seriousness of climatic and environmental problems. He said that the Management and the Board have properly delivered the point that we should all be serious and should avoid wastage.**

The Chairman thanked the stockholder for his comments.

- 12. Stockholder Mr. Robert Go asked about page 31 of the Annual Management Report regarding "savings" in the personnel cost. He asked whether the Company is undertaking cost-cutting measures on its personnel since personnel cost has decreased for the last two years.**

The President said that in 2016, EDC offered an early retirement program and in 2017, EDC got more prudent in managing its costs and how it operates.

By way of example, he explained that in 2017, EDC ended overtime work on weekends where EDC had to pay 2 ½ month salary and issued an advisory to its employees that if they need to render overtime work, they should do it on a weekday, with the approval of the facility head. This saved the Company millions of pesos.

- 13. Stockholder Mr. Robert Go asked whether EDC is using Artificial Intelligence or AI since this is the norm.**

The President said no and thanked Mr. Go for his question.

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**ANNEX "B"
(VOTING RESULTS)**

AGENDA ITEMS	ACTION			
Item 1. Call to Order	No action necessary.			
Item 2. Proof of Notice and Certification of Quorum	No action necessary.			
	FOR	%	AGAINST	ABSTAIN
Item 3. Approval of the Minutes of the Previous Stockholders' Meeting	26,715,335,961	95.03%	0	567,921
Item 4. Approval of the Management Report and Audited Financial Statements for the year ended December 31, 2017	26,699,239,961	94.97%	0	16,663,921
Item 4. Ratification of Acts of Management	26,698,219,049	94.97%	0	17,684,833
Item 5. Election of Directors	Votes per nominee shown below			
For Regular Director:	Votes per nominee shown below			
Federico R. Lopez	26,634,469,521	94.74%	75,747,761	5,686,600
Richard B. Tantoco	26,338,702,328	93.69%	377,201,554	0
Francis Giles B. Puno	26,290,626,564	93.52%	425,277,318	0
Jonathan C. Russell	26,290,626,564	93.52%	425,277,318	0
Joaquin E. Quintos IV	26,290,626,564	93.52%	425,277,318	0
David Simon Luboff	26,326,567,060	93.65%	389,336,822	0
David Andrew Baldwin	26,290,884,257	93.52%	425,019,625	0
Christopher Eu Sun Low	26,326,824,753	93.65%	389,079,129	0
For Independent Director:	Votes per nominee shown below			
Manuel I. Ayala	26,706,748,382	95.00%	9,155,500	0
Edgar O. Chua	26,706,748,382	95.00%	9,155,500	0
Francisco Ed. Lim	26,706,748,382	95.00%	9,155,500	0

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Item 6. Approval of appointment of SGV & Co. as the Company's external auditor	26,708,584,283	95.01%	7,249,800	69,799
Item 7 Adjournment	26,697,213,569	94.97%	18,122,392	567,921

* Percentage is based on total outstanding voting shares of EDC at 28,112,010,000

ATTENDANCE	IN QUORUM		
	Holder	No. of Shares	Percentage
O/S	633	28,112,010,000	100.00%
In Person	58	584,184	0.00%
Proxy	31	26,715,890,279	95.03%
Total	89	26,716,474,463	95.04%