

COVER SHEET

- 7 4 4 3 -

SEC Registration Number

E A S T C O A S T V U L C A N M I N I N G

C O R P O R A T I O N

(Company's Full Name)

1 5 T H F L O O R , H I G H R I S E P A C I F I C

S T A R B L D G . , S E N . G I L P U Y A T A V E .

M A K A T I C I T Y , M E T R O M A N I L A

(Business Address: No., Street City / Town / Province)

Atty. Ana Maria A. Katigbak

Contact Person

8817 6791/ 8897-5257

Company Telephone Number

1 2

Month

3 1

Day

Fiscal Year

SEC Form 20-IS
Definitive Information Statement

FORM TYPE

Annual Meeting of
Stockholders
June 17, 2026

Mont h

Annual Meeting

Secondary License Type, If Applicable

C F D

Dept Requiring this Doc

Amended Articles Number / Section

Total Amount of Borrowings

Total No. of Stockholders

Domestic

Foreign

To be accomplished by SEC Personnel concerned

File Number

LCU

Document ID

Cashier

STAMPS

Remarks: Please use BLACK ink for scanning

SECURITIES AND EXCHANGE COMMISSION
SEC FORM 20-IS
INFORMATION STATEMENT PURSUANT TO SEC 20
OF THE SECURITIES REGULATION CODE

1. Check the appropriate box:

☐ Preliminary Information Statement
☒ Definitive Information Statement
2. Name of Registrant as specified in its charter:
EAST COAST VULCAN MINING CORPORATION
3. Province, country or other jurisdiction or organization:
Philippines
4. SEC Identification Number - 7443
5. BIR Tax Identification Number - 000-062-736
6. Address of Principal Office Postal Code
15th Floor, High Rise Pacific Star Building, 1226
Sen. Gil Puyat Avenue, Makati City,
Metro Manila, Philippines
7. Registrant's telephone number, including area code:
(632) 8511 – 8312
8. Date, time and place of the meeting of security holders:
June 17, 2026, 2:00 p.m., G/F, Isabela C, Makati Shangri-La Manila, Ayala Avenue corner Makati Avenue, Makati City.
9. Approximate date on which the Information Statement will be distributed to the stockholders of record via courier: May 26, 2026
10. In Case of Proxy Solicitations:
Name of Person Filing the Statement/Solicitor: East Coast Vulcan Mining Corporation
Address: 15th Floor, High Rise Pacific Star Building,
Sen. Gil Puyat Avenue, Makati City,
Metro Manila, Philippines
Tel. Nos. : (632) 85118312
Attention: Ana Maria A. Katigbak
11. Securities registered pursuant to Section 8 and 12 of the Code or Sections 4 and 8 of the RSA (information on number of shares and amount of debt is applicable only to corporate registrants):

Title of Class	Number of Shares of Common Stock
	Outstanding
Common	6,630,000,000 ¹
12. Are any or all of registrant's securities listed in a Stock Exchange:
Yes [/] No []
If yes, disclose the name of such Stock Exchange and the class of Securities listed therein:
Philippine Stock Exchange, Common

¹ The total outstanding capital stock of the Corporation is 6,630,000,000. However, the total number of securities registered pursuant to Sections 8 and 12 of the Securities Regulation Code ("SRC") is 963,944,338. The 5,180,000,000 shares and 486,055,662 shares are exempt transactions.

REPUBLIC OF THE PHILIPPINES)
MAKATI CITY) S.S.

SECRETARY'S CERTIFICATE

I, **ANA MARIA A. KATIGBAK**, Filipino, of legal age, being the duly elected Corporate Secretary of **EAST COAST VULCAN MINING CORPORATION** (formerly **EAST COAST VULCAN CORPORATION**; the "**Corporation**"), a corporation duly organized and existing under the laws of the Philippines with principal office address at the 15th Floor, Pacific Star Bldg., High Rise Tower, Makati Ave. cor. Senator Gil Puyat Ave., Makati City, Philippines, under oath, hereby state that at the special meeting of the Board of Directors of the Corporation held on April 27, 2026, at the principal office of the Corporation, at which a quorum was present and acting throughout, the following resolutions were unanimously approved by the directors:

"**WHEREAS**, pursuant to the Amended By-Laws of **EAST COAST VULCAN MINING CORPORATION** (the "**Corporation**"), the regular meeting of the stockholders shall be held on the last Wednesday of May of each year;

WHEREAS, Management needs more time to prepare for the Annual Stockholders Meeting ("**ASM**"), in view of the reports that are required to be submitted prior to the holding of the meeting;

NOW THEREFORE, IT IS HEREBY RESOLVED, that the Board of Directors of the Corporation hereby postpones the **ASM** scheduled on the last Wednesday of May, and resets the same to June 17, 2026, while retaining the previously approved record date of April 30, 2026;

RESOLVED FINALLY, that the Board of Directors of the Corporation hereby authorizes the Chairman/President to further postpone and reset the date of the 2026 **ASM** and the record date, as he may deem necessary."

IN WITNESS WHEREOF, I have hereunto set my hand this
APR 27 2026 in MAKATI CITY, Philippines.


ANA MARIA A. KATIGBAK
Assistant Corporate Secretary

SUBSCRIBED AND SWORN TO before me this APR 27 2026 at Makati City, Philippines, affiant who is personally known to me and whose identity I have confirmed through her Passport No. P7145377B issued on July 7, 2021 at DFA Manila, Philippines, bearing the affiant's photograph and signature.

Doc. No. 37
Page No. 1
Book No. III
Series of 2026.




MICAH BERNADETTE T. MANALO
Appointment No. M-062
Notary Public for Makati City
Until December 31, 2027
Castillo Laman Tan Pantaleon & San Jose Law Firm
The Valero Tower, 122 Valero Street
Salcedo Village, Makati City
PTR No. 10766546 ; 01-02-2026 ; Makati City
IBP No. 535834 ; 12-22-2025 ; Batangas Chapter
MCLE No. VIII-0039062; valid from 6-25-2025;
valid until 4-14-2028; Pasig City
Roll No. 91770

EAST COAST VULCAN MINING CORPORATION
15th Floor, High Rise Pacific Star Building, Sen. Gil Puyat Avenue,
Makati City, Metro Manila
Tel (632) 8511-8312: Fax (632) 8550-1468

INFORMATION STATEMENT

A. GENERAL INFORMATION

Item 1. Date, time and place of meeting of Stockholders

- a) The 2026 Annual Meeting of Stockholders (the “Meeting”) of East Coast Vulcan Mining Corporation (the “Company”) will be held on June 17, 2026, at 2:00 P.M. at the G/F, Isabela C, Makati Shangri-La Manila, Ayala Avenue corner Makati Avenue, Makati City. The complete mailing address of the Company is 15th Floor, High Rise Pacific Star Building, Sen. Gil Puyat Avenue, Makati City, Metro Manila, 1226.
- b) The approximate date when this Information Statement, Notice and Agenda with the accompanying Proxy Form will be published through alternative mode of distribution through the Corporation’s website and PSE Edge will be on or before May 26, 2026.

Item 2. Dissenter’s Right of Appraisal

A stockholder has the right to dissent and demand payment of the fair market value of his shares in case: (i) of any amendment to the Company’s Article of Incorporation which has the effect of changing or restricting the rights of any stockholder or class of shares, or of authorizing preference in any respect superior to those of outstanding shares of any class, or of extending or shortening the term of corporate existence; (ii) of any sale, lease, exchange, transfer, mortgage, pledge or other disposition of all or substantially all of the corporate property and assets; (iii) of merger or consolidation; and (iv) of investment of corporate funds for any purpose other than the primary purpose of the corporation.

At any time after this Information Statement has been sent out, any stockholder who votes against a proposed action and wishes to exercise his right of appraisal must make a written demand, within thirty (30) days after the date of the Meeting or when the vote was taken, for the payment of the fair market value of his shares. Upon payment, he must surrender his stock certificates. No payment shall be made to any stockholder unless the Company has unrestricted retained earnings in its books to cover such payment.

There are no matters submitted to the vote of the shareholders which could give rise to the exercise of the right of appraisal described above.

Item 3. Interest or Opposition of Certain Persons in Matters to be Acted Upon

No director or officer, nominee for election as director, or associate of such director, officer or nominee, of the Company has any substantial interest, direct or indirect, by security holdings or otherwise, in any of the matters to be acted upon in the Meeting, other than election to office. Likewise, no director has informed the Company in writing of his opposition to any matter to be acted upon at the Meeting.

B. CONTROL AND COMPENSATION INFORMATION

Item 4. Voting Securities and Principal Holders Thereof

The Company's capital stock is composed of only Common Shares, which are voting shares.

- a) **Record date.** The Record Date with respect to this Meeting is April 30, 2026. Only stockholders of record as of April 30, 2026 are entitled to notice of, and vote at, the Meeting.
- b) **Outstanding Shares.** As of Record Date, the Company's outstanding capital stock is 6,630,000,000 common shares with each share entitled to one (1) vote.

As of April 30, 2026, 19,689,002 common shares or 0.30% of the outstanding shares are foreign-owned.

- c) **Cumulative Voting.** A stockholder entitled to vote at the Meeting shall have the right to vote in person or by proxy the number of shares registered in his name in the stock transfer book of the Company for as many persons as there are directors to be elected. Each stockholder shall have the right to cumulate said shares and give one nominee as many votes as the number of directors to be elected multiplied by the number of his shares shall equal, or he may distribute them on the same cumulative voting principle among as many nominees as he shall see fit, provided, that the number of votes cast by a stockholder shall not exceed the number of his shares multiplied by the number of directors to be elected.

Stockholders may participate in the meeting by proxy. All stockholders who will participate in the meeting may vote through the Chairman of the Meeting (as Proxy) and/or submit duly accomplished proxies to the office of the Corporate Secretary at for inspection, validation, and recording at least five (5) days before the opening of the annual stockholders' meeting, or on/before June 7, 2026. The Proxy Validation Committee will inspect, examine, and validate the sufficiency of the proxy forms received. Unless otherwise provided in the proxy, it shall be valid only for the meeting for which it is intended. No proxy shall be valid and effective for a period longer than five (5) years at one time. No broker or dealer shall give any proxy, consent or authorization, in respect of any security carried for the account of a customer, to a person other than the customer, without the express written authorization of such customer. Any stockholder may revoke or cancel his proxy and attend the annual stockholders' meeting.

- d) **Stock Ownership of Certain Record and Beneficial Owners.** The following persons are known to the Company to be directly or indirectly the owner of more than 5% of the Company's voting securities as of April 30, 2026:

Class	Name and Address of Record Owner / Relationship to Issuer	Name of Beneficial Owner / Relationship with Record Owner	Citizenship	Number of Shares Held	% of Ownership

Common	Hilario G. Pagautan	Hilario G. Pagautan	Filipino	5,097,120,000 (direct)	76.88%
Common	PCD Nominee Corporation - Philippine Stock Exchange Bldg., Ayala Ave., Makati City	Various Clients / Stockholder (See Note A)	Filipino/Non-Filipino	912,004,185*	13.76%
Common	Techno-Asia Construction and Dev't Incorporated	Techno-Asia Construction and Dev't Incorporated	Filipino	486,055,662**	7.33%

Note:

Note A. Of the total 912,004,185 (13.76%) lodged shares under the name of PCD Nominee Corp., 200,000,000 shares (3.02%) are under the name of Alakor Securities Corporation (ASC) FAO National Bookstore.

Among the participants under PCD, NO account owns more than 5% of the voting stock.

Note B. Beneficial Ownership Report by Security (List of PCD Participants) as of December 31, 2023. 486,055,662 of the Issued and Outstanding Common Shares, which are not yet fully-paid, represented spouses Hilario G. Pagautan and Sofia G. Pagautan's share subscription, which were assigned to Techno-Asia Construction and Development Incorporated, pursuant to a Deed of Assignment dated September 11, 2023.

As a matter of practice, PCD itself does not vote the number of shares registered in its name; instead, PCD issues a general proxy constituting and appointing each of its participants as PCD's proxy to vote for the number of shares owned by such participant in PCD's books as of Record Date.

- e) **Voting Trust Holders of 5% or More.** To the extent known to the Company, there is NO PERSON holding more than 5% of the Company's voting stock under a voting trust or similar agreement.
- f) **Stock Ownership of Management.** The Company's directors (D), Chief Executive Officer (CEO), other officers (O) own the following number of shares as of April 30, 2026:

Class	Name of Beneficial Owner	Amount/Nature of Beneficial Ownership		Citizenship	Percentage of Ownership
		Direct	Indirect		
Common	Hilario G. Pagautan (D/CEO/N)	5,097,120,00	-	Filipino	76.88%
Common	Isaac Hilario G. Pagautan II (D/N)	59,570,001	999	Filipino	0.90%
Common	Michael Abraham G. Pagautan (D)	15,540,001	999	Filipino	0.23%
Common	Ma. Hilarnie Mercurie P. Parada (D)	7,770,001	999	Filipino	0.12%
Common	Adrian Paulino S. Ramos (D/N)	500	4,072,620	Filipino	0.06%

Common	Orlando S. Mercado (D)	220,000	-	Filipino	0.00%
Common	Edgardo V. Caringal (D)	1	999	Filipino	0.00%
Common	Ramon C. Lee (D)	1	99,999	Filipino	0.00%
Common	Sofia Anne Clare G. Pagautan	1	-	Filipino	0.00%
Common	Joshua A. Parada	1	-	Filipino	0.00%
Common	Roberto A. Baquiran (D)	19,997	-	Filipino	0.00%
Common	Jose Ngaw	1	-	Filipino	0.00%

Mr. Roberto S. Baquiran and Mr. Jose Ngaw were both nominated by Hilario G. Pagautan [no relationship].

As of April 30, 2026, the aggregate number of shares owned by Company's directors, Chief Executive Officer, and other officers is 5,184,437,120 shares or approximately 78.19% of the Company's outstanding capital stock. Except for the shares appearing on record in the names of the directors and officers above, the Company is NOT aware of any shares which said person may have the right to acquire beneficial ownership of.

- g) **Changes in Control.** Sofia G. Pagautan tendered her resignation as Director and Vice-Chairman of the Board of Directors of the Corporation, effective April 7, 2026. Other than the foregoing, there were no changes in the composition of the Board of Directors since the last Annual Meeting of Stockholders held last June 25, 2025, as disclosed by the Company on even date.

Item 5. Directors and Executive Officers

The names, ages, citizenship, positions and periods of service of directors, executive officers and persons for the past five (5) years are as follows:

NAME	AGE	CITIZENSHIP	POSITION	PERIOD OF SERVICE	COMMITTEE MEMBERSHIP/POSITION
Hilario G. Pagautan	70	Filipino	Chairman/ Director/ President/ CEO	November 8, 2021 to present	Executive Committee (Chairman)
Sofia G. Pagautan	64	Filipino	Director	November 8 2021 to April 6, 2026	Executive Committee (Member)
Isaac Hilario G. Pagautan II	41	Filipino	Director/ Senior Vice-President – Business Development, Data Privacy Officer	August 18, 2021 to present	Executive Committee (Member); Corporate Governance Committee (Member); Nominations Committee (Member)

Michael Abraham G. Pagautan	38	Filipino	Director/Chief Risk Officer	November 8, 2021 to present	
Ma. Hilarnie Mercurie P. Parada	44	Filipino	Director/ Treasurer	November 8, 2021 to present	Audit and Risk Oversight Committee (Member); Compensation Committee (Member)
Adrian Paulino S. Ramos	47	Filipino	Director	2006 to present	
Orlando S. Mercado	77	Filipino	Director	October 14, 2022 to present	Executive Committee (Vice-Chairman); Corporate Governance Committee (Member); Nominations Committee (Member)
Edgardo V. Caringal	70	Filipino	Director/ Senior Vice-President – Operations, Chief Compliance Officer	November 8, 2021 to present	
Ramon C. Lee	85	Filipino	Director	November 8, 2021 to present	Executive Committee (Member)
Sofia Anne Clare G. Pagautan	26	Filipino	Director	September 11, 2023 to present	
Joshua A. Parada	44	Filipino	Director	September 11, 2023 to present	
Roberto A. Baquiran	65	Filipino	Independent Director	October 14, 2022 to present	Compensation Committee (Chairman); Audit and Risk Oversight Committee (Chairman)
Jose Ngaw	76	Filipino	Independent Director	September 11, 2023 to present	Audit and Risk Oversight Committee (Member); Corporate Governance Committee (Member); Nominations

					Committee (Member) Compensation Committee (Member)
Jose T. Nacorda, Jr.	70	Filipino	Senior Vice-President- Finance and Admin, SEC Compliance Officer	November 8, 2021 to present	
Atty. Gaspar R. Andres, Jr.	94	Filipino	Corporate Secretary	November 8, 2021 to March 12, 2026	
Atty. Ana Maria A. Katigbak	54	Filipino	Asst. Corporate Secretary, Corporate Information Officer	November 8, 2021 to present	-
Dave D. Eustaquio	27	Filipino	Chief Audit Executive; Internal Audit Head	October 14, 2022 to present	
Lester Laurence S. Baguec	44	Filipino	Corporate Finance, Corporate Planning Executive and Investor Relations Officer.	October 14, 2022 to present	

For the Annual Stockholders' Meeting for the year 2026, the following is the Final List of Nominees for regular and independent directors for 2026-2027.

Class	Name of Beneficial Owner	Amount/Nature of Beneficial Ownership		Citizenship	Percentage of Ownership
		Direct	Indirect		
Common	Hilario G. Pagautan	5,097,120,000	-	Filipino	76.88%
Common	Isaac Hilario G. Pagautan II	59,570,001	999	Filipino	0.90%
Common	Michael Abraham G. Pagautan	15,540,001	999	Filipino	0.23%
Common	Ma. Hilarnie Mercurie P. Parada	7,770,001	999	Filipino	0.12%
Common	Adrian Paulino S. Ramos	500	4,072,620	Filipino	0.06%
Common	Orlando S. Mercado	220,000	-	Filipino	0.00%
Common	Edgardo V. Caringal	1	999	Filipino	0.00%
Common	Ramon C. Lee	1	99,999	Filipino	0.00%
Common	Sofia Anne Clare G. Pagautan	1	-	Filipino	0.00%
Common	Joshua A. Parada	1	-	Filipino	0.00%

Common	Jaime F. del Rosario	1	-	Filipino	0.00%
Common	Roberto A. Baquiran (ID)	19,997	-	Filipino	0.00%
Common	Jose Ngaw (ID)	1	-	Filipino	0.00%

Directors elected in the Annual Stockholders' Meeting have a term of office of one (1) year and serve as such until their successors are elected in the next succeeding Annual Stockholders' Meeting, provided, that a director elected to fill a vacancy in the Board shall only serve the unexpired term of his predecessor.

Mr. Roberto S. Baquiran and Mr. Jose Ngaw were both nominated as candidates for independent director by Hilario G. Pagautan [no relationship].

Business Experience of Directors, Executive Officers and Director-Nominees

Hilario G. Pagautan was elected as Chairman of the Board and CEO of the Company on November 8, 2021. He is the majority owner of East Coast Mineral Resources Company Incorporated, a Company primarily engaged in the business of operating gold and nickel mines. He is the incumbent Vice Mayor of Sta. Maria, Isabela. Mr. Pagautan is a geologist by profession with extensive experience in the mining industry. He has interests in and serves as a director and/or senior officer at other privately-owned mining companies.

Isaac Hilario G. Pagautan II was elected Director on November 8, 2021 and is the incumbent Senior Vice President - Business Development and Data Privacy Officer. He has served as a director and/or officer of companies engaged in mining, construction, and agriculture. He is presently a Councilor of Sta. Maria, Isabela.

Michael Abraham G. Pagautan was elected Director on November 8, 2021. He is the incumbent Chief Risk Officer and has served as a director and/or officer of companies engaged in mining, construction, and agriculture. He is formerly the Barangay Chairman of Calamagui North Sta. Maria, Isabela and the President of the Liga ng mga Barangay, Sta. Maria, Isabela. He is presently the Mayor of Sta. Maria, Isabela.

Ma. Hilarnie Mercurie P. Parada was elected Director on November 8, 2021 and is the incumbent Treasurer of the Company. She has served as a director and/or officer of companies engaged in mining, construction, and agriculture.

Edgardo V. Caringal was elected Director on November 8, 2021 and is the incumbent Senior Vice President – Operations and Chief Compliance Officer. He is a veteran geologist and mining professional. He has extensive experience in the mining industry and has served as senior officer to several mining companies.

Ramon C. Lee was elected Director on November 8, 2021. He is a seasoned businessman with extensive experience in textile and mining.

Orlando S. Mercado was elected Director on October 14, 2022. He is a former Senator, Secretary of Defense and Ambassador. He is a veteran broadcaster and professor of political science, communication and business management. He is currently Chairman of the Multi-Sectoral Advisory Board of the Education, Training and Doctrine Command of the Armed Forces of the Philippines (an advisory group) and a member of the faculty of the Ateneo School of Government, an Eminent Fellow and member of the Academic Council of the Development Academy of the Philippines (DAP). He also teaches MBA courses on FEU Makati.

Adrian Paulino S. Ramos has been a Director of the Company since 2006. For the past five (5) years, he has served as a director and/or executive officer of companies engaged in printing, publication, sale and distribution of books, magazines and other printed media, investment holdings, mining, financial services, securities and water infrastructure.

Roberto A. Baquiran has been the Company's Independent Director since 2022. He is a Certified Public Accountant and a member of the Integrated Bar of the Philippines. He was appointed as Chief of Staff of the Commissioner of Internal Revenue by former President Rodrigo Roa Duterte in 2018. He is an experienced tax practitioner, being with the Bureau of Internal Revenue (BIR) for 30 years. He rose from the ranks and held the posts of Chief of the National Investigation Division, Asst. Regional Director and Revenue District Officer (Makati), as well as technical assistant at the Office of the Commissioner of Internal Revenue, Office of the Deputy Commissioners for Legal and Enforcement, and Operations Groups, and revenue audit examiner. At the BIR, he became a member of the VAT Ruling Committee, Income Tax Regulations Committee and E-Commerce Regulations Committee. At current, he is a Partner at Baquiran, Benitez, Belarmino, Ting and Yu Accounting Office and the Baquiran, Lumanta and Orpilla Attorneys-at-Law.

Joshua A. Parada has been the Company's Director since 2023. He is a licensed Chief Engineer and has been on board various international maritime tanker vessels, such as but not limited to BW Gas LNG, LPG Tanker "Clipper Venus", LPG Tanker "Clipper Skagen", LPG Tanker "Clipper Sirius", LPG Tanker "HEROS", and LPG Tanker "HERA". He is a graduate of Bachelor of Science Major in Marine Engineering at the Philippine Merchant Marine Academy. He likewise served as AUX Machinery Instructor/ Engine Simulator at the Mariners Polytechnic College, New Simulator Training Center, and Norwegian Training Center.

Sofia Anne Clare G. Pagauitan has been the Company's Director since 2023. She is the current Executive Director of two foundations, namely, Sofia Anne Clare Foundation Inc. and Maria Lourdes G. Pagauitan Memorial Foundation Inc. She also serves as the Executive Assistant to the Chief Executive Officer and President of East Coast Mineral Resources Company Incorporated. She graduated at the Ateneo de Manila University with the degree of Bachelor of Science in Business Management.

Atty. Jose Ngaw has been the Company's Independent Director since 2023. He is a member of the Integrated Bar of the Philippines. He is likewise serving as an Independent Director of IRemit, Inc. and a member of the Board of Directors of Bahia Shipping Services, Inc. Throughout his career, he previously served as the Board Advisor of the Philippine National Bank and Philippine Airlines, Inc., President of PNB Holdings, Inc., Board Secretary of Century Park Hotel, member of the Board of PNB Int'l Investment Corp. (U.S.A.) and PNB Securities, Inc., and Board of Trustee of University of the East and U.E.R.M. Medical Center. Being a Filipino-Chinese, aside from the Filipino and English languages, he is also fluent in Fukienese, Cantonese, and Mandarin (Putonghua) Chinese languages.

Jaime F. del Rosario is a new Regular Director nominee. He is a Certified Public Accountant with broad experience across the mining and metals, power and utilities, energy, and construction sectors. He received the Ernst & Young Chairman's Value Award in 2010 and was recognized in 2021 as one of the University of the East's 75 Most Outstanding Alumni. He is an active member of both the Chamber of Mines of the Philippines and the Philippine Minerals Exploration Association. He earned his Bachelor of Science in Business Administration, majoring in Accounting, from the University of the East, and has completed executive education programs at the Asian Institute of Management, INSEAD Singapore, and Harvard Business School.

Jose T. Nacorda Jr. is the incumbent Senior Vice President - Finance and Admin and SEC Compliance Officer.

Atty. Ana Maria A. Katigbak is the incumbent Assistant Corporate Secretary and Corporate Information Officer. She is a Senior Partner in Castillo Laman Tan Pantaleon & San Jose Law Firm. She is a member of the Integrated Bar of the Philippines and a graduate of Bachelor of Laws at the University of the Philippines. For the past five years, she has served as assistant corporate secretary in certain publicly-listed companies such as Marcventures Holdings, Inc., Premiere Horizon Alliance Corporation, Mabuhay Holdings Corp., Paxys, Inc., Energy Development Corp., and Solid Group, Inc., and as corporate secretary in Alsons Consolidated Resources, Inc. and IPM Holdings, Inc.

Lester Laurence S. Baguec is the incumbent Corporate Finance, Corporate Planning Executive, and Investor Relations Officer.

Dave D. Eustaquio is the incumbent Chief Audit Executive and Internal Audit Head.

Independent Directors

Pursuant to Securities Regulations Code (SRC) Sec. 38 and Rule 38.1, the Company is required to have at least two (2) independent directors. The Company's incumbent independent directors are Mr. Roberto A. Baquiran and Mr. Jose Ngaw.

In line with the guidelines set in SEC Rule 38 and the Corporate Governance Committee Charter approved by the Board of Directors, the Corporate Governance Committee receives the names of nominees and screens them based on the policies and parameters for screening nominees for independent directorship.

Directors with other directorship(s) held in reporting companies

Hilario G. Pagautan	None
Isaac Hilario G. Pagautan II	None
Michael Abraham G. Pagautan	None
Ma. Hilarnie Mercurie P. Parada	None
Edgardo V. Caringal	None
Ramon C. Lee	None
Orlando S. Mercado	None
Sofia Anne Clare G. Pagautan	None
Joshua A. Parada	None
Adrian Paulino S. Ramos	Anglo Philippine Holdings Corporation (NED) Atlas Consolidated Mining & Dev. Corp. (NED) United Paragon Mining Corporation (NED) The Philodrill Corporation (NED) Alakor Securities Corporation (NED)
Jaime F. del Rosario	Global Ferronickel Holdings, Inc.
Roberto A. Baquiran	None
Jose Ngaw	None

Significant Employees. Other than its executive officers, the Company has not engaged the services of any person who is expected to make significant contributions to the business of the Company. The Company is not dependent on the services of certain key personnel and there are no arrangements to ensure that these persons will remain with the Company and not compete upon termination.

Family Relationship. Mr. Hilario G. Pagautan, Chairman of the Board, President & CEO, is the father of Isaac Hilario G. Pagautan II, Senior Vice President - Business Development and Data Privacy Officer, Ma. Hilarnie Mercurie P. Parada, Treasurer, Michael Abraham G. Pagautan, Director and Chief Risk Officer, and Sofia Anne Clare G. Pagautan, Director.

Involvement in Certain Legal Proceedings. For the past five (5) years up to the date this Information Statement is sent to Stockholders, the Company is NOT aware of:

- 1) Any bankruptcy petition filed by or against any business of which any director, nominee for election as director, executive officer, underwriter or control person of the Company was as general partner or executive officer either at the time of the bankruptcy or within two years prior to that time.
- 2) Any conviction by final judgment, including the nature of the offense, in a criminal proceeding, domestic or foreign, or being subject to a pending criminal proceeding, domestic or foreign, excluding traffic violations and other minor offenses involving any director, nominee for election as director, executive officer, underwriter or control person of the Company.
- 3) Of any director, nominee for election as director, executive officer, underwriter or control person of the Company being subject to any order, judgment, or decree, not subsequently reversed, suspended or vacated, of any court of competent jurisdiction, domestic or foreign, permanently or temporarily enjoining, barring, suspending, or otherwise limiting his involvement in any type of business, securities, commodities or banking activities; and,
- 4) Of any director, nominee for election as director, executive officer, underwriter or control person of the Company being found by a domestic or foreign court of competent jurisdiction (in a civil action), the commission or comparable foreign body, or a domestic or foreign exchange or other organized trading market or self-regulatory organization, to have violated securities or commodities law or regulation and the judgment has not been reversed, suspended or vacated.

The following Independent directors and nominees for Independent directors are not officers or substantial shareholders of the Company nor directors or officers of the Company's related companies:

1. Roberto A. Baquiran
2. Jose Ngaw

Involvement of Directors with Government Agencies or its Instrumentalities

Hilario G. Pagautan is presently the Vice Mayor of Sta. Maria, Isabela.

Michael Abraham G. Pagautan is presently the Mayor of Sta. Maria, Isabela.

Isaac Hilario G. Pagautan II is presently a Councilor in Sta. Maria, Isabela.

Related Party Transactions

The Company, in the ordinary and regular course of business, secures loans and advances from its related parties (i.e. companies having shareholders in common with the Company) which principally consist of advances to related parties and loans/advances from related parties, the identities of these related parties, including the amounts and details of the transactions are disclosed in Note No. 18 of the Company's 2026 Audited Financial Statements.

The business purpose of related party transaction is to address immediate working capital requirements of related parties (in cases of advances to related parties) or of the Company (in the case of loans/advances from related parties).

All transactions with related parties are based on prevailing market/commercial rate at the time of the transaction.

There are no on-going contractual or other commitments as a result of the arrangement other than the repayment of money lent or advanced.

Item 6. Compensation of Directors and Executive Officers

The aggregate compensation paid to the Company's directors during the last three fiscal years are summarized in the table below:

Name	Position	Year	Salary	Bonus	Other Compensation
Hilario G. Pagautan	Chairman/ President/CEO/ Director	2026 Jan to Dec 31 (EST)	0	0	45,000
		2025 Jan to Dec 31	0	0	45,000
		2024 Jan to Dec 31	0	0	30,000
Sofia G. Pagautan	Director/Vice-Chairman	2026 Jan to April 6	0	0	15,000
		2025 Jan to Dec 31	0	0	45,000
		2024 Jan to Dec 31	0	0	30,000
Isaac Hilario G. Pagautan II	Director/ Senior Vice-President – Business Development, Data Privacy Officer, Chief Risk Officer	2026 Jan to Dec 31 (EST)	0	0	45,000
		2025 Jan to Dec 31	0	0	45,000
		2024 Jan to Dec 31	0	0	30,000
Michael Abraham G. Pagautan	Director/ Chief Risk Officer	2026 Jan to Dec 31 (EST)	0	0	45,000
		2025 Jan to Dec 31	0	0	45,000
		2024 Jan to Dec 31	0	0	15,000
Ma. Hilarnie	Director/ Treasurer	2026 Jan to Dec 31 (EST)	0	0	45,000
		2025 Jan to Dec 31	0	0	45,000
		2024 Jan to Dec 31	0	0	30,000

Mercurie P. Parada					
Adrian Paulino S. Ramos	Director	2026 Jan to Dec 31 (EST) 2025 Jan to Dec 31 2024 Jan to Dec 31	0 0 0	0 0 0	45,000 45,000 30,000
Orlando S. Mercado	Director	2026 Jan to Dec 31 (EST) 2025 Jan to Dec 31 2024 Jan to Dec 31	0 0 0	0 0 0	45,000 45,000 30,000
Edgardo V. Caringal	Director/ Senior Vice-President – Operations, Chief Compliance Officer	2026 Jan to Dec 31 (EST) 2025 Jan to Dec 31 2024 Jan to Dec 31	0 0 0	0 0 0	45,000 45,000 30,000
Ramon C. Lee	Director	2026 Jan to Dec 31 (EST) 2025 Jan to Dec 31 2024 Jan to Dec 31	0 0 0	0 0 0	45,000 45,000 30,000
Sofia Anne Clare G. Pagautan	Director	2026 Jan to Dec 31 (EST) 2025 Jan to Dec 31 2024 Jan to Dec 31	0 0 0	0 0 0	45,000 45,000 30,000
Joshua A. Parada	Director	2026 Jan to Dec 31 (EST) 2025 Jan to Dec 31 2024 Jan to Dec 31	0 0 0	0 0 0	45,000 45,000 15,000
Roberto A. Baquiran	Independent Director	2026 Jan to Dec 31 (EST) 2025 Jan to Dec 31 2024 Jan to Dec 31	0 0 0	0 0 0	45,000 45,000 30,000
Jose Ngaw	Independent Director	2026 Jan to Dec 31 (EST) 2025 Jan to Dec 31 2024 Jan to Dec 31	0 0 0	0 0 0	45,000 45,000 30,000

Meanwhile, the aggregate compensation paid to the Company's officers during the last three fiscal years are summarized in the table below:

Name	Position	Year	Salary	Bonus	Other compensation
Jose T. Nacorda, Jr.	Senior Vice-President-Finance and Admin, SEC Compliance Officer	2026 Jan to Dec 31 (EST) 2025 Jan to Dec 31 2024 Jan to Dec 31	0 0 0	0 0 0	45,000 45,000 30,000
Atty. Gaspar R. Andres, Jr.	Corporate Secretary	2026 Jan to March 11 2025 Jan to Dec 31 2024 Jan to Dec 31	0 0 0	0 0 0	15,000 45,000 30,000
Atty. Ana Maria A. Katigbak	Asst. Corporate Secretary, Corporate	2026 Jan to Dec 31 (EST) 2025 Jan to Dec 31 2024 Jan to Dec 31	0 0 0	0 0 0	45,000 45,000 30,000

	Information Officer				
Dave D. Eustaquio	Chief Audit Executive; Internal Audit Head	2026 Jan to Dec 31 (EST) 2025 Jan to Dec 31 2024 Jan to Dec 31	0 0 0	0 0 0	45,000 45,000 30,000
Lester Laurence S. Baguec	Corporate Finance, Corporate Planning Executive and Investor Relations Officer	2026 Jan to Dec 31 (EST) 2025 Jan to Dec 31 2024 Jan to Dec 31	0 0 0	0 0 0	45,000 45,000 30,000

There were no compensation for officers in 2025, 2024, and 2023 due to the termination of all employees in year 2012.

For the most recently completed fiscal year and the ensuing fiscal year, directors will receive a per diem of P15,000 per meeting to defray their expenses in attending board meetings. There are no other arrangements for compensation of directors during the last fiscal year and for the ensuing fiscal year due to the Company's lack of sufficient funds to provide additional compensation.

There are NO warrants or options outstanding in favor of directors and officers.

The aggregate compensation paid to the Company's Chief Executive Officer and the four (4) most highly compensated executive officers named below as a group during the last three fiscal years are summarized in the table below:

Name	Position	Year	Salary	Bonus	Other Compensation
Hilario G. Pagautan	Chairman/ President/CEO/ Director	2026 Jan to Dec 31 (EST) 2025 Jan to Dec 31 2024 Jan to Dec 31	0 0 0	0 0 0	45,000 45,000 30,000
Sofia G. Pagautan	Vice-Chairman/ Director	2026 Jan to Dec 31 (EST) 2025 Jan to Dec 31 2024 Jan to Dec 31	0 0 0	0 0 0	15,000 45,000 30,000
Isaac Hilario G. Pagautan II	Director/ Senior Vice-President – Business Development, Data Privacy Officer, Chief Risk Officer	2026 Jan to Dec 31 (EST) 2025 Jan to Dec 31 2024 Jan to Dec 31	0 0 0	0 0 0	45,000 45,000 30,000
Officers and directors as a group unnamed		2026 Jan to Dec 31 (EST) 2025 Jan to Dec 31 2024 Jan to Dec 31	0 0 0	0 0 0	45,000 45,000 30,000

Item 7. Independent Public Accountants

The accounting firm of Sycip Gorres Velayo & Co. (SGV) with address at 6760 Ayala Avenue, Makati City was appointed external auditors of the Company in the 2025 Annual Stockholders' Meeting on June 25, 2025. The fees of the external auditor in the past two (2) years are as follows:

Year	Audit & Audit Related Fees**	Tax Fees	Other Fees
2025	2,230,000	-0-	-0-
2024	2,080,000	-0-	-0-

*** The 2025 and 2024 fees reflect the consolidated external auditor fees for both the Company and its subsidiary, ECMRCI. For the Company alone, audit fees amounted to Php 2,080,000 in 2024 and Php 2,230,000 in 2025.*

For the past two (2) years, the Company has not engaged the services of SGV except for the audit and review of the annual financial statements in connection with statutory and regulatory filings for the years 2025 and 2024. The amounts under the caption "Audit and Audit Related Fees", for the years 2025 and 2024 pertain to these services. The audit committee has an existing policy prohibiting the Company from engaging the external auditors to provide services that may adversely impact its independence, including those expressly prohibited by regulations of the Securities & Exchange Commission (SEC).

In compliance with SRC Rule 68(3)(b)(iv), the accounting firm of SGV sees to it that the certifying partner assigned to our Company is being rotated as required. Ms. Veronica R. Pore was certifying partner in 2011 to 2015. Thereafter, Mr. Jose Raoul J. Balisalisa was certifying partner for the fiscal years 2016 to 2017. Subsequently, Mr. Alvin Pinpin was certifying partner beginning fiscal year 2018. The current certifying partner of the Company is Ms. Eleanore A. Layug.

There have been NO changes in and disagreements with accountants on any matter of accounting principles or practices, financial statement disclosures or auditing scope or procedure.

NO independent accountant engaged by the Company as principal accountant or an independent accountant on whom the principal accountant expressed reliance in its report regarding a significant subsidiary, has resigned, or has declined to stand for re-election after completion of the current audit, or was dismissed.

The auditor's representatives are expected to be present at the Meeting and they will have the opportunity to make a statement and respond to appropriate questions.

The Company's Audit and Risk Oversight Committee is currently headed by Mr. Roberto A. Baquiran (Independent Director), as Chairman, with Atty. Jose Ngaw as Vice-Chairman, and Ms. Ma. Hilarnie Parada as member. The Audit and Risk Oversight Committee reviews and recommends to the Board and the stockholders the appointment of the external auditor and the fixing of the audit fees for the Company. For fiscal year 2026, SGV is recommended to stockholders for appointment as independent external auditor of the Company.

It is proposed at the Annual Stockholders' Meeting, that the authority to appoint the external auditor be delegated to the Board of Directors. The proposal to delegate the authority to appoint the external auditors is not due to any disagreement with the current external auditor regarding the audit of the Company and the services of the current external auditor.

Item 8. Compensation Plans

No action is to be taken with respect to any plan pursuant to which cash or non-cash compensation may be paid or distributed, except for the compensation and benefits under existing labor laws and company policy that may be due to employees on the ground of their separation from employment as a consequence of the Company's reorganization.

C. ISSUANCE AND EXCHANGE OF SECURITIES

Item 9. Authorization or Issuance of Securities Other than for Exchange

The Company has no action to be taken with respect to the authorization or issuance of any securities otherwise than for exchange for outstanding securities of the registrant.

Item 10. Modification of Exchange of Securities

A. Equity Restructuring

Management is proposing an equity restructuring whereby the authorized capital stock of the Company shall be reduced to Php 9.6 Billion and the par value of Common Shares shall be decreased to Php 0.80 per share without reducing the number of Common Shares, as follows:

From: Twelve Billion Pesos (Php 12,000,000,000.00) divided into Twelve Billion (12,000,000,000) Common Shares,

To: Nine Billion Six Hundred Million Pesos (Php 9,600,000,000.00) divided into Twelve Billion (12,000,000,000) Common Shares with a par value of Eighty Centavos (Php 0.80) per shares.

The equity restructuring is for the purpose of eliminating or reducing the Corporation's deficit as of December 31, 2025 in the amount of Php 1,101,135,754.00. In particular, the decrease in par value from Php 1.00 per share to Php 0.80 per share will result in a proportional decrease in the issued and outstanding share capital from Php 6,630,000,000.00 to Php 5,304,000,000.00 and in the subscription receivable from Php 457,502,880.00 to Php 366,002,304.00. The total of the subtracted amount of Php 1,326,000,000.00 from the issued and outstanding share capital and the decrease in subscription receivable in the amount Php 91,500,576.00 shall become the Company's additional paid-in capital in the amount of Php 1,234,499,424.00. This additional paid-in capital will offset the Company's deficit in the amount of Php 1,101,135,754.00 resulting in the total elimination of the deficit and a net additional paid-in capital of Php 133,363,670.00 without changing the total shareholders' equity. For better understanding, the effect of the equity restructuring is summarized below:

	Before	Effect of Restructuring	After
Issued and Outstanding Shares	6,630,000,000.00	(1,326,000,000.00)	5,304,000,000.00
Subscription receivable	(457,502,880.00)	91,500,576.00	(366,002,304.00)
APIC	-	133,363,670.00	133,363,670.00
Deficit	(1,101,135,754.00)	1,101,135,754.00	-
Total Shareholders' Equity	5,071,361,366.00	-	5,071,361,366.00

In view thereof, Article Seventh of the Articles of Incorporation shall be amended as follows:

Article No.	From	To
SEVENTH	SEVENTH. That the amount of capital stock of the Corporation is Twelve Billion Pesos (Php12,000,000,000.00) Philippine currency, and the said capital is divided into Twelve Billion (12,000,000,000) common shares at the par value of ONE PESO (P1.00) each.	SEVENTH. That the amount of capital stock of the Corporation is <u>Nine Billion Six Hundred Million Pesos (Php 9,600,000,000.00)</u> Philippine currency, and the said capital is divided into Twelve Billion (12,000,000,000) common shares at the par value of <u>Eighty Centavos (Php 0.80)</u> each.

The equity restructuring will not affect the dividend, voting, preemption rights, and other material rights of existing security holders. Below is a summarized comparison of the outstanding Common Shares and the modified Common Shares:

	Outstanding Common Shares	Modified Common Shares
Authorized Capital Stock	Php 12,000,000,000.00	Php 9,600,000,000.00
Number of Shares	12,000,000,000	No change
Par Value	Php 1.00 per share	Php 0.80 per share
Dividend Rights	Discretionary	No change
Voting Rights	One vote for each share of stock. In case of election of Directors, every stockholder with voting privilege may accumulate the votes and may vote by proxy.	No change
Pre-emption Rights	No pre-emptive right with respect to issuance, re-issuances, and dispositions of shares of stock of the Company	No change

Upon the stockholders' approval, the proposed equity restructuring shall be submitted to the Securities and Exchange Commission for approval.

B. Stock-Split

After the equity restructuring described above, Management is proposing a 1:8 stock split on the Common Shares with par value of Php 0.80 per share, such that after the stock split, the Php 9,600,000,000.00 capital stock of the Company originally divided into 12,000,000,000 Common Shares with par value of Php 0.80 per share, shall be divided into 96,000,000,000 Common Shares with par value of Php 0.10 per share.

The stock split is being proposed in preparation for the follow-on offering of the shares of the Company as required by the Philippine Stock Exchange Revised Rules on Backdoor Listing. A lower nominal price would make the Common Shares more affordable to the investing public which could attract a much larger and more diverse set of buyers, boosting demand, and potentially improving the offering price.

In view thereof, Article Seventh of the Articles of Incorporation shall be further amended as follows:

Article No.	From	To
SEVENTH	SEVENTH. That the amount of capital stock of the Corporation is Nine Billion Six Hundred Million Pesos (Php 9,600,000,000.00) Philippine currency, and the said capital is divided into Twelve Billion (12,000,000,000) common shares at the par value of Eighty Centavos (Php 0.80) each.	SEVENTH. That the amount of capital stock of the Corporation is Nine Billion Six Hundred Million Pesos (Php 9,600,000,000.00) Philippine currency, and the said capital is divided into <u>Ninety-Six Billion (96,000,000,000)</u> common shares at the par value of <u>Ten Centavos (Php 0.10)</u> each.

The number of shares subscribed by and issued to each stockholder shall be adjusted accordingly, but there shall be no change to the aggregate par value of such shares.

The stock split will not affect the dividend, voting, preemption rights, and other material rights of existing security holders. Below is a summarized comparison of the outstanding Common Shares and the modified Common Shares:

	Outstanding Common Shares	Modified Common Shares
Authorized Capital Stock	Php 9,600,000,000.00	No Change
Number of Shares	12,000,000,000	96,000,000,000
Par Value	Php 0.80 per share	Php 0.10 per share
Dividend Rights	Discretionary	No change
Voting Rights	One vote for each share of stock. In case of election of Directors, every stockholder with voting privilege may accumulate the votes and may vote by proxy.	No change
Pre-emption Rights	No pre-emptive right with respect to issuance, re-issuances, and dispositions of shares of stock of the Company	No change

Upon the stockholders' approval, the proposed stock split shall be submitted to the Securities and Exchange Commission for approval.

Item 11. Financial and Other Information

Please refer to the accompanying Management Report (which includes a discussion, among others, of Management's Discussion and Analysis of Financial Condition and Result of the Operations) and the 2025 Audited Financial Statements.

The Management's Discussion and Analysis of Financial Condition and Result of the Operations are stated in the attached Management Report. The notes to the Financial Statements are incorporated here to by reference.

The Corporation has not made any changes in and has not had any disagreements with its external auditor on accounting and financial disclosures.

The Company has not made any changes in and has not had any disagreements with its external auditor on accounting and financial disclosures.

Representatives of the Corporation's external auditor, Sycip, Gorres, Velayo & Co., are expected to be present at the shareholders' meeting. They will have the opportunity to make a statement if they desire to do so and are expected to be available to respond to appropriate questions.

Item 12. Mergers, Consolidations, Acquisitions and Similar Matters

The Company has no action to be taken with respect to any transaction involving the following: (1) the merger or consolidation of the Company into or with any other person or of any other person into or with the Company, (2) the acquisition by the Company or any of its security holders of securities of another person, (3) the acquisition by the Company of any other going business or of the assets thereof, (4) the sale or other transfer of all or any substantial part of the assets of the registrant, or (5) the liquidation or dissolution of the Company.

Item 13. Acquisition or Disposition of Property

The Company has no action to be taken with respect to the acquisition or disposition of any property.

Item 14. Restatement of Accounts

There is no restatement of any account has been made from the time the Company's financial statements were last audited (31 December 2025) up to the date of this Information Statement.

No action is to be taken with respect to the restatement of any asset, capital or surplus account of the Company.

D. OTHER MATTERS

Item 15. Action with Respect to Reports

The following will be submitted to the stockholders for approval/ratification at the meeting:

- a) Minutes of the previous Annual Stockholders Meeting held on June 25, 2025.
- b) Annual Report/Management Report for the year ended 31 December 2025 (a copy containing the information required by SRC Rule 20A is enclosed). Approval of the Company's performance during the previous year as contained therein.

- c) Acts and Resolutions of the Board of Directors and Management, from the date following the last Annual Stockholders' Meeting (June 25, 2025) to the present (June 17, 2026), including, but not limited to, the following:

- Approval of an equity restructuring whereby, the authorized capital stock of the Corporation shall be reduced to Php 9.6 Billion and the par value of common shares shall be decreased to Php 0.80 per share without reducing the number of common shares, as follows:

From: Twelve Billion Pesos (Php 12,000,000,000.00) divided into Twelve Billion (12,000,000,000) Common Shares,

To: Nine Billion Six Hundred Million Pesos (Php 9,600,000,000.00) divided into Twelve Billion (12,000,000,000) Common Shares with a par value of Eighty Centavos (Php 0.80) per shares;

- Approval of a 1:8 stock split on the Common Shares with par value of Php 0.80 per share, such that the resulting par value of the Common Shares shall become Php 0.10 per share after the stock split;
- Approval of the Audited Financial Statements for the year ended December 31, 2025;

Item 16. Matters Not Required to be Submitted

Call to Order, Proof of Notice for the Meeting and Certification of Quorum form part of the Agenda for the Meeting but will not be submitted for approval by the stockholders.

Item 17. Amendment of Charter, Bylaws or Other Documents

- A. To implement the equity restructuring discussed in item 10 of this Information Statement the following amendments of the Articles of Incorporation are sought:

Article No.	From	To
SEVENTH	SEVENTH. That the amount of capital stock of the Corporation is Twelve Billion Pesos (Php12,000,000,000.00) Philippine currency, and the said capital is divided into Twelve Billion (12,000,000,000) common shares at the par value of ONE PESO (P1.00) each.	SEVENTH. That the amount of capital stock of the Corporation is <u>Nine Billion Six Hundred Million Pesos (Php 9,600,000,000.00)</u> Philippine currency, and the said capital is divided into Twelve Billion (12,000,000,000) common shares at the par value of <u>Eighty Centavos (Php 0.80)</u> each.

- B. After the equity restructuring is implemented, a stock-split discussed in item 10 of this Information Statement shall be implemented which entails the following amendments of the Articles of Incorporation:

Article No.	From	To
SEVENTH	SEVENTH. That the amount of capital stock of the Corporation is Nine Billion Six Hundred Million Pesos (Php 9,600,000,000.00) Philippine currency, and the said capital is divided into Twelve Billion (12,000,000,000) common shares at the par value of Eighty Centavos (Php 0.80) each.	SEVENTH. That the amount of capital stock of the Corporation is Nine Billion Six Hundred Million Pesos (Php 9,600,000,000.00) Philippine currency, and the said capital is divided into <u>Ninety-Six Billion (96,000,000,000)</u> common shares at the par value of <u>Ten Centavos (Php 0.10)</u> each.

Item 18. Other Proposed Action

Agenda Item 8: Approval of the Follow-On Offering and Listing of Shares

In compliance with Section 8 of the Revised Rules on Backdoor Listing of the Philippine Stock Exchange, the approval of the Follow-On Offering and Listing of Shares at a size and offer price to be determined at a later date by the Board of Directors which shall be approximately ten percent (10%) of the resulting issued and outstanding shares after the completion of the transaction giving rise to the backdoor listing, in accordance with the relevant laws, and rules and regulations of the Securities and Exchange Commission and the Philippine Stock Exchange, is proposed.

Agenda Item 9: Additional Listing of 486,055,662 Common Shares

In compliance with the Rules of the Philippine Stock Exchange, the stockholders are requested to approve the additional listing of 486,055,662 Common Shares subscribed to by Techno-Asia Construction and Development Incorporated upon full payment of the subscription price. On March 12, 2026, the Board of Directors approved the change of mode of payment of Techno-Asia Construction and Development Incorporated for the 486,055,662 partially paid shares from property to cash.

Agenda Item 11: Delegation to the Board of Directors of the Authority to Appoint the External Auditor

It is proposed at the Annual Stockholders' Meeting, that the authority to appoint the external auditor be delegated to the Board of Directors. The proposal to delegate the authority to appoint the external auditors is not due to any disagreement with the current external auditor regarding the audit of the Company and the services of the current external auditor.

Item 19. Meeting Guidelines and Voting Procedures

- a) In the election of directors, the thirteen (13) nominees with the greatest number of votes will be elected directors.
- b) Voting shall be done by Proxy Form and ballot. Cumulative voting will also be applicable in the election of directors.
- c) In accordance with SRC Sec. 38 and SRC Rule 38, only nominees whose names appear in the Final List of Candidates for Independent Directors (See page 6 of this

Information Statement) shall be eligible for election as Independent Directors. No other nomination shall be entertained after the Final List of Candidates shall have been prepared and no further nomination shall be entertained or allowed on the floor during the actual Annual Stockholders' Meeting.

Mr. Roberto A. Baquiran and Mr. Jose Ngaw are nominated for election as Independent Directors of the Company for year 2026-2027.

- d) To approve all the proposed amendments to the Articles of Incorporation, the favorable vote by stockholders representing at least two-thirds (2/3) of the outstanding capital stock shall be necessary to approve the same.
- e) For the other matters in the agenda that will be submitted for approval and for such other matters as may properly be proposed at the Meeting, the vote by stockholders representing at least a majority of the outstanding capital stock shall be necessary to approve the same.
- f) If a stockholder makes no choice in any or all of the matters submitted for his vote or approval as stated in the Proxy Form, discretionary authority to vote any and all the shares of the stockholders, cumulatively or otherwise, in favor of the proxy named and appointed by the stockholder in the Proxy Form, is solicited.

Item 20. Requirements of Section 49 of the Revised Corporation Code

Attached to this Information Statement is a copy of the Minutes of the Annual Meeting of the Stockholders on June 25, 2025.

1) Description of the Voting and Vote Tabulation procedures used in the previous meeting (2025 Annual Stockholders' Meeting)

See attached Minutes of the Annual Meeting of the Stockholders on June 25, 2025.

2) Description of the Opportunity given to Stockholders to ask questions and a record of the questions asked and answers given

See attached Minutes of the Annual Meeting of the Stockholders on June 25, 2025.

3) Matters discussed and resolutions reached

See attached Minutes of the Annual Meeting of the Stockholders on June 25, 2025.

4) Approval of Acts and Resolutions of the Board of Directors and Management

See attached Minutes of the Annual Meeting of the Stockholders on June 25, 2025.

5) Record of Voting results for each agenda item

See attached Minutes of the Annual Meeting of the Stockholders on June 25, 2025.

6) List of Directors or trustees, officers and stockholders or members who attended the meeting:

Directors

1. Mr. Hilario G. Pagautan
2. Ms. Sofia G. Pagautan
3. Mr. Isaac Hilario G. Pagautan II
4. Ms. Ma. Hilarnie Mercurie P. Parada
5. Mr. Michael Abraham G. Pagautan
6. Mr. Edgardo V. Caringal
7. Mr. Ramon C. Lee
8. Ms. Sofia Anne Clare G. Pagautan
9. Mr. Joshua B. Parada
10. Orlando S. Mercado
11. Atty. Roberto A. Baquiran (Independent Director)
12. Atty. Jose Ngaw (Independent Director)

Officers

13. Atty. Gaspar R. Andres
14. Atty. Ana Maria A. Katigbak
15. Mr. Jose T. Nacorda, Jr.
16. Mr. Lester Laurence S. Baguec
17. Mr. Dave D. Eustaquio

7) List of Material Information on the current stockholders, and their voting rights

A complete list of registered Stockholders as of April 30, 2026 will be submitted to the PSE & SEC and will be attached to the Definitive Information Statement.

Voting Right and Right to Participate at Stockholders Meeting

- i. In all items for approval, each share of stock entitles its registered owner as of the record date to one vote.

Voting shall be by poll and the Company shall provide the mechanism to implement the same at every stockholders meeting.

- ii. For the election for directors, every stockholders shall have the right to vote, in person or by proxy, the number of shares owned by him for as many persons as there are directors to be elected, or to cumulate his votes by giving one candidate as many votes as the number of such directors multiplied by the number of his shares shall equal, or distributing such votes on the same principle among any number of candidates.
- iii. The stockholders shall also have an opportunity during the stockholders' meeting to ask questions and raise their issues relevant to the agenda items. The minutes of the meeting shall record the shareholders questions and corresponding answers given by the directors and officers of the Company.
- iv. The Board encourages active shareholder participation by making the result of the voted taken during the most recent Annual or Special Shareholders' Meeting publicly available. In addition, the Minutes of the Annual and Special Shareholders' Meeting is also made available on the Company website within five (5) business days from the end of the meeting.

8) Directors' Training and Continuing Education

The Company holds annual Corporate Governance seminars for its Directors and Officers. The Company had its online webinar on November 25, 2025, with training provider Risk, Opportunities, Assessment and Management (ROAM), Inc. ROAM conducted a webinar on Corporate Governance.

The following Directors attended the seminar:

Hilario G. Pagautan
Michael Abraham G. Pagautan
Ma. Hilarnie Mercurie P. Parada
Orlando S. Mercado
Edgardo V. Caringal
Ramon C. Lee
Joshua B. Parada
Atty. Jose Ngaw
Jose T. Nacorda, Jr.
Lester Laurence S. Baguec
Dave D. Eustaquio

The Company likewise had its online webinars on August 8, November 14, and December 22, 2025, with ROAM on Corporate Governance. Atty. Ana Maria A. Katigbak attended the seminar on August 8, 2025; Mr. Adrian Paulino Ramos attended the seminar on November 14, 2025; and Ms. Sofia Anne Clare G. Pagautan, Atty. Roberto A. Baquiran, and Mr. Isaac Hilario G. Pagautan II attended the seminar on December 22, 2025.

9) Directors Attendance Report

Name of Director	Number of Meetings for the year 2025	Number of Meetings Attended	Percentage
1. Hilario G. Pagautan	2	2	100%
2. Sofia G. Pagautan	2	1	50%
3. Isaac Hilario G. Pagautan II	2	1	50%
4. Michael Abraham G. Pagautan	2	1	50%
5. Ma. Hilarnie Mercurie P. Parada	2	1	50%
6. Adrian Paulino S. Ramos	2	1	50%
7. Orlando S. Mercado	2	2	100%
8. Edgardo V. Caringal	2	2	100%
9. Ramon C. Lee	2	2	100%
10. Sofia Anne Clare G. Pagautan	2	2	100%
11. Joshua A. Parada	2	0	0%
12. Roberto A. Baquiran	2	2	100%

13. Jose Ngaw	2	2	100%

For the committee meetings held in 2025, the following Directors were present:

Committee	Name of Director	Number of Meetings for the year 2024	Number of Meetings Attended	Percentage
Audit Committee	Roberto A. Baquiran (Chairman)	1	1	100%
	Jose Ngaw (Vice-Chairman)	1	1	100%
	Ma. Hilarnie Mercurie P. Parada	1	1	100%

10) Appraisals and performance report for the board and the criteria and procedure for assessment.

The Company recognizes that in order to sustain good corporate governance within the organization, the same sound culture must be upheld and cultivated from the top. It is therefore of paramount importance to monitor the governance structure and performance of the Board of Directors (the Board) and top management according to their roles, responsibilities and accountabilities.

It has been the policy and practice of the Company for its Board to conduct an Annual Self-Assessment exercise through a questionnaire given to each Director at the last regular meeting for the year, for the purpose of evaluating the performance of the Board that year and the effectiveness of the Company's governance processes, and seeking ways to improve such performance.

The Company continually review this assessment process to take into consideration leading practices in corporate governance. The self-rating form had been revised to cover appraisal of the Board as a governing unit, of individual directors, of the different Board Committees, and of management including the President.

The assessment criteria include the structure, efficiency, and effectiveness of the Board, participation and engagement of each director, contribution of each member director to their respective Committees, and the performance of management. The criteria also reflects the specific duties, responsibilities, accountabilities of each party assessed as provided in the Company's By-Laws, Manual on Corporate Governance, Board Committee Charters and government policies.

Moreover, the questionnaire allows the Director to provide the comments and suggestions to further enrich the assessment process. In case clarification is needed on this policy and the performance assessment exercise, the Board addresses their queries to the Compliance Officer.

Facilitated by the Corporate Secretary, the annual self-rating form is required to be accomplished and signed by each individual director, the submitted to the Office of the Corporate Secretary within 30 days from receipt of the form.

The Corporate Secretary collates the results of the assessment and reports the same to the Board at a subsequent regular meeting prior to the annual stockholders' meeting. The self-rating form may be further amended by the Office of the Corporate Secretary as deemed necessary, provided that the form remains compliant with the sound corporate governance standards and practices applicable law.

11) Directors' disclosures on self-dealing and related party transactions.

There were no transactions with Directors, Officers or any principal stockholders (owning at least 10% outstanding shares of the Company) that are not in the ordinary course of business of the Company. No related party transactions were entered into by any Director in 2024 that required review by the Audit Committee (acting as RPT Committee) and further approval by the Board in accordance with the RPT Policy of the Company. There have been no complaints, disputes or problems regarding related party transactions of the Company. The Company observes an arm's length policy in its dealings with related parties.

SIGNATURE PAGE

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this report is true and correct. This report is signed in the City of Makati on May 25, 2026

EAST COAST VULCAN MINING CORPORATION

By:



ANA MARIA A. KATIGBAK
Assistant Corporate Secretary

MATERIALS ACCOMPANYING THIS INFORMATION STATEMENT

1. Notice of 2026 Annual Stockholders' Meeting
2. Proxy Form
3. Minutes of the 2025 Annual Stockholders' Meeting held on June 25, 2025
4. Annual Report on SEC Form 17-A
5. Financial Statements for the interim period ended March 31, 2026**

**The Company undertakes to provide, without charges, upon the written request of a stockholder, a copy of the Company's Annual Report on SEC Form 17-A, and such request should be addressed to the Corporate Secretary, East Coast Vulcan Mining Corporation, 15th Floor, High Rise Pacific Star Building, Sen. Gil Puyat Avenue, Makati City, Metro Manila.*

***The Company likewise undertakes, upon the written request of a stockholder, to send copies of the Company's First Quarter Report in SEC Form 17-Q, to the stockholder via email or through PSE EDGE portal or through the company's website <https://www.eastcoastvulcanmining.com/>*

EAST COAST VULCAN MINING CORPORATION
15th Floor, High Rise Pacific Star Building, Sen. Gil Puyat Avenue,
Makati City, Metro Manila
Tel (632) 8511-8312: Fax (632) 8550-1468

**MANAGEMENT REPORT ACCOMPANYING INFORMATION STATEMENT
PURSUANT TO SRC RULE 20(4)**

I. Audited Financial Statements

The Audited Financial Statements of East Coast Vulcan Mining Corporation (the “Company”) for the fiscal year ended December 31, 2025 is attached hereto.

The Quarterly Report on SEC Form 17-Q and Financial Statements for the interim period ended March 31, 2026 are likewise attached hereto.

II. Business and General Information

Business

East Coast Vulcan Mining Corporation (the Company or ECVMC) was incorporated and registered with the Philippine Securities and Exchange Commission (SEC) on January 13, 1953 under the name “Vulcan Manufacturing Corporation” and was listed in the Philippine Stock Exchange (PSE) on August 31, 1970. On June 15, 1977, the Company first amended its articles of incorporation and changed its name to “Vulcan Industrial & Mining Corporation”. Thereafter, the Company again amended its articles of incorporation and changed its name to “East Coast Vulcan Corporation” on May 29, 2023, and to “East Coast Vulcan Mining Corporation” on April 19, 2024. The Company’s corporate life was extended for another 50 years on January 13, 2003. The Company’s registered address is at the 15th Floor, High Rise Pacific Star Building, Sen. Gil Puyat Avenue, Makati City, Metro Manila, Philippines.

The Company is involved in finding, developing and producing oil and gas reserves and other mineral properties. The Company is a participant in several Service Contracts (SCs), Mineral Production Sharing Agreements (MPSAs) and Geophysical Survey and Exploration Contracts (GSECs) entered with the Philippine Government, through the Department of Energy (DOE).

On July 1, 2021, the Company entered into a Memorandum of Agreement (MOA) with the majority stockholders of East Coast Mineral Resources Company Incorporated (ECMRCI) represented by Hilario G. Pagautan and Sofia G. Pagautan (the HGP Group) for the latter’s subscription to up to 5,180,000,000 shares of ECVMC arising from an increase in authorized capital stock.

At the shareholders’ meeting held on November 8, 2021, the shareholders approved the said increase of the authorized capital stock of the corporation from 4 Billion Pesos (P4,000,000,000.00) to 12 Billion Pesos, or an increase in the amount of 8 Billion Pesos (P8,000,000,000.00), for subscription by, among others, the group led by Hilario G. Pagautan and Sofia G. Pagautan (hereinafter referred to as “the HGP Group”). The subscription to the increase of capital stock will be paid by the HGP Group through the fold-in of 99.99% ownership of East Coast Mineral Resources Company Inc. (ECMRCI) into the Company, based on an approved value of Php 5.18 billion.

The fold-in of ECMRCI is notable considering that ECMRCI earns royalties and marketing fees from its operating agreements with its existing contractors in connection with the following MPSAs:

- a. MPSA-233-2007-XIII (SMR) covers an area of 4,226.27 hectares located in Libjo, Dinagat Islands; and
- b. MPSA-078-97-XIII (SMR) covers an area of 697.05 hectares located in Barangay Valencia, Cagdianao, Dinagat Islands.

In view of the fold-in of ECMRCI in the Company, the Company now owns a consistently profitable going concern and cashflow-generating mining business, which will allow the Company to immediately recognize income. The fold-in is also expected to provide the Company the capability to embark on further value-enhancing and growth-oriented expansion initiatives.

On May 29, 2023, the SEC approved the Company's application for the amendment of its Articles of Incorporation for the (i) change of its corporate name to "East Coast Vulcan Corporation," (ii) change of number of directors to thirteen, and (iii) change of principal office address to the 4th floor, Pacific Star Building, Low Rise Tower, Makati Avenue corner Senator Gil Puyat Avenue, Makati City, Philippines, 1209. The SEC likewise approved the Company's application to increase its authorized capital stock from 4 Billion Pesos (P4,000,000,000.00) to 12 Billion Pesos (P12,000,000,000.00) on the same date.

The 5.18 billion (5,180,000,000) common shares were issued in exchange for 100% ownership of ECMRCI, a corporation engaged in mining operations. Currently, the application for the Certificate Authorizing Registration ("CAR") out of the said exchange is still being processed with the Bureau of Internal Revenue.

Further, upon the approval of the Securities and Exchange Commission of the capital increase, the Company filed an application for the listing of the attendant shares with the Philippine Stock Exchange. The contemplated approval of the said business combination transaction will result in ECMRCI becoming a wholly owned subsidiary of the Company and thus will allow the Company to consolidate ECMRCI's operations into its books.

The Company is all set with its plans to revitalize its operations and structure to create a more efficient and profitable mining company. In line with its plans and future developments, the management is in discussion with both foreign and local partners and investors, given the prospects of more opportunities for the Company and its stockholders. With the successful acquisition of 100% of ECMRCI and the approved increase in capital stock of the Company, the Company holds the operation of two profitable mining areas in the Province of Dinagat Island.

At its annual meeting in September 2023, the stockholders approved the amendment to the Company's Articles of Incorporation to increase the authorized number of ECVMC shares from 12,000,000,000 to 120,000,000,000 shares, while simultaneously decreasing the share par value from PhP1.00 to PhP0.10, and thus, maintaining the stockholders' position. This move to amend the par value vis-à-vis the number of shares is more beneficial to the Company stockholders as it will increase liquidity and trading in the shares, and at the same time places a milestone on the Company's direction as a significant and determined mining company with the aim of declaring dividends in the coming periods. The stockholders reconfirmed said proposed amendments to the Company's Articles of Incorporation during the Annual Stockholders' Meeting held on July 12, 2024.

On April 19, 2024, the Securities and Exchange Commission approved the Company's application for the amendment of its Articles of Incorporation for the (i) change of its corporate name to "East Coast Vulcan Mining Corporation," and (ii) change of principal office address to the 15th Floor, High Rise Pacific Star Building, Sen. Gil Puyat Avenue, Makati City, Metro Manila, Philippines.

Sources and Availability of Raw Materials

Since the Company has not had any commercial operations, it does not depend on any one or a limited number of suppliers for essential raw materials, energy or other items.

Status of Any Publicly-announced New Product or Services – NONE

Competition

Significant and increasing competition exists for petroleum and mineral acquisition opportunities throughout the Philippines. As a result of this competition, the Company may be unable to acquire rights to exploit additional attractive petroleum and mining properties on terms the Company considers acceptable.

The Company had accumulated mineral and petroleum concessions during the time that the industry was at its lowest and, consequently, had a good chance of developing these resources into mineral and petroleum finds. As of December 31, 2018, the Company has written off or assigned all its mineral and petroleum assets in line with its decision to cease to engage in the business of mining, oil, petroleum, industrial development, mineral processing and other related activities.

Mining

As the Company was still in the stages of exploration before the assignment of its mineral assets, it cannot consider any other Company as competitor.

Dependence on One or a Few Major Customers – Not applicable

The Company is not dependent on single or few customers. It has no major existing sales contracts with its current customers.

Transactions with and/or Dependence on Related Parties – Not applicable

Patents, trademarks, Licenses, Franchises, Concessions, Royalty Agreements, or Labor Contracts –

The Company has no patents, trademarks or labor contracts relating to intellectual property matters.

Government Approval of principal products or services- Not applicable.

Effect of existing or probable government regulations on the business

The present existing and probable government regulations will not have so much effect on the current business of the Company because the Company is compliant with the existing laws on mining operations.

Amount Spent on development cost activities, and its percentage to revenues during each of the last three fiscal years – Not applicable.

Cost and effects of compliance with environmental laws

The Company has an outstanding strict policy of adherence to the environmental laws according to the Environmental Clearance Certificate (ECC) granted by the Department of Environment and Natural Resources and the Environmental Protection and Enhancement Program (EPEP).

Compliance with all government and non-government requirements such as MPSA, ECC, environmental programs, etc. have made the Company a recognized entity in the aggregate industry through its subsidiary.

Employees

Due to the reorganization of the Company that commenced in the fourth quarter of 2012 and the intended listing of National Book Store, Inc., the Company had retired all of its employees during the first semester of 2013. There are no employees who are subject to any Collective Bargaining Agreement (CBA). The Company was not threatened by any strike in the past three years.

Financial Risk Management

The main risk arising from the Company's financial instruments are credit risk, liquidity risk, equity price risk and interest rate risk. The Board reviews and agrees on policies for managing each of these risks and they are summarized below:

Credit Risk

Credit Risk is the risk the Company will incur losses if its counterparties fail to discharge their contractual obligations.

The Company manages and control credit risk by doing business mostly only with recognized, creditworthy third parties. It is the Company's policy that all customers who wish to trade on credit terms are subject to credit procedures. In addition, receivable balances are monitored on an ongoing basis with the result that the Company's exposure to bad debts to a minimum level.

Since the Company trades only with recognized third parties, there is no requirement for collateral.

Liquidity Risk

Liquidity risk is defined as the risk that the Company would not be able to settle or meet its obligations on time or at a reasonable price. Management is responsible for liquidity, funding as well as settlement management. The Company's objective is to maintain a balance between continuity of funding and flexibility by availing of credit facilities from various suppliers. The Company mainly sources its funds through the use of bank loans and advances from related parties.

Equity Price Risk

Equity price risk is the risk that the value of a financial instrument will fluctuate because of changes in market price. The Company is exposed to equity securities price risk because of financial assets held by the Company, which are classified on the parent Company balance sheets as AFS financial assets. The possible changes in the fair value of AFS financial assets could be brought by changes in the equity indices.

MINING CLAIMS

Shown below are the Company's current mining contracts in the form of Mineral Production Sharing Agreements (MPSA) with the Philippine Government, which were acquired by the Company from ECMRCI pursuant to the share-swap transaction that was approved by the SEC last May 29, 2023, which were the following:

<i>Mining Claim Number</i>	<i>Location</i>
MPSA 078-97-XIII (SMR)	Brgy. Valencia, Cagianao, Surigao Del Norte
MPSA 232-2007-XIII (SMR)	Libjo, Surigao Del Norte
MPSA 233-2007-XIII (SMR)	Loreto, Surigao Del Norte

III. Operational and Financial Information

Properties

Pursuant to the Memorandum of Agreement between Sps. Pagautan and TACD, the Company is expecting to receive and acquire real properties that are being offered by TACD as payment for the subscription price for the 486,055,662 partially-paid ECVMC shares. At present, the transaction is still in process.

Legal Proceedings

There is no material pending legal proceeding to which the Company or its subsidiary or affiliate is a party, or of which any of their property is the subject.

Submission of Matters to a Vote of Security Holders

There were no matters submitted to a vote of security holders during the fiscal year covered by this report, other than those voted upon at the Annual Stockholders' Meeting held on July 12, 2024.

Market for Issuer's Common Equity and Related Stockholder Matters

The principal market where the issuer's common equity is traded to the Philippine Stock Exchange. The high and low sale price of the Company's shares for each quarter during the last two (2) fiscal years 2024 and 2025 and the first quarter of the current fiscal year 2026, expressed in Philippine Pesos, are as follows:

<u>2026</u>	<u>High</u>	<u>Low</u>
First Quarter	0.435	0.260

<u>2025</u>	<u>High</u>	<u>Low</u>
First Quarter	0.385	0.290
Second Quarter	0.325	0.275
Third Quarter	0.440	0.275
Fourth Quarter	0.350	0.245

<u>2024</u>	<u>High</u>	<u>Low</u>
First Quarter	0.79	0.52
Second Quarter	0.72	0.53
Third Quarter	0.60	0.43
Fourth Quarter	0.475	0.26

As of March 31, 2026, the market price of the Company's share is P0.27 per share. The Company is not trading its common equity outside of the Philippine Stock Exchange, Inc.

The Company had not declared any dividends in fiscal years 2025 and 2024.

The Company's ability to declare and pay dividends on common equity is restricted by the availability of sufficient retained earnings.

The number of shareholders of record as of April 30, 2026 is one thousand nine hundred (1,907). All of the Company's shares of stock are common shares of which 0.30% or 19,981,902 shares are foreign-owned.

The Top 20 Stockholders as of March 31, 2026 are:

RANK	NAME	# of Shares	% of Total
1	PAGAUTAN, HILARIO G.	4,931,878,000	74.3873
2	PCD NOMINEE CORPORATION*	912,004,185	13.7557
	FILIPINO - 896,437,920		
	NON-FILIPINO - 15,566,265		
3	TECHNO-ASIA CONSTRUCTION AND DEV'T INCORPORATION	486,055,662	7.3312
4	PAGAUTAN, SOFIA G.	165,242,000	2.4923
5	PAGAUTAN II, ISAAC HILARIO G.	59,570,000	0.8985
6	PAGAUTAN, MICHAEL ABRAHAM G.	15,540,000	0.2344
7	PARADA, MA. HILARNIE MERCURIE P.	7,770,000	0.1172
8	SY,EUGENE	3,000,000	0.0452
9	BPI FAO IBOD	2,970,555	0.0448
10	ACUNA, EMMANUEL	2,800,000	0.0422
11	YAN, LUCIO W.&OR CLARA YAN	2,500,000	0.0377
12	WISE SECURITIES PHILS., INC	1,690,000	0.0255
13	CAMPOS, LANUZA & CO., INC	1,500,769	0.0226
14	RAMOS-PADILLA, MAUREEN ALEXANDRA CONSUELO S.	1,500,769	0.0226
15	G & L SECURITIES CO., INC	880,000	0.0133
16	L.M. GARCIA & ASSOCIATES, INC	623,724	0.0094
17	VIMC SPECIAL ACCOUNT	576,500	0.0087
18	MENDOZA, ALBERTO & /OR JEANIE C. MENDOZA	564,950	0.0085
19	CARLOS, FILOMENA R.	537,672	0.0081

No unregistered securities were sold during the past three (3) years. All of the Company's issued and outstanding shares of stocks are duly registered in accordance with the provisions of the Securities Regulation Code.

Management's Discussion and Analysis or Plan of Operation

ECVC and ECMRCI Share-for-Share Swap Transaction

On July 1, 2021, the Company entered into a Memorandum of Agreement (MOA) with the majority stockholders (HGP Group) of ECMRCI for the latter's subscription to up to 5,180,000,000 shares of ECVMC arising from an increase in authorized capital stock.

Amendment of Articles of Incorporation

At the shareholders' meeting held on November 8, 2021, the shareholders and Board of Directors of the Company approved the following amendments to the Company's Articles of Incorporation

- Change in corporate name to "East Coast Vulcan Corporation";
- Change in principal office address to 4th Floor, Low Rise, Pacific Star Building, 1226 Sen. Gil J. Puyat Ave., Makati City, Metro Manila; and,
- Increase in authorized capital stock from 4 billion shares to 12 billion shares, or the subscription by, among others, the group led by the HGP Group.

The subscription to the increase of capital stock will be paid by the HGP Group through the fold-in of 99.99% ownership of East Coast Mineral Resources Company Inc. (ECMRCI) into the Company, based on an approved value of Php 5.18 billion.

In 2022, the Company submitted its application for the amendment of Articles of Incorporation as discussed above to the SEC. On May 29, 2023, the SEC approved the Company's application for the amendment of its Articles of Incorporation.

Upon approval of the SEC on May 29, 2023, the Company issued 5,180,000,000 common shares with par value of One Peso (Php1.00) per share to the HGP Group in exchange for the 100% outstanding shares of ECMRCI ("the Share Swap transaction") which resulted in ECVC obtaining 100% interest in and control over ECMRCI. The Company likewise filed an application for the listing of the attendant shares with the Philippine Stock Exchange.

Currently, the Company is now in the process of cleaning up a deficit which existed prior to the acquisition of ECVMC by the East Coast Group. At its annual meeting in September 11, 2023, the shareholders and Board of Directors of the Company approved the following amendment in the Company's Articles of Incorporation:

- Change in corporate name to "East Coast Vulcan Mining Corporation";
- Change in principal office address to Unit 1502, Pacific Star Building, Sen. Gil J. Puyat Ave., Makati City, Metro Manila 1209; and
- Increase in the authorized number of ECVMC shares from 12,000,000,000 to 120,000,000,000 shares, while simultaneously decreasing the share par value from Php1.00 to Php0.10, and thus, maintaining the stockholders' position

Thus, in 2023, the Company submitted its application for the amendment of Articles of Incorporation to the SEC for the (i) change in the Company's corporate name to "East Coast Vulcan Mining Corporation"; and (ii) change in principal office address to Unit 1502, Pacific Star Building, Sen. Gil J. Puyat Ave., Makati City, Metro Manila 1209. On April 19, 2024, the SEC approved the Company's application for the amendment of its Articles of Incorporation for the purposes stated above.

The Company is also processing the full payment of the 486,055,662 partially-paid ECVMC shares that were assigned and transferred by Hilario G. Pagautan and Sofia G. Pagautan (hereinafter, "Sps. Pagautan") to Techno-Asia Development Corporation ("TACD") as part of its quasi-restructuring plan, pursuant to a Memorandum of Agreement dated June 22, 2023 ("MOA"). Among others, the MOA provides that TACD shall assume the obligation to pay to the Company the unpaid subscription balance for the Shares in either cash, shares, and/or assets acceptable to the Company's Board of Directors. Pursuant to the MOA, Spouses Pagautan and TACD executed a Deed of Assignment of Partially-Paid Shares dated September 11, 2023, for the assignment of the 486,055,662 partially-paid shares of East Coast Vulcan Corporation (the "Company") to TACD. The 486,055,662 partially-paid shares currently represent 7.33% of the outstanding capital stock of 6,630,000,000 common shares of the Company.

At present, the Company and TACD are currently collating the necessary documents required to finalize the transaction. Thus, the payment of the subscription price for the 486,055,662 partially-paid ECVMC shares is still in process.

Plan of Operation

Upon finalizing the full payment of the 486,055,662 partially-paid ECVMC shares, the Company, as part of its quasi-restructuring plan, likewise intends to proceed applying for the decrease of the par value of ECVMC shares with the SEC, thereby amending Article Seventh of the Corporation's Articles of Incorporation, to state that the amount of capital stock of the Company is Twelve Billion Pesos (Php 12,000,000,000.00) Philippine currency, and the said capital is divided into One Hundred Twenty Billion (120,000,000,000) common shares at the par value of Ten centavos (Php 0.10) per share.

This move to amend the par value vis-à-vis the number of shares is more beneficial to the Company stockholders as it will increase liquidity and trading in the shares, and at the same time places a milestone on the Company's direction as a significant and determined mining company with the aim of declaring dividends in the coming periods. Accordingly, the proposed quasi-restructuring and decrease in the par value of common shares of the Company will allow further business development, additional floating of shares, and fund raising to invite potential investors and partners, all with the ultimate aim declaring dividends in the coming periods.

There are NO known trends, demands, commitments, events or uncertainties that have or are reasonably likely to have material impact on the Company's liquidity. Should the Company's cash position be not sufficient to meet current requirements, the Company may consider borrowing from its subsidiary.

The Company has NO material commitments for capital expenditures EXCEPT for the Company's exploration and development costs in mineral projects.

Results of Operations

Comparative financial highlights for the quarter ended March 31, 2026 and March 31, 2025 are presented below:

	<u>Consolidated Unaudited</u> <u>31 March 2026</u>	<u>Consolidated Unaudited</u> <u>31 March 2025</u>
Revenues	₱-	₱10,942,874
Net Loss	36,326,097	20,830,496
Total Assets	1,873,530,135	2,091,129,104
Total Liabilities	702,150,507	841,375,168
Net Worth	1,171,379,628	1,249,753,936
Issued and Outstanding Capital	6,630,000,000	₱6,630,000,000

The Company has no revenue for the period March 31, 2026 and has revenue from rental of equipment amounting to ₱10.9 million for the period March 31, 2025 and incurred a net loss of ₱36.33 million and ₱20.83 million, respectively. The net loss pertains mainly to Salaries and wages, depreciation expenses and professional fees.

The Company has total assets of ₱1.87 Billion and ₱2.09 Billion as of the period ended March 31, 2026 and March 31, 2025, respectively. The decreased of assets is due to depreciation and depletion.

The Company's total liabilities decreased to ₱702.15 million as of March 31, 2026 as compared to ₱841.37 million as of March 31, 2025 due to accounts payables.

The Company's net worth decreased to P1.17 Billion as of March 31, 2026 compared to P1.25 Billion as of March 31, 2025. The decrease was due to the net losses incurred by the Company during the period and previous period.

The following discussion is based on the unaudited interim consolidated financial statements for the 1st quarter period ended March 31, 2026, with comparative figures for the corresponding periods in 2025 and audited consolidated financial statements as of December 31, 2025, prepared in conformity with Philippine Accounting Standards 34, Interim Financial Reporting and included herein, and should be read in conjunction with those unaudited interim consolidated financial statements.

Status of Operations

As of April 27, 2026, the Group is a holder of three Mineral Product and Sharing Agreements (MPSA):

- MPSA-078-97-XIII-SMR issued on November 19, 1997 covering an area of 697.05 hectares in the Municipality of Cagdianao, Dinagat Islands. On March 22, 2022, the Mines and Geosciences Bureau (MGB) ordered the renewal of the MPSA between the Government and the Group for another twenty-five years. Exploration is done by and with Cagdianao Mining Corporation under a Memorandum of Agreement to explore and to operate for a period of 25 years which were renewed until 2047.

- MPSA-233-2007-XIII-SMR issued in 2007 covering an area of 4,226.27 hectares in the Municipality of Libjo, Dinagat Islands. As an outcome of exploration works conducted, the area has a positive Nickel Ore Reserve of 30 million wet metric ton (WMT). Exploration is done by and with various operators, Libjo Mining Corporation, Westernshore Nickel Corporation and Norte Este Corporation, under a Memorandum of Agreement to explore and to operate during the lifetime of the MPSA.
- MPSA-232-2007-XIII-SMR covering an area of 248 hectares in the Municipality of Surigao del Norte, Hibuson Island. The area is now being explored by and with Oriental Vision Mining Philippines Corporation (OVMPC).

In 2023, the BOD and Stockholders have approved the following amendment in the Parent Company's Articles of Incorporation

- Change in corporate name to East Coast Vulcan Mining Corporation;
- Change in principal office address to Unit 1502, Pacific Star Building, Sen. Gil J. Puyat Ave., Makati City, Metro Manila 1209; and
- The amount of capital stock of the Corporation is Twelve Billion Pesos (₱ 12,000,000,000.00), Philippine currency, and the said capital is divided into One Hundred Twenty Billion (120,000,000,000) common shares at the par value of Ten Centavos (₱0.10) per share.

In 2023, the Parent Company submitted its application for the amendment of Articles of Incorporation to the Philippine SEC. On April 19, 2024, the SEC approved the Parent Company's application for the amendment of its Articles of Incorporation.

The Group's Ability to Continue as a Going Concern

The Group incurred net loss of ₱64,252,863 and ₱79,446,223 in 2025 and 2024, respectively. In addition, the Group's current liabilities exceeded its current assets by ₱ 348,057,494 and ₱598,152,624 as of December 31, 2025 and 2024, respectively.

In response to these matters, the Group came up with the following actions:

- Continuously coordinate with the respective operators of its MPSA to continue confirmatory and exploration activities to further enhance Ore Reserves/Resources
- manage expenditures for its day-to-day activities
- enter into loan restructuring agreements to negotiate deferral of payments of third-party loans
- proceed with the necessary actions to complete the requirements on its permit renewal
- improve efficiency and production level of operations through strategic operational changes and capital developments to increase cash inflows generated

Management has determined that the actions above are sufficient to raise financial resources for at least the next twelve months from December 31, 2025 and has therefore prepared the financial reporting on a going concern basis.

Causes for Any Material Change from Period to Period of Financial Statements, with Vertical and Horizontal Analyses of any Material Item:

Statement of Financial Position March 31, 2026 compared to December 31, 2025

	Horizontal Analysis				Vertical Analysis	
	Mar. 31, 2026 Unaudited	2025 Audited	Change	% Change	March 2026	2025
ASSETS						
Current Assets						
Cash	₱8,342,867	₱13,725,703	(₱5,382,836)	(39.22%)	0.45%	0.71%
Trade and other receivables	27,302,501	61,873,245	(34,570,744)	(55.87%)	1.46%	3.18%
Due from related parties	175,048,233	196,143,247	(21,095,014)	(10.75%)	9.34%	10.09%
Prepayments and other current assets	90,391,119	94,461,373	(4,070,254)	(4.31%)	4.82%	4.86%
Total Current Assets	301,084,720	366,203,568	(65,118,848)	(17.78%)	16.07%	18.84%
Noncurrent Assets						
Property and equipment (net)	108,589,701	115,635,513	(7,045,812)	(6.09%)	5.80%	5.95%
Intangible asset	521,320	359,891	161,429	44.85%	0.03%	0.02%
Mining rights	1,308,938,513	1,308,938,513	-	-	69.86%	67.35%
Deferred exploration costs	150,053,692	147,909,653	2,144,039	1.45%	8.01%	7.61%
Deferred tax asset – net	4,342,189	4,342,189	-	-	0.23%	0.22%
Total Noncurrent Assets	1,572,445,415	1,577,185,759	(4,740,344)	(0.30%)	83.93%	81.16%
TOTAL ASSETS	₱1,873,530,135	₱1,943,389,327	(69,859,192)	(3.59%)	100.00%	100.00%
LIABILITIES AND EQUITY						
Current Liabilities						
Trade and other payables	₱80,594,545	₱77,015,606	3,578,939	4.53%	4.30%	3.96%
Due to related parties	55,562,662	62,424,406	(6,861,744)	(10.99%)	2.97%	3.21%
Loans payable - current portion	445,531,380	471,847,507	(26,316,127)	(5.58%)	23.78%	24.28%
Installment payable - current portion	99,039,380	102,973,543	(3,934,163)	(3.82%)	5.29%	5.30%
Total Current Liabilities	680,727,967	714,261,062	(33,533,095)	(4.69%)	36.33%	36.75%
Noncurrent Liabilities						
Installment payable - noncurrent portion	3,050,121	3,050,121	-	0.00%	0.16%	0.16%
Retirement benefits liability	18,372,419	18,372,419	-	0.00%	0.98%	0.95%
Total Noncurrent Liabilities	21,422,540	21,422,540	-	0.00%	1.14%	1.10%
Total Liabilities	702,150,507	735,683,602	(33,533,095)	(4.56%)	37.48%	37.86%
Equity						
Capital stock	6,172,497,120	6,172,497,120	-	-	329.46%	317.62%
Equity reserve	(5,258,607,201)	(5,258,607,201)	-	-	(280.68%)	(270.59%)
Remeasurement gain on retirement benefits liability	7,210,202	7,210,202	-	-	0.38%	0.37%
Retained earnings	250,279,507	286,605,604	(36,326,097)	(12.67%)	13.36%	14.75%
Total Equity	1,171,379,628	1,207,705,725	(36,326,097)	(3.01%)	62.53%	62.14%
TOTAL LIABILITIES AND EQUITY	₱1,873,530,135	₱1,943,389,327	(69,859,192)	(3.59%)	100.00%	100.00%

Statement of Financial Position

Assets

The consolidated total assets of the Company decrease by ₱69.86 million from ₱1.94 billion as of December 31, 2025 to ₱1.87 billion as of March 31, 2026. The decrease was mainly due to the following:

- **Trade and other receivable** decrease by ₱34.57 million or 55.87% from ₱61.87 million to ₱27.30 million in 2026 mainly due to the collection of trade receivable.
- **Due to related parties** decrease by ₱21.09 million in 2026 or 10.75% from ₱196.14 to ₱175.05 million mainly due to collection of advances.

- **Property and equipment** decrease by ₱7.04 million or 6.09% from ₱115.64 million to ₱108.59 million in 2026 due to depreciation and depletion
- **Intangible assets** increase by ₱161 thousand or 44.85% pertains to additional computer software payment made during this period

Liabilities

The consolidated total liabilities of the Company decrease by ₱33.53 million from ₱735.68 million as of December 31, 2025 to ₱702.15 million as of March 31, 2026. The 4.56% decrease was mainly due to the following:

- **Due to related parties** decrease by ₱6.86 million or 10.99% from ₱62.42 million to ₱55.56 million in 2026 mainly due to payment from Stockholders.
- **Loans payable – current portion** decrease by ₱26.32 million or 5.58% from ₱471.85 million to ₱445.53 million in 2026 mainly due to the payment of loans this quarter.

Equity

The stockholders' equity of the Company decreased by ₱36.33 million or 3.01% from ₱1.21 billion in 2025 to ₱1.17 billion as of March 31, 2026. This was mainly due to the net loss incurred during the period.

Statement of Income Statement March 31, 2026 compared to March 31, 2025

	For the Three-months ended March 31		Horizontal Analysis		Vertical Analysis	
	2026 Conso Unaudited	2025 Conso Unaudited	Increase (decrease)		2010	
REVENUE	₱-	₱10,942,874	(₱10,942,874)	(100.0%)	-	100.0%
GENERAL AND ADMIN. EXP.	22,789,162	16,358,107	6,431,055	39.31%	-	149.5%
INCOME (LOSS) FROM OPERATIONS	(22,789,162)	(5,415,233)	(17,373,929)	320.83%	-	(49.5%)
INTEREST EXPENSE	13,657,948	15,432,047	(1,774,100)	(11.50%)	-	(141.0%)
OTHER INCOME						
Interest income from bank deposits	1,028	324	704	217.28%	-	0.0%
OTHER INCOME (CHARGES) – NET	120,184	16,520	103,664	627.51%	-	0.2%
INCOME (LOSS) BEFORE INCOME TAX	(36,325,898)	(20,830,436)	(15,495,462)	74.39%	-	(190.4%)
OTHER COMPREHENSIVE INCOME	-	-	-	-	-	-
TOTAL COMPREHENSIVE LOSS	(₱36,325,898)	(₱20,830,436)	(15,495,462)	74.39%	-	(190.4%)

Financial Condition as of March 31, 2026 and December 31, 2025 and Results of Operation for the three months ended March 31, 2026 and March 31, 2025

	<u>March 31, 2026</u> <u>Consolidated</u> <u>Unaudited</u>	<u>March 31, 2025</u> <u>Consolidated</u> <u>Unaudited</u>	<u>Increase</u> <u>(Decrease)</u>	<u>%Change</u>
Revenues	₱-	₱10,942,874	(₱10,942,874)	(100.00%)
General and admin. Exp.	22,789,162	16,358,107	6,431,055	39.31%

Income (loss) from operations	(22,789,162)	(5,415,233)	(17,245,178)	320.83%
Interest Expense	13,657,947	15,432,047	1,774,100	(11.50%)
Other income	1,028	324	704	217.28%
Interest expense (charges) – net	120,184	16,520	103,664	627.51%
Income (loss) before income tax	(P36,325,898)	(P20,830,436)	(P15,495,462)	74.39%

Revenues

For the three-month period ended March 31, 2026, East Coast Mineral Resources Company Inc., the subsidiary, holder of MPSA of Cagdianao Mining Corporation (CMC) and Libjo Mining Corporation (LMC), has no shipment during the period. The companies CMC and LMC has been doing the preparatory activities consisting primarily of restoration of mine pit, waste dump site, and settling pond, road widening, repair of haul roads and causeway improvement and expects to make shipments for the second and third quarter of 2026, which will increase the Company's income.

General and admin exp.

General and admin expenses increase by 39.31% or P6.43 million from P22.96 million for the 1st quarter period last year to P22.79 million this year. The increase was due to increases in commission fees, repairs and maintenance and professional fees.

Interest expense decrease by 11.50% or P1.77 million from P15.43 million for the 1st quarter period last year to P13.66 million this year. The decrease is due to lower principal loan this year compared last year.

Other income (charges) – net increase by 627.51% or P103.7 thousand from P16.5 thousand to P120.18 thousand. The increase is due to net increase in unrealized foreign exchange gain this period

Key Performance Indicators (KPIs)

The top five (5) key performance indicators of the Company are as follows:

The change in key indicators as of March 31, 2026 as compared to March 31, 2025 and December 31, 2025 noted a significant decrease in all areas due to net loss incurred during each period.

In general, Management is not aware of any material event or uncertainty that has affected the current fiscal period and/or would have a material impact on future operations of the Company.

	<u>Consolidated</u> <u>31 Mar. 2026</u>	<u>Consolidated</u> <u>Dec. 2025</u>	<u>Consolidated</u> <u>31 Mar. 2025</u>
Current Ratio	0.44:1	0.51:1	0.25:1
Current Assets	<u>301,084,720</u>	<u>366,203,568</u>	<u>203,781,515</u>
Current Liabilities	<u>680,727,967</u>	<u>714,261,062</u>	<u>816,398,643</u>
Debt to Equity Ratio	0.60:1	0.61:1	0.67:1
Total Liabilities	<u>702,021,756</u>	<u>735,683,602</u>	<u>841,375,168</u>

Stockholders' Equity	1,171,508,380	1,207,705,725	1,249,753,936
Equity to Debt Ratio	1.67:1	1.64:1	1.49:1
<u>Stockholders' Equity</u>	<u>702,150,507</u>	<u>1,207,705,725</u>	<u>1,249,753,936</u>
Total Liabilities	1,171,379,628	735,683,602	841,375,168
Book Value Per Share	0.19	0.20	0.20
<u>Stockholders' Equity</u>	<u>1,171,379,628</u>	<u>1,207,705,725</u>	<u>1,249,753,936</u>
Total # of shares	6,172,497,120	6,172,497,120	6,172,497,120
Earnings (Loss) per share	(0.006)	(0.01)	(0.003)
<u>Net Income (Loss)</u>	<u>(36,326,097)</u>	<u>(64,252,863)</u>	<u>(20,830,496)</u>
Total # of shares	6,172,497,120	6,172,497,120	6,172,497,120

Causes for Any Material Change from 2023 to 2025 of Financial Statements, with Vertical and Horizontal Analyses of any Material Item:

Statement of Financial Position 2025 compared to 2024

	Horizontal Analysis				Vertical Analysis	
	2025 Audited	2024 Audited	Change	% Change	2025	2024
ASSETS						
Current Assets						
Cash	₱13,725,703	₱7,116,126	6,609,577	92.88%	0.71%	0.34%
Trade and other receivables	61,873,245	118,410,662	(56,537,417)	(47.75%)	3.18%	5.66%
Due from related parties	196,143,247	—	196,143,247	—	10.09%	0.00%
Prepayments and other current assets	94,461,373	71,130,018	23,331,355	32.80%	4.86%	3.40%
Total Current Assets	366,203,568	196,656,806	169,546,762	(86.21%)	18.84%	9.40%
Noncurrent Assets						
Property and equipment (net)	115,635,513	143,882,633	(28,247,120)	(19.63%)	5.95%	6.88%
Intangible asset	359,891	441,552	(81,661)	(18.49%)	0.02%	0.02%
Mining rights	1,308,938,513	1,597,677,797	(288,739,284)	(18.07%)	67.35%	76.41%
Deferred exploration costs	147,909,653	147,909,653	-	0.00%	7.61%	7.07%
Deferred tax asset – net	4,342,189	4,473,857	(131,668)	(2.94%)	0.22%	0.21%
Total Noncurrent Assets	1,577,185,759	1,894,385,492	(317,199,733)	(16.74%)	81.16%	90.60%
TOTAL ASSETS	₱1,943,389,327	₱2,091,042,298	(147,652,971)	(7.06%)	100.00%	100.00%
LIABILITIES AND EQUITY						
Current Liabilities						
Trade and other payables	₱77,015,606	₱156,673,129	(79,657,523)	(50.84%)	3.96%	7.49%
Due to related parties	62,424,406	45,763,770	16,660,636	36.41%	3.21%	2.19%
Loans payable - current portion	471,847,507	476,533,418	(4,685,911)	(0.98%)	24.28%	22.79%
Installment payable - current portion	102,973,543	115,839,113	12,865,570	(11.11%)	5.30%	5.54%

Total Current Liabilities	714,261,062	794,809,430	(80,548,368)	(10.13%)	36.75%	38.01%
Noncurrent Liabilities						
Installment payable - noncurrent portion	3,050,121	7,349,232	(4,299,111)	(58.50%)	0.16%	0.35%
Retirement benefits liability	18,372,419	18,298,940	73,479	0.40%	0.95%	0.88%
Total Noncurrent Liabilities	21,422,540	25,648,172	(4,225,632)	(16.48%)	1.10%	1.23%
Total Liabilities	735,683,602	820,457,602	(84,774,000)	(10.33%)	37.86%	39.24%
Equity						
Capital stock	6,172,497,120	6,172,497,120	-	0.00%	317.62%	295.19%
Equity reserve	(5,258,607,201)	(5,258,607,201)	-	0.00%	(270.59%)	(251.48%)
Remeasurement gain on retirement benefits liability	7,210,202	5,836,310	1,373,892	23.54%	0.37%	0.28%
Retained earnings	286,605,604	350,858,467	(64,252,863)	(18.31%)	14.75%	16.78%
Total Equity	1,207,705,725	1,270,584,696	(62,878,971)	(4.95%)	62.14%	60.76%
TOTAL LIABILITIES AND EQUITY	₱1,943,389,327	₱2,091,042,298	(147,652,971)	(7.06%)	100.00%	100.00%

Assets

The consolidated total assets of the Company decrease by ₱147.65 million from ₱2.09 billion as of December 31, 2024 to ₱1.94 billion as of December 31, 2025. The 6.06% net decrease was mainly due to the following:

- **Trade and other receivable** decrease by ₱56.53 million or 47.75% from ₱118.41 million to ₱61.87 million in 2025 mainly due to the collection of trade receivable.
- **Due from related parties** increase by ₱196.14 million or 100.00% from nil in 2024 to 196.14 million this year.
- **Prepayments and other current assets** increase by ₱23.33 million or 32.80% from ₱71.13 to ₱94.46 million in 2025 pertains to increase of creditable withholding taxes.
- **Property and equipments** decrease by ₱28.25 million or 19.63% from ₱143.88 million to ₱115.64 million in 2025 due to depreciation.
- **Mining rights** decrease by ₱288.74 million or 18.07% from ₱1.60 billion to ₱1.31 billion in 2025 due to amortization.

Liabilities

The consolidated total liabilities of the Company decrease by ₱84.77 million from ₱820.46 million as of December 31, 2024 to ₱735.68 million as of December 31, 2025. The 10.33% net decrease was mainly due to the following:

- **Trade and other payables** decrease by ₱79.66 or 50.84% from ₱156.67 million to ₱77.02 million in 2025 mainly due to payment to suppliers and service providers.
- **Due to related party** increase by ₱16.66 or 36.41% from ₱45.76 million to ₱62.42 million in 2025 mainly due to advances by Stockholder to the company.
- **Installment payable - current** decrease by ₱12.87 million or 11.11% from ₱115.84 million to ₱102.97 million in 2025 was due to payments of the installment payable.
- **Installment payable - noncurrent** decrease by ₱4.30 million or 58.50% from ₱7.35 million to ₱3.05 million in 2025 was due to payments of the installment payable noncurrent portion.

Equity

The stockholders' equity of the Company decrease by ₱62.88 million or 4.95% from ₱1.27 billion in 2024 to ₱1.21 billion as of December 31, 2025. This was due to the net loss incurred during the period. This year, the company computed an amortization expense amounting to ₱288.74 million from the mining rights and depreciation expense amounting to ₱28.64 million.

Statement of Financial Position 2024 compared to 2023

	Horizontal Analysis				Vertical Analysis	
	2024 Audited	2023 Audited	Change	% Change	2024	2023
ASSETS						
Current Assets						
Cash	₱7,116,126	₱8,147,811	(1,031,685)	(12.66%)	0.34%	0.36%
Trade and other receivables	118,410,662	51,750,865	66,659,797	128.81%	5.66%	2.31%
Due from related parties	–	948,319,068	(948,319,068)	(100.00%)	0.00%	42.33%
Prepayments and other current assets	71,130,018	56,871,657	14,258,361	25.07%	3.40%	2.54%
Total Current Assets	196,656,806	₱1,065,089,401	(868,432,595)	(81.54%)	9.40%	47.54%
Noncurrent Assets						
Property and equipment (net)	143,882,633	161,998,913	(18,116,280)	(11.18%)	6.88%	7.23%
Intangible asset	441,552	516,790	(75,238)	(14.56%)	0.02%	0.02%
Mining rights	1,597,677,797	860,367,776	737,310,021	85.70%	76.41%	38.40%
Deferred exploration costs	147,909,653	147,909,653	-	0.00%	7.07%	6.60%
Deferred tax asset – net	4,473,857	4,578,238	(104,381)	(2.28)	0.21%	0.20%
Total Noncurrent Assets	1,894,385,492	1,175,371,370	719,014,122	61.17%	90.60%	52.46%
TOTAL ASSETS	₱2,091,042,298	₱2,240,460,771	(149,418,473)	(6.67%)	100.00%	100.00%
LIABILITIES AND EQUITY						
Current Liabilities						
Trade and other payables	₱156,673,129	₱105,708,044	50,965,085	48.21%	7.49%	4.72%
Due to related parties	45,763,770	242,020,027	(196,256,257)	(81.09%)	2.19%	10.80%
Loans payable - current portion	476,533,418	412,719,643	63,813,775	15.46%	22.79%	18.42%
Installment payable - current portion	115,839,113	46,354,114	69,484,999	149.90%	5.54%	2.07%
Total Current Liabilities	794,809,430	806,801,828	(11,992,398)	(1.49%)	38.01%	36.01%
Noncurrent Liabilities						
Installment payable - noncurrent portion	7,349,232	66,888,728	(59,539,496)	(89.01%)	0.35%	2.99%
Retirement benefits liability	18,298,940	17,730,365	568,575	3.21%	0.88%	0.79%
Total Noncurrent Liabilities	25,648,172	84,619,093	(58,970,921)	(69.69%)	1.23%	3.78%
Total Liabilities	820,457,602	891,420,921	(70,963,319)	(7.69%)	39.24%	39.79%
Equity						
Capital stock	6,172,497,120	6,172,497,120	-	0.00%	295.19%	275.50%
Equity reserve	(5,258,607,201)	(5,258,607,201)	-	0.00%	(251.48%)	(234.71%)
Remeasurement gain on retirement benefits liability	5,836,310	4,845,241	991,069	20.45%	0.28%	0.22%

Retained earnings	350,858,467	430,304,690	(79,446,223)	(18.46%)	16.78%	19.21%
Total Equity	1,270,584,696	1,349,039,850	(78,455,154)	(5.82%)	60.76%	60.21%
TOTAL LIABILITIES AND EQUITY	₱2,091,042,298	₱2,240,460,771	(149,418,473)	(6.67%)	100.00%	100.00%

Assets

The consolidated total assets of the Company decrease by ₱149.42 million from ₱2.24 billion as of December 31, 2023 to ₱2.09 billion as of December 31, 2024. The 6.67% decrease was mainly due to the following:

- **Trade and other receivable** increase by ₱66.56 million or 128.82% from ₱51.75 million to ₱118.41 million in 2024 mainly due to the increase of trade receivable.
- **Advance to related parties** decrease by ₱948.32 million or 100.00% from ₱948.32 million to none in 2024 mainly due to payment and reclass of advances to related parties.
- **Mining rights** increase by ₱737.31 million or 85.70% from ₱860.37 million to none ₱1.59 billion in 2024 due to reclassification.

Liabilities

The consolidated total liabilities of the Company decrease by ₱70.96 million from ₱891.42 million as of December 31, 2023 to ₱820.46 million as of December 31, 2024. The 7.69% decrease was mainly due to the following:

- **Advances from related party** decrease by ₱196.26 or 81.09% from ₱242.02 million to ₱45.76 million in 2024 mainly due to payment to Stockholders.
- **Installment payment – non-current portion** decrease by ₱59.54 million or 89.01% from ₱66.89 million to ₱7.35 million in 2024 was due to reca the increase of accounts payable account.

Equity

The stockholders' equity of the Company decrease by ₱78.46 million or 5.82% from ₱1.35 billion in 2023 to ₱1.27 billion as of December 31, 2024. This was due to the net loss incurred during the period. This year, the company computed an amortization expense amounting to ₱146.77 million from the mining rights and depreciation expense amounting to ₱27.67 million.

Statement of Income 2025 compared to 2024

	Horizontal Analysis				Vertical Analysis	
	2025	2024	Change	% Change	2025	2024
REVENUES	₱450,949,372	₱289,229,219	161,720,153	55.91%	100.0%	100.0%
OPERATING EXPENSES	399,955,643	266,791,239	133,164,404	49.91%	88.7%	92.2%
OPERATING INCOME (LOSS)	50,993,729	22,437,980	28,555,749	127.27%	11.3%	7.8%

OTHER INCOME (CHARGES) – net

	Horizontal Analysis				Vertical Analysis	
	2025	2024	Change	% Change	2025	2024
Finance costs	(61,291,486)	(78,084,24)	16,972,754	(21.51%)	(13.6%)	(27.0%)
Unrealized foreign exchange loss - net	1,003,663	403,512	600,151	148.73%	0.2%	(0.1%)
Finance income	3,052	1,986	1,066	53.68%	0.00%	0.00%
	(60,284,771)	(77,678,742)	17,393,971	(22.39%)	(13.4%)	(26.9%)
INCOME (LOSS) BEFORE INCOME TAX	(9,291,042)	(55,240,762)	45,949,720	(83.18%)	(2.1%)	(19.1%)
PROVISION FOR (BENEFIT FROM) INCOME TAX						
Current	(1,461,225)	(1,964,989)	503,764	(25.64%)	(0.3%)	(0.7%)
Final	(53,826,892)	(22,466,447)	(31,360,445)	139.59%	(11.9%)	(7.8%)
Deferred	326,296	225,975	100,321	44.39%	0.1%	0.1%
	(54,961,821)	(24,205,461)	(30,756,360)	127.06%	(12.2%)	(8.4%)
NET INCOME (LOSS)	(P64,252,863)	(P79,446,223)	15,193,360	(19.12%)	(14.2%)	(27.5%)

Revenues

The revenue of the Company decreased by ₱161.72 million or 55.91% from ₱289.23 million in 2024 to ₱450.95 million in 2025. These were due to increase of shipments of Operators and increase in price of nickel in 2025.

Operating expenses

Operation expenses net increased by 49.91% or ₱133.16 million from ₱266.79 million in 2024 to ₱399.96 million in 2025. The increase was mainly due to the following:

- **Depreciation and amortization** increased by ₱141.97 million or 97% from ₱146.77 million in 2024 to ₱288.74 million in 2024 due to additions of mining rights and heavy equipments.
- **Management fee** decreased by ₱14.46 million or 100% from ₱14.46 million in 2024 to none this year.
- **Miscellaneous expense** decreased by ₱4.92 million or 43.62% from ₱11.29 million in 2024 to ₱6.37 million in 2025 due to decrease of insurance of equipments.

Finance cost decreased by ₱16.79 million or 21.51% from ₱78.04 million in 2024 to ₱61.29 million in 2025 due to decrease of loans 2025.

Unrealized foreign exchange loss – net increase by ₱600.51 thousand or 148.73% from ₱403.51 thousand to ₱1.0 million in 2025 due to forex gain transaction.

Final income tax increase by ₱31.36 million or 139.59% from ₱22.47 million to ₱53.83 million in 2025 due to adjustments.

Net loss incurred was due to the company computed an amortization expense amounting to ₱288.74 million from the mining rights and depreciation expense amounting to ₱28.64 million.

Statement of Income 2024 compared to 2023

	Horizontal Analysis				Vertical Analysis	
	2024	2023	Change	% Change	2024	2023
REVENUES	₱289,229,219	₱375,445,769	(86,216,550)	(22.96%)	100.0%	100.0%
OPERATING EXPENSES	266,791,239	180,011,532	86,779,707	48.21%	92.2%	47.9%
OPERATING INCOME (LOSS)	22,437,980	195,434,237	(172,996,257)	(88.52%)	7.8%	52.1%
OTHER INCOME (CHARGES) – net						
Finance costs	(78,084,24)	(23,173,124)	(54,911,116)	236.96%	(27.0%)	(6.2%)
Unrealized foreign exchange loss - net	403,512	(582,588)	986,100	(169.26%)	0.1%	(0.2%)
Finance income	1,986	24,054	(22,068)	(91.74%)	0.00%	0.00%
	(77,678,742)	(23,731,658)	(53,947,084)	227.32%	(26.9%)	(6.3%)
INCOME (LOSS) BEFORE INCOME TAX	(55,240,762)	171,702,579	(226,943,341)	(132.17%)	(19.1%)	45.7%
PROVISION FOR (BENEFIT FROM) INCOME TAX						
Current	(1,964,989)	5,062,959	(7,027,948)	(138.81%)	(0.7%)	(1.3%)
Final	(22,466,447)	32,341,972	(54,808,419)	(169.47%)	(7.8%)	8.6%
Deferred	225,975	(107,930)	333,905	(309.37%)	0.1%	0.0%
	(24,205,461)	37,297,001	(61,502,462)	(164.90%)	(8.4%)	9.9%
NET INCOME (LOSS)	(₱79,446,223)	₱134,405,578	(213,851,801)	(159.11%)	(27.5%)	35.8%

Revenues

The revenue of the Company decreased by ₱86.22 million or 22.96% from ₱375.45 million in 2023 to ₱289.23 million in 2024. This was due to decrease of shipments of Operators in 2024.

Operating expenses

Operation expenses increased by 48.21% or ₱86.78 million from ₱180.01 million in 2023 to ₱266.79 million in 2024. The increase was mainly due to the following:

- **Depreciation and amortization** increased by ₱82.11 million or 89% from ₱92.33 to ₱174.44 million in 2024 due to additional mining rights and heavy equipment.
- **Professional fees** increased by ₱6.54 million or 56.65% from ₱11.54 million to ₱18.08 million in 2024 due to additional hiring of professional.
- **Miscellaneous expense** increased by ₱7.54 million or 232.97% from ₱3.23 million to ₱10.77 million in 2024 due to payment of insurance of equipments.

Finance cost increased by ₱54.91 million or 236.96% from ₱23.17 million to ₱78.04 million in 2024 due to additional loans availed in 2024.

Unrealized foreign exchange loss – net increase by ₱986.10 thousand or 169.26% from ₱582.59 thousand ₱403.51 thousand in 2024 due to forex gain transaction.

Final income tax decreased by ₱54.81 million or 169.47% from ₱32.34 million to (₱22.47) million in 2024 due to adjustments.

Net loss incurred was due to the company computed an amortization expense amounting to ₱146.77 million from the mining rights and depreciation expense amounting to ₱27.67 million.

Liquidity Risk

Liquidity risk is defined as the risk that the Company would not be able to settle or meet its obligations on time or at a reasonable price. Management is responsible for liquidity, funding as well as settlement management. The Company's objective is to maintain a balance between continuity of funding and flexibility by availing of credit facilities from various suppliers. The Company mainly sources its funds through the use of bank loans and advances from related parties.

The company manages liquidity risk by maintaining balance between continuity of funding and flexibility. As part of its liquidity risk management, the Company regularly evaluates its projected cash flows.

The financial assets held by the Company for liquidity purposes consist of cash, all of the Company's financial liabilities are either due and demandable or payable within the year.

Equity Price Risk

Equity price risk is the risk that the value of a financial instrument will fluctuate because of changes in market price. The Company is exposed to equity securities price risk because of financial assets held by the Company, which are classified on the parent Company balance sheets as AFS financial assets. The possible changes in the fair value of AFS financial assets could be brought by changes in the equity indices.

Financial instruments

The Company's financial instruments consist of cash. The main purpose of the financial instruments is to fund the Company's operations. The Company has various other financial instruments such as accrued expenses and other payables that arise directly from its operations.

Financial instruments are recognized initially at fair value, which is the fair value of the consideration given (in case of asset) or received (in case of a liability). The initial measurement of financial instruments, except for those financial assets and financial liabilities at fair value through profit or loss (FVPL), includes transaction cost.

On initial recognition, the Company classifies its financial assets in the following categories: Held-for-Maturity (HTM) investments, AFS financial assets, and loans and receivables. The classification depends on the purpose for which the investments were acquired and whether they are quoted in an active market. Management determines the classification of its financial assets at initial recognition and, where allowed and appropriate, re-evaluates such designation at every financial reporting date.

Under PAS 39, all financial liabilities are recognized initially at fair value and in case of loans and borrowings, plus directly attributable transaction costs. Financial liabilities are classified as FVPL, loans and borrowings and derivatives designated as hedging instruments in an effective hedge, as appropriate.

Financial instruments are classified as liabilities or equity in accordance with the substance of the contractual agreement. Interest, dividends, gains and losses relating to a financial instrument or a component that is a financial liability are reported as expense or income. Distributions to holders of financial instruments classified as equity are charged directly to equity net of any related income tax benefits.

The Company's financial assets consist of loans and receivables and AFS investments. The Company's financial liabilities are classified as loans and borrowings. The Company has no financial assets and liabilities at FVPL and HTM investment.

The fair value of financial instruments that are actively traded in organized financial markets is determined by reference to quoted market bid prices at the close of business on the reporting date. For investments and all other financial instruments where there is no active market, fair value is determined by using generally accepted valuation techniques. Such techniques include using arm's length market transactions; reference to the current market value of another instrument, which are substantially the same; discounted cash flow analysis and other valuation models.

Changes in and Disagreements with Accountants on Accounting and Financial Disclosure

None.

The accounting firm of Sycip Gorres Velayo (SGV) with address at 6760 Ayala Avenue, Makati City was appointed external auditor of the Company in 2025 Annual Stockholders Meeting. The fees of the external auditor in the past two (2) years are as follows:

Year	Audit & audit related fees	Tax Fees	Other Fees
2025	680,000	-0-	-0-
2024	600,000	-0-	-0-

For the past two (2) years, the Company has not engaged the services of SGV except for the statements in connection with statutory and regulatory filings for the year 2025 and 2024. The amounts under the caption of "Audit and audit related fees" for the years 2025 and 2024 pertain to these services. The Audit Committee prohibits the Company from engaging the external auditor to provide services that may adversely affect its independence, including those expressly prohibited by regulations of the Securities and Exchange Commission (SEC).

SGV representatives are expected to be present at the Meeting and they will have the opportunity to make statement and respond to appropriate questions.

The Audit Committee reviews and recommends to the Board the appointment of SGV to the stockholders for appointment as external auditor of the Company.

IV. Control and Compensation Information

Directors and Executive Officers of the Registrant

Directors & Executive Officers of the Registrant

Directors elected in the Annual meeting of Stockholders have a term of office of one (1) year and serve as such until their successors are elected and qualified in the next succeeding Annual Meeting of Stockholders, provided that a director who was elected to fill in a vacancy arising in the Board shall only serve the unexpired portion of his predecessor.

The names, ages, positions, periods of service of all incumbent directors and executive officers as such, and their business experience in the past five (5) years are as follows:

Hilario G. Pagautan, 69, Filipino, was elected as Chairman of the Board and CEO of the Company on November 8, 2021. He is the majority owner of East Coast Mineral Resources Company Incorporated, a Company primarily engaged in the business of operating gold and nickel mines. He is the incumbent Mayor of Sta. Maria, Isabela. Mr. Pagautan is a geologist by profession with extensive experience in the mining industry. He has interests in and serves as a director and/or senior officer at other privately-owned mining companies.

Sofia G. Pagautan, 65, Filipino, was appointed Vice-Chairman, of the Company on November 8, 2021. She has served as a director and/or senior officer of companies engaged in mining and construction. She is presently a Barangay Captain in Calamagui North.

Isaac Hilario G. Pagautan II, 41, Filipino, was elected Director on November 8, 2021 and is the incumbent Senior Vice President - Business Development and Data Privacy Officer. He has served as a director and/or officer of companies engaged in mining, construction, and agriculture. He is presently a Councilor of Sta. Maria, Isabela.

Michael Abraham G. Pagautan, 38, Filipino, was elected Director on November 8, 2021. He is the incumbent Chief Risk Officer and has served as a director and/or officer of companies engaged in mining, construction, and agriculture. He is formerly the Barangay Chairman of Calamagui North Sta. Maria, Isabela and the President of the Liga ng mga Barangay, Sta. Maria, Isabela. He is presently the Vice Mayor of Sta. Maria, Isabela

Ma. Hilarnie Mercurie P. Parada, 44, Filipino, was elected Director on November 8, 2021 and is the incumbent Treasurer of the Company. She has served as a director and/or officer of companies engaged in mining, construction, and agriculture.

Edgardo V. Caringal, 70, Filipino, was elected Director on November 8, 2021 and is the incumbent Senior Vice President – Operations and Chief Compliance Officer. He is a veteran geologist and mining professional. He has extensive experience in the mining industry and has served as senior officer to several mining companies.

Ramon C. Lee, 85, Filipino, was elected Director on November 8, 2021. He is a seasoned businessman with extensive experience in textile and mining.

Orlando S. Mercado, 77, Filipino, was elected Director on October 14, 2022. He is a former Senator, Secretary of Defense and Ambassador. He is a veteran broadcaster and professor of political science, communication and business management. He is currently Chairman of the Multi-Sectoral Advisory Board of the Education, Training and Doctrine Command of the Armed Forces of the Philippines (an advisory group) and a member of the faculty of the Ateneo School of Government, an Eminent Fellow and member of the Academic Council of the Development Academy of the Philippines (DAP). He also teaches MBA courses on FEU Makati.

Adrian Paulino S. Ramos, 47, Filipino, has been a Director of the Company since 2006. For the past five (5) years, he has served as a director and/or executive officer of companies engaged in printing, publication, sale and distribution of books, magazines and other printed media, investment holdings, mining, financial services, securities and water infrastructure.

Roberto A. Baquiran, 65, has been the Company's Independent Director since 2022. He is a Certified Public Accountant and a member of the Integrated Bar of the Philippines. He was appointed as Chief of Staff of the Commissioner of Internal Revenue by former President Rodrigo Roa Duterte in 2018. He is an experienced tax practitioner, being with the Bureau of Internal Revenue (BIR) for 30 years. He rose from the ranks and held the posts of Chief of the National Investigation Division, Asst. Regional Director and Revenue District Officer (Makati), as well as technical assistant at the Office of the Commissioner of Internal Revenue, Office of the Deputy Commissioners for Legal and Enforcement, and Operations Groups, and revenue audit examiner. At the BIR, he became a member of the VAT Ruling Committee, Income Tax Regulations Committee and E-Commerce Regulations Committee. At current, he is a Partner at Baquiran, Benitez, Belarmino, Ting and Yu Accounting Office and the Baquiran, Lumanta and Orpilla Attorneys-at-Law.

Joshua A. Parada, 44, has been the Company's Director since 2023. He is a licensed Chief Engineer and has been on board various international maritime tanker vessels, such as but not limited to BW Gas LNG, LPG Tanker "Clipper Venus", LPG Tanker "Clipper Skagen", LPG Tanker "Clipper Sirius", LPG Tanker "HEROS", and LGP Tanker "HERA". He is a graduate of Bachelor of Science Major in Marine Engineering at the Philippine Merchant Marine Academy. He likewise served as AUX Machinery Instructor/ Engine Simulator at the Mariners Polytechnic College, New Simulator Training Center, and Norwegian Training Center.

Sofia Anne Clare G. Pagautan 26, has been the Company's Director since 2023. She is the current Executive Director of two foundations, namely, Sofia Anne Clare Foundation Inc. and Maria Lourdes G. Pagautan Memorial Foundation Inc. She also serves as the Executive Assistant to the Chief Executive Officer and President of East Coast Mineral Resources Company Incorporated. She graduated at the Ateneo De Manila University with the degree of Bachelor of Science in Business Management.

Jose Ngaw, 76, has been the Company's Independent Director since 2023. He is a member of the Integrated Bar of the Philippines and currently the Chairman of the Board of Regents of the Pamantasan ng Lungsod ng Maynila. He is likewise serving as an Independent Director of IRemit, Inc. and a member of the Board of Directors of Bahia Shipping Services, Inc. Throughout his career, he previously served as the Board Advisor of the Philippine National Bank and Philippine Airlines, Inc., President of PNB Holdings, Inc., Board Secretary of Century Park Hotel, member of the Board of PNB Int'l Investment Corp. (U.S.A.) and PNB Securities, Inc., and Board of Trustee of University of the East and U.E.R.M. Medical Center. Being a Filipino-Chinese, aside from the Filipino and English languages, he is also fluent in Fukienese, Cantonese, and Mandarin (Putonghua) Chinese languages

Jose T. Nacorda, Jr., 69, Filipino, is the incumbent Senior Vice President - Finance and Admin and SEC Compliance Officer.

Gaspar R. Andres, Jr., 95, Filipino, is the incumbent as Corporate Secretary of the Company. He has served as officer and/or corporate secretary or legal counsel of companies involved in mining and mineral processing. He has also been the Corporate Secretary of the Chamber of Mines of the Philippines since 2010. Atty. Andres is a member of the Integrated Bar of the Philippines.

Ana Maria A. Katigbak-Lim, 54, Filipino, is the incumbent Assistant Corporate Secretary and Corporate Information Officer. She is a Senior Partner in Castillo Laman Tan Pantaleon & San Jose Law Firm. She is a member of the Integrated Bar of the Philippines and a graduate of Bachelor of Laws at the University of the Philippines. For the past five years, she has served as assistant corporate secretary in certain publicly-listed companies such as Marcventures Holdings, Inc., Premiere Horizon Alliance Corporation, Mabuhay Holdings Corp., Paxys, Inc., Energy Development Corp., and Solid Group, Inc., and as corporate secretary in Alsons Consolidated Resources, Inc. and IPM Holdings, Inc.

Lester Laurence S. Baguec, 44, Filipino, is the incumbent Corporate Finance, Corporate Planning Executive and Investor Relations Officer.

Dave D. Eustaquio, 27, Filipino, is the incumbent Chief Audit Executive and Internal Audit Head.

Directors with other directorship(s) held in reporting companies

ADRIAN PAULINO S. RAMOS	Alakor Securities Corporation Atlas Consolidated Mining & Dev. Corp. Anglo Philippine Holdings Corporation United Paragon Mining Corporation The Philodrill Corporation

Involvement in Certain Legal Proceedings

The Company is not aware of any involvement of its executives/officers/directors in any legal proceedings for the past five (5) years.

The following independent directors are not officers or substantial shareholders of the Company nor is a director or officer of its related companies:

1. Roberto A. Baquiran
2. Jose Ngaw

Significant Employees

Other than its current officers, the Company has not engaged the services of any person who is expected to make significant contributions to the business of the Company.

Family Relationship

Mr. Hilario G. Pagautitan, Chairman of the Board, President & CEO, is the husband of Mrs. Sofia G. Pagautitan, Vice-Chairman and Isaac Hilario G. Pagautitan II, Senior Vice President - Business Development and Data Privacy Officer, Ma. Hilarnie Mercurie P. Parada, Treasurer, and Michael Abraham G. Pagautitan, Director and Chief Risk Officer, Sofia Anne Clare G. Pagautitan, Director are their children.

Executive Compensation

Information as to the aggregated compensation paid or accrued during the last two fiscal years and to be paid in the ensuing fiscal year to the Company's Chief Executive Officer and four other most highly compensated executive officer as follows:

Chief Executive Officer and highly compensated executive officer	Year	Salary	Bonus	Other Annual Compensation

Hilario G. Pagautan	Chairman of the Board. President and Principal Executive Officer			

Sofia G. Pagautan	Vice-Chair			

Isaac Hilario G. Pagautan II	Senior Vice President – Business Development, Data Privacy Officer and Chief Risk Officer			

2024	-0-	-0-	-0-
2025	-0-	-0-	-0-
2026 (est)	-0-	-0-	-0-

All officers and directors as a group unnamed	2024	-0-	-0-	-0-
	2025	-0-	-0-	-0-
	2026 (est)	-0-	-0-	-0-

There were no compensation for officers in 2025, 2024 and 2023 due to termination of all employees in year 2012.

For the most recently completed fiscal year and the ensuing fiscal year, directors will receive a per diem of P15,000 per meeting to defray their expenses in attending board meetings. There are no other arrangements for compensation of directors, as such, during the last fiscal year and for the ensuing fiscal year.

There are NO warrants or options outstanding in favor of directors and officers.

Security Ownership of Certain Beneficial Owners and Management

a.) As of December 31, 2025, ECVC knows of no one who beneficially owns in excess of 5% of ECVC's common stock except as set forth in the table below.

Class	Name and Address of Record Owner / Relationship to Issuer	Name of Beneficial Owner / Relationship with Record Owner	Citizenship	Number of Shares Held	% of Owners hip
Common	Hilario G. Pagautan	Hilario G. Pagautan	Filipino	4,931,878,000 (direct)	74.39%
Common	PCD Nominee Corporation -	Various Clients / Stockholder (See Note A)	Filipino/No n-Filipino	903,996,387*	13.63%

	Philippine Stock Exchange Bldg., Ayala Ave., Makati City				
Common	Techno-Asia Construction and Dev't Incorporated	Techno-Asia Construction and Dev't Incorporated	Filipino	486,055,662**	7.33%

Among the participants under PCD, NO account owns more than 5% of the voting stock.

Note:

Note A. Of the total 903,996,387 shares under the name of PCD Nominee Corp., 200,000,000 shares are under the name of Alakor Securities Corporation (ASC) FAO National Bookstore.

Note B: Beneficial Ownership Report by Security (List of PCD Participants) as of December 31, 2024. 486,055,662 of the Issued and Outstanding Common Shares, which are not yet fully-paid, represented spouses Hilario G. Pagautan and Sofia G. Pagautan's share subscription, which were assigned to Techno-Asia Construction and Development Incorporated, pursuant to a Deed of Assignment dated September 11, 2023.

As a matter of practice, PCD itself does not vote the number of shares registered in its name; instead, PCD issues a general proxy constituting and appointing each of its participants as PCD's proxy to vote for the number of shares owned by such participant in PCD's books as of Record Date.

b.) Security Ownership of the Board and Management as of December 31, 2023

Class	Name of Beneficial Owner	Amount/Nature of Beneficial Ownership		Citizenship	Percentage of Ownership
		Direct	Indirect		
Common	Hilario G. Pagautan	4,931,878,000	-	Filipino	Common
Common	Sofia G. Pagautan	165,242,000	-	Filipino	Common
Common	Isaac Hilario G. Pagautan II	59,570,001	999	Filipino	Common
Common	Michael Abraham G. Pagautan	15,540,001	999	Filipino	Common
Common	Ma. Hilarnie Mercurie P. Parada	7,770,001	999	Filipino	Common
Common	Adrian Paulino S. Ramos	500	4,072,620	Filipino	Common
Common	Orlando S. Mercado	220,000	-	Filipino	Common
Common	Edgardo V. Caringal	1	999	Filipino	Common
Common	Ramon C. Lee	1	99,999	Filipino	Common
Common	Sofia Anne Clare G. Pagautan	1	-	Filipino	Common
Common	Joshua B. Parada	1	-	Filipino	Common
Common	Roberto A. Baquiran (ID)	19,997	-	Filipino	Common
Common	Jose Ngaw	1	-	Filipino	Common

As of May 31, 2025 the aggregate number of shares owned by Company's directors, Chief Executive Officer, and other officers is 5,180,000,507 shares or approximately 78.19% of the Company's outstanding capital stock. Except for the shares appearing on record in the names

of the directors and officers above, the Company is NOT aware of any shares which said person may have the right to acquire beneficial ownership of.

c) Voting Trust Holders of 5% or more

To the extent known to the Company, there is NO PERSON holding more than 5% of any class of the Company's securities under a voting trust or similar agreement.

d) Change in control

Since the last Annual Meeting of Stockholders held last July 12, 2024, there were no changes in the composition of the Board of Directors, as disclosed by the Company on last July 12, 2024.

Certain Relationships and Related Transactions

In the ordinary and regular course of the business, the Company had transactions with related parties (i.e. companies with shareholders common with the Company) which principally consist of advances to related parties and loans/advances from related parties, the identities of these related parties, including the amounts and details of the transactions are disclosed in Note No. 18 of the Company's 2024 Audited Financial Statements.

The business purpose of related party transaction is to address immediate working capital requirements of related parties (in cases of advances to related parties) or of the Company (in the case of loans/advances from related parties).

All transactions with related parties are based on prevailing market/commercial rate at the time of the transaction.

There are no on-going contractual or other commitments as a result of the arrangement other than the repayment of money lent or advanced.

V. Corporate Governance

Pursuant to Memorandum Circular No. 20, Series of 2017, issued by the Securities and Exchange Commission (SEC), Annual Corporate Governance Report is no longer required to be attached to the 2024 Annual Report.

The Company filed a copy of its 2023 Integrated Annual Corporate Governance Report (I-ACGR) to the SEC on May 31, 2024 and is posted in the Company website. The I-ACGR for 2024 will be filed with the SEC on or before it falls due for submission.

- a) The Company uses the evaluation system established by the SEC in its Memorandum Circular No. 5, series of 2003, and the Code of Corporate Governance for Publicly-listed Companies, as well as PSE Memo No. 2013-0013 and Memo CN 2013-0007, including the accompanying Corporate Governance Self-Rating Form (CG-SRF) and Corporate Governance Guidelines Disclosure Survey to measure or determine the level of compliance of the Board of Directors and top-level management with the Company's Corporate Governance manual.
- b) The Company undertakes a self-evaluation process every semester and any deviation from the Company's Corporate Governance Manual is reported to the

Management and the Board together with the proposed measures to achieve compliance.

- c) Except as indicated below, the Company is currently in full compliance with the leading practices on good corporate governance embodied in the CG-SRF and Corporate Governance Guidelines Disclosure Survey:
 - 1) As the Company is undergoing reorganization and is in a transition phase, the Company is in the process of drafting and designing the following, among others:
 - a. Code of Conduct for the Board, CEO and staff, as well as existing policies and procedures that can identify and resolve potential conflicts of interest.
 - b. Formal development program for its Board of Directors;
 - c. Establishment of an internal audit group;
 - d. Enterprise Risk Management activities;
 - e. Appointment of a Risk Management Officer; and
 - f. Incentive Mechanism for its employees.
 - 2) The Company's employees and officers undergo professional development programs subject to meeting the criteria set by the Company. Succession plan for senior management is determined by the Board as the need arises.
- d) The Company shall adopt such improvement measures on its corporate governance as they may be necessary from time to time.

The Company undertakes to provide, without charges, upon the written request of a stockholder, a copy of its Annual Report on SEC Form 17-A. Such request should be addressed to the Corporate Secretary, East Coast Vulcan Mining Corporation, 15th Floor, High Rise Pacific Star Building, Sen. Gil Puyat Avenue, Makati City, Metro Manila.

***The Company likewise undertakes to send copies of the Company's First Quarter Report in SEC Form 17-Q, to the Stockholders via email or through PSE EDGE portal or through the company's website <https://www.eastcoastvulcanmining.com/>*

EAST COAST VULCAN MINING CORPORATION
15th Floor, High Rise Pacific Star Building,
Sen. Gil Puyat Avenue, Makati City, Metro Manila,
Tel (632) 8511-8312: Fax (632) 8550-1468

NOTICE OF ANNUAL STOCKHOLDERS' MEETING

TO ALL STOCKHOLDERS:

The Annual Stockholders' Meeting (the "**ASM**" or "**Meeting**") of **East Coast Vulcan Mining Corporation** (the "**Company**") will be held on Wednesday, June 17, 2026, at 2:00 P.M. at the G/F, Isabela C, Makati Shangri-La Manila, Ayala Avenue, Makati Ave., Makati City.

The following is the agenda of the meeting:

1. Call to order;
2. Proof of notice and certification of quorum;
3. Approval of the minutes of the previous meeting of the stockholders;
4. Management report and approval of the 2025 audited financial statements;
5. Ratification of resolutions, contracts, and acts of the Board of Directors and Management;
6. Approval of the equity restructuring whereby, the authorized capital stock of the Corporation shall be reduced to Php 9.6 Billion and the par value of common shares shall be decreased to Php 0.80 per share without reducing the number of common shares, as follows:
 - From: Twelve Billion Pesos (Php 12,000,000,000.00) divided into Twelve Billion (12,000,000,000) Common Shares,
 - To: Nine Billion Six Hundred Million Pesos (Php 9,600,000,000.00) divided into Twelve Billion (12,000,000,000) Common Shares with a par value of Eighty Centavos (Php 0.80) per shares;
7. Approval of a 1:8 stock split on the Common Shares with par value of Php 0.80 per share, such that the resulting number of Common Shares and par value shall become 96,000,000,000 Common Shares with a par value of Php 0.10 per share after the stock split;
8. Approval of the Follow-On Offering and Listing of Shares;
9. Additional Listing of 486,055,662 Common Shares;
10. Election of Directors;
11. Delegation to the Board of Directors of the Authority to Appoint the External Auditor;
12. Other matters; and
13. Adjournment

For purposes of the ASM, stockholders of record as of April 30, 2026 are entitled to Notice of the Meeting and to vote thereat.

If you are unable to join the ASM, you may appoint a proxy to represent you and vote on your behalf. Duly accomplished Proxy Forms shall be submitted by email to the Office of the Corporate Secretary at info@eastcoastvulcan.com or by physical mail to the 15th Floor, High Rise Pacific Star Building, Sen. Gil Puyat Avenue, Makati City, Metro Manila for inspection, validation and recording and to ensure receipt by the Company on or before June 7, 2026. The validation of proxies shall take place not later than June 11, 2026. Accompanying this Notice is a Proxy Form for your convenience.

By registering to participate in the virtual ASM or submitting a Proxy Form, a stockholder, proxy or representative of the stockholder is providing his/her/its consent for the Company and its service providers to process their respective sensitive personal information necessary to verify their identity and authority. A stockholder who fails to comply with the registration requirement will not be able to participate in the virtual ASM.

The Definitive Information Statement (20-IS), Management Report, Audited Financial Statements, Quarterly Report as of March 31, 2026, and other documents relating to the ASM may be accessed through any of the following:

- 1) Go to the East Coast Vulcan Mining Corporation website via this link or QR Code:
<https://www.eastcoastvulcanmining.com>



- 2) Go to the PSE EDGE portal via <https://edge.pse.com.ph/>
- 3) Request for a copy by sending an email to info@eastcoastvulcan.com

For ASM-related queries, you may send an email to info@eastcoastvulcan.com or contact Mr. Lester Laurence Baguec, Investor Relations Officer, at (+632) 8511-8312. For account updating or concerns regarding your shareholdings, please contact our Transfer Agent, Professional Stock & Transfer, Inc. at Tel. Nos. +63-2-86874053 or via email directly at info@professionalstocktransfer.com.

May 25, 2026, Makati City.


ANA MARIA A. KATIGBAK
Assistant Corporate Secretary

EAST COAST VULCAN MINING CORPORATION
ANNUAL STOCKHOLDERS' MEETING
PROXY FORM

This proxy is being solicited on behalf of the Board of Directors and Management of East Coast Vulcan Mining Corporation (the "Company") for voting at the Annual Stockholders' Meeting to be held on June 17, 2026 at 2:00 p.m., at [location].

I, the undersigned stockholder of the Company, do hereby appoint, name and constitute the Company's Chairman, Hilario G. Pagautan, or the chairman of the meeting,

Or

as my attorney-in-fact and proxy, to represent me at the Annual Stockholders' Meeting of the Company to be held on June 17, 2026 at 2:00 p.m. and any postponement(s) and adjournment(s) thereof, as fully and to all intents and purposes as I might or could do if present and voting in person, hereby ratifying and confirming any and all actions taken on matters which may properly come before such meeting or adjournment(s) thereof. In particular, I hereby direct my said proxy to vote on the agenda items set forth below as I have expressly indicated by marking the same with an "X".

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 Annual Stockholders' Meeting held on June 25, 2025.			
Item 4: Approval of the Management report and approval of the Audited Financial Statements for the year ended December 31, 2025.			
Item 5: Ratification of resolutions, contracts, and acts of the Board of Directors and Management.			
Item 6: Approval of the equity restructuring whereby, the authorized capital stock of the Corporation shall be reduced to Php 9.6 Billion and the par value of common shares shall be decreased to Php 0.80 per share without reducing the number of common shares, as follows: From: Twelve Billion Pesos (Php 12,000,000,000.00) divided into Twelve Billion (12,000,000,000) Common Shares, To: Nine Billion Six Hundred Million Pesos (Php 9,600,000,000.00) divided into Twelve Billion (12,000,000,000) Common Shares with a par value of Eighty Centavos (Php 0.80) per shares.			
Item 7: After the decrease in authorized capital stock to Php 9.6 Billion, approval of a 1:8 stock split on the Common Shares with par value of Php 0.80 per share, such that the resulting number of shares and par value			

shall become 96,000,000,000 Common Shares with a par value of Php 0.10 per share, after the stock split.			
Item 8: Approval of the Follow-On Offering and Listing of Shares at a size and offer price to be determined at a later date by the Board of Directors which shall be approximately ten percent (10%) of the resulting issued and outstanding shares after the completion of the transaction giving rise to the backdoor listing.			
Item 9: Additional Listing of 486,055,662 Common Shares Subscribed to by Techno-Asia Construction and Devt. Incorporated.			
Item 10: Election of Directors For Regular Directors:			
1. Hilario G. Pagautan			
2. Isaac Hilario G. Pagautan II			
3. Michael Abraham G. Pagautan			
4. Ma. Hilarnie Mercurie P. Parada			
5. Ramon C. Lee			
6. Edgardo V. Caringal			
7. Adrian Paulino S. Ramos			
8. Orlando S. Mercado			
9. Sofia Anne Claire G. Pagautan			
10. Joshua B. Parada			
11. Jaime F. del Rosario			
For Independent Directors:			
1. Roberto A. Baquiran			
2. Jose Ngaw			
Item 11: Delegation to the Board of Directors of the Authority to Appoint the External Auditor			
Item 12: Other Matters.	According to Proxy's Discretion		
Item 13: Adjournment.			

IN CASE A PROXY FORM IS SIGNED AND RETURNED IN BLANK

If no instructions are indicated on a returned and duly signed proxy, the shares represented by the proxy will be voted:

- FOR the approval of the minutes of previous Annual Meeting of the Stockholders;
- FOR the approval of the Management Report and approval of the Audited Financial Statements for the year ended December 31, 2025;
- FOR the confirmation and ratification of all resolutions, contracts, and acts of the Board of Directors and Management from the date of the last stockholders' meeting (June 25, 2025) to date as reflected in the books and records of the Company;
- FOR the approval of the equity restructuring whereby, the authorized capital stock of the Corporation shall be reduced to Php 9.6 Billion and the par value of common shares shall be decreased to Php 0.80 per share without reducing the number of common shares, as follows:

From: Twelve Billion Pesos (Php 12,000,000,000.00) divided into Twelve Billion (12,000,000,000) Common Shares,

To: Nine Billion Six Hundred Million Pesos (Php 9,600,000,000.00) divided into Twelve Billion (12,000,000,000) Common Shares with a par value of Eighty Centavos (Php 0.80) per shares.

- FOR the approval of a 1:8 stock split on the Common Shares with par value of Php 0.80 per share, such that the resulting number of Common Shares and par value shall become 96,000,000,000 Common Shares with a par value of Php 0.10 per share, after the stock split.
- FOR the approval of the Follow-On Offering and Listing of Shares at a size and offer price to be determined at a later date by the Board of Directors which shall be approximately ten percent (10%) of the resulting issued and outstanding shares after the completion of the transaction giving rise to the backdoor listing.
- FOR the approval of the additional listing of 486,055,662 Common Shares subscribed to by Techno-Asia Construction and Devt. Incorporated.
- FOR the election of the following directors:

For Regular Directors:

1. Hilario G. Pagautitan
2. Isaac Hilario G. Pagautitan II
3. Michael Abraham G. Pagautitan
4. Ma. Hilarnie Mercurie P. Parada
5. Ramon C. Lee
6. Edgardo V. Caringal
7. Adrian Paulino S. Ramos
8. Orlando S. Mercado
9. Sofia Anne Clare G. Pagautitan
10. Joshua B. Parada
11. Jaime F. del Rosario

For Independent Directors:

1. Roberto A. Baquiran
2. Jose Ngaw

- FOR the approval of delegation to the Board of Directors of the authority to appoint the External Auditor;
- and to authorize the Proxy to vote according to discretion of the Company's Chairman of the Meeting, on any matter that may be discussed under "Other Matters".

A Proxy Form that is returned without a signature shall not be valid.

VALIDATION OF PROXIES

If you will not be able to attend the meeting but would like to be represented thereat, you must submit a duly signed and accomplished proxy form to the Office of the Corporate Secretary of East Coast Vulcan Mining Corporation at info@eastcoastvulcan.com or at 15F, High Rise Pacific Star Building, Sen. Gil Puyat Avenue, Makati City, Metro Manila, Philippines (Attention: Ana Maria A. Katigbak) to ensure receipt by the Company on or before June 7, 2026. Beneficial owners whose shares are lodged with Philippine Depository and Trust Corporation (PDTC) or registered under the name of a broker, bank, or other fiduciary allowed by law, must likewise present a notarized certification from the owner of record (i.e. the broker, bank, or other fiduciary) that he is the beneficial owner indicating thereon the number of shares. Corporate shareholders shall likewise be required to present a notarized Secretary's Certificate attesting to the authority of its representative to attend and vote at the stockholders'

meeting. Validation of proxies shall be not later than June 11, 2026 at the principal office of East Coast Vulcan Mining Corporation.

REVOCATION OF PROXIES:

A stockholder giving a proxy has the power to revoke it any time before the right granted is exercised. A proxy is also considered revoked if the stockholder attends the meeting in person and expresses his intention to vote in person.

Signed this _____ 2026 at _____.
(DATE) (PLACE)

Printed Name of Stockholder

Signature of Stockholder
or Authorized Signatory

PLEASE DATE AND SIGN YOUR PROXY

PLEASE MARK, SIGN, AND RETURN YOUR PROXY BY HAND OR MAIL (IN TIME FOR IT TO REACH THE COMPANY) ON OR BEFORE 6:00 P.M. OF JUNE 7, 2026.

FORM OF SECRETARY'S CERTIFICATE

REPUBLIC OF THE PHILIPPINES)
CITY OF) S.S

SECRETARY'S CERTIFICATE

KNOW ALL MEN BY THESE PRESENTS:

I, _____, of legal age, Filipino and with business address at the _____, under oath, depose and state that:

I am the Corporate Secretary of _____, the ("Corporation"), a corporation duly organized and existing under the laws of the Philippines, with principal office and place of business at _____.

I hereby certify that at a meeting of the Board of Directors of the said Corporation held at its principal office on _____ at which a quorum was present and acting throughout, the following resolution was unanimously approved:

"RESOLVED, as it is hereby resolved that _____, be appointed by the Corporation to represent it at the meeting of the stockholders of EAST COAST VULCAN MINING CORPORATION scheduled on June 17, 2026 or at any postponement thereof, and in connection therewith, to vote all shares registered in the name of the Corporation or to execute or give any proxies as she/he may deem proper."

IN WITNESS WHEREOF, I have hereunto set my hand on this ____ day of _____ at _____.

Corporate Secretary

SUBSCRIBED AND SWORN TO before me this _____ day of _____, affiant exhibiting to me his _____ issued at _____ on _____ showing his photograph and signature.

Doc No. _____;
Page No.: _____;
Book No. _____;
Series of 2026.

**MINUTES OF THE ANNUAL MEETING
OF THE STOCKHOLDERS
OF
EAST COAST VULCAN MINING CORPORATION**

Held at the G/F, Isabela C, Makati Shangri-La Manila, Ayala Avenue, Makati Ave., Makati City.

On June 25, 2025 at 2:00 p.m.

The 2025 Annual Stockholders' Meeting of East Coast Vulcan Mining Corporation ("ECVC" or the "**Company**") was conducted on June 25, 2025 at 2:00 p.m. at the G/F, Isabela C, Makati Shangri-La Manila, Ayala Avenue, Makati Ave., Makati City.

The presence at the meeting of the members of the Board of Directors and Management was acknowledged.¹

CALL TO ORDER

Mr. Hilario G. Pagautan, Chairman of the Board, acted as Chairman of the meeting and called the same to order.

PROOF OF NOTICE AND CERTIFICATION OF QUORUM

The Corporate Secretary, Atty. Gaspar R. Andres, Jr., reported that pursuant to Section 49 of the Revised Corporation Code, notices (or "**Notice**") of the meeting were sent to all stockholders via courier beginning on June 2, 2025 or at least 21 days before the meeting, based on the Certification dated June 18, 2025 issued by SureMail Courier Services, Inc. A copy of the Notice, together with the Definitive Information Statement, minutes of the previous meeting, and other documents related to this meeting were also made accessible through the Company's website and the Philippine Stock Exchange (or "**PSE**") Edge website.

Qualified stockholders who submitted their proxies within the prescribed period were included in the determination of quorum. Stockholders who were represented by their respective proxies were deemed present for purposes of determining quorum.

Based on this, the Corporate Secretary certified that there were present at the meeting, stockholders owning at least 5,180,114,876 shares representing

¹ See Annex "A" for the list of directors and officers who attended the annual stockholders' meeting.

at least 78.1314% of the outstanding capital stock of the Company. Therefore, a quorum existed for the transaction of business.

With the permission of the Corporation Secretary, the Assistant Corporate Secretary, Atty. Ana Maria A. Katigbak-Lim, discussed the voting procedures adopted for the meeting.

Under the Company's By-Laws, every stockholder with voting privilege shall be entitled to one vote for each share of stock standing in his/her name in the books of the Company. For the election of directors, each stockholder may cumulate his/her votes. Stockholders who successfully registered for the meeting were given the opportunity to cast their votes by submitting their proxy forms or ballots. For items other than the election of directors, the stockholders had the option to either vote in favor of or against a matter for approval, or to abstain. For the election of directors, the stockholders had the option to vote their shares for each of the nominees, not vote for any nominee, or vote for one or some nominees only, in such number of shares as the stockholders prefer; provided that the total number of votes cast did not exceed the number of shares owned by them multiplied by the number of directors to be elected. The thirteen (13) nominees receiving the highest number of votes would be declared the duly elected members of the Board of Directors for the current term.

Finally, stockholders, once successfully registered, were also given an opportunity to raise questions or express comments limited to the agenda items by submitting the same through e-mail. Management endeavored to reply to these questions or address these comments after the Management Report. If, for lack of material time, the Company was unable to answer a relevant and material question timely submitted by a stockholder, the Company undertook to reply to such questions by email.

APPROVAL OF MINUTES OF ANNUAL STOCKHOLDERS' MEETING

The next item of business was the approval of the minutes of the annual meeting of the stockholders held on July 12, 2024, an electronic copy of which was made available on the Company's website.

Upon motion made and seconded, the following resolution was approved:

"RESOLVED, that the minutes of the Annual Stockholders' Meeting of East Coast Vulcan Mining Corporation (the "Corporation") held on July 12, 2024 be, as it is hereby, approved."

Thereafter, the Corporate Secretary announced that stockholders owning at least 5,180,114,876 shares representing at least 78.1314% of the outstanding capital stock voted to approve the resolution while zero shares voted against, and zero shares abstained on the motion. It was noted that the affirmative votes were sufficient to approve the resolution.²

APPROVAL OF THE ANNUAL REPORT AND AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2024

Chairman/President's Report

The next matter on the agenda was the Chairman/President's Report. The Chairman reported on the current active mining operations of the Company which were both located in Dinagat Island, Surigao del Norte and in partnership with other domestic mining corporations, namely Cagdianao Mining Corporation ("CMC") and Libjo Mining Corporation ("LMC"). As compared to the year 2023, the combined revenue of CMC and LMC for the year 2024 was approximately 20% less.

The Chairman also discussed a new venture that was entered into by LMC and Nickel Well Resources, Inc. on May 15, 2025, which aimed to have a minimum ship out of two million tons per year of nickel ore for the Chinese and Indonesian markets. This venture was expected to bring in profit and recover some losses from the 2024 mining operations.

Operations and Financial Report

The next matter on the agenda was the approval of the management report and audited financial statements, copies of which were made available on the Company's website. The Senior Vice President for Finance and Admin, Mr. Jose T. Nacorda, Jr., reported on the Company's operational highlights and financial results, and the audited financial statements for the year ended December 31, 2024.

After the report, no questions were raised by the stockholders during the meeting.

Upon motion made and seconded, the following resolution was approved:

² See Annex "B" for the voting results.

“RESOLVED, that the Annual Report as presented by the Chairman and President, and the Senior Vice President for Finance and Admin, and the Corporation’s audited financial statements for year the ended December 31, 2024 be, as it is hereby, approved.”

Thereafter, the Corporate Secretary announced that stockholders owning at least 5,180,114,876 shares representing at least 78.1314% of the outstanding capital stock voted to approve the resolution while zero shares voted against and zero shares abstained on the motion. It was noted that the affirmative votes were sufficient to approve the resolution.³

RATIFICATION OF PREVIOUS CORPORATE ACTS

The next item was the ratification and approval of corporate acts from the date of the last annual stockholders’ meeting to date. The Chairman stated that a summary of the acts for ratification was included in the Definitive Information Statement.

Upon motion made and seconded, the following resolution was approved:

“RESOLVED, that all acts, proceedings, transactions, contracts, agreements, resolutions and deeds, authorized and entered into by the Board of Directors, Management, and/or Officers of East Coast Vulcan Mining Corporation from the date of the last annual stockholders’ meeting up to the present be, as they are hereby, approved, ratified and confirmed.”

Thereafter, the Corporate Secretary announced that stockholders owning at least 5,180,114,876 shares representing at least 78.1314% of the outstanding capital stock voted to approve the resolution, while zero shares voted against, and zero shares abstained on the motion. It was noted that the affirmative votes were sufficient to approve the resolution.⁴

UPDATED APPROVAL ON THE AMENDMENT OF THE ARTICLES OF INCORPORATION (INCREASE IN AUTHORIZED NUMBER OF SHARES AND DECREASE IN SHARE PAR VALUE)

The next matter on the agenda was the reconfirmation by the stockholders of the proposed amendments to the Company’s Amended Articles of Incorporation for the change in authorized number of shares and

³ See Annex “B” for the voting results.

⁴ See Annex “B” for the voting results.

share par value. The Chairman explained that the proposed amendments were originally approved by the stockholders in the 2023 Annual Stockholders' Meeting, reapproved in the 2024 Annual Stockholders' Meeting, and the stockholders were being requested to refresh and reconfirm such approvals.

The Assistant Corporate Secretary presented Management's request to approve the proposed amendments to the Company's Amended Articles of Incorporation, consisting of (i) the increase in the authorized number of shares from 12,000,000,000 to 120,000,000,000 shares; (ii) the decrease in par value of common shares from Php 1.00 per share to Php 0.10 per share, thereby amending the Seventh Article of the Amended Articles of Incorporation accordingly. As explained in the Definitive Information Statement, the proposed amendments to the Seventh Article of the Amended Articles of Incorporation is part of the Company's shareholder equity restructuring and capital raising activities for its operations.

Upon motion made and seconded, the following resolution was approved:

"RESOLVED, that the Stockholders of East Coast Vulcan Mining Corporation (the "Corporation") hereby approve and reconfirm the increase in the authorized number of shares of the Corporation from 12,000,000,000 to 120,000,000,000 shares and the decrease in the par value of common shares of the Corporation from Php 1.00 to Php 0.10, thereby amending the Seventh Article of the Amended Articles of Incorporation as follows:

SEVENTH. That the amount of capital stock of the Corporation is Twelve Billion Pesos (Php 12,000,000,000.00) Philippine currency, and the said capital is divided into One Hundred Twenty Billion (120,000,000,000) common shares at the par value of Ten centavos (Php 0.10) per share...;

RESOLVED FURTHER, that the Board of Directors be authorized to determine when the change in authorized number of shares and share par value shall be implemented in relation to the proposed equity restructuring and capital raising activities of the Corporation;

RESOLVED, FINALLY, that the directors and officers of the Corporation be hereby authorized to sign, execute, and file with the Securities and Exchange Commission the application for amendment of the Amended Articles of Incorporation of the

Corporation, and such other documents which may be required to give effect to the foregoing resolution.”

Thereafter, the Corporate Secretary announced that stockholders owning at least 5,180,114,876 shares representing at least 78.1314% of the outstanding capital stock voted to approve the resolution while zero shares voted against and zero shares abstained on the motion. It was noted that the affirmative votes were sufficient to approve the resolution.⁵

ELECTION OF DIRECTORS

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

The Assistant Corporate Secretary stated that under the Sixth Article of the Amended Articles of Incorporation, there were thirteen (13) seats in the Board of Directors and the Company was required to have at least two (2) independent directors. She explained that under SEC rules, all nominations for director shall be submitted to and evaluated by the Nominations Committee, and that nominations for Independent Directors shall appear in the Final List of Candidates set forth in the Definitive Information Statement. No other nominations shall be entertained from the floor.

The Assistant Corporate Secretary informed the stockholders that the Company received a total of eleven (11) nominations for Regular Directors, and two (2) for Independent Directors. She explained that nominees receiving the highest number of votes for the eleven (11) available seats for Regular Director, and for the two (2) available seats for Independent Director, would be declared as the duly elected members of the Board of Directors for 2025-2026.

The names of the following nominees for regular and independent directors were announced and it was noted that full details of the background and qualifications of the nominees were disclosed in the Company’s Definitive Information Statement:

For Regular Directors:

Hilario G. Pagautan
Sofia G. Pagautan
Isaac Hilario G. Pagautan II
Michael Abraham G. Pagautan
Ma. Hilarnie Mercurie P. Parada
Ramon C. Lee

⁵ See Annex “B” for the voting results.

Edgardo V. Caringal
Adrian Paulino S. Ramos
Orlando S. Mercado
Sofia Anne Clare G. Pagautan
Joshua B. Parada

For Independent Directors:

Roberto A. Baquiran
Jose Ngaw

The Corporate Secretary announced that based on the tabulation and validation by the Company's stock and transfer agent, stockholders owning at least 5,180,114,876 shares representing at least 78.1314% of the outstanding capital stock voted to elect all the thirteen (13) candidates to the Board of Directors, while zero shares voted against, and zero shares abstained on the motion. It was noted that the affirmative votes were sufficient to approve the resolution.⁶

Thus, there being no other nominees, the Chairman declared all thirteen (13) nominees as the duly elected members of the Board of Directors of the Company for the term 2025-2026, and to act as such until their successors were duly elected and qualified.

APPOINTMENT OF SYCIP GORRES VELAYO & CO. AS EXTERNAL AUDITOR

The next matter on the agenda was the appointment of the Company's external auditor. The Chairman stated that the Company's Audit Committee reviewed the performance of the current auditor and recommended its reappointment. Upon motion made and seconded, the following resolution was approved:

"RESOLVED, that the Stockholders of East Coast Vulcan Mining Corporation (the "Corporation") hereby appoint Sycip Gorres Velayo & Co. as the external auditor of the Corporation for the year 2025."

Thereafter, the Corporate Secretary announced that stockholders owning at least 5,180,114,876 shares representing at least 78.1314% of the outstanding capital stock voted to approve the resolution while zero shares

⁶ See Annex "B" for the voting results.

voted against and zero shares abstained on the motion. It was noted that the affirmative votes were sufficient to approve the resolution.⁷

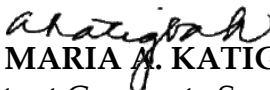
OTHER MATTERS

The Chairman inquired whether there were any other matters to be taken up. The Corporate Secretary responded that there were no other matters on the agenda.

ADJOURNMENT

There being no other matters on the agenda, the Chairman adjourned the meeting and thanked the shareholders for joining the same.

GASPAR R. ANDRES, JR.
Corporate Secretary


ANA MARIA A. KATIGBAK
Assistant Corporate Secretary

ATTESTED BY:

HILARIO G. PAGAUTAN
Chairman of the Meeting

⁷ See Annex "B" for the voting results.

ANNEX A

List of Directors and Officers Who Attended the Annual Stockholders' Meeting Held on June 25, 2025

Hilario G. Pagautan	Chairman, Director, President, Chief Executive Officer, and Chairman of the Executive Committee
Sofia G. Pagautan ⁸	Director, Vice-Chairman
Isaac Hilario G. Pagautan II ⁹	Director, Senior Vice-President on Business Development, and Data Privacy Officer
Michael Abraham G. Pagautan ¹⁰	Director and Chief Risk Officer
Ma. Hilarnie Mercurie P. Parada ¹¹	Director and Treasurer
Orlando S. Mercado	Director and Vice-Chairman of the Executive Committee
Edgardo V. Caringal	Director, Senior Vice-President on Operations, and Chief Compliance Officer
Ramon C. Lee	Director
Sofia Anne Clare G. Pagautan	Director
Joshua B. Parada ¹²	Director
Roberto A. Baquiran	Independent Director and Chairman of the Audit and Risk Oversight Committee
Jose Ngaw	Independent Director
Jose T. Nacorda, Jr.	Senior Vice-President on Finance and Administration and SEC Compliance Officer
Atty. Gaspar R. Andres, Jr.	Corporate Secretary
Atty. Ana Maria A. Katigbak	Assistant Corporate Secretary and Corporate Information Officer
Dave D. Eustaquio	Chief Audit Executive and Internal Audit Head
Lester Laurence S. Baguec	Corporate Finance, Corporate Planning Executive and Investor Relations Officer

⁸ Not physically present during the meeting but attended via teleconference

⁹ Not physically present during the meeting but attended via teleconference.

¹⁰ Not physically present during the meeting but attended via teleconference.

¹¹ Not physically present during the meeting but attended via teleconference

¹² Not physically present during the meeting but attended via teleconference.

ANNEX B
Voting Results

Item subject to Voting	Shares in Favor	% Results who are in Favor	% Results who are Against	% Results who Abstain	Total Percentage
Approval of the minutes of the previous annual stockholders' meeting held on July 12, 2024	At least 5,180,114,876 of the outstanding capital stock	78.1314%	0	0	78.1314%
Approval of the Annual Report and Audited Financial Statements for the year ended December 31, 2024	At least 5,180,114,876 of the outstanding capital stock	78.1314%	0	0	78.1314%
Ratification of all acts of the Board of Director and Management	At least 5,180,114,876 of the outstanding capital stock	78.1314%	0	0	78.1314%
Approval on the Amendment of the Articles of Incorporation, as follows:					
a. to Decrease the Par Value of Common Shares from Php 1.00 per Share, to Php 0.10 per Share; and	At least 5,180,114,876 of the outstanding capital stock	78.1314%	0	0	78.1314%
b. to Increase the Authorized Number of	At least 5,180,114,876 of the	78.1314%	0	0	78.1314%

Shares from 12,000,000,000 to 120,000,000,000 Shares	outstanding capital stock				
Item 7: Election of Directors					
For Regular Directors:					
Hilario G. Pagautan	At least 5,180,114,876 of the outstanding capital stock	78.1314%	0	0	78.1314%
Sofia G. Pagautan	At least 5,180,114,876 of the outstanding capital stock	78.1314%	0	0	78.1314%
Isaac Hilario G. Pagautan II	At least 5,180,114,876 of the outstanding capital stock	78.1314%	0	0	78.1314%
Michael Abraham G. Pagautan	At least 5,180,114,876 of the outstanding capital stock	78.1314%	0	0	78.1314%
Ma. Hilarnie Mercurie P. Parada	At least 5,180,114,876 of the outstanding capital stock	78.1314%	0	0	78.1314%
Ramon C. Lee	At least 5,180,114,876 of the outstanding capital stock	78.1314%	0	0	78.1314%
Edgardo V. Caringal	At least 5,180,114,876 of the outstanding capital stock	78.1314%	0	0	78.1314%
Adrian Paulino S. Ramos	At least 5,180,114,876 of the	78.1314%	0	0	78.1314%

	outstanding capital stock				
Orlando S. Mercado	At least 5,180,114,876 of the outstanding capital stock	78.1314%	0	0	78.1314%
Sofia Anne Claire G. Pagautan	At least 5,180,114,876 of the outstanding capital stock	78.1314%	0	0	78.1314%
Joshua B. Parada	At least 5,180,114,876 of the outstanding capital stock	78.1314%	0	0	78.1314%
For Independent Directors:					
Roberto A. Baquiran	At least 5,180,114,876 of the outstanding capital stock	78.1314%	0	0	78.1314%
Jose Ngaw	At least 5,180,114,876 of the outstanding capital stock	78.1314%	0	0	78.1314%
Item 8: Appointment of Sycip Gorres Velayo & Co. as External Auditor.	At least 5,180,114,876 of the outstanding capital stock	78.1314%	0	0	78.1314%

CERTIFICATION OF INDEPENDENT DIRECTORS

I, **ATTY. ROBERTO A. BAQUIRAN**, Filipino, of legal age and a resident of 121 Valencia St. Abrio, Nuvali, Santa Rosa, Laguna after having been duly sworn to in accordance with law do hereby declare that:

1. I am a nominee for Independent Director of East Coast Vulcan Mining Corporation (formerly, *East Coast Vulcan Corporation*; the "Company" or "ECVC") and have been its Independent Director since 2022.
2. I am affiliated with the following companies or organizations:

Company/Organization	Position/Relationship	Period of Service
B3TY & Co. CPAs	Partner	22 years
Baquiran, Lumanta, and Orpilla Attorneys-at-Law	Partner	7 years

3. I possess all the qualifications and none of the disqualifications to serve as an Independent Director of ECVC, as provided for in Section 38 of the Securities Regulation Code and its Implementing Rules and Regulations.
4. I am related to the following director/officer/substantial shareholder of N.A other than the relationship provided under Rule 38.2.3 of the Securities Code.

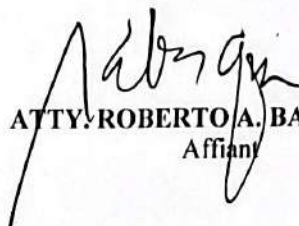
Name of Director/Officer/Substantial Shareholder	Company	Nature of Relationship
N.A	N.A	N.A

5. The best of my knowledge, I am not the subject of any pending criminal or administrative investigation or proceeding / I disclose that I am the subject of the following criminal/administrative investigation or proceeding (as the case may be):

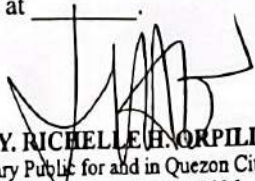
Case No.	Court/Tribunal Pending	Nature of Case
N.A	N.A	N.A

6. I have the required written permission or consent from the N.A to be an Independent Director in N.A, pursuant to the Office of the President Memorandum Circular No. 17 and Section 12, Rule XVIII of the Revised Civil Service Rules. **(Not Applicable)**
7. I shall faithfully and diligently comply with my duties and responsibilities as Independent Director under the Securities Regulation Code and its Implementing Rules and Regulations, Code of Corporate Governance and other SEC issuances.
8. I shall inform the Corporate Secretary of East Coast Vulcan Mining Corporation of any changes in the abovementioned information within five days from its occurrence.

I have hereunto signed this Certification this 07 MAY 2026 in
QUEZON CITY.


ATTY. ROBERTO A. BAQUIRAN
Affiant

SUBSCRIBED AND SWORN to before me this 07 MAY 2026 at _____
QUEZON CITY City, affiant personally appeared before me and exhibited to me his/her
IBP ID NO. 370191 to expire on _____ issued at _____.


ATTY. RICHELLE H. ORPILLA

Notary Public for and in Quezon City
valid until December 31, 2026
Adm. Matter No. 169 (2025-2026)
Unit 417, 4th Floor, Corporate 101 Bldg.,
101 Mo. Ignacia Ave. South Triangle, Quezon City
Roll No. 66077
PTR No. 8397338/Quezon City/01-05-2026
IBP No. INV 577331/Isabela/12-30-2025
MCLE Compliance No. VIII-0027158/04-14-2028

Doc. No. 233 ;
Page No. 48 ;
Book No. 2 ;
Series of 2024 .

CERTIFICATION OF INDEPENDENT DIRECTORS

I, Jose Ngaw, Filipino, of legal age and a resident of Unit AA-414 Galeria de Magallanes, Lapu-Lapu Ave., Brgy. Magallanes, Makati City after having been duly sworn to in accordance with law do hereby declare that:

1. I am a nominee for Independent Director of East Coast Vulcan Mining Corporation (formerly, *East Coast Vulcan Corporation*; the "Company" or "ECVC") and have been its Independent Director since 2023.
2. I am affiliated with the following companies or organizations:

Company/Organization	Position/Relationship	Period of Service
Bahia Shipping Services, Inc.	Board Member	Since 1989

3. I possess all the qualifications and none of the disqualifications to serve as an Independent Director of ECVC, as provided for in Section 38 of the Securities Regulation Code and its Implementing Rules and Regulations.
4. I am related to the following director/officer/substantial shareholder of N.A other than the relationship provided under Rule 38.2.3 of the Securities Code.

Name of Director/Officer/Substantial Shareholder	Company	Nature of Relationship
N.A	N.A	N.A

5. The best of my knowledge, I am not the subject of any pending criminal or administrative investigation or proceeding / I disclose that I am the subject of the following criminal/administrative investigation or proceeding (as the case may be):

Case No.	Court/Tribunal Pending	Nature of Case
N.A	N.A	N.A

6. I have the required written permission or consent from the N.A to be an Independent Director in N.A, pursuant to the Office of the President Memorandum Circular No. 17 and Section 12, Rule XVIII of the Revised Civil Service Rules. (N.A)
7. I shall faithfully and diligently comply with my duties and responsibilities as Independent Director under the Securities Regulation Code and its Implementing Rules and Regulations, Code of Corporate Governance and other SEC issuances.
8. I shall inform the Corporate Secretary of East Coast Vulcan Mining Corporation of any changes in the abovementioned information within five days from its occurrence.

I have hereunto signed this Certification this MAY 06 2026 in
MAKATI CITY


Jose Ngaw
Affiant

SUBSCRIBED AND SWORN to before me this MAY 06 2026 at MAKATI CITY
City, affiant personally appeared before me and exhibited to me his/her _____ to
expire on _____ issued at _____.

Doc. No. 511 ;
Page No. 104 ;
Book No. 20 ;
Series of 2026.


ATTY. DARWIN B. SANTOS
Notary Public for Makati City
Until December 31, 2027
Appointment No. M-009
Roll of Attorney No. 57952
IBP No. 010313-Lifetime Member-December 29, 2011
PTR No. 10765515/Jan. 2, 2026/Makati City
MCLE Compliance VIII No. 0022365/April 14, 2028
Unit 1 A MyHome Residences, 9051 San Nicolas St.
Guadalupe Nuevo, Makati City

REPUBLIC OF THE PHILIPPINES)
MAKATI CITY) S.S.

SECRETARY'S CERTIFICATE

KNOW ALL MEN BY THESE PRESENTS:

I, **ANA MARIA A. KATIGBAK**, Filipino, of legal age, with principal office at the 3rd Floor, The Valero Tower 122 Valero Street, Salcedo Village 1227, Makati City, Philippines, being the duly elected and qualified Assistant Corporate Secretary of **EAST COAST VULCAN MINING CORPORATION** (the "**Corporation**"), a corporation duly organized and existing under the laws of the Philippines with principal office address at the 15th Floor, Pacific Star Bldg., High Rise Tower, Makati Avenue. cor. Senator Gil Puyat Avenue., Makati City, hereby certify that as of the date of this Certification, except for the following directors, no other director or officer of the Corporation is employed by or connected with any government agencies or its instrumentalities:

Name of Director/Officer	Government Agency/ Instrumentality	Position
Mr. Hilario G. Pagautan	Vice Mayor's League of the Philippines (VMLP) - Isabela Chapter	Member
Mr. Michael Abraham G. Pagautan	League of Municipalities of the Philippines (LMP) - Isabela Chapter	Member
Mr. Isaac Hilario G. Pagautan II	Philippine Councilors League (PCL) - Isabela Chapter	Member

Attached hereto is the Certification dated April 23, 2026 issued by the Vice Mayor's League of the Philippines (VMLP) - Isabela Chapter which states that Mr. Hilario G. Pagautan is a member of the Vice Mayor's League of the Philippines (VMLP) - Isabela Chapter and that Mr. Hilario G. Pagautan's membership does not conflict with his position as director and officer of the Corporation.

Likewise attached hereto is the Certification dated April 23, 2026 issued by the League of Municipalities of the Philippines (LMP) - Isabela Chapter which states that Mr. Michael Abraham G. Pagautan is a member of the League of Municipalities of the Philippines (LMP) - Isabela Chapter and that Mr. Michael Abraham G. Pagautan's membership does not conflict with his position as director and officer of the Corporation.

Likewise attached hereto is the Certification dated April 23, 2026 issued by the Philippine Councilors League (PCL) - Isabela Chapter which states that Mr. Isaac Hilario G. Pagautan II is a member of the Philippine Councilors League (PCL) - Isabela Chapter and that Mr. Isaac Hilario G. Pagautan II's membership does not conflict with his position as director and officer of the Corporation.

IN WITNESS WHEREOF, I have hereunto set my hand this MAY 04 2026
in MAKATI CITY, Philippines.


ANA MARIA A. KATIGBAK
Assistant Corporate Secretary

SUBSCRIBED AND SWORN TO before me this MAY 04 2026 at Makati City, Philippines, affiant who is personally known to me and whose identity I have confirmed through her Passport No. P7145377B issued on July 7, 2021 at DFA Manila, Philippines, bearing the affiant's photograph and signature.

Doc. No. 405
Page No. 82
Book No. I
Series of 2026.




JENNIFER D. PAGAY
Appointment No. M-063
Notary Public for Makati City
Until December 31, 2027
Castillo Laman Tan Pantaleon & San Jose Law Firm
The Valero Tower, 122 Valero Street
Salcedo Village, Makati City
PTR No. 10766547; 01-02-2026; Makati City
IBP No. 535835; 12-22-2025; Bulacan Chapter
MCLE No. VIII-0021806; valid from 2-14-2025
valid until 4-14-2028; Pasig City
Roll No. 91663



VICE MAYORS' LEAGUE OF THE PHILIPPINES
ISABELA CHAPTER

CERTIFICATION

This is to certify that HON. HILARIO G. PAGAUTAN, incumbent Vice Mayor of the Municipality of Santa Maria, Province of Isabela, is currently a member of the Vice Mayors' League of the Philippines (VMLP), Isabela Chapter.

It is further certified that his membership shall not run-in conflict with his position as a Director and Officer of East Coast Vulcan Mining Corporation (*Formerly: East Coast Vulcan Corporation*).

This certification is being issued for whatever legal purpose it may serve.

23 April 2026.


HON. LOURDES SEGARRA PANGANIBAN
President



PHILIPPINE COUNCILORS LEAGUE
ISABELA CHAPTER

CERTIFICATION

This is to certify that HON. ISAAC HILARIO G. PAGAUTAN II, incumbent Councilor of the Municipality of Santa Maria, Province of Isabela, is currently a member of the Philippine Councilors League (PCL), Isabela Chapter.

It is further certified that his membership shall not run-in conflict with his position as a director and officer of East Coast Vulcan Mining Corporation (*Formerly: East Coast Vulcan Corporation*).

This certification is being issued for whatever legal purpose it may serve.

23 April 2026.

HON. ANTONIO HUI
President



LEAGUE OF MUNICIPALITIES OF THE PHILIPPINES
ISABELA CHAPTER

CERTIFICATION

This is to certify that HON. MICHAEL ABRAHAM G. PAGAUTAN, incumbent Mayor of the Municipality of Santa Maria, Province of Isabela, is currently a member of the League of Municipalities of the Philippines (LMP), Isabela Chapter.

It is further certified that his membership shall not run-in conflict with his position as a director and officer of East Coast Vulcan Mining Corporation (*Formerly: East Coast Vulcan Corporation*).

This certification is being issued for whatever legal purpose it may serve.

23 April 2026.


HON. FAUSTINO "INNO" A. DY V
President

**Final List of Candidates
For Election as Independent Directors**

A. Candidate for Election as Independent Directors

Name	Age	Current Position	Period of Service From To
Roberto A. Baquiran	65	Independent Director	October 14, 2022 to present
Jose Ngaw	76	Independent Director	September 11, 2023 to present

Mr. Baquiran and Mr. Jose Ngaw possess the qualifications and none of the disqualifications of an independent director.

Directors elected in the Annual meeting of Stockholders have a term of office of one (1) year and serve as such until their successors are elected and qualified in the next succeeding Annual Meeting of Stockholders, provided that a director who was elected to fill in a vacancy arising in the Board shall only serve the unexpired term of his predecessors.

B. Business Experience During the Past Five (5) years of Candidate for Independent Director.

Roberto A. Baquiran is a Certified Public Accountant and a member of the Integrated Bar of the Philippines. He was appointed as Chief of Staff of the Commissioner of Internal Revenue by former President Rodrigo Roa Duterte in 2018. He is an experienced tax practitioner, being with the Bureau of Internal Revenue (BIR) for 30 years. He rose from the ranks and held the posts of Chief of the National Investigation Division, Asst. Regional Director and Revenue District Officer (Makati), as well as technical assistant at the Office of the Commissioner of Internal Revenue, Office of the Deputy Commissioners for Legal and Enforcement, and Operations Groups, and revenue audit examiner. At the BIR, he became a member of the VAT Ruling Committee, Income Tax Regulations Committee and E-Commerce Regulations Committee. Currently, he is a Partner at Baquiran Benitez Belarmino Ting and Yu Accounting Office and the Baquiran Lumanta and Orpilla Attorneys-at-Law.

Jose Ngaw is a member of the Integrated Bar of the Philippines. He is likewise serving as an Independent Director of IRemit, Inc. and a member of the Board of Directors of Bahia Shipping Services, Inc. Throughout his career, he previously served as the Board Advisor of the Philippine National Bank and Philippine Airlines, Inc., President of PNB Holdings, Inc., Board Secretary of Century Park Hotel, member of the Board of PNB Int'l Investment Corp. (U.S.A.) and PNB Securities, Inc., and Board of Trustee of University of the East and U.E.R.M. Medical Center. Being Filipino-Chinese, aside from the Filipino and English languages, he is also fluent in Fukienese, Cantonese, and Mandarin (Putonghua) Chinese languages.

The Candidates for Independent Director have no Directorship in other Reporting Companies.

C. Family Relationship

The candidates for election as independent directors of the Company are NOT related by consanguinity or affinity with any other member of the Company's Board of Directors.

D. Involvement in Certain Legal Proceeding

The Company is not aware of: (1) any bankruptcy petition filed by or against any business of which an independent director, person nominated to become an independent director of the Company was a general partner or executive officer either at the time of the bankruptcy or within two (2) years prior that time; (2) any conviction by final judgment in a criminal proceeding, domestic or foreign, or being subject to a pending criminal proceeding, domestic or foreign, excluding traffic violations and other minor offenses of any independent director or person nominated to become an independent director; (3) any other, judgment or decree, not subsequently reversed, suspended or vacated, or any court of competent jurisdiction, domestic or foreign, permanently or temporarily enjoining, barring, suspending or otherwise limiting the involvement in any type of business, securities, commodities or banking activities an independent director, person nominated to become an independent director or the Company; and, (4) judgment against an independent director, person nominated to become an independent director found by a domestic or foreign court of competent jurisdiction (in a civil action), the Philippine Securities and Exchange Commission or comparable foreign body, or a domestic or foreign exchange or electronic marketplace or self-regulatory organization, to have violated a securities or commodities law, and the judgment has not been reversed, suspended, or vacated.

There has been NO transaction during the last two years, nor is any transaction presently proposed, to which the Company was or is to be a party in which any independent director of the Company, or nominee for election as an independent director, or any member of the immediate family (including spouse, parents, children, siblings, and in-laws) of any of the foregoing persons had or is to have a direct or indirect material interest. In the ordinary and regular course of business, the Company had or may have transactions with other companies in which some of the foregoing persons may have an interest.

E. Security Ownership of Candidates for Independent Directors

The candidates for independent director own the following number of voting shares as of April 30, 2025:

Type	Name of Beneficial Owner	Amount/Nature of Beneficial Ownership		Citizenship	Percentage of Ownership
		Direct	Indirect		
Common	Roberto A. Baquiran	19,997	0	Filipino	<0.001%
Common	Jose Ngaw	1	0	Filipino	<0.001%

F. Voting Trust Holders of 5% or more

The candidates for election as independent directors do not hold more than 5% of any class of the Company's securities under voting trust or similar agreement.

G. Changes in Control

The election of independent director will not result in a change in control of the Company.



SECURITIES AND EXCHANGE COMMISSION

THE SEC HEADQUARTERS 7907 Makati Avenue, Salcedo Village, Bel-Air, Makati City
1209 Trunk Line No:02-5322-7696 Email Us:www.sec.gov.ph/imessagemo@sec.gov.ph



The following document has been received:

Receiving: DONNA ENCARNADO

Receipt Date and Time: May 15, 2026 10:07:14 PM

Company Information

SEC Registration No.: 0000007443

Company Name: EAST COAST VULCAN MINING CORPORATION

Industry Classification: D24294

Company Type: Stock Corporation

Document Information

Document ID: OST105152026811388413

Document Type: ANNUAL_REPORT

Document Code: SEC_Form_17-A

Period Covered: December 31, 2025

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Remarks: with fs-c

Acceptance of this document is subject to review of forms and contents

COVER SHEET

SEC Registration Number

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C	O	A	S	T	V	U	L	C	A	N	C	O	R	P	O	R	A	T	I	O	N	)		

(Company's Full Name)

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M	A	K	A	T	I	C	I	T	Y	,	M	E	T	R	O	M	A	N	I	L	A			

(Business Address: No., Street City / Town / Province)

Atty. Ana Maria A. Katigbak
Contact Person

(632) 8511-8312/8817-6791
Company Telephone Number

1 2 3 1
Month Day
Fiscal Year

2025 Annual Report - SEC Form 17-A
(With attachment – Audited Financial
Statements 2025 and Sustainability Report)
FORM TYPE

last Wednesday
of May
Month Day
Annual Meeting

Secondary License Type, If Applicable

Dept Requiring this Doc
Section

Amended Articles Number /

Total No. of Stockholders

Total Amount of Borrowings
Domestic Foreign

To be accomplished by SEC Personnel concerned

File Number

LCU

Document ID

Cashier

STAMPS

Remarks: Please use BLACK ink for scanning purposes

SEC Number 7443
File Number _____

**EAST COAST VULCAN MINING CORPORATION
(formerly, EAST COAST VULCAN CORPORATION)**

(Company's Full Name)

**15TH FLOOR, HIGH RISE PACIFIC STAR BUILDING,
SEN. GIL PUYAT AVENUE, MAKATI CITY, METRO MANILA, PHILIPPINES**

(Company's Address)

(02) 8511 – 8312

(Telephone Number)

DECEMBER 31, 2025

(Fiscal Year Ending)
(month & day)

SEC FORM 17-A

Form Type

Amendment Designation (if applicable)

(Secondary License Type and File Number)

SECURITIES AND EXCHANGE COMMISSION
SEC FORM 17-A
ANNUAL REPORT PURSUANT TO SECTION 17
OF THE SECURITIES REGULATION CODE AND SECTION 141
OF CORPORATION CODE OF THE PHILIPPINES

1. For the fiscal year ended December 31, 2025
2. SEC Identification Number 7443 BIR Tax Identification No. 000 - 062 - 736
4. Exact name of registrant as specified in its charter **East Coast Vulcan Mining Corporation**
5. Philippines
Province, Country or other jurisdiction of
incorporation or organization
6. (SEC Use Only)
Industry Classification Code:
7. 15th Floor, High Rise Pacific Star Building,
Sen. Gil Puyat Avenue, Makati City, Metro Manila, Philippines
Address of principal office 1226
Postal Code
8. (02) 8511 - 8312
Registrant's telephone number, including area code
9. **East Coast Vulcan Corporation / 4th Floor, Low Rise Pacific Star Bldg., Sen. Gil Puyat Avenue,**
Makati City, Metro Manila, Philippines
Former name, former address, and former fiscal year, if changed since last report.
10. Securities registered pursuant to Sections 4 and 8 of the RSA

Title of Each Class	Number of Shares of Common Stock Outstanding
Common stock, ₱ 1.00 par value	6,630,000,000

11. Are any or all of these securities listed on the Philippine Stock Exchange.

Yes [X] No []

12. Check whether the registrant:

(a) has filed all reports required to be filed by Section 17 of the SRC and SRC Rule 17 thereunder or Section 11 of the RSA and RSA Rule 11(a)-1 there under and Sections 26 and 141 of The Corporation Code of the Philippines during the preceding 12 months (or for such shorter period that the registrant was required to file such reports);

Yes [X] No []

(b) Has been subject to such filing requirements for the past 90 days.

Yes [X] No []

13. Aggregate market value of the voting stock held by non-affiliates of the registrant
₱389.90 million (1,444,062,350 at P0.27/share as of December 23, 2025. Note: December 30, 2025 is a holiday while December 26, 29 and 31, 2025 are not trading days).

EAST COAST VULCAN MINING CORPORATION
(formerly, EAST COAST VULCAN CORPORATION)
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PART I - BUSINESS AND GENERAL INFORMATION

Item 1. Business

East Coast Vulcan Mining Corporation (the Company or ECVMC) was incorporated and registered with the Philippine Securities and Exchange Commission (SEC) on January 13, 1953 under the name “Vulcan Manufacturing Corporation” and was listed in the Philippine Stock Exchange (PSE) on August 31, 1970. On June 15, 1977, the Company first amended its articles of incorporation and changed its name to “Vulcan Industrial & Mining Corporation”. Thereafter, the Company again amended its articles of incorporation and changed its name to “East Coast Vulcan Corporation” on May 29, 2023, and to “East Coast Vulcan Mining Corporation” on April 19, 2024. The Company’s corporate life was extended for another 50 years on January 13, 2003. The Company’s registered address is at the 15th Floor, High Rise Pacific Star Building, Sen. Gil Puyat Avenue, Makati City, Metro Manila, Philippines.

The Company is involved in finding, developing and producing oil and gas reserves and other mineral properties. The Company is a participant in several Service Contracts (SCs), Mineral Production Sharing Agreements (MPSAs) and Geophysical Survey and Exploration Contracts (GSECs) entered with the Philippine Government, through the Department of Energy (DOE).

On July 1, 2021, the Company entered into a Memorandum of Agreement (MOA) with the majority stockholders of East Coast Mineral Resources Company Incorporated (ECMRCI) represented by Hilario G. Pagautan and Sofia G. Pagautan (the HGP Group) for the latter’s subscription to up to 5,180,000,000 shares of ECVMC arising from an increase in authorized capital stock.

At the shareholders’ meeting held on November 8, 2021, the shareholders approved the said increase of the authorized capital stock of the corporation from 4 Billion Pesos (P4,000,000,000.00) to 12 Billion Pesos, or an increase in the amount of 8 Billion Pesos (P8,000,000,000.00), for subscription by, among others, the group led by Hilario G. Pagautan and Sofia G. Pagautan (hereinafter referred to as “the HGP Group”). The subscription to the increase of capital stock will be paid by the HGP Group through the fold-in of 99.99% ownership of East Coast Mineral Resources Company Inc. (ECMRCI) into the Company, based on an approved value of Php 5.18 billion.

On May 29, 2023, the SEC approved the Company’s application for the amendment of its Articles of Incorporation for the (i) change of its corporate name to “East Coast Vulcan Corporation,” (ii) change of number of directors to thirteen, and (iii) change of principal office address to the 4th floor, Pacific Star Building, Low Rise Tower, Makati Avenue corner Senator Gil Puyat Avenue, Makati City, Philippines, 1209. The SEC likewise approved the Company’s application to increase its authorized capital stock from 4 Billion Pesos (P4,000,000,000.00) to 12 Billion Pesos (P12,000,000,000.00) on the same date.

The 5.18 billion (5,180,000,000) common shares were issued in exchange for 100% ownership of ECMRCI, a corporation engaged in mining operations. Currently, the application for the Certificate Authorizing Registration (“CAR”) out of the said exchange is still being processed with the Bureau of Internal Revenue.

Further, upon the approval of the Securities and Exchange Commission of the capital increase, the Company filed an application for the listing of the attendant shares with the Philippine Stock Exchange. The contemplated approval of the said business combination transaction will result in ECMRCI becoming a wholly owned subsidiary of the Company and thus will allow the Company to consolidate ECMRCI’s operations into its books.

The Company is all set with its plans to revitalize its operations and structure to create a more efficient and profitable mining company. In line with its plans and future developments, the management is in discussion with both foreign and local partners and investors, given the prospects of more opportunities for the Company and its stockholders. With the successful acquisition of 100% of ECMRCI and the approved increase in capital stock of the Company, the Company holds the operation of two profitable mining areas in the Province of Dinagat Island.

At its annual meeting in September 2023, the stockholders approved the amendment to the Company's Articles of Incorporation to increase the authorized number of ECVMC shares from 12,000,000,000 to 120,000,000,000 shares, while simultaneously decreasing the share par value from PhP1.00 to PhP0.10, and thus, maintaining the stockholders' position. This move to amend the par value vis-à-vis the number of shares is more beneficial to the Company stockholders as it will increase liquidity and trading in the shares, and at the same time places a milestone on the Company's direction as a significant and determined mining company with the aim of declaring dividends in the coming periods.

On April 19, 2024, the Securities and Exchange Commission approved the Company's application for the amendment of its Articles of Incorporation for the (i) change of its corporate name to "East Coast Vulcan Mining Corporation," and (ii) change of principal office address to the 15th Floor, High Rise Pacific Star Building, Sen. Gil Puyat Avenue, Makati City, Metro Manila, Philippines.

Sources and Availability of Raw Materials -

Since the Company has not had any commercial operations, it does not depend on any one or a limited number of suppliers for essential raw materials, energy or other items.

Status of Any Publicly-announced New Product or Services – NONE

Competition

Significant and increasing competition exists for petroleum and mineral acquisition opportunities throughout the Philippines. As a result of this competition, the Company may be unable to acquire rights to exploit additional attractive petroleum and mining properties on terms the Company considers acceptable.

The Company had accumulated mineral and petroleum concessions during the time that the industry was at its lowest and, consequently, had a good chance of developing these resources into mineral and petroleum finds. As of December 31, 2018, the Company has written off or assigned all its mineral and petroleum assets in line with its decision to cease to engage in the business of mining, oil, petroleum, industrial development, mineral processing and other related activities.

Mining

As the Company was still in the stages of exploration before the assignment of its mineral assets, it cannot consider any other Company as competitor.

Dependence on One or a Few Major Customers – Not applicable

The Company is not dependent on single or few customers. It has no major existing sales contracts with its current customers.

Transactions with and/or Dependence on Related Parties – Not applicable

Patents, trademarks, Licenses, Franchises, Concessions, Royalty Agreements, or Labor Contracts –

The Company has no patents, trademarks or labor contracts relating to intellectual property matters.

Government Approval of principal products or services- Not applicable.

Effect of existing or probable government regulations on the business

The present existing and probable government regulations will not have so much effect on the current business of the Company because the Company is compliant with the existing laws on mining operations.

Amount Spent on development cost activities, and its percentage to revenues during each of the last three fiscal years – Not applicable.

Cost and effects of compliance with environmental laws

The Company has an outstanding strict policy of adherence to the environmental laws according to the Environmental Clearance Certificate (ECC) granted by the Department of Environment and Natural Resources and the Environmental Protection and Enhancement Program (EPEP).

Compliance with all government and non-government requirements such as MPSA, ECC, environmental programs, etc. have made the Company a recognized entity in the aggregate industry through its subsidiary.

Employees

Due to the reorganization of the Company that commenced in the fourth quarter of 2012 and the intended listing of National Book Store, Inc., the Company had retired all of its employees during the first semester of 2013. There are no employees who are subject to any Collective Bargaining Agreement (CBA). The Company hired a Professionals to do the reportorial report to government and private companies.

Financial Risk Management

The main risk arising from the Company's financial instruments are credit risk, liquidity risk, equity price risk and interest rate risk. The Board reviews and agrees on policies for managing each of these risks and they are summarized below:

Credit Risk

Credit Risk is the risk the Company will incur losses if its counterparties fail to discharge their contractual obligations.

The Company manages and control credit risk by doing business mostly only with recognized, creditworthy third parties. It is the Company's policy that all customers who wish to trade on credit terms are subject to credit procedures. In addition, receivable balances are monitored on an ongoing basis with the result that the Company's exposure to bad debts to a minimum level.

Since the Company trades only with recognized third parties, there is no requirement for collateral.

Liquidity Risk

Liquidity risk is defined as the risk that the Company would not be able to settle or meet its obligations on time or at a reasonable price. Management is responsible for liquidity, funding as well as settlement management. The Company's objective is to maintain a balance between continuity of funding and flexibility by availing of credit facilities from various suppliers. The Company mainly sources its funds through the use of bank loans and advances from related parties.

Equity Price Risk

Equity price risk is the risk that the value of a financial instrument will fluctuate because of changes in market price. The Company is exposed to equity securities price risk because of financial assets held by the Company, which are classified on the parent Company balance sheets as AFS financial assets. The possible changes in the fair value of AFS financial assets could be brought by changes in the equity indices.

MINING CLAIMS

Shown below are the Company's current mining contracts in the form of Mineral Production Sharing Agreements (MPSA) with the Philippine Government, which were acquired by the Company from ECMRCI pursuant to the share-swap transaction that was approved by the SEC last May 29, 2023 *which were the following:*

<i>Mining Claim Number</i>	<i>Location</i>
MPSA 078-97-XIII (SMR)	Brgy. Valencia, Caganao, Surigao Del Norte
MPSA 232-2007-XIII (SMR)	Libjo, Surigao Del Norte
MPSA 233-2007-XIII (SMR)	Loreto, Surigao Del Norte

PART II - OPERATIONAL AND FINANCIAL INFORMATION

Item 2. Properties

Pursuant to the Memorandum of Agreement between Sps. Pagaitan and TACD, the Company is expecting to receive and acquire real properties that are being offered by TACD as payment for the subscription price for the 486,055,662 partially-paid ECVMC shares. At present, the transaction is still in process.

Item 3. Legal Proceedings

There is no material pending legal proceeding to which the Company or its subsidiary or affiliate is a party, or of which any of their property is the subject.

Item 4. Submission of Matters to a Vote of Security Holders

There were no matters submitted to a vote of security holders during the fiscal year covered by this report, other than those voted upon at the Annual Stockholders' Meeting held on June 25 2025.

Item 5. Market for Issuer's Common Equity and Related Stockholder Matters

The principal market where the issuer's common equity is traded to the Philippine Stock Exchange. The high and low sale price of the Company's shares for each quarter during the last two (2) fiscal years 2023 and 2024 and the first quarter of the current fiscal year 2025, expressed in Philippine Pesos, are as follows:

<u>2026</u>	<u>High</u>	<u>Low</u>
First Quarter	0.435	0.260
<u>2025</u>	<u>High</u>	<u>Low</u>
First Quarter	0.385	0.290
Second Quarter	0.325	0.275
Third Quarter	0.440	0.275
Fourth Quarter	0.350	0.245
<u>2024</u>	<u>High</u>	<u>Low</u>
First Quarter	0.79	0.52
Second Quarter	0.72	0.53
Third Quarter	0.60	0.43
Fourth Quarter	0.475	0.26

As of December 31, 2025 of this Annual Report, the market price of the Company's share is P0.27 per share. The Company is not trading its common equity outside of the Philippine Stock Exchange, Inc.

The Company had not declared any dividends in fiscal years 2025 and 2024.

The Company's ability to declare and pay dividends on common equity is restricted by the availability of sufficient retained earnings.

The number of shareholders of record as of December 31, 2025 was one thousand nine hundred (1,901). All of the Company's shares of stock are common shares of which 0.30% or 19,838,902 shares are foreign-owned.

The Top 20 Stockholders as of December 31, 2025 are:

RANK	NAME	# of Shares	% of Total
1	PAGUITAN, HILARIO G.	4,931,878,000	74.3873
2	PCD NOMINEE CORPORATION*	911,919,435	13.7544
	FILIPINO - 896,054,954		
	NON-FILIPINO - 15,864,481		
3	TECHNO-ASIA CONSTRUCTION AND DEV'T INCORPORATION	486,055,662	7.3312
4	PAGUITAN, SOFIA G.	165,242,000	2.4923
5	PAGUITAN II, ISAAC HILARIO G.	59,570,000	0.8985
6	PAGUITAN, MICHAEL ABRAHAM G.	15,540,000	0.2344
7	PARADA, MA. HILARNIE MERCURIE P.	7,770,000	0.1172

8	SY,EUGENE	3,000,000	0.0452
9	BPI FAO IBOD	2,970,555	0.0448
10	ACUNA, EMMANUEL	2,800,000	0.0422
11	YAN, LUCIO W.&OR CLARA YAN	2,500,000	0.0377
12	WISE SECURITIES PHILS., INC	1,690,000	0.0255
13	CAMPOS, LANUZA & CO., INC	1,500,769	0.0226
14	RAMOS-PADILLA, MAUREEN ALEXANDRA CONSUELO	1,500,569	0.0226
15	G & L SECURITIES CO., INC	880,000	0.0133
16	L.M. GARCIA & ASSOCIATES, INC	623,724	0.0094
17	VIMC SPECIAL ACCOUNT	576,500	0.0087
18	MENDOZA, ALBERTO & /OR JEANIE C. MENDOZA	564,950	0.0085
19	CARLOS, FILOMENA R.	537,672	0.0081
20	YAN, LUCIO W.	524,904	0.0079

No unregistered securities were sold during the past three (3) years. All of the Company's issued and outstanding shares of stocks are duly registered in accordance with the provisions of the Securities Regulation Code.

Item 6. Management's Discussion and Analysis or Plan of Operation

ECVC and ECMRCI Share-for-Share Swap Transaction

On July 1, 2021, the Company entered into a Memorandum of Agreement (MOA) with the majority stockholders (HGP Group) of East Coast Mineral Resources Company Incorporated (ECMRCI) for the latter's subscription to up to 5,180,000,000 shares of ECVMC arising from an increase in authorized capital stock.

Amendment of Articles of Incorporation

At the shareholders' meeting held on November 8, 2021, the shareholders and Board of Directors of the Company approved the following amendments to the Company's Articles of Incorporation

- Change in corporate name to "East Coast Vulcan Corporation";
- Change in principal office address to 4th Floor, Low Rise, Pacific Star Building, 1226 Sen. Gil J. Puyat Ave., Makati City, Metro Manila; and,
- Increase in authorized capital stock from 4 billion shares to 12 billion shares, or the subscription by, among others, the group led by the HGP Group.

The subscription to the increase of capital stock will be paid by the HGP Group through the fold-in of 99.99% ownership of East Coast Mineral Resources Company Inc. (ECMRCI) into the Company, based on an approved value of Php 5.18 billion.

In 2022, the Company submitted its application for the amendment of Articles of Incorporation as discussed above to the SEC. On May 29, 2023, the SEC approved the Company's application for the amendment of its Articles of Incorporation.

Upon approval of the SEC on May 29, 2023, the Company issued 5,100,000,000 common shares with par value of One Peso (Php1.00) per share to the HGP Group in exchange for the 100% outstanding shares of ECMRCI ("the Share Swap transaction") which resulted in ECVC obtaining 100% interest in and control over ECMRCI. The Company likewise filed an application for the listing of the attendant shares with the Philippine Stock Exchange.

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Currently, the Company is now in the process of cleaning up a deficit which existed prior to the acquisition of ECVMC by the East Coast Group. At its annual meeting in September 11, 2023, the shareholders and Board of Directors of the Company approved the following amendment in the Company's Articles of Incorporation:

- Change in corporate name to "East Coast Vulcan Mining Corporation";
- Change in principal office address to Unit 1502, Pacific Star Building, Sen. Gil J. Puyat Ave., Makati City, Metro Manila 1209; and
- Increase in the authorized number of ECVMC shares from 12,000,000,000 to 120,000,000,000 shares, while simultaneously decreasing the share par value from PhP1.00 to PhP0.10, and thus, maintaining the stockholders' position

Thus, in 2023, the Company submitted its application for the amendment of Articles of Incorporation to the SEC for the (i) change in the Company's corporate name to "East Coast Vulcan Mining Corporation"; and (ii) change in principal office address to Unit 1502, Pacific Star Building, Sen. Gil J. Puyat Ave., Makati City, Metro Manila 1209. On April 19, 2024, the SEC approved the Company's application for the amendment of its Articles of Incorporation for the purposes stated above.

The Company is also processing the full payment of the 486,055,662 partially-paid ECVMC shares that were assigned and transferred by Hilario G. Pagauitan and Sofia G. Pagauitan (hereinafter, "Sps. Pagauitan") to Techno-Asia Development Corporation ("TACD") as part of its quasi-restructuring plan, pursuant to a Memorandum of Agreement dated June 22, 2023 ("MOA"). Among others, the MOA provides that TACD shall assume the obligation to pay to the Company the unpaid subscription balance for the Shares in either cash, shares, and/or assets acceptable to the Company's Board of Directors. Pursuant to the MOA, Spouses Pagauitan and TACD executed a Deed of Assignment of Partially-Paid Shares dated September 11, 2023, for the assignment of the 486,055,662 partially-paid shares of East Coast Vulcan Corporation (the "Company") to TACD. The 486,055,662 partially-paid shares currently represent 7.33% of the outstanding capital stock of 6,630,000,000 common shares of the Company.

At present, the Company and TACD are currently collating the necessary documents required to finalize the transaction. Thus, the payment of the subscription price for the 486,055,662 partially-paid ECVMC shares is still in process.

Upon finalizing the full payment of the 486,055,662 partially-paid ECVMC shares, the Company, as part of its quasi-restructuring plan, likewise intends to proceed applying for the decrease of the par value of ECVMC shares with the SEC, thereby amending Article Seventh of the Corporation's Articles of Incorporation, to state that the amount of capital stock of the Company is Twelve Billion Pesos (Php 12,000,000,000.00) Philippine currency, and the said capital is divided into One Hundred Twenty Billion (120,000,000,000) common shares at the par value of Ten centavos (Php 0.10) per share.

This move to amend the par value vis-à-vis the number of shares is more beneficial to the Company stockholders as it will increase liquidity and trading in the shares, and at the same time places a milestone on the Company's direction as a significant and determined mining company with the aim of declaring dividends in the coming periods. Accordingly, the proposed quasi-restructuring and decrease in the par value of common shares of the Company will allow further business development, additional floating of shares, and fund raising to invite potential investors and partners, all with the ultimate aim declaring dividends in the coming periods.

There are NO known trends, demands, commitments, events or uncertainties that have or are reasonably likely to have material impact on the Company's liquidity. Should the Company's cash

position be not sufficient to meet current requirements, the Company may consider borrowing from its subsidiary.

The Company has NO material commitments for capital expenditures EXCEPT for the Company's exploration and development costs in mineral projects.

Results of Operations

2025 compared to 2024 and 2023

For the year 2025, the Company incurred net loss amounting to ₱64.25 million which was mainly due to the increase of amortization and finance costs during the year. The loss came from the operations of its subsidiary, ECMRCI. This is the same in 2024 where the company incurred net loss amounting to ₱79.45 million which was mainly due to the increase of amortization and finance costs. This was in contrast to the Company's financial results in 2023, where the Company incurred a net income of ₱134.41 million

Total costs and expenses for years 2025, 2024 and 2023 amount to ₱399.96 million, ₱266.79 million, ₱180.01 million, respectively. Expenses incurred in 2025, 2024, and 2023 was mostly for amortization, depreciation, commission fees, and salaries and wages.

Causes for Any Material Change from 2024 to 2025 of Financial Statements, with Vertical and Horizontal Analyses of any Material Item:

Statement of Income 2025 compared to 2024

	Horizontal Analysis				Vertical Analysis	
	2025	2024	Change	% Change	2025	2024
REVENUES	₱450,949,372	₱289,229,219	161,720,153	55.91%	100.0%	100.0%
OPERATING EXPENSES	399,955,643	266,791,239	133,164,404	49.91%	88.7%	92.2%
OPERATING INCOME (LOSS)	50,993,729	22,437,980	28,555,749	127.27%	11.3%	7.8%
OTHER INCOME (CHARGES) - net						
Finance costs	(61,291,486)	(78,084,24)	16,972,754	(21.51%)	(13.6%)	(27.0%)
Unrealized foreign exchange loss - net	1,003,663	403,512	600,151	148.73%	0.2%	(0.1%)
Finance income	3,052	1,986	1,066	53.68%	0.00%	0.00%
	(60,284,771)	(77,678,742)	17,393,971	(22.39%)	(13.4%)	(26.9%)
INCOME (LOSS) BEFORE INCOME TAX	(9,291,042)	(55,240,762)	45,949,720	(83.18%)	(2.1%)	(19.1%)
PROVISION FOR (BENEFIT FROM) INCOME TAX						
Current	(1,461,225)	(1,964,989)	503,764	(25.64%)	(0.3%)	(0.7%)
Final	(53,826,892)	(22,466,447)	(31,360,445)	139.59%	(11.9%)	(7.8%)
Deferred	326,296	225,975	100,321	44.39%	0.1%	0.1%
	(54,961,821)	(24,205,461)	(30,756,360)	127.06%	(12.2%)	(8.4%)
NET INCOME (LOSS)	<u>(₱64,252,863)</u>	<u>(₱79,446,223)</u>	15,193,360	(19.12%)	(14.2%)	(27.5%)

Revenues

The revenue of the Company decreased by ₱161.72 million or 55.91% from ₱289.23 million in 2024 to ₱450.95 million in 2025. These were due to increase of shipments of Operators and increase in price of nickel in 2025.

Operating expenses

Operation expenses net increased by 49.91% or ₱133.16 million from ₱266.79 million in 2024 to ₱399.96 million in 2025. The increase was mainly due to the following:

- **Depreciation and amortization** increased by ₱141.97 million or 97% from ₱146.77 million in 2024 to ₱288.74 million in 2024 due to additions of mining rights and heavy equipments.
- **Management fee** decreased by ₱14.46 million or 100% from ₱14.46 million in 2024 to none this year.
- **Miscellaneous expense** decreased by ₱4.92 million or 43.62% from ₱11.29 million in 2024 to ₱6.37 million in 2025 due to decrease of insurance of equipments.

Finance cost decreased by ₱16.79 million or 21.51% from ₱78.04 million in 2024 to ₱61.29 million in 2025 due to decrease of loans 2025.

Unrealized foreign exchange loss – net increase by ₱600.51 thousand or 148.73% from ₱403.51 thousand to ₱1.0 million in 2025 due to forex gain transaction.

Final income tax increase by ₱31.36 million or 139.59% from ₱22.47 million to ₱53.83 million in 2025 due to adjustments.

Financial Position

On May 29, 2023, the SEC approved the Company's application to increase its authorized capital stock from 4 Billion Pesos (₱4,000,000,000.00) to 12 Billion Pesos (₱12,000,000,000.00).

The 5.18 billion (5,180,000,000) common shares were issued in exchange for 100% ownership of ECMRCI, a corporation engaged in mining operations.

Further, the approval of the SEC of the capital increase and the said business combination transaction resulted to ECMRCI becoming a wholly owned subsidiary of the Company and thus allowed the Company to consolidate ECMRCI's operations into its books.

As of December 31, 2025, the Company's consolidated total equity is ₱1.21 Billion and in 2025, the Company has incurred cumulative income amounting to ₱286.61.

Causes for Any Material Change from 2024 to 2025 of Financial Statements, with Vertical and Horizontal Analyses of any Material Item:

Statement of Financial Position 2025 compared to 2024

	Horizontal Analysis				Vertical Analysis	
	2025 Audited	2024 Audited	Change	% Change	2025	2024
ASSETS						
Current Assets						
Cash	₱13,725,703	₱7,116,126	6,609,577	92.88%	0.71%	0.34%
Trade and other receivables	61,873,245	118,410,662	(56,537,417)	(47.75%)	3.18%	5.66%
Due from related parties	196,143,247	–	196,143,247	–	10.09%	0.00%
Prepayments and other current assets	94,461,373	71,130,018	23,331,355	32.80%	4.86%	3.40%

Total Current Assets	366,203,568	196,656,806	169,546,762	(86.21%)	18.84%	9.40%
Noncurrent Assets						
Property and equipment (net)	115,635,513	143,882,633	(28,247,120)	(19.63%)	5.95%	6.88%
Intangible asset	359,891	441,552	(81,661)	(18.49%)	0.02%	0.02%
Mining rights	1,308,938,513	1,597,677,797	(288,739,284)	(18.07%)	67.35%	76.41%
Deferred exploration costs	147,909,653	147,909,653	-	0.00%	7.61%	7.07%
Deferred tax asset - net	4,342,189	4,473,857	(131,668)	(2.94%)	0.22%	0.21%
Total Noncurrent Assets	1,577,185,759	1,894,385,492	(317,199,733)	(16.74%)	81.16%	90.60%
TOTAL ASSETS	₱1,943,389,327	₱2,091,042,298	(147,652,971)	(7.06%)	100.00%	100.00%
LIABILITIES AND EQUITY						
Current Liabilities						
Trade and other payables	₱77,015,606	₱156,673,129	(79,657,523)	(50.84%)	3.96%	7.49%
Due to related parties	62,424,406	45,763,770	16,660,636	36.41%	3.21%	2.19%
Loans payable - current portion	471,847,507	476,533,418	(4,685,911)	(0.98%)	24.28%	22.79%
Installment payable - current portion	102,973,543	115,839,113	12,865,570	(11.11%)	5.30%	5.54%
Total Current Liabilities	714,261,062	794,809,430	(80,548,368)	(10.13%)	36.75%	38.01%
Noncurrent Liabilities						
Installment payable - noncurrent portion	3,050,121	7,349,232	(4,299,111)	(58.50%)	0.16%	0.35%
Retirement benefits liability	18,372,419	18,298,940	73,479	0.40%	0.95%	0.88%
Total Noncurrent Liabilities	21,422,540	25,648,172	(4,225,632)	(16.48%)	1.10%	1.23%
Total Liabilities	735,683,602	820,457,602	(84,774,000)	(10.33%)	37.86%	39.24%
Equity						
Capital stock	6,172,497,120	6,172,497,120	-	0.00%	317.62%	295.19%
Equity reserve	(5,258,607,201)	(5,258,607,201)	-	0.00%	(270.59%)	(251.48%)
Remeasurement gain on retirement benefits liability	7,210,202	5,836,310	1,373,892	23.54%	0.37%	0.28%
Retained earnings	286,605,604	350,858,467	(64,252,863)	(18.31%)	14.75%	16.78%
Total Equity	1,207,705,725	1,270,584,696	(62,878,971)	(4.95%)	62.14%	60.76%
TOTAL LIABILITIES AND EQUITY	₱1,943,389,327	₱2,091,042,298	(147,652,971)	(7.06%)	100.00%	100.00%

Assets

The consolidated total assets of the Company decrease by ₱147.65 million from ₱2.09 billion as of December 31, 2024 to ₱1.94 billion as of December 31, 2025. The 6.06% net decrease was mainly due to the following:

- **Trade and other receivable** decrease by ₱56.53 million or 47.75% from ₱118.41 million to ₱61.87 million in 2025 mainly due to the collection of trade receivable.
- **Due from related parties** increase by ₱196.14 million or 100.00% from none in 2024 to 196.14 million this year.

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- **Mining rights** decrease by ₱288.74 million or 18.07% from ₱1.60 billion to ₱1.31 billion in 2025 due to amortization.
- **Property and equipments** decrease by ₱28.25 million or 19.63% from ₱143.88 million to ₱115.64 million in 2025 due to depreciation.

Liabilities

The consolidated total liabilities of the Company decrease by ₱84.77 million from ₱820.46 million as of December 31, 2024 to ₱735.68 million as of December 31, 2025. The 10.33% net decrease was mainly due to the following:

- **Trade and other payables** decrease by ₱79.66 or 50.84% from ₱156.67 million to ₱77.02 million in 2025 mainly due to payment to suppliers and service providers.
- **Due to related party** increase by ₱16.66 or 36.41% from ₱45.76 million to ₱62.42 million in 2025 mainly due to advances by Stockholder to the company.
- **Installment payable - current** decrease by ₱12.87 million or 11.11% from ₱115.84 million to ₱102.97 million in 2025 was due to payments of the installment payable.
- **Installment payable - noncurrent** decrease by ₱4.30 million or 58.50% from ₱7.35 million to ₱3.05 million in 2025 was due to payments of the installment payable noncurrent portion.

Equity

The stockholders' equity of the Company decrease by ₱62.88 million or 4.95% from ₱1.27 billion in 2024 to ₱1.21 billion as of December 31, 2025. This was due to the net loss incurred during the period.

The top five (5) key performance indicators of the Company and its subsidiary are as follows:

	31 Dec. 2025	31 Dec. 2024	31 Dec. 2023
Current Ratio	0.51:1	0.25:1	1.32:1
<u>Current Assets</u>	<u>366,203,568</u>	<u>196,656,806</u>	<u>1,064,990,404</u>
<u>Current Liabilities</u>	<u>714,261,062</u>	<u>794,809,430</u>	<u>806,702,765</u>
Debt to Equity Ratio	0.61:1	0.65:1	0.66:1
<u>Total Liabilities</u>	<u>735,683,602</u>	<u>820,457,602</u>	<u>891,321,858</u>
<u>Stockholders' Equity</u>	<u>1,207,705,725</u>	<u>1,270,584,696</u>	<u>1,349,039,916</u>
Equity to Debt Ratio	1.64:1	1.55:1	1.51:1
<u>Stockholders' Equity</u>	<u>1,207,705,725</u>	<u>1,270,584,696</u>	<u>1,349,039,916</u>
<u>Total Liabilities</u>	<u>735,683,602</u>	<u>820,457,602</u>	<u>891,321,858</u>
Book Value Per Share	0.20	0.21	0.22
<u>Stockholders' Equity</u>	<u>1,207,705,725</u>	<u>1,270,584,696</u>	<u>1,349,039,916</u>
<u>Total # of shares</u>	<u>6,172,497,120</u>	<u>6,172,497,120</u>	<u>6,172,497,120</u>
Earnings (Loss) per share	(0.01)	(0.0128)	0.022
<u>Net Income (Loss)</u>	<u>(64,252,863)</u>	<u>(79,446,223)</u>	<u>134,103,171</u>
<u>Total # of shares</u>	<u>6,172,497,120</u>	<u>6,172,497,120</u>	<u>6,172,497,120</u>

There are NO events that will trigger direct or contingent financial obligation that is material to the Company, including any default or acceleration of an obligation.

There are NO material off-balance sheet transactions, arrangements, obligations (including contingent obligations) and other relationships of the Company with unconsolidated entities or other persons created during the reporting period

There are NO material commitments for capital expenditures.

There are NO trends, events or uncertainties that have had or reasonably expected to have a material impact on the revenue or income from continuing operations of the Company.

There are NO significant elements of income or loss that did not arise from continuing operations.

There have been NO seasonal aspects that had material effect on the financial condition or result of operations of the Company.

Status of Operations

As of April 30, 2025, the Group is a holder of three Mineral Product and Sharing Agreements (MPSA):

- MPSA-078-97-XIII-SMR issued on November 19, 1997 covering an area of 697.05 hectares in the Municipality of Cagdianao, Dinagat Islands. On March 22, 2022, the Mines and Geosciences Bureau (MGB) ordered the renewal of the MPSA between the Government and the Group for another twenty-five years. Exploration is done by and with Cagdianao Mining Corporation under a Memorandum of Agreement to explore and to operate for a period of 25 years which were renewed until 2047.
- MPSA-233-2007-XIII-SMR issued in 2007 covering an area of 4,226.27 hectares in the Municipality of Libjo, Dinagat Islands. As an outcome of exploration works conducted, the area has a positive Nickel Ore Reserve of 30 million wet metric ton (WMT). Exploration is done by and with various operators, Libjo Mining Corporation, Westernshore Nickel Corporation and Norte Este Corporation, under a Memorandum of Agreement to explore and to operate during the lifetime of the MPSA.
- MPSA-232-2007-XIII-SMR covering an area of 248 hectares in the Municipality of Surigao del Norte, Hibuson Island. The area is now being explored by and with Oriental Vision Mining Philippines Corporation (OVMPC).

Item 7. Financial Statements

The Audited Financial Statements as of December 2025 are filed as part of this Form 17 – A.

Item 8. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure

None.

The accounting firm of Sycip Gorres Velayo (SGV) with address at 6760 Ayala Avenue, Makati City was appointed external auditor of the Company in 2024 Annual Stockholders Meeting. The fees of the external auditor in the past two (2) years are as follows:

Year	Audit & audit related fees	Tax Fees	Other Fees
2025	680,000	-0-	-0-
2024	672,000	-0-	-0-

For the past two (2) years, the Company has not engaged the services of SGV except for the statements in connection with statutory and regulatory filings for the year 2025 and 2024. The amounts under the caption of "Audit and audit related fees" for the years 2025 and 2024 pertain to these services. The Audit Committee prohibits the Company from engaging the external auditor to provide services that may adversely affect its independence, including those expressly prohibited by regulations of the Securities and Exchange Commission (SEC).

SGV representatives are expected to be present at the Meeting and they will have the opportunity to make statement and respond to appropriate questions.

The Audit Committee reviews and recommends to the Board the appointment of SGV to the stockholders for appointment as external auditor of the Company.

PART III - CONTROL AND COMPENSATION INFORMATION

Item 9. Directors and Executive Officers of the Registrant

Directors & Executive Officers of the Registrant

Directors elected in the Annual meeting of Stockholders have a term of office of one (1) year and serve as such until their successors are elected and qualified in the next succeeding Annual Meeting of Stockholders, provided that a director who was elected to fill in a vacancy arising in the Board shall only serve the unexpired portion of his predecessor.

The names, ages, positions, periods of service of all incumbent directors and executive officers as such, and their business experience in the past five (5) years are as follows:

Hilario G. Pagautan, 69, Filipino, was elected as Chairman of the Board and CEO of the Company on November 8, 2021. He is the majority owner of East Coast Mineral Resources Company Incorporated, a Company primarily engaged in the business of operating gold and nickel mines. He is the incumbent Vice Mayor of Sta. Maria, Isabela. Mr. Pagautan is a geologist by profession with extensive experience in the mining industry. He has interests in and serves as a director and/or senior officer at other privately-owned mining companies.

Sofia G. Pagautan, 65, Filipino, was appointed Vice-Chairman, of the Company on November 8, 2021. She has served as a director and/or senior officer of companies engaged in mining and construction. She is presently a Barangay Captain in Calamagui North.

Isaac Hilario G. Pagautan II, 41, Filipino, was elected Director on November 8, 2021 and is the incumbent Senior Vice President - Business Development and Data Privacy Officer. He has served as a director and/or officer of companies engaged in mining, construction, and agriculture. He is presently a Councilor of Sta. Maria, Isabela.

Michael Abraham G. Pagaitan, 38, Filipino, was elected Director on November 8, 2021. He is the incumbent Chief Risk Officer and has served as a director and/or officer of companies engaged in mining, construction, and agriculture. He is formerly the Barangay Chairman of Calamagui North Sta. Maria, Isabela and the President of the Liga ng mga Barangay, Sta. Maria, Isabela. He is presently the Mayor of Sta. Maria, Isabela

Ma. Hilarnie Mercurie P. Parada, 44, Filipino, was elected Director on November 8, 2021 and is the incumbent Treasurer of the Company. She has served as a director and/or officer of companies engaged in mining, construction, and agriculture.

Edgardo V. Caringal, 70, Filipino, was elected Director on November 8, 2021 and is the incumbent Senior Vice President – Operations and Chief Compliance Officer. He is a veteran geologist and mining professional. He has extensive experience in the mining industry and has served as senior officer to several mining companies.

Ramon C. Lee, 85, Filipino, was elected Director on November 8, 2021. He is a seasoned businessman with extensive experience in textile and mining.

Orlando S. Mercado, 77, Filipino, was elected Director on October 14, 2022. He is a former Senator, Secretary of Defense and Ambassador. He is a veteran broadcaster and professor of political science, communication and business management. He is currently Chairman of the Multi-Sectoral Advisory Board of the Education, Training and Doctrine Command of the Armed Forces of the Philippines (an advisory group) and a member of the faculty of the Ateneo School of Government, an Eminent Fellow and member of the Academic Council of the Development Academy of the Philippines (DAP). He also teaches MBA courses on FEU Makati.

Adrian Paulino S. Ramos, 47, Filipino, has been a Director of the Company since 2006. For the past five (5) years, he has served as a director and/or executive officer of companies engaged in printing, publication, sale and distribution of books, magazines and other printed media, investment holdings, mining, financial services, securities and water infrastructure.

Roberto A. Baquiran, 65, has been the Company's Independent Director since 2022. He is a Certified Public Accountant and a member of the Integrated Bar of the Philippines. He was appointed as Chief of Staff of the Commissioner of Internal Revenue by former President Rodrigo Roa Duterte in 2018. He is an experienced tax practitioner, being with the Bureau of Internal Revenue (BIR) for 30 years. He rose from the ranks and held the posts of Chief of the National Investigation Division, Asst. Regional Director and Revenue District Officer (Makati), as well as technical assistant at the Office of the Commissioner of Internal Revenue, Office of the Deputy Commissioners for Legal and Enforcement, and Operations Groups, and revenue audit examiner. At the BIR, he became a member of the VAT Ruling Committee, Income Tax Regulations Committee and E-Commerce Regulations Committee. At current, he is a Partner at Baquiran, Benitez, Belarmino, Ting and Yu Accounting Office and the Baquiran, Lumanta and Orpilla Attorneys-at-Law.

Joshua A. Parada, 44, has been the Company's Director since 2023. He is a licensed Chief Engineer and has been on board various international maritime tanker vessels, such as but not limited to BW Gas LNG, LPG Tanker "Clipper Venus", LPG Tanker "Clipper Skagen", LPG Tanker "Clipper Sirius", LPG Tanker "HEROS", and LPG Tanker "HERA". He is a graduate of Bachelor of Science Major in Marine Engineering at the Philippine Merchant Marine Academy. He likewise served as AUX Machinery Instructor/ Engine Simulator at the Mariners Polytechnic College, New Simulator Training Center, and Norwegian Training Center.

Sofia Anne Clare G. Pagautan 26, has been the Company's Director since 2023. She is the current Executive Director of two foundations, namely, Sofia Anne Clare Foundation Inc. and Maria Lourdes G. Pagautan Memorial Foundation Inc. She also serves as the Executive Assistant to the Chief Executive Officer and President of East Coast Mineral Resources Company Incorporated. She graduated at the Ateneo De Manila University with the degree of Bachelor of Science in Business Management.

Jose Ngaw, 76, has been the Company's Independent Director since 2023. He is a member of the Integrated Bar of the Philippines and currently the Chairman of the Board of Regents of the Pamantasan ng Lungsod ng Maynila. He is likewise serving as an Independent Director of IRemit, Inc. and a member of the Board of Directors of Bahia Shipping Services, Inc. Throughout his career, he previously served as the Board Advisor of the Philippine National Bank and Philippine Airlines, Inc., President of PNB Holdings, Inc., Board Secretary of Century Park Hotel, member of the Board of PNB Int'l Investment Corp. (U.S.A.) and PNB Securities, Inc., and Board of Trustee of University of the East and U.E.R.M. Medical Center. Being a Filipino-Chinese, aside from the Filipino and English languages, he is also fluent in Fukienese, Cantonese, and Mandarin (Putonghua) Chinese languages

Jose T. Nacorda, Jr., 70, Filipino, is the incumbent Senior Vice President - Finance and Admin and SEC Compliance Officer.

Gaspar R. Andres, Jr., 94, Filipino, is the incumbent as Corporate Secretary of the Company. He has served as officer and/or corporate secretary or legal counsel of companies involved in mining and mineral processing. He has also been the Corporate Secretary of the Chamber of Mines of the Philippines since 2010. Atty. Andres is a member of the Integrated Bar of the Philippines.

Ana Maria A. Katigbak-Lim, 54, Filipino, is the incumbent Assistant Corporate Secretary and Corporate Information Officer. She is a Senior Partner in Castillo Laman Tan Pantaleon & San Jose Law Firm. She is a member of the Integrated Bar of the Philippines and a graduate of Bachelor of Laws at the University of the Philippines. For the past five years, she has served as assistant corporate secretary in certain publicly-listed companies such as Marcventures Holdings, Inc., Premiere Horizon Alliance Corporation, Mabuhay Holdings Corp., Paxys, Inc., Energy Development Corp., and Solid Group, Inc., and as corporate secretary in Alsons Consolidated Resources, Inc. and IPM Holdings, Inc.

Lester Laurence S. Baguec, 44, Filipino, is the incumbent Corporate Finance, Corporate Planning Executive and Investor Relations Officer.

Dave D. Eustaquio, 27, Filipino, is the incumbent Chief Audit Executive and Internal Audit Head.

Directors with other directorship(s) held in reporting companies

ADRIAN PAULINO S. RAMOS

Alakor Securities Corporation
Atlas Consolidated Mining & Dev. Corp.
Anglo Philippine Holdings Corporation
United Paragon Mining Corporation
The Philodrill Corporation

Involvement in Certain Legal Proceedings

The Company is not aware of any involvement of its executives/officers/directors in any legal proceedings for the past five (5) years.

The following Independent directors are not officers or substantial shareholders of the Company nor is a director or officer of its related companies:

1. Roberto A. Baquiran
2. Jose Ngaw

Significant Employees

Other than its current officers, the Company has not engaged the services of any person who is expected to make significant contributions to the business of the Company.

Family Relationship

Mr. Hilario G. Pagautitan, Chairman of the Board, President & CEO, is the husband of Mrs. Sofia G. Pagautitan, Vice-Chairman and Isaac Hilario G. Pagautitan II, Senior Vice President - Business Development and Data Privacy Officer, Ma. Hilarnie Mercurie P. Parada, Treasurer, and Michael Abraham G. Pagautitan, Director and Chief Risk Officer, Sofia Anne Clare G. Pagautitan, Director are their children.

Item 10. Executive Compensation

Information as to the aggregated compensation paid or accrued during the last two fiscal years and to be paid in the ensuing fiscal year to the Company's Chief Executive Officer and four other most highly compensated executive officer as follows:

Chief Executive Officer and highly compensated executive officer	Year	Salary	Bonus	Other Annual Compensation
Hilario G. Pagautitan	Chairman of the Board. President and Principal Executive Officer			
Sofia G. Pagautitan	Vice-Chair			
Isaac Hilario G. Pagautitan II	Senior Vice President – Business Development, Data Privacy Officer and Chief Risk Officer			
	2024	-0-	-0-	-0-
	2025	-0-	-0-	-0-
	2026(est)	-0-	-0-	-0-
All officers and directors as a group unnamed	2024	-0-	-0-	-0-
	2025	-0-	-0-	-0-
	2026(est)	-0-	-0-	-0-

There were no compensation for officers in 2025, 2024 and 2023 due to termination of all employees in year 2012.

For the most recently completed fiscal year and the ensuing fiscal year, directors will receive a per diem of P15,000 per meeting to defray their expenses in attending board meetings. There are no other

arrangements for compensation of directors, as such, during the last fiscal year and for the ensuing fiscal year.

There are NO warrants or options outstanding in favor of directors and officers.

Item 11. Security Ownership of Certain Beneficial Owners and Management

a.) As of December 31, 2025, ECVV knows of no one who beneficially owns in excess of 5% of ECVV's common stock except as set forth in the table below.

Among the participants under PCD, NO account owns more than 5% of the voting stock.

Class	Name and Address of Record Owner / Relationship to Issuer	Name of Beneficial Owner / Relationship with Record Owner	Citizenship	Number of Shares Held	% of Ownership
Common	Hilario G. Pagautan	Hilario G. Pagautan	Filipino	4,931,878,000 (direct)	74.39%
Common	PCD Nominee Corporation - Philippine Stock Exchange Bldg., Ayala Ave., Makati City	Various Clients / Stockholder (See Note A)	Filipino/Non-Filipino	703,652,812*	10.61%
Common	Techno-Asia Construction and Dev't Incorporated	Techno-Asia Construction and Dev't Incorporated	Filipino	486,055,662**	7.33%

Note:

Note A. Of the total 903,652,812 shares under the name of PCD Nominee Corp., 200,000,000 shares are under the name of Alakor Securities Corporation (ASC) FAO National Bookstore.

Note B: Beneficial Ownership Report by Security (List of PCD Participants) as of December 31, 2023. 486,055,662 of the Issued and Outstanding Common Shares, which are not yet fully-paid, represented spouses Hilario G. Pagautan and Sofia G. Pagautan's share subscription, which were assigned to Techno-Asia Construction and Development Incorporated, pursuant to a Deed of Assignment dated September 11, 2023.

As a matter of practice, PCD itself does not vote the number of shares registered in its name; instead, PCD issues a general proxy constituting and appointing each of its participants as PCD's proxy to vote for the number of shares owned by such participant in PCD's books as of Record Date.

b.) Security Ownership of the Board and Management as of December 31, 2025

Class	Name of Beneficial Owner	Amount/Nature of Beneficial Ownership		Citizenship	Percentage of Ownership
		Direct	Indirect		
Common	Hilario G. Pagautan	4,931,878,000	-	Filipino	74.39%
Common	Sofia G. Pagautan	165,242,000	-	Filipino	2.49%
Common	Isaac Hilario G. Pagautan II	59,570,001	999	Filipino	0.90%
Common	Michael Abraham G. Pagautan	15,540,001	999	Filipino	0.23%

East Coast Vulcan Mining Corporation (formerly East Coast Vulcan Corporation)

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Common	Ma. Hilarnie Mercurie P. Parada	7,770,001	999	Filipino	0.12%
Common	Adrian Paulino S. Ramos	500	5,573,149	Filipino	0.00%
Common	Orlando S. Mercado	220,000	-	Filipino	0.00%
Common	Edgardo V. Caringal	1	999	Filipino	0.00%
Common	Ramon C. Lee	1	99,999	Filipino	0.00%
Common	Sofia Anne Clare G. Pagautan	1	-	Filipino	0.00%
Common	Joshua B. Parada	1	-	Filipino	0.00%
Common	Roberto A. Baquiran (ID)	19,997	-	Filipino	0.00%
Common	Jose Ngaw	1	-	Filipino	0.00%

As of December 31, 2025, the aggregate number of shares owned by Company's directors, Chief Executive Officer, and other officers is 5,180,240,508 shares or approximately 78.13% of the Company's outstanding capital stock. Except for the shares appearing on record in the names of the directors and officers above, the Company is NOT aware of any shares which said person may have the right to acquire beneficial ownership of.

c) Voting Trust Holders of 5% or more

To the extent known to the Company, there is NO PERSON holding more than 5% of any class of the Company's securities under a voting trust or similar agreement.

d) Change in control

Since the last Annual Meeting of Stockholders held last June 25, 2025, there were no changes in the composition of the Board of Directors, as disclosed by the Company on June 25, 2025.

Item 12. Certain Relationships and Related Transactions

In the ordinary and regular course of the business, the Company had transactions with related parties (i.e. companies with shareholders common with the Company) which principally consist of advances to related parties and loans/advances from related parties, the identities of these related parties, including the amounts and details of the transactions are disclosed in Note No. 8 of the Company's 2025 Audited Financial Statements.

The business purpose of related party transaction is to address immediate working capital requirements of related parties (in cases of advances to related parties) or of the Company (in the case of loans/advances from related parties).

All transactions with related parties are based on prevailing market/commercial rate at the time of the transaction.

There are no on-going contractual or other commitments as a result of the arrangement other than the repayment of money lent or advanced.

PART IV –CORPORATE GOVERNANCE

Item 13. Corporate Governance

Pursuant to Memorandum Circular No. 20, Series of 2017, issued by the Securities and Exchange Commission (SEC), Annual Corporate Governance Report is no longer required to be attached to the 2024 Annual Report.

The Company filed a copy of its 2024 Integrated Annual Corporate Governance Report (I-ACGR) to the SEC on May 31, 2024 and is posted in the Company website. The I-ACGR for 2025 will be filed with the SEC on or before it falls due for submission.

PART V - EXHIBITS AND SCHEDULES

Item 14. Exhibits and Reports on SEC Form 17-C

(a) Exhibits - See accompanying index to exhibits

(b) Reports on SEC Form 17-C

Report on Form 17- C (Current Report) had been filed during the last twelve (12) months of 2025 to present.

Date	Particulars
April 29, 2025	Approval of 2024 Audited Financial Statements / Postponement of the Company's 2025 Annual Stockholders Meeting to June 25, 2025
June 9, 2025	List of Stockholders (record date)
June 25, 2025	Results of the 2025 Annual Stockholders' Meeting and Organizational Board Meeting of the Board of Directors
June 25, 2025	Change of room Venue of 2025 ASM

SIGNATURE

Pursuant to the requirements of Section 11 of the RSA and Section 141 of the Corporation Code, the registrant has duly caused this report to be signed on its behalf by the undersigned; thereunto duly authorized, in the City of Makati on ____ May 2026.

EAST COAST VULCAN MINING CORPORATION

Issuer

Pursuant to the requirements of the Revised Securities Act, this annual report has been signed by the following persons in the capacities and on the dates indicated.

By:


Hilario G. Pagautan
Chairman of the Board
President/CEO


Ma. Hilarnie Mercurie P. Parada
Treasurer


Ana Maria A. Katigbak
Assistant Corporate Secretary
Corporate Information Officer


Jose T. Nacorda, Jr.
SEC Compliance Officer

MAY 12 2026

SUBSCRIBED AND SWORN to before me this ____ day of May 2026, affiant exhibited to me his/her competent evidence of identity, as follows:

Names	Passport Number/ Government Issued ID	Issue Date/Expiry Date	Place of Issue
Hilario G. Pagautan	Passport No. P7894187A	July 11, 2018/ July 10, 2028	DFA Tuguegarao
Ma. Hilarnie Mercurie P. Parada	Passport No. P8180064A	July 11, 2018/ July 10, 2028	DFA Tuguegarao
Jose T. Nacorda, Jr.	DL No. K07-90-006716	Jan. 24, 2032	LTO
Ana Maria A. Katigbak	Passport No. P7145377B	July 07, 2021/ Jul 6, 2031	DFA Manila

ATTY. RYAN ANTHONY G. PEREÑA

NOTARY PUBLIC for MAKATI CITY

Commission No. M-012 until Dec. 31, 2027

Roll of Attorneys 77327

PTR No. 10764513; 01/02/2026; Makati City

IBP OR No. 566188 12/16/2025; Pasig City

MCLE Compliance No. VIII-0000389

8335 San Jose St., Candelaria, Makati City

Doc No. 111
Page No. 29
Book No. XXIV
Series of 2026.

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Report of Independent Public Accountants
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Statements of Comprehensive Income for each of the
 Three Years in the Year Ended December 31, 2025, 2024, 2023
Statements of Changes in Equity for each of the
 Three Years in the Year Ended December 31, 2025, 2024, 2023
Statements of Cash Flows for each of the
 Three Years in the Year Ended December 31, 2025, 2024, 2023
Notes to Financial Statements

SUPPLEMENTARY SCHEDULES

Report of Independent Public Accountants on Supplementary Schedules

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Schedule B	Amounts Receivable from Directors, Officers, Employees, Related Parties, and Principal Stockholders (Other than Related Parties)
Schedule C	Amounts Receivable from Related Parties
Schedule D	Intangible Assets – Others Asset
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Schedule H	Capital Stock
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Schedule J	Financial Ratios
Schedule K	Tabular Schedule of Effective Standards and Interpretations under the PFRS as of December 31, 2025

Fw: Your BIR AFS eSubmission uploads were received

From: [REDACTED]

To: [REDACTED]

Cc: [REDACTED]

Date: Friday, May 8, 2026 at 08:46 PM GMT+8

[Yahoo Mail: Search, Organize, Conquer](#)

----- Forwarded Message -----

From: [REDACTED]

To: [REDACTED]

Sent: Fri, May 8, 2026 at 8:35 PM

Subject: Fw: Your BIR AFS eSubmission uploads were received

Teng pki forward kay Lester.

Thanks.

Rosie

[Yahoo Mail: Search, Organize, Conquer](#)

----- Forwarded Message -----

From: "eafs@bir.gov.ph" <eafs@bir.gov.ph>

To: "INFO@VULCANMININGCORP.COM" <INFO@VULCANMININGCORP.COM>

Cc: [REDACTED]

Sent: Fri, May 8, 2026 at 7:15 PM

Subject: Your BIR AFS eSubmission uploads were received

Hi VULCAN INDUSTRIAL AND MINING CORPORATION,

Valid files

- EAFS000062736RPTTY122025.pdf
- EAFS000062736AFSTY122025.pdf
- EAFS000062736ITRTY122025.pdf

Invalid file

- <None>

Transaction Code: **AFS-0-QZSQYQRZ0P33TV41PN2TSYPT408DHAGC6G**Submission Date/Time: **May 08, 2026 07:15 PM**Company TIN: **000-062-736**

Please be reminded that you accepted the terms and conditions for the use of this portal and expressly agree, warrant and certify that:

- The submitted forms, documents and attachments are complete, truthful and correct based on the personal knowledge and the same are from authentic records;
- The submission is without prejudice to the right of the BIR to require additional document, if any, for completion and verification purposes;
- The hard copies of the documents submitted through this facility shall be submitted when required by the BIR in the event of audit/investigation and/or for any other legal purpose.

This is a system-generated e-mail. Please do not reply.



EAST COAST VULCAN MINING CORPORATION
formerly EAST COAST VULCAN CORPORATION
U1502, Pacific Star Bldg., Sen. Gil Puyat Ave., Cor. Makati Ave., Bel-Air,
Makati City 1209 Tel (632) 8511-8312: Fax (632) 8550-1468
Website: www.eastcoastvulcanmining.com

STATEMENT OF MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS

The management of East Coast Vulcan Mining Corporation ("the Company") is responsible for the preparation and fair presentation of the financial statements including the schedules attached therein, for the years ended December 31, 2025 and 2024, in accordance with the prescribed financial reporting framework indicated therein, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the Company's financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable matters related to going concern and using the going concern basis of accounting unless management intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is responsible for overseeing the Company's financial reporting process.

The Board of Directors reviews and approves the Company's financial statements including the schedules attached therein, and submits the same to the stockholders or members.

SyCip, Gorres, Velayo & Co., the independent auditor appointed by the stockholders for the years ended December 31, 2025 and 2024, respectively, has audited the Company's financial statements in accordance with Philippine Standards on Auditing, and in its report to the stockholders or members, has expressed its opinion on the fairness of presentation upon completion of such audit.



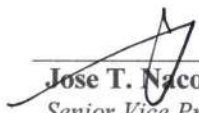
Hilario G. Pagautan

Chairman of the Board/President/CEO



Ma. Nilarnie Mercurie P. Parada

Treasurer



Jose T. Nacorda, Jr.

Senior Vice President - Finance

Signed this 28 day of APR 28 2026

SUBSCRIBED AND SWORN
to before me this, 28 day of APR 28 2026

Affiant exhibited to me his/her


ATTY. DANILO D. SANTOS
Notary Public for Makati City
Until December 31, 2027
Appointment No. M-009
Roll of Attorney No. 57952
IBP No. 010313-Lifetime Member-December 29, 2011
PTR No. 10765515/Jan. 2, 2026/Makati City
MCLE Compliance VIII No. 0022365/April 14, 2028
Unit 1 A MyHome Residences, 9051 San Nicolas St.
Guadalupe Nuevo, Makati City

Doc No. 237

Page No. 49

Book No. 62

Series of 2026

COVER SHEET

for
AUDITED FINANCIAL STATEMENTS

SEC Registration Number

7 4 4 3

COMPANY NAME

E A S T C O A S T V U L C A N M I N I N G C O R P O
R A T I O N

PRINCIPAL OFFICE (No. / Street / Barangay / City / Town / Province)

U N I T 1 5 0 2 P A C I F I C S T A R B U I L D I N
G S E N . G I L J . P U Y A T A V E . M A K A T I
C I T Y M E T R O M A N I L A 1 2 0 9

Form Type

A A F S

Department requiring the report

C G F D

Secondary License Type, If Applicable

N / A

COMPANY INFORMATION

Company's Email Address

info@eastcoastvulcan.com

Company's Telephone Number/s

(02) 8511-8312

Mobile Number

N/A

No. of Stockholders

1,901

Annual Meeting Month/Day

Last Wednesday of May

Fiscal Year Month/Day

12/31

CONTACT PERSON INFORMATION

The designated contact person **MUST** be an Officer of the Corporation

Name of Contact Person

Ana Maria A. Katigbak-Lim

Email Address

ana.katigbak@cltps.com.ph

Telephone Number/s

(02) 8631-5139

Mobile Number

N/A

CONTACT PERSON'S ADDRESS

15th Floor, High Rise, Pacific Star Building 1209 Sen. Gil J. Puyat Ave. Makati City, Metro Manila

NOTE 1: In case of death, resignation or cessation of office of the officer designated as contact person, such incident shall be reported to the Commission within thirty (30) calendar days from the occurrence thereof with information and complete contact details of the new contact person designated.

NOTE 2: All Boxes must be properly and completely filled-up. Failure to do so shall cause the delay in updating the corporation's records with the Commission and/or non-receipt of Notice of Deficiencies. Further, non-receipt of Notice of Deficiencies shall not excuse the corporation from liability for its deficiencies



INDEPENDENT AUDITOR'S REPORT

The Board of Directors and Stockholders
East Coast Vulcan Mining Corporation (formerly East Coast Vulcan Corporation)
Unit 1502, Pacific Star Building
Sen. Gil J. Puyat Ave.
Makati City, Metro Manila 1209

Report on the Audit of the Consolidated and Parent Company Financial Statements

Opinion

We have audited the consolidated financial statements of East Coast Vulcan Mining Corporation (formerly East Coast Vulcan Corporation, the Parent Company, ECVMC) and its subsidiary (the Group) and the parent company financial statements of the Parent Company, which comprise the consolidated and parent company statements of financial position as at December 31, 2025 and 2024 and the consolidated and parent company statements of income, consolidated and parent company statements of comprehensive income, consolidated and parent company statements of changes in equity (capital deficiency) and consolidated and parent company statements of cash flows for each of the three years in the period ended December 31, 2025, and notes to the consolidated and parent company financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated and parent company financial statements present fairly, in all material respects, the financial position of the Group and the Parent Company as at December 31, 2025 and 2024, and their financial performance and their cash flows for each of the three years in the period ended December 31, 2025, in accordance with Philippine Financial Reporting Standards (PFRS) Accounting Standards.

Basis for Opinion

We conducted our audits in accordance with Philippine Standards on Auditing (PSAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated and Parent Company Financial Statements* section of our report. We are independent of the Group and the Parent Company in accordance with the Code of Ethics for Professional Accountants in the Philippines (the Code of Ethics), as applicable to the audits of the financial statements of public interest entities, together with the ethical requirements that are relevant to our audits of financial statements of public interest entities in the Philippines. We have also fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated and parent company financial statements of the current period. These matters were addressed in the context of our audit of the consolidated and parent company financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditor's Responsibilities for the Audit of the Consolidated and Parent Company Financial Statements* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated and parent company financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated and parent company financial statements.

Recoverability of Deferred Exploration Costs

As at December 31, 2025, the carrying value of the Group's deferred exploration costs amounted to ₱147.91 million. The deferred exploration costs pertain to the expenditures incurred by the Group for its ongoing exploration project. Under PFRS 6, *Exploration for and Evaluation of Mineral Resources*, these deferred exploration costs shall be assessed for impairment when facts and circumstances suggest that the carrying amounts exceed the recoverable amounts. The ability of the Group to recover its deferred exploration costs would depend on the commercial viability of the exploration projects. We considered this as a key audit matter because of the materiality of the amounts involved, and the significant judgment required in assessing whether there is any indication of impairment.

The Group's disclosures about deferred exploration costs are included in Notes 3 and 10 to the consolidated and parent company financial statements.

Audit Response

We obtained management's assessment on whether there is any indication that deferred exploration costs may be impaired. We inspected the summary of the status of the exploration project as at December 31, 2025, as certified by the Group's operations head, the type of expenses incurred, and assessed whether ongoing exploration activity exist to support the continued capitalization of this assets under the Group's accounting policies. We inspected contracts and agreements, inquired with management whether further evaluation is required in advance of a development decision and that such exploration is continuing, made reference with existing drilling results and inspected the approved budget for continuing the exploration and development costs. We inspected the licenses/permits of the exploration project to determine that the period for which the Group has the right in the specific area has not expired, will not expire in the near future, and will be renewed (or have been applied for renewal) accordingly. We also inquired about the existing concession areas that are expected to be abandoned or any exploration activities that are planned to be discontinued in those areas.



We also reviewed the presentation and disclosures related to the deferred exploration costs in the consolidated and parent company financial statements.

Impairment Testing of Mining Rights and Property and Equipment

The Group has mining rights and property and equipment amounting to ₱1,308.94 million and ₱115.64 million, respectively, comprising about 73% of the Group's consolidated total assets. The Group has been incurring net losses which is an impairment indicator requiring an assessment of the recoverable amount of mining rights and property and equipment. We considered this as a key audit matter because of the materiality of the amount involved, and the impairment assessment requires significant judgment and involves estimation and assumptions about future production levels and costs, as well as external inputs such as commodity prices, discount rate, and foreign currency exchange rate.

The Group's disclosures about mining rights and property and equipment are included in Notes 3, 7 and 9 to the consolidated and parent company financial statements.

Audit Response

We involved our internal specialist in evaluating the methodologies and the assumptions used. These assumptions include future production levels and costs as well as external inputs such as commodity prices, discount rate, and foreign currency exchange rates. We compared the key assumptions used against the mine life based on the ore reserve reports, forecasted average market price of nickel, discount rate based on industry weighted average capital cost, and forecasted foreign currency exchange rates of various financial institutions. We tested the parameters used in the determination of the discount rate against market data. We also reviewed the Group's disclosures about those assumptions to which the outcome of the impairment test is most sensitive, specifically those that have the most significant effect on the determination of the recoverable amount of property, equipment and mining rights.

Going Concern Assessment

The Group incurred net loss of ₱64.25 million and ₱79.45 million in 2025 and 2024, respectively. In addition, the Group's current liabilities exceeded its current assets by ₱348.06 million and ₱598.15 million as of December 31, 2025 and 2024, respectively.

The forecast for future operating results and cash inflows, and management's assessment of whether the Group will be able to continue meeting its currently maturing obligations are largely based on the expectations of, and the estimates made by management. The expectations and estimates can be influenced by subjective elements in its estimated future cash flows, specifically the forecasted metal production level, commodity prices, foreign exchange rate, operating costs and expenses, and the continued validity of its mining rights/tenements. As the going concern assessment is a significant aspect of our audit, we have identified this as a key audit matter.



The Group's disclosures on the going concern assessment are included in Note 1 to the consolidated and parent company financial statements.

Audit Response

We obtained an understanding of management's going concern assessment, taking into consideration the Group's current business plans. We evaluated the key assumptions used, such as the forecasted production, commodity prices, foreign exchange rate and operating costs that were used by management in the Group's cash flows forecast for the next twelve months from reporting period. We evaluated these key assumptions by reference to historical information, information up to report date, and relevant market data and by taking into consideration the actions undertaken and the planned strategies by management in relation to the Group's operating activities. We obtained and inspected copies of the supporting documents, such as minutes of meetings of board of directors and stockholders. We evaluated the events that transpired up to date of our report which may have an impact on the Group's operating activities. We also assessed the adequacy of the related disclosures in the notes to the consolidated financial statements.

Other Information

Management is responsible for the other information. The other information comprises the information included in the SEC Form 20-IS (Definitive Information Statement), SEC Form 17-A and Annual Report for the year ended December 31, 2025, but does not include the consolidated and parent company financial statements and our auditor's report thereon. The SEC Form 20-IS (Definitive Information Statement), SEC Form 17-A and Annual Report for the year ended December 31, 2025 are expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated and parent company financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audits of the consolidated and parent company financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated and parent company financial statements or our knowledge obtained in the audits, or otherwise appears to be materially misstated.

Responsibilities of Management and Those Charged with Governance for the Consolidated and Parent Company Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated and parent company financial statements in accordance with PFRS Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated and parent company financial statements that are free from material misstatement, whether due to fraud or error.



In preparing the consolidated and parent company financial statements, management is responsible for assessing the Group's and the Parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group and the Parent Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's and the Parent Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated and Parent Company Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated and parent company financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with PSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and parent company financial statements.

As part of an audit in accordance with PSAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated and parent financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Parent Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Parent Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated and parent company financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and the Parent Company to cease to continue as a going concern.



- Evaluate the overall presentation, structure and content of the consolidated and parent company financial statements, including the disclosures, and whether the consolidated and parent company financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance the audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated and parent company financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.



Report on the Supplementary Information Required Under Revenue Regulations 15-2010

Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information required under Revenue Regulations 15-2010 in Note 25 to the financial statements is presented for purposes of filing with the Bureau of Internal Revenue and is not a required part of the basic financial statements. Such information is the responsibility of the management of East Coast Vulcan Mining Corporation (formerly East Coast Vulcan Corporation). The information has been subjected to the auditing procedures applied in our audit of the basic financial statements. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

The partner in charge of the audit resulting in this independent auditor's report is Eleanore A. Layug.

SYCIP GORRES VELAYO & CO.



Partner

CPA Certificate No. 0100794

Tax Identification No. 163-069-453

BOA/PRC Reg. No. 0001, April 16, 2024, valid until August 23, 2026

SEC Partner Accreditation No. 100794-SEC (Group A)

Valid to cover audit of 2021 to 2025 financial statements

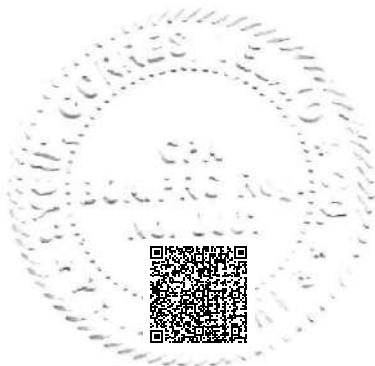
SEC Firm Accreditation No. 0001-SEC (Group A)

Valid to cover audit of 2021 to 2025 financial statements

BIR Accreditation No. 08-001998-097-2023, September 12, 2023, valid until September 11, 2026

PTR No. 10765063, January 2, 2026, Makati City

April 27, 2026



EAST COAST VULCAN MINING CORPORATION AND SUBSIDIARY
(Formerly East Coast Vulcan Corporation)
STATEMENTS OF FINANCIAL POSITION

	Consolidated		Parent Company	
	December 31		December 31	
	2025	2024	2025	2024
ASSETS				
Current Assets				
Cash (Note 4)	₱13,725,703	₱7,116,126	₱336,640	₱266,402
Trade and other receivables (Note 5)	61,873,245	118,410,662	—	—
Due from related parties (Note 18)	196,143,247	—	—	—
Prepayments and other current assets (Note 6)	94,461,373	71,130,018	1,189,748	962,821
Total Current Assets	366,203,568	196,656,806	1,526,388	1,229,223
Noncurrent Assets				
Investment in a subsidiary (Note 1)	—	—	5,180,000,000	5,180,000,000
Property and equipment (Note 7)	115,635,513	143,882,633	—	—
Intangible asset (Note 8)	359,891	441,552	—	—
Mining rights (Note 9)	1,308,938,513	1,597,677,797	—	—
Deferred exploration costs (Note 10)	147,909,653	147,909,653	—	—
Deferred tax asset - net (Note 17)	4,342,189	4,473,857	—	—
Total Noncurrent Assets	1,577,185,759	1,894,385,492	5,180,000,000	5,180,000,000
TOTAL ASSETS	₱1,943,389,327	₱2,091,042,298	₱5,181,526,388	₱5,181,229,223
Current Liabilities				
Trade and other payables (Note 11)	₱77,015,606	₱156,673,129	₱2,626,526	₱2,134,297
Due to related parties (Note 18)	62,424,406	45,763,770	107,538,496	99,843,015
Loans payable - current portion (Note 12)	471,847,507	476,533,418	—	—
Installment payable - current portion (Note 12)	102,973,543	115,839,113	—	—
Total Current Liabilities	714,261,062	794,809,430	110,165,022	101,977,312
Noncurrent Liabilities				
Installment payable - noncurrent portion (Note 12)	3,050,121	7,349,232	—	—
Retirement benefits liability (Note 13)	18,372,419	18,298,940	—	—
Total Noncurrent Liabilities	21,422,540	25,648,172	—	—
Total Liabilities	735,683,602	820,457,602	110,165,022	101,977,312
Equity				
Capital stock (Note 14)	6,172,497,120	6,172,497,120	6,172,497,120	6,172,497,120
Equity reserve (Note 14)	(5,258,607,201)	(5,258,607,201)	—	—
Remeasurement gain on retirement benefits liability (Note 13)	7,210,202	5,836,310	—	—
Retained earnings (Deficit)	286,605,604	350,858,467	(1,101,135,754)	(1,093,245,209)
Total Equity	1,207,705,725	1,270,584,696	5,071,361,366	5,079,251,911
TOTAL LIABILITIES AND EQUITY	₱1,943,389,327	₱2,091,042,298	₱5,181,526,388	₱5,181,229,223

See accompanying Notes to Financial Statements.



EAST COAST VULCAN MINING CORPORATION AND SUBSIDIARY
(Formerly East Coast Vulcan Corporation)
STATEMENTS OF INCOME

	Consolidated			Parent Company		
	Years Ended December 31					
	2025	2024	2023	2025	2024	2023
REVENUES (Note 15)	₱450,949,372	₱289,229,219	₱375,445,769	₱—	₱—	₱—
OPERATING EXPENSES (Note 16)	399,955,643	266,791,239	180,011,532	7,890,678	6,961,448	11,933,529
OPERATING INCOME (LOSS)	50,993,729	22,437,980	195,434,237	(7,890,678)	(6,961,448)	(11,933,529)
OTHER INCOME (CHARGES) - net						
Finance costs (Notes 12 and 13)	(61,291,486)	(78,084,240)	(23,173,124)	—	—	—
Unrealized foreign exchange gain (loss) - net	1,003,663	403,512	(582,588)	—	—	—
Finance income (Note 4)	3,052	1,986	24,054	133	73	64
	(60,284,771)	(77,678,742)	(23,731,658)	133	73	64
INCOME (LOSS) BEFORE INCOME TAX	(9,291,042)	(55,240,762)	171,702,579	(7,890,545)	(6,961,375)	(11,933,465)
BENEFIT FROM (PROVISION FOR)						
INCOME TAX (Note 17)						
Current	(1,461,225)	(1,964,989)	(5,062,959)	—	—	—
Final	(53,826,892)	(22,466,447)	(32,341,972)	—	—	—
Deferred	326,296	225,975	107,930	—	—	—
	(54,961,821)	(24,205,461)	(37,297,001)	—	—	—
NET INCOME (LOSS)	(₱64,252,863)	(₱79,446,223)	₱134,405,578	(₱7,890,545)	(₱6,961,375)	(₱11,933,465)
Basic/Diluted Earnings (Loss)						
Per Share (Note 19)	(₱0.010)	(₱0.013)	₱0.033	(₱0.001)	(₱0.001)	(₱0.002)

See accompanying Notes to Financial Statements.



EAST COAST VULCAN MINING CORPORATION AND SUBSIDIARY
(Formerly East Coast Vulcan Corporation)

STATEMENTS OF COMPREHENSIVE INCOME

	Consolidated			Parent Company		
	Years Ended December 31					
	2025	2024	2023	2025	2024	2023
NET INCOME (LOSS)	(₱64,252,863)	(₱79,446,223)	₱134,405,578	(₱7,890,545)	(₱6,961,375)	(₱11,933,465)
OTHER COMPREHENSIVE INCOME (LOSS)						
Other comprehensive income (loss) not to be reclassified to profit or loss in subsequent periods						
Remeasurement gain (loss) on retirement benefits liability - net of tax	1,373,892	991,069	(302,473)	—	—	—
TOTAL COMPREHENSIVE INCOME (LOSS)	(₱62,878,971)	(₱78,455,154)	₱134,103,105	(₱7,890,545)	(₱6,961,375)	(₱11,933,465)

See accompanying Notes to Financial Statements.



EAST COAST VULCAN MINING CORPORATION AND SUBSIDIARY
(Formerly East Coast Vulcan Corporation)

STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2025, 2024 AND 2023

	Capital Stock (Note 14)				Consolidated			
	Issued	Subscribed	Subscription Receivable	Total	Equity Reserve (Note 14)	Remeasurement Gain (Loss) on Retirement Benefits Liability	Retained Earnings (Deficit)	Total
Balances at January 1, 2023	₱963,944,338	₱486,055,662	(₱457,502,880)	₱992,497,120	(₱67,497,120)	₱5,147,714	₱369,040,582	₱1,299,188,296
Net income	—	—	—	—	—	—	134,405,578	134,405,578
Other comprehensive income	—	—	—	—	—	(302,473)	—	(302,473)
Total comprehensive income	—	—	—	—	—	(302,473)	134,405,578	134,103,105
Issuance of capital stock	5,180,000,000	—	—	5,180,000,000	—	—	—	5,180,000,000
Stock issuance costs (Note 14)	—	—	—	—	—	—	(73,141,470)	(73,141,470)
Effect of reverse acquisition	—	—	—	—	(5,191,110,081)	—	—	(5,191,110,081)
Balances at December 31, 2023	6,143,944,338	486,055,662	(457,502,880)	6,172,497,120	(5,258,607,201)	4,845,241	430,304,690	1,349,039,850
Net loss	—	—	—	—	—	—	(79,446,223)	(79,446,223)
Other comprehensive income	—	—	—	—	—	991,069	—	991,069
Total comprehensive income (loss)	—	—	—	—	—	991,069	(79,446,223)	(78,455,154)
Balances at December 31, 2024	6,143,944,338	486,055,662	(457,502,880)	6,172,497,120	(5,258,607,201)	5,836,310	350,858,467	1,270,584,696
Net loss	—	—	—	—	—	—	(64,252,863)	(64,252,863)
Other comprehensive income	—	—	—	—	—	1,373,892	—	1,373,892
Total comprehensive income (loss)	—	—	—	—	—	1,373,892	(64,252,863)	(62,878,971)
Balances at December 31, 2025	₱6,143,944,338	₱486,055,662	(₱457,502,880)	₱6,172,497,120	(₱5,258,607,201)	₱7,210,202	₱286,605,604	₱1,207,705,725

See accompanying Notes to Financial Statements.



EAST COAST VULCAN MINING CORPORATION
(Formerly East Coast Vulcan Corporation)
STATEMENTS OF CHANGES IN EQUITY (CAPITAL DEFICIENCY)
FOR THE YEARS ENDED DECEMBER 31, 2025, 2024 AND 2023

	Parent Company					
	Capital Stock (Note 14)			Total	Deficit	Total
	Issued	Subscribed	Subscription Receivable			
Balances at January 1, 2023	₱963,944,338	₱486,055,662	(₱457,502,880)	₱992,497,120	(₱1,001,208,899)	(₱8,711,779)
Net loss	—	—	—	—	(11,933,465)	(11,933,465)
Other comprehensive loss	—	—	—	—	—	—
Total comprehensive loss	—	—	—	—	(11,933,465)	(11,933,465)
Issuance of capital stock	5,180,000,000	—	—	5,180,000,000	—	5,180,000,000
Stock issuance costs	—	—	—	—	(73,141,470)	(73,141,470)
Balances at December 31, 2023	6,143,944,338	486,055,662	(457,502,880)	6,172,497,120	(1,086,283,834)	5,086,213,286
Net loss	—	—	—	—	(6,961,375)	(6,961,375)
Other comprehensive loss	—	—	—	—	—	—
Total comprehensive loss	—	—	—	—	(6,961,375)	(6,961,375)
Balances at December 31, 2024	6,143,944,338	486,055,662	(457,502,880)	6,172,497,120	(1,093,245,209)	5,079,251,911
Net loss	—	—	—	—	(7,890,545)	(7,890,545)
Other comprehensive loss	—	—	—	—	—	—
Total comprehensive loss	—	—	—	—	(7,890,545)	(7,890,545)
Balances at December 31, 2025	₱6,143,944,338	₱486,055,662	(₱457,502,880)	₱6,172,497,120	(₱1,101,135,754)	₱5,071,361,366

See accompanying Notes to Financial Statements.



EAST COAST VULCAN MINING CORPORATION AND SUBSIDIARY
(Formerly East Coast Vulcan Corporation)
STATEMENTS OF CASH FLOWS

	Consolidated		
	Years Ended December 31		
	2025	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES			
Income (loss) before income tax	(P9,291,042)	(P55,240,762)	P171,702,579
Adjustments for:			
Depreciation and amortization (Notes 7, 8 and 9)	317,380,594	174,435,147	92,328,188
Finance cost (Note 12 and 13)	61,291,486	78,084,240	23,173,124
Current service cost on retirement benefits liability (Note 13)	1,114,405	803,129	697,409
Unrealized foreign exchange loss (gain) - net	(1,003,663)	(403,512)	582,588
Interest income (Note 4)	(3,052)	(1,986)	(24,054)
Operating income before working capital changes	369,488,728	197,676,256	288,459,834
Decrease (increase) in:			
Trade and other receivables	(174,380,725)	(104,704,109)	(44,299,580)
Prepayments and other current assets	(23,331,355)	(14,258,361)	(25,397,196)
Increase (decrease) in trade and other payables	(36,869,272)	50,965,085	57,738,514
Net cash flows generated from operations	134,907,376	129,678,871	276,501,572
Interest paid	(60,500,556)	(32,692,541)	(22,043,194)
Income taxes paid	(55,288,117)	(24,431,436)	(37,404,931)
Interest received	3,052	1,986	24,054
Net cash flows from operating activities	19,121,755	72,556,880	217,077,501
CASH FLOWS FROM INVESTING ACTIVITIES			
Increase in due from related parties (Note 18)	(281,082,257)	(95,761,561)	(373,499,672)
Additions to:			
Property and equipment (Note 7)	(201,100)	(276,710)	(7,599,036)
Intangible asset (Note 8)	(111,429)	(98,214)	(128,570)
Deferred exploration costs (Note 10)	—	—	(147,909,653)
Cash of ECVMC before reverse acquisition (Note 14)	—	—	163,339
Net cash flows used in investing activities	(281,394,786)	(96,136,485)	(528,973,592)
CASH FLOWS FROM FINANCING ACTIVITIES			
Increase in due to related parties (Note 18)	290,733,200	2,193,470	117,134,362
Payments of installment payable (Note 12)	(17,164,681)	(19,306,857)	(45,653,131)
Payments of loans payable (Note 12)	(4,685,911)	(338,693)	(57,570,278)
Availment of loans payable (Note 12)	—	40,000,000	300,000,000
Net cash flows from financing activities	268,882,608	22,547,920	313,910,953
NET INCREASE (DECREASE) IN CASH	6,609,577	(1,031,685)	2,014,862
CASH AT BEGINNING OF YEAR	7,116,126	8,147,811	6,132,949
CASH AT END OF YEAR (Note 4)	P13,725,703	P7,116,126	P8,147,811

See accompanying Notes to Financial Statements.



EAST COAST VULCAN MINING CORPORATION
(Formerly East Coast Vulcan Corporation)

STATEMENTS OF CASH FLOWS

	Parent Company		
	Years Ended December 31		
	2025	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES			
Net loss	(P7,890,545)	(P6,961,375)	(P11,933,465)
Adjustments for:			
Depreciation (Note 7)	—	19,103	32,747
Interest income (Note 4)	(133)	(73)	(64)
Operating loss before working capital changes	(7,890,678)	(6,942,345)	(11,900,782)
Increase in prepayments and other current assets	(226,927)	(168,183)	(563,442)
Increase in trade and other payables	492,229	70,920	1,576,994
Net cash flows used in operations	(7,625,376)	(7,039,608)	(10,887,230)
Interest received	133	73	64
Net cash flows used in operating activities	(7,625,243)	(7,039,535)	(10,887,166)
CASH FLOW FROM A FINANCING ACTIVITY			
Increase in due to related parties	7,695,481	7,142,560	10,887,230
NET INCREASE IN CASH	70,238	103,025	64
CASH AT BEGINNING OF YEAR	266,402	163,377	163,313
CASH AT END OF YEAR (Note 4)	P336,640	P266,402	P163,377

See accompanying Notes to Financial Statements.



EAST COAST VULCAN MINING CORPORATION AND SUBSIDIARY
(Formerly East Coast Vulcan Corporation)

NOTES TO FINANCIAL STATEMENTS

1. Corporate Information and Status of Operations

Corporate Information

East Coast Vulcan Mining Corporation (formerly, Vulcan Industrial & Mining Corporation, ECVMC, the Parent Company) was incorporated and registered with the Philippine Securities and Exchange Commission (SEC) on January 13, 1953 and was listed in the Philippine Stock Exchange (PSE) on August 31, 1970. The primary and secondary purpose of ECVMC is as a holding company and such other purposes as management deems fit and in the best interest of the Parent Company.

Amendment of Articles of Incorporation

In 2021, the BOD and Stockholders have approved the following amendment in the Parent Company's Articles of Incorporation

- Change in corporate name to East Coast Vulcan Corporation;
- Change in principal office address to 15th Floor, High Rise, Pacific Star Building, 1226 Sen. Gil J. Puyat Ave., Makati City, Metro Manila; and,
- Increase in authorized capital stock from 4 billion shares to 12 billion shares.

In 2022, the Parent Company submitted its application for the amendment of Articles of Incorporation to the Philippine SEC. On May 29, 2023, the SEC approved the Parent Company's application for the amendment of its Articles of Incorporation.

ECVMC and ECMRCI Share-for-Share Swap Transaction

On July 1, 2021, the Parent Company entered into a Memorandum of Agreement (MOA) with the majority stockholders (HGP Group) of East Coast Mineral Resources Company Incorporated (ECMRCI) for the latter's subscription up to 5,180.00 million shares of ECVMC arising from the increase in authorized capital stock. Upon approval of the SEC on May 29, 2023, the Parent Company issued 5,180,000,000 common shares with par value of ₱1 per share to HGP Group in exchange for the 100% outstanding shares of ECMRCI ("the Share Swap transaction") which resulted in ECVMC obtaining 100% interest in and control over ECMRCI. ECVMC and its subsidiary, ECMRCI, are referred to as "the Group".

Status of Operations

As of April 27, 2026, the Group is a holder of three Mineral Product and Sharing Agreements (MPSA):

- MPSA-078-97-XIII-SMR issued on November 19, 1997 covering an area of 697.05 hectares in the Municipality of Cagdianao, Dinagat Islands. On March 22, 2022, the Mines and Geosciences Bureau (MGB) ordered the renewal of the MPSA between the Government and the Group for another twenty-five years. Exploration is done by and with Cagdianao Mining Corporation under a Memorandum of Agreement to explore and to operate for a period of 25 years which were renewed until 2047 (see Note 22).
- MPSA-233-2007-XIII-SMR issued in 2007 covering an area of 4,226.27 hectares in the Municipality of Libjo, Dinagat Islands. As an outcome of exploration works conducted, the area has a positive Nickel Ore Reserve of 30 million wet metric ton (WMT). Exploration is done by and with various operators, Libjo Mining Corporation, Westernshore Nickel Corporation and Norte Este Corporation, under a Memorandum of Agreement to explore and to operate during the lifetime of the MPSA (see Note 22).



- MPSA-232-2007-XIII-SMR covering an area of 248 hectares in the Municipality of Surigao del Norte, Hibuson Island. The area is now being explored by and with Oriental Vision Mining Philippines Corporation (OVMP) (see Note 22).

In 2023, the BOD and Stockholders have approved the following amendment in the Parent Company's Articles of Incorporation

- Change in corporate name to East Coast Vulcan Mining Corporation;
- Change in principal office address to Unit 1502, Pacific Star Building, Sen. Gil J. Puyat Ave., Makati City, Metro Manila 1209; and
- The amount of capital stock of the Corporation is Twelve Billion Pesos (₱12,000,000,000.00), Philippine currency, and the said capital is divided into One Hundred Twenty Billion (120,000,000,000) common shares at the par value of Ten Centavos (₱0.10) per share.

In 2023, the Parent Company submitted its application for the amendment of Articles of Incorporation to the Philippine SEC. On April 19, 2024, the SEC approved the Parent Company's application for the amendment of its Articles of Incorporation.

The Company's registered office address is at Unit 1502, Pacific Star Building, Sen. Gil J. Puyat Ave., Makati City, Metro Manila 1209.

The Group's Ability to Continue as a Going Concern

The Group incurred net loss of ₱64,252,863 and ₱79,446,223 in 2025 and 2024, respectively. In addition, the Group's current liabilities exceeded its current assets by ₱348,057,494 and ₱598,152,624 as of December 31, 2025 and 2024, respectively. Further, the Group failed to meet the scheduled loan payment, resulting in an event of default under the terms of the loan agreement.

In response to these matters, the Group came up with the following actions:

- Continuously coordinate with the respective operators of its MPSA to continue confirmatory and exploration activities to further enhance Ore Reserves/Resources
- manage expenditures for its day-to-day activities
- enter into loan restructuring agreements to negotiate deferral of payments of third-party loans
- proceed with the necessary actions to complete the requirements on its permit renewal
- improve efficiency and production level of operations through strategic operational changes and capital developments to increase cash inflows generated
- made total payments amounting to ₱26,316,129, which were applied against the principal balance that became due in 2025

Management has determined that the actions above are sufficient to raise financial resources for at least the next twelve months from December 31, 2025 and has therefore prepared the financial reporting on a going concern basis.

Authorization for Issue of the Parent and Consolidated Financial Statements

The consolidated and parent company financial statements as of December 31, 2025 and 2024 and for each of the three years in the period ended December 31, 2025 were approved and authorized for issue by the BOD on April 27, 2026.



2. **Basis of Preparation, Statement of Compliance, Basis of Consolidation, Changes in Accounting Policies and Disclosures and Material Accounting Policy Information**

Basis of Preparation

The Group's and Parent Company's consolidated and parent company financial statements have been prepared under the historical cost basis. The consolidated and parent company financial statements are presented in Philippine peso (₱), which is the Group's and Parent Company's functional currency. All amounts are rounded to the nearest Philippine Peso, except as otherwise stated.

Acquisition of ECMRCI

As discussed in Note 1, ECVMC and HGP Group entered into a Share Swap transaction that resulted in ECVMC owning 100% of ECMRCI.

The Share Swap transaction is an asset acquisition because ECMRCI was deemed to be the accounting acquirer for accounting purposes accounted for under the reverse acquisition method following the guidance provided by the standard. In a reverse acquisition, the legal parent, ECVMC is identified as the acquiree for accounting purposes because based on the substance of the transaction, the legal subsidiary ECMRCI is adjudged to be the entity that gained control over the legal parent. Accordingly, the consolidated financial statements of ECVMC have been prepared as a continuation of the financial statements of ECMRCI. ECMRCI has accounted for the acquisition of ECMRCI on May 29, 2023, which was the date when ECMRCI acquired or gained control over ECVMC.

The Group determined that ECMRCI obtained control over ECVMC upon issuance of shares on May 29, 2023. As allowed under PFRS 3, *Business Combinations*, an entity may designate an acquisition date of the end or the beginning of a month (convenience date), the date on which it closes its books, rather than the actual acquisition date. The Group determined that the date of acquisition is on May 29, 2023 (convenience date) rather than the actual date of issuance of shares there are no material transactions that occurred from May 29, 2023 to May 31, 2023.

The Share Swap transaction was a transaction between entities under common control since at acquisition date on May 31, 2023, ECVMC and ECMRCI are under the common control of HGP Group.

The comparative December 31, 2022 and January 1, 2022 information presented in the consolidated statements of changes in equity is that of ECMRCI, not originally presented in the previous financial statements of the legal parent (the Parent Company - accounting acquiree) and is also retroactively adjusted to reflect the legal capital (i.e., the number and type of capital stock issued) of ECVMC. The adjustment, which is the difference between the capital structure of ECVMC and ECMRCI, is recognized as part of the equity reserve in the consolidated statements of financial position as at December 31, 2025 and 2024.

Because the accompanying consolidated financial statements represent a continuation of the financial statements of ECMRCI, except for its capital structure, the consolidation reflects:

- a. The consolidated assets and liabilities of ECMRCI (legal subsidiary/accounting acquirer) recognized and measured at their pre-combination carrying amounts and not at fair value, and the assets and liabilities of ECVMC (legal parent/accounting acquiree), consisting of cash, prepayments, office equipment, trade and other payables and due to related parties, recognized and measured at acquisition cost;



- b. The retained earnings of ECMRCI for the full period together with the post-combination results of ECVMC from May 31, 2023, the date when ECVMC was acquired by ECMRCI;
- c. The total equity that shows the combined equity of ECVMC and ECMRCI with the legal capital of ECMRCI eliminated as the legal capital reflected would be that of ECVMC (legal parent);
- d. Any difference between the consideration transferred by ECVMC and the legal capital of ECMRCI that is eliminated is reflected as "Equity reserve".
- e. The consolidated statements of comprehensive income for the year ended December 31, 2022 and 2021 reflect that of ECMRCI for the full period.

Reverse acquisition applies only to the consolidated financial statements. The Parent Company financial statements will continue to represent ECVMC as a stand-alone entity as at December 31, 2025 and 2024 and for each of the three years in the period ended December 31, 2025.

Statement of Compliance

The consolidated and parent company financial statements have been prepared in accordance with Philippine Financial Reporting Standards (PFRS) Accounting Standards.

Basis of Consolidation

The consolidated financial statements comprise the financial statements of the Group as at December 31, 2025 and 2024 and for each of the three years in the period ended December 31, 2025. The financial statements of the subsidiary are prepared for the same reporting year as the Parent Company using uniform accounting policies. When necessary, adjustments are made to the separate financial statements of the subsidiary to bring its accounting policies in line with the Parent Company's accounting policies.

Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if, and only if, the Group has:

- power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee);
- exposure, or rights, to variable returns from its involvement with the investee; and
- the ability to use its power over the investee to affect its returns.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the Parent Company and to the non-controlling interests (NCI), even if this results in the NCI having a deficit balance. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.



If the Group loses control over a subsidiary, it derecognizes the related assets (including goodwill), liabilities, NCI and other components of equity while any resulting gain or loss is recognized in the consolidated statement of income. Any investment retained is recognized at fair value.

Changes in Accounting Policies and Disclosures

New Standards, Interpretations and Amendments

The accounting policies adopted are consistent with those of the previous financial year, except for the adoption of amendments effective in 2025. The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

- Amendments to PAS 1, *Classification of Liabilities as Current or Non-current*

The amendments clarify:

- That only covenants with which an entity must comply on or before reporting date will affect a liability's classification as current or non-current.
- That classification is unaffected by the likelihood that an entity will exercise its deferral right.
- That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification.

- Amendments to PFRS 16, *Lease Liability in a Sale and Leaseback*

The amendments specify how a seller-lessee measures the lease liability arising in a sale and leaseback transaction in a way that it does not recognize any amount of the gain or loss that relates to the right of use retained.

- Amendments to PAS 7 and PFRS 7, *Disclosures: Supplier Finance Arrangements*

The amendments specify disclosure requirements to enhance the current requirements, which are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk.

- Amendments to PAS 21, *Lack of exchangeability*

The amendments specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking.

The amendments are effective for annual reporting periods beginning on or after January 1, 2025. Earlier adoption is permitted and that fact must be disclosed. When applying the amendments, an entity cannot restate comparative information.

Standards Issued but not yet Effective

Pronouncements issued but not yet effective are listed below. Unless otherwise indicated, the Group does not expect that the future adoption of the said pronouncements will have a significant impact on its consolidated financial statements. The Group intends to adopt the following pronouncements when they become effective.



Effective beginning on or after January 1, 2026

- Amendments to Illustrative Examples on PFRS 7, PFRS 18, PAS 1, PAS 8, PAS 26 and PAS 37, *Disclosures about Uncertainties in the Financial Statements*
- Amendments to PFRS 9 and PFRS 7, *Classification and Measurement of Financial Instruments*
- Amendments to PFRS 9 and PFRS 7, *Contracts Referencing Nature-dependent Electricity*
- Annual Improvements to PFRS Accounting Standards—Volume 11
 - Amendments to PFRS 1, *Hedge Accounting by a First-time Adopter*
 - Amendments to PFRS 7, *Gain or Loss on Derecognition*
 - Amendments to PFRS 9, *Lessee Derecognition of Lease Liabilities and Transaction Price*
 - Amendments to PFRS 10, *Determination of a 'De Facto Agent'*
 - Amendments to PAS 7, *Cost Method*

Effective beginning on or after January 1, 2027

- PFRS 17, *Insurance Contracts*
- PFRS 18, *Presentation and Disclosure in Financial Statements*
- PFRS 19, *Subsidiaries without Public Accountability*
- Amendments to PAS 21, *Translation to a Hyperinflationary Presentation Currency*

Deferred effectivity

- Amendments to PFRS 10, *Consolidated Financial Statements*, and PAS 28, *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*

Summary of Material Accounting Policies

The accounting policies set out below have been applied consistently to all periods presented in the Group's consolidated and parent company's financial statements, unless otherwise indicated.

Presentation of Financial Statements

The Group has elected to present all items of recognized income and expense in two statements: a statement displaying components of profit or loss (consolidated and parent company statement of income) and a second statement beginning with profit or loss and displaying components of OCI (consolidated and parent company statement of comprehensive income).

Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible to the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a nonfinancial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.



The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the consolidated and parent company financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy.

Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial Assets: Initial Recognition and Measurement

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. The Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVTPL), transaction costs.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognized on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

Contractual Cash Flows Characteristics

If the financial asset is held within a business model whose objective is to hold assets to collect contractual cash flows or within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets, the Group assesses whether the cash flows from the financial asset represent 'solely payments of principal and interest' (SPPI) on the principal amount outstanding.

In making this assessment, the Group determines whether the contractual cash flows are consistent with a basic lending arrangement, i.e., interest includes consideration only for the time value of money, credit risk and other basic lending risks and costs associated with holding the financial asset for a particular period of time. In addition, interest can include a profit margin that is consistent with a basic lending arrangement. The assessment as to whether the cash flows meet the test is made in the currency in which the financial asset is denominated. Any other contractual terms that introduce exposure to risks or volatility in the contractual cash flows that is unrelated to a basic lending arrangement, such as exposure to changes in equity prices or commodity prices, do not give rise to contractual cash flows that are SPPI on the principal amount outstanding.



Financial Assets: Subsequent Measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortized cost (debt instruments);
- Financial assets at FVTPL;
- Financial assets at fair value through other comprehensive income (FVOCI), where cumulative gains or losses previously recognized are reclassified to profit or loss (debt instruments); and
- Financial assets at FVOCI, where cumulative gains or losses previously recognized are not reclassified to profit or loss (equity instruments).

The Group's financial assets are all classified and measured at amortized cost.

Financial Assets at Amortized Cost

This category is most relevant to the Group. The Group measures financial assets at amortized cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are SPPI on the principal amount outstanding.

These financial assets are initially recognized at fair value plus directly attributable transaction costs and subsequently measured at amortized cost using the effective interest (EIR) method, less any impairment in value. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees and costs that are an integral part of the EIR. The amortization is included in "Interest income" in the statements of comprehensive income and is calculated by applying the EIR to the gross carrying amount of the financial asset, except for (i) purchased or originated credit-impaired financial assets and (ii) financial assets that have subsequently become credit-impaired, where, in both cases, the EIR is applied to the amortized cost of the financial asset.

The Group's financial assets at amortized cost include cash in bank, trade and other receivables, and due from related parties.

Impairment of Financial Assets

The Group recognizes expected credit losses (ECLs) for all debt instruments not held at FVTPL. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original EIR. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are measured in a way that reflects the following:

- an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
- the time value of money; and
- reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.



Financial assets migrate through the following three stages based on the change in credit quality since initial recognition:

Stage 1: 12-month ECL

For credit exposures where there has not been a significant increase in credit risk since initial recognition and that are not credit-impaired upon origination, the portion of lifetime ECLs that represent the ECLs that result from default events that are possible within the 12 months after the reporting date are recognized.

Stage 2: Lifetime ECL - not credit-impaired

For credit exposures where there has been a significant increase in credit risk since initial recognition on an individual or collective basis but are not credit-impaired, lifetime ECLs representing the ECLs that result from all possible default events over the expected life of the financial asset are recognized.

Stage 3: Lifetime ECL - credit-impaired

Financial assets are credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of those financial assets have occurred. For these credit exposures, lifetime ECLs are recognized and interest revenue is calculated by applying the credit-adjusted EIR to the amortized cost of the financial asset.

For cash in bank, the Group applies the low credit risk simplification. The probability of default and loss given defaults are publicly available. At every reporting date, the Group evaluates whether the debt instrument is considered to have low credit risk using all reasonable and supportable information that is available without undue cost or effort. In making that evaluation, the Group uses the rating from external credit agencies to determine whether the debt instrument has significantly increased in credit risk and to estimate ECLs.

A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Financial Liabilities: Initial Recognition and Measurement

Financial liabilities are classified, at initial recognition, as FVTPL, at amortized cost or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognized initially at fair value and, in the case of financial liabilities at amortized cost, net of directly attributable transaction costs.

The Group's financial liabilities are all classified and measured at amortized cost.

Subsequent Measurement – Financial Liabilities at Amortized Cost

This is the category most relevant to the Group. After initial recognition, interest-bearing financial liabilities are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in the statements of comprehensive income when the liabilities are derecognized as well as through the EIR amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as "Interest expense" in the statements of comprehensive income.

The Group's financial liabilities at amortized cost consist of trade and other payables, due to related parties, loans payable and installment payable.



Reclassifications of Financial Instruments

The Group reclassifies its financial assets when, and only when, there is a change in the business model for managing the financial assets. Reclassifications shall be applied prospectively by the Group and any previously recognized gains, losses or interest shall not be restated. The Group does not reclassify its financial liabilities.

Derecognition of Financial Assets and Liabilities

Financial Assets

A financial asset (or, where applicable a part of a financial asset or part of a group of similar financial assets) is primarily derecognized when:

1. the rights to receive cash flows from the asset have expired;
2. the Group retains the right to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a “pass-through” arrangement; or
3. the Group has transferred its rights to receive cash flows from the asset and either (a) has transferred substantially all the risks and rewards of the asset, or (b) has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognize the transferred asset to the extent of the Group’s continuing involvement. In that case, the Group also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Financial Liabilities

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or has expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statements of comprehensive income.

Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statements of financial position if there is a currently enforceable legal right to set off the recognized amounts and there is intention to settle on a net basis, or to realize the asset and settle the liability simultaneously. The Group assesses that it has a currently enforceable right of offset if the right is not contingent on a future event, and is legally enforceable in the normal course of business, event of default, and event of insolvency or bankruptcy of the Group and all of the counterparties.

Prepayments and Other Current Assets

Prepayments and other current assets are composed of prepaid expenses, creditable withholding taxes (CWTs), advances to suppliers and contractors, and input value-added tax (VAT). These are classified as current when these are probable to be realized within one year from the end of the reporting period. Otherwise, these are classified as noncurrent assets.



Property and Equipment

Property and equipment are carried at cost, excluding the cost of day-to-day servicing, less accumulated depreciation and any accumulated impairment in value. The initial cost of an item of property and equipment consists of its purchase price including import duties, taxes, and any directly attributable costs of bringing the asset to its working condition and location of its intended use. Such costs include the cost of replacing part of such property and equipment when that cost is incurred, only if the recognition criteria are met. Expenditures incurred after the asset has been put into operation, such as repairs and maintenance, are normally charged to statement of comprehensive income in the period in which the costs are incurred.

In situations where it can be clearly demonstrated that the expenditures have resulted in an increase in future economic benefits expected to be obtained from the use of an item of property and equipment beyond its originally assessed standard of performance, the expenditures are capitalized as an additional cost of property and equipment. Major maintenance cost that are capitalized as part of property and equipment are depreciated on straight-line basis over the shorter of their estimated useful life, typically the period until the next major maintenance or inspection.

Depreciation of property and equipment is computed using the straight-line basis, net of any estimated residual value, over their estimated useful lives as follows:

Category	Number of Years
Building and other structures	5
Furniture and fixtures	5
Office equipment	5
Tools and Equipment	5
Communications Equipment	5
Transportation equipment	7
Other equipment	5

Depreciation of property and equipment begins when it becomes available for use, i.e., when it is in the location and condition necessary for it to be capable of operating in the manner intended by management. Depreciation do not cease when the asset becomes idle or is retired from active use unless the asset is fully depreciated and amortized. Depreciation of an asset ceases when the asset is derecognized.

Each part of an item of property and equipment with a cost that is significant in relation to the total cost of an item shall be depreciated and amortized separately.

The useful lives and depreciation method are reviewed at each reporting date to ensure that the period and method of depreciation are consistent with the expected pattern of economic benefits from items of property and equipment.

An item of property and equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the property and equipment (calculated as the difference between the net disposal proceeds and the carrying amount of the property and equipment) is recognized in the statements of comprehensive income in the year the property and equipment is derecognized.

When items of property and equipment are retired or otherwise disposed of, their cost and related accumulated depreciation and amortization and any impairment in value are eliminated from the accounts and any resulting gain or loss on disposal is included in the statements of comprehensive income.



Fully depreciated and amortized assets are retained in the accounts until they are no longer in use and no further depreciation is recorded.

Intangible Asset

Intangible assets are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortization in the case of intangible assets with finite useful lives, and any accumulated impairment losses. The useful lives of intangible assets are assessed to be either finite or indefinite. Intangible assets with finite lives are amortized over the asset's useful or economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. Amortization shall begin when the asset is available for use, i.e. when it is in the location and condition necessary for it to be capable of operating in the manner intended by management.

The amortization period and method for an intangible asset with a finite useful life is reviewed at least at each financial year-end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortization period or method, as appropriate, and treated as changes in accounting estimates. The amortization on intangible assets with finite lives is recognized in the statements of comprehensive income consistent with the function of the intangible asset.

Intangible asset is derecognized on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognized in the statement of comprehensive income.

Mining Rights

Mining rights are identifiable intangible assets acquired by the entity to explore, extract, and retain, at least, a portion of the benefits from mineral deposits. Mining rights shall be recognized if it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the cost of the asset can be measured reliably.

Mining rights pertain to the right of the Group as the holder of the MPSA-078-97-XIII-SMR located in Cagdianao, Dinagat Islands, MPSA-233-2007-XIII-SMR located in Libjo, Dinagat Islands and MPSA-232-2007-XIII-SMR located in Surigao del Norte, Hibuson Island. The mining rights is acquired through the assignment of MPSA from CMC, LMC, Norte Este and WNC.

Mining rights with finite useful life is stated at cost less amortization and accumulated impairment in value. Impairment assessments are made if events or changes in circumstances indicate that a carrying value of the assets may not be recoverable.

The net carrying amount of mining rights of the Group is amortized using the units of production method based on the estimated economically recoverable reserves to which they relate or are written off if the properties covered by the mining rights are abandoned.

Deferred Exploration Costs

Costs incurred during the start-up phase of a mine are expensed as incurred. Ongoing mining expenditures on producing properties are charged against earnings as incurred.



Expenditures for mine exploration work prior to drilling are charged to operations. When it has been established that a mineral deposit is commercially mineable and a decision has been made to formulate a mining plan (which occurs upon completion of a positive economic analysis of the mineral deposit), the costs subsequently incurred to develop a mine on the property prior to the start of mining operations are capitalized. Upon the start of commercial operations, such costs are transferred to mine and mining properties under "Property and equipment". Capitalized amounts may be written down if future cash flows, including potential sales proceeds related to the property, are projected to be less than the carrying value of the property. If no mineable ore body is discovered, capitalized acquisition costs are expensed in the period in which it is determined that the mineral property has no future economic value.

Major development expenditures incurred to expose the ore, increase production or extend the life of an existing mine are capitalized.

Impairment of Nonfinancial Assets

Nonfinancial prepayments and other current and noncurrent assets

The Group assesses at each financial reporting date, its prepayments and other current assets and deposits and other noncurrent assets to determine whether there is any indication that the assets may be impaired. If there is an indication of possible impairment, the recoverable amount of prepayments and other current assets and deposits and other noncurrent assets is estimated and compared with its carrying amount. If estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognized immediately in the statements of comprehensive income.

The Group provides allowance for impairment losses on nonfinancial prepayments and other current assets and deposits and other noncurrent assets when they can no longer be realized. The amounts and timing of recorded expenses for any period would differ if the Group made different judgments or utilized different estimates. An increase in allowance for impairment losses would increase recorded expenses and decrease prepayments and other current assets and deposits and other noncurrent assets.

Property and equipment, intangible assets and mining rights

The Group assesses at each financial reporting date whether there is an indication that property and equipment may be impaired. If any such indication exists, or when the annual impairment testing for an asset is required, the Group makes an estimate of the asset's recoverable amount. An asset's recoverable amount is the higher of its fair value less costs to sell (FVLCS) and its value-in-use (VIU) and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing VIU, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining FVLCS, an appropriate valuation model is used, with the calculations corroborated by other available fair value indicators. Any impairment loss is recognized in the statements of comprehensive income in those expense categories consistent with the function of the impaired asset.

Recovery of impairment losses recognized in prior years is recorded when there is an indication that the impairment losses recognized for the asset no longer exist or have decreased. The recovery is recorded in the statements of comprehensive income. However, the increased carrying amount of an asset due to a recovery of an impairment loss is recognized to the extent that it does not exceed the carrying amount that would have been determined (net of depreciation and amortization) had no impairment loss been recognized for that asset in prior years.



Deferred Exploration Costs

An impairment review is performed, either individually or at the CGU level, when there are indicators that the carrying amount of the assets may exceed their recoverable amounts. To the extent that this occurs, the excess is fully provided against, at the end of the reporting period in which this is determined.

Deferred exploration costs are reassessed on a regular basis. Facts and circumstances that would require an impairment assessment as set forth in PFRS 6, *Exploration for and Evaluation of Mineral Resources*, are as follows:

- The period for which the Group has the right to explore in the specific area has expired or will expire in the near future, and is not expected to be renewed
- Substantive expenditure on further exploration and evaluation of mineral resources in the specific area is neither budgeted nor planned
- Exploration for and evaluation of mineral resources in the specific area have not led to the discovery of commercially viable quantities of mineral resources and the Group has decided to discontinue such activities in the specific area
- When a service contract where the Group has participating interest in is permanently abandoned, and
- Sufficient data exist to indicate that, although a development in the specific area is likely to proceed, the carrying amount of the exploration and evaluation asset is unlikely to be recovered in full from successful development or by sale.

Retirement Benefits Costs

The Group has a non-funded, non-contributory defined retirement benefit plan covering substantially all its employees. The retirement benefits costs are actuarially determined using the projected unit credit method and incorporates assumptions concerning employees' projected salaries.

Retirement benefits costs comprise of the following:

- Service cost
- Net interest on the net retirement benefit liability or asset
- Remeasurements of net retirement benefit liability or asset

Service costs which include current service costs, past service costs and gains or losses on non-routine settlements are recognized as expense in statements of comprehensive income. Past service costs are recognized when plan amendment or curtailment occurs. These amounts are calculated periodically by independent qualified actuaries.

Net interest cost on the retirement benefit liability or asset is the change during the period in the net retirement liability that arises from the passage of time which is determined by applying the discount rate in government bonds to the net retirement benefit liability, determined at the start of the period, after considering any payments to the net retirement benefit liability during the period. Interest on the retirement benefit liability is recognized as finance expense in the statements of comprehensive income.

Remeasurements comprising actuarial gains and losses were previously recognized immediately in statements of comprehensive income in the period in which they arise.



Capital Stock

The Parent Company has issued capital stock that is classified as equity and recorded at par. Incremental costs incurred directly attributable to the issuance of new shares are deducted from additional paid-in capital (APIC). If APIC is not sufficient, the excess is charged against retained earnings (deficit).

Subscription Receivable

Subscription receivable pertains to the amount of subscribed capital stock less the amount paid-up. Subscription receivable is presented as deduction from capital stock.

Basic/Diluted Earnings/Losses Per Share

Basic earnings/losses per share is computed by dividing net loss attributable to equity holders of the Group for the year by the weighted average number of common shares outstanding during the year after giving retroactive effect to stock dividends declared and stock rights exercised during the year, if any. The Group currently does not have potential dilutive common shares.

Retained Earnings (Deficit)

Retained earnings (deficit) includes accumulated profits and losses attributable to the Group's stockholders. Retained earnings (deficit) may also include effect of changes in accounting policy as may be required by the standard's transitional provisions.

Equity Reserve

Equity reserve represents the residual amount recognized in the consolidated financial statements to reflect the equity of the legal subsidiary (accounting acquirer) before the business combination, which was accounted for as a reverse acquisition. However, the equity structure (i.e., the number and type of equity instruments issued) still reflects the equity structure of the legal parent (accounting acquiree), including the equity instruments issued by the legal parent to effect the combination.

Reverse Acquisitions

Consolidated financial statements prepared following a reverse acquisition are issued under the name of the legal parent (accounting acquiree) but described in the notes as a continuation of the financial statements of the legal subsidiary (accounting acquirer), with one adjustment, which is to adjust retroactively the accounting acquirer's legal capital to reflect the legal capital of the accounting acquiree. That adjustment is required to reflect the capital of the legal parent (the accounting acquiree). Comparative information presented in those consolidated financial statements also is retroactively adjusted to reflect the legal capital of the legal parent (accounting acquiree).

Combination of Entities under Common Control

Combination of entities under common control are accounted for by applying the pooling-of-interest method. The pooling-of-interests method generally involved the following:

- The assets and liabilities of the combining entities are reflected in the consolidated financial statements at their carrying amounts. No adjustments are made to reflect fair value or recognize any new assets or liabilities at the date of combination. The only adjustments that are made are those adjustments to harmonize the accounting policies.
- No new goodwill is recognized as a result of the combination. The only goodwill that is recognized is any existing goodwill relating to either of the combining entities. Any difference between the consideration paid or transferred and the entity acquired is reflected within equity.



- The consolidated statement of income, comprehensive income and cash flows reflect the result of the combining entities in full, irrespective of when the combination takes place.
- Comparative financial information are presented as if the entities had always been combined, or on the date the common control existed on the combining entities, whichever comes earlier.
- The effects of any intercompany transactions are eliminated to the extent possible.

OCI

OCI includes items of income and expenses (including items previously presented under statement of changes in equity) that are not recognized in the statement of comprehensive income for the year in accordance with PFRS Accounting Standards.

Revenue from Contracts with Customers

Revenue from contracts with customers is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. The Group assesses its revenue arrangements against specific criteria in order to determine if it is acting as principal or agent.

The following specific recognition criteria must also be met before revenue is recognized:

Royalty income

Royalty income is main source of revenue and is recognized from the share of sale of export of raw minerals by the Operators which rate is equivalent to certain percentage of gross receipts as stated in the agreements with various Operators.

Commission and marketing income

Commission income is recognized either based on the ore price per WMT at the date of loading and also equivalent to certain percentage of gross receipts depending on the agreement with various operators.

Other income

Other income is recognized as they are earned.

Expense Recognition

Costs and expenses are decreases in economic benefits during the accounting period in the form of outflows or decreases of assets or incurrence of liabilities that result in decreases in equity other than those relating to distributions to equity participants. Costs and expenses are recognized when the services are used, or the expense arises.

General and administrative expenses

General and administrative expenses consist of costs associated with the development and execution of day-to-day operations of the Group. These are generally recognized when the service is incurred or the related expense arises.

Other charges

Other charges are recognized as they are incurred.

Income Taxes

Current Income Tax

Current income tax assets and liabilities for the current and prior year periods are measured at the amount expected to be recovered from, or paid to, the tax authority. The tax rates and tax laws used to compute the amount are those that have been enacted or substantively enacted as at the reporting date.



Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions when appropriate.

Deferred Income Tax

Deferred income tax is provided, using the liability method, on all temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred income tax assets are recognized for all deductible temporary differences, carryforward of unused tax credits and unused net operating loss carry-over (NOLCO), to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carryforward benefits of unused tax credits and unused NOLCO can be utilized.

Deferred income tax liabilities are recognized for all taxable temporary differences.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax assets to be utilized. Unrecognized deferred income tax assets are reassessed at each reporting date and are recognized to the extent that it has become probable that future taxable profit will allow the deferred income tax assets to be recovered.

Deferred income tax assets and liabilities are measured at the tax rate that is expected to apply to the period when the asset is realized or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the reporting date.

OCI

OCI comprises items of income and expense (including items previously presented under the consolidated statement of changes in equity) that are not recognized in profit or loss for the year in accordance with PFRS Accounting Standards.

Segment Reporting

An operating segment is a component of an entity that: (a) engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the same entity); (b) whose operating results are regularly reviewed by the entity's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance; and (c) for which discrete financial information is available.

The Group has only one business and geographical segment.

Related Party Transactions

Transactions with related parties accounted for based on the nature and substance of the agreement, and financial effects are included in the appropriate asset, liabilities, income and expense accounts.

Provisions

Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as interest expense.



When the Group expects some or all of a provision to be reimbursed, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statements of comprehensive income, net of any reimbursement.

Contingencies

Contingent liabilities are not recognized in the financial statements. These are disclosed unless the possibility of an outflow of resources embodying economic benefits is remote. Contingent asset are not recognized in the financial statements but disclosed in the notes to financial statements when an inflow of economic benefits is probable.

Events After the Reporting Date

Post year-end events that provide additional information about the Group's position at the reporting date (adjusting events) are reflected in the financial statements. Post year-end events that are non-adjusting events are disclosed in the notes to the financial statements when material.

3. Significant Accounting Judgments, Estimates and Assumptions

The Group's financial statements prepared in accordance with PFRS Accounting Standards require management to make judgment, estimates and assumptions that affect the amounts reported in the financial statements and related notes. The estimates and assumptions used in the financial statements are based upon management's evaluation of relevant facts and circumstances as of the date of the Group's financial statements. Actual results could differ from such estimates.

Judgments, estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Judgments

In the process of applying the Group's accounting policies, management has made the following significant judgments, apart from those including estimations and assumptions, which have the most significant effect on the amounts recognized in the financial statements.

Assessing Going Concern

The use of going concern assumption requires management to make judgments at a particular point in time about the future outcome of events and conditions that are inherently uncertain. The underlying assumption in the preparation of financial statements is that the Group has neither the intention nor the need to liquidate the business.

Note 1 to the consolidated financial statements discusses the matters considered by management in concluding the appropriateness of the use of going concern assumption in the preparation of the financial statements. As such, the financial statements have been prepared on a going concern basis of accounting.

Accounting for the reverse acquisition of ECVMC and ECMRCI

As discussed in Notes 1 and 2, as at May 31, 2023, the equity share swap transaction between ECVMC and ECMRCI became effective.



Management judgment was required to determine that ECVMC did not meet the definition of a “business” and should not be accounted for as a business combination.

Combination of Entities under Common Control

A combination involving entities or business under common control is a combination in which all of the combining entities or businesses are ultimately controlled by the same party or parties both before and after the acquisition, and that is control is not transitory.

The Share Swap transaction was a transaction between entities under common control since at acquisition date on May 31, 2023, ECVMC and ECMRCI are under the common control of HGP Group.

Estimates and Assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

Estimating Allowance for ECL on Trade and Other Receivables and Due from Related Parties

The Group uses a provision matrix to calculate ECLs for trade and other receivables. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns. The provision matrix is initially based on the Group’s historical observed default rates. The Group calibrates the matrix to adjust the historical credit loss experience with forward-looking information. At every end of the reporting period, the historical observed default rates are updated and changes in the forward-looking estimates are analyzed. The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Group’s historical credit loss experience and forecast of economic conditions may also not be representative of customers’ actual default in the future. The information about the ECLs on the Group’s trade and other receivables is disclosed in Note 5.

For the Group’s advances to related parties, the ECL is based on the 12-month ECL. The 12-month ECL is the proportion of lifetime ECL that results from default events on a financial instrument that are possible within twelve (12) months after the end of the reporting period. However, when there has been a significant increase in credit risk since origination, the allowance will be based on the lifetime ECL. When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECL, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group’s historical experience and informed credit assessment including forward looking information. Significant management’s judgment and estimate is also required to determine the realizable amount of the financial asset based on cashflow forecast, which requires the use of significant assumptions.

As at December 31, 2025 and 2024, the carrying values of the Group’s trade receivables amounted to ₱61,873,245 and ₱118,410,662, respectively, and the carrying values of the Group’s due from related parties amounted to ₱196,143,247 and nil. No allowance for expected credit losses were recognized as of December 31, 2025 and 2024 (see Notes 5 and 18).



Estimating Impairment on Property and Equipment and Mining Rights

The Group assesses impairment on property and equipment and mining rights whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable.

The factors that the Group considers important which could trigger an impairment review include the following:

- Significant underperformance relative to expected historical or projected future operating results;
- Significant changes in the manner of use of the acquired assets or the strategy for overall business; and
- Significant negative industry or negative trends

Management performed assessment of impairment as at December 31, 2025 and 2024. The recoverable amount of the cash-generating unit has been determined based on a value-in-use calculation using cash flow projections from financial budgets approved by management covering the mine life of the cash generating unit under its existing operating agreements with various operators of the Group's MPSAs.

The calculation of value-in-use for the cash-generating unit incorporates the following key assumptions: a) expected life of the project; b) future production levels and costs which are based on the Group's historical experience; c) contributions to the government based on current regulations; d) nickel prices which are estimated with reference to external market forecasts; e) foreign exchange rates based on the current and forecasts in different banks; and f) discount rate which is computed using the weighted average cost of capital.

The Group also recognizes impairment loss on individual assets when impairment indicators are present and aimed at individual assets rather than the cash-generating unit of which they are part of. The Group did not recognize provision for impairment loss on mining rights, and property and equipment in 2025, 2024 and 2023 (see Notes 7 and 9).

Assessing Unit-of-Production Depletion

Estimated recoverable mineral reserves are key inputs in determining the depletion of mining rights. This results in a depletion charge proportional to the depletion of the anticipated remaining mine life. Estimated recoverable mineral reserves for development projects is, to a large extent, based on the interpretation of geological data obtained from drill holes and other sampling techniques and feasibility studies, which derive estimates of costs based upon anticipated tonnage and grades of ores to be mined and processed, the configuration of the ore body, expected recovery rates from the ore, estimated operating costs, estimated climatic conditions and other factors.

Estimated recoverable reserves are used in determining the depletion of mining rights. This results in a depletion charge proportional to the depletion of the anticipated remaining mine life. Each item's life, which is assessed annually, has regard to both physical life limitations and to present assessments of economically recoverable reserves of the mine property at which the asset is located. The calculations require the use of estimates of future capital expenditure. The Group use the tons of ore produced as the basis for depletion. Any change in estimates is accounted for prospectively in accordance with PAS 8. Average depletion rates used by the Group in 2025, 2024 and 2023 are 8.07%, 8.41%, and 7.05% in 2025, 2024 and 2023, respectively.

Assessing Recoverability of Deferred Exploration Costs

The application of the Group's accounting policy for deferred exploration costs requires judgment and estimates in determining whether it is likely that the future economic benefits are certain, which may be based on assumptions about future events or circumstances. Estimates and assumptions may



change if new information becomes available. If, after mine exploration costs are capitalized, information becomes available suggesting that the recovery of expenditure is unlikely, the amount capitalized is written off and is recognized in the statement of comprehensive income in the period when the new information becomes available.

The Group reviews the carrying values of its mineral property interests whenever events or changes in circumstances indicate that their carrying values may exceed their estimated net recoverable amounts. An impairment loss is recognized when the carrying values of these assets are not recoverable and exceeds their fair value. There were no impairment losses recognized on the Group's deferred exploration costs in 2025 and 2024. No allowance for impairment loss was provided for deferred exploration costs as at December 31, 2025 and 2024. Deferred exploration costs amounted to ₱147,909,653 as at December 31, 2025 and 2024 (see Note 10).

Estimating Realizability of Deferred Tax Assets

The Group reviews the carrying amounts of deferred tax assets at each reporting date and reduces the amounts to the extent that it is no longer probable that sufficient future taxable income will be available to allow all or part of the deferred income tax assets to be utilized in the future. Significant management judgment is required to determine the amount of deferred income tax assets that can be recognized, based upon the likely timing and level of future taxable income together with future planning strategies.

The Group recognized deferred tax assets amounting to ₱4,342,189 and ₱4,473,857 as of December 31, 2025 and 2024, respectively (see Note 17).

The Group did not recognize deferred tax assets on carryforward benefits of unused NOLCO and MCIT amounting to ₱531,512,525 and ₱268,763,028 as of December 31, 2025 and 2024, respectively and the Parent Company did not recognize deferred tax assets on carryforward benefits of unused NOLCO amounting to ₱101,370,406 and ₱100,271,959 as of December 31, 2025 and 2024, respectively, as management assessed that it is not probable that sufficient future taxable income will be available to allow all or part of deferred income tax assets to be utilized in the future (see Note 17).

4. Cash

	Consolidated		Parent Company	
	2025	2024	2025	2024
Cash on hand	₱105,000	₱105,000	₱100,000	₱100,000
Cash in bank	13,620,703	7,011,126	236,640	166,402
	₱13,725,703	₱7,116,126	₱336,640	₱266,402

Cash in bank generally earn interest based on prevailing bank deposit rates. Interest income earned from cash in bank, net of final taxes withheld, are as follows:

	Consolidated			Parent Company		
	2025	2024	2023	2025	2024	2023
Interest income	₱3,052	₱1,986	₱24,054	₱133	₱73	₱64



5. Trade and Other Receivables

	Consolidated		Parent Company	
	2025	2024	2025	2024
Trade receivables				
Third parties	₱58,776,093	₱16,277,957	₱—	₱—
Related parties (Note 18)	—	97,757,142	—	—
Advances to employees	3,097,152	4,375,563	—	—
	₱61,873,245	₱118,410,662	₱—	₱—

Trade receivables are noninterest-bearing and are generally settled within 30 days.

Advances to employees are noninterest-bearing and are normally liquidated within 14 days upon receipt.

The Group uses a provision matrix to calculate for ECL on trade receivables. The provision rates are based on days past due and customer loss patterns. Aside from historical credit loss experience, the provision matrix incorporates forward looking information which may lead to increased number of defaults such as gross domestic product and inflation rate. No allowance for ECL was recognized as of December 31, 2025 and 2024.

6. Prepayments and Other Current Assets

	Consolidated		Parent Company	
	2025	2024	2025	2024
Creditable withholding taxes	₱88,868,017	₱66,459,680	₱—	₱—
Prepayments	4,421,469	3,244,489	50,000	—
Input VAT	1,171,887	1,425,849	1,139,748	962,821
	₱94,461,373	₱71,130,018	₱1,189,748	₱962,821

CWTs, which are claimed against the income tax due, are carried over in the succeeding period for the same purpose.

Prepayments pertain to those expenses paid in advance which are to be amortized within 12 months from the end of the financial reporting period.

Input VAT, which is presented net of output VAT, represents taxes paid on purchases of goods and services which can be recovered as tax credit against future VAT liability of the Group.



7. Property and Equipment

December 31, 2025

	Consolidated							Total
	Land	Building and other structures	Furniture and fixtures	Office equipment	Transportation equipment	Other Equipment	Mining and Heavy Equipment	
Cost:								
Beginning balances	₱5,300,000	₱9,200,000	₱2,670,587	₱4,533,992	₱90,206,959	₱894,930	₱196,416,407	₱309,222,875
Additions	–	–	–	135,974	–	65,126	–	201,100
Ending balances	5,300,000	9,200,000	2,670,587	4,669,966	90,206,959	960,056	196,416,407	309,423,975
Accumulated depreciation								
Beginning balances	–	9,200,000	2,554,057	3,791,232	56,605,197	667,535	92,522,221	165,340,242
Depreciation (Note 16)	–	–	32,520	384,101	7,231,687	82,438	20,717,474	28,448,220
Ending balances	–	9,200,000	2,586,577	4,175,333	63,836,884	749,973	113,239,695	193,788,462
Net book values	₱5,300,000	₱–	₱84,010	₱494,633	₱26,370,075	₱210,083	₱83,176,712	₱115,635,513

December 31, 2024

	Consolidated							Total
	Land	Building and other structures	Furniture and fixtures	Office equipment	Transportation equipment	Other Equipment	Mining & Heavy Equipment	
Cost:								
Beginning balances	₱5,300,000	₱9,200,000	₱2,670,587	₱4,332,192	₱81,032,049	₱894,930	₱196,416,407	₱299,846,165
Additions	–	–	–	201,800	9,174,910	–	–	9,376,710
Ending balances	5,300,000	9,200,000	2,670,587	4,533,992	90,206,959	894,930	196,416,407	309,222,875
Accumulated depreciation								
Beginning balances	–	9,200,000	2,521,537	3,423,181	50,311,666	586,121	71,804,747	137,847,252
Depreciation (Note 16)	–	–	32,520	368,051	6,293,531	81,414	20,717,474	27,492,990
Ending balances	–	9,200,000	2,554,057	3,791,232	56,605,197	667,535	92,522,221	165,340,242
Net book values	₱5,300,000	₱–	₱116,530	₱742,760	₱33,601,762	₱227,395	₱103,894,186	₱143,882,633



Total additions to property and equipment includes non-cash additions amounting to nil and ₱9,100,000 in 2025 and 2024, respectively, which pertains to equipment financing availed from a bank (Note 12).

	Parent Company	
	2025	2024
Cost:		
Beginning and ending balance	₱65,495	₱65,495
Accumulated depreciation		
Beginning balances	65,495	46,392
Depreciation (Note 16)	–	19,103
Ending balance	65,495	65,495
Net book value	₱–	₱–

Fully depreciated property and equipment are retained in the books until they are no longer in use and no further depreciation is charged to current operations. The cost of fully depreciated property and equipment still being used in operations amounted to ₱96,149,934 and ₱105,485,125 as at December 31, 2025 and 2024, respectively. The Group does not have property and equipment that are idle as at December 31, 2025 and 2024.

8. Intangible Asset

	Consolidated		Parent Company	
	2025	2024	2025	2024
Cost:				
Beginning balance	₱878,123	₱779,909	₱–	₱–
Addition	111,429	98,214	–	–
Ending balance	989,552	878,123	–	–
Accumulated amortization:				
Beginning balance	436,571	263,119	–	–
Amortization (Note 16)	193,090	173,452	–	–
Ending balance	629,661	436,571	–	–
Net book value	₱359,891	₱441,552	₱–	₱–

Intangible asset pertains to computer software used in Group's operations.

9. Mining Rights

Mining rights represent the cost transferred from deferred exploration costs as there has been established mineral deposit that is commercially mineable.

	Consolidated		Parent Company	
	2025	2024	2025	2024
Cost:				
Beginning balance	₱1,863,800,122	₱979,721,396	₱–	₱–
Additions	–	884,078,726	–	–
Ending balance	1,863,800,122	1,863,800,122	–	–

(Forward)



	Consolidated		Parent Company	
	2025	2024	2025	2024
Accumulated amortization:				
Beginning balance	₱266,122,325	₱119,353,620	₱—	₱—
Amortization (Note 16)	288,739,284	146,768,705	—	—
Ending balance	554,861,609	266,122,325	—	—
Net book value	₱1,308,938,513	₱1,597,677,797	₱—	₱—

No additions to mining rights in 2025. Additions generally include costs incurred under the MPSA for the further development of the mines, drilling activities, and other direct costs related to development and production activities of the existing MPSAs. There was no impairment losses recognized on the Group's mining rights in 2025 and 2024.

10. Deferred Exploration Costs

	Consolidated		Parent Company	
	2025	2024	2025	2024
Balances at beginning of year	₱147,909,653	₱147,909,653	₱—	₱—
Exploration costs incurred	—	—	—	—
	₱147,909,653	₱147,909,653	₱—	₱—

Deferred exploration costs pertain to the exploration expenditure on the 88 Kiamba project. On March 23, 2023, the Group entered into a memorandum of agreement with 88 Kiamba Mining & Development Corporation (88 KMDC) to undertake the exploration, development, mining and utilization of the mineral property covered by Exploration Permit No. 014-2014-XII located in Maitum, Kiamba, Sarangani and Exploration Permit No. 129-XII located in T'boli, South Cotabato, Mindanao.

The Group, through a letter dated April 26, 2024, filed an application for registration of the Operating Agreements executed between ECMRCI and 88 KMDC for the abovementioned EP No. EP-14-2014-XII and EXPA No. 129-XII-2013. On May 6, 2024, the MGB issued a letter requiring the Group to further submit documentary requirements for the said registration, which request has already been complied with by the Group. In 2025, the Group applied for the renewal of the EP/EXPA to MGB.

There were no impairment losses recognized on the Group's deferred exploration costs in 2025 and 2024.

11. Trade and Other Payables

	Consolidated		Parent Company	
	2025	2024	2025	2024
Trade payables	₱31,958,351	₱108,392,317	₱—	₱—
Output VAT	25,206,618	22,585,857	—	—
Statutory payables	10,917,353	9,410,557	10,000	10,000
Accrued expenses and others	8,933,284	16,284,398	2,616,526	2,124,297
	₱77,015,606	₱156,673,129	₱2,626,526	₱2,134,297

Trade payables are liabilities incurred by the Group for the purchase of services from suppliers. These are noninterest-bearing and are normally settled in a 30-day term.



Statutory payables include, among others, Social Security System (SSS) and PAG-IBIG premiums payable which are payable to the Philippine government.

Accrued expenses and others are payables for services already rendered to the Group which are not yet billed as at year-end and are generally settled in 30-90 days' term.

12. Loans Payable and Installment Payables

a. Loans payable

The Group entered into separate agreements with each of the following:

	Consolidated		Parent Company	
	2025	2024	2025	2024
Security Bank Corporation	₱471,847,507	₱476,533,418	₱–	₱–
Less: current portion	471,847,507	476,533,418	–	–
Noncurrent portion	₱–	₱–	₱–	₱–

	Consolidated			Parent Company	
	2025			2025	
	Availment	Payment	Others	Availment	Payment
Security Bank Corporation	₱–	₱4,685,911	₱–	₱–	₱–
Loan to shareholder	–	–	–	–	–
	₱–	₱4,685,911	₱–	₱–	–

	Consolidated			Parent Company	
	2024			2024	
	Availment	Payment	Others	Availment	Payment
Security Bank Corporation	₱40,000,000	₱–	₱24,152,468	₱–	₱–
Loan to shareholder	–	338,693	–	–	–
	₱40,000,000	₱338,693	₱24,152,468	₱–	₱–

Loan with SBC

Facility Loan

The Group and SBC executed a Loan Agreement wherein SBC granted the Group a loan facility amounting to ₱476,533,418 with a prevailing SBC average lending rate of 8.25%, 8.75%, and 7.75 in 2025, 2024, and 2023, respectively. Total interest expense incurred amounted to ₱41,685,388, ₱54,184,323, and ₱13,660,411 in 2025, 2024 and 2023, respectively. The loan is secured by multiple real estate properties owned by the shareholders.

In 2024, the Group entered into a loan restructuring agreement with SBC, which included an additional loan of ₱40,000,000 and adding the unpaid interest amounting to ₱24,152,468 as part of the carrying amount of the loan.

In 2025, the Group entered into a loan restructuring agreement with SBC for a principal amount of ₱476,533,418, for the purpose of restructuring existing past-due obligations. The loan has a tenor of 30 months and bears interest at the Bank's prevailing rate, subject to periodic resetting, payable in monthly arrears.



In 2025, the Group failed to meet the scheduled loan payment, resulting in an event of default under the terms of the loan agreement. Consequently, the outstanding loan balance became immediately due and demandable and was reclassified as a current liability as of year-end. As of April 27, 2026, the Group made total payments amounting to ₱26,316,129, which were applied against the principal balance that became due in 2025.

Loan to shareholder

The Group availed a loan from its shareholder for a transportation equipment amounting to ₱2.69 million with an interest rate of 9.73% per annum. Total interest expense incurred amounted to nil, ₱6,895, and ₱83,938 in 2025, 2024 and 2023, respectively. The loan was settled in 2024.

Loan with CMC

The Group and CMC executed a Loan Agreement wherein CMC granted the Group a loan facility amounting to ₱1,000 million with an interest rate of 3% per annum. The loan was issued in two tranches of ₱150 million in October 2015 and ₱850 million in December 2015.

As payment for the loan, CMC shall deduct 50% of the commission and royalties, net of withholding tax and interest, each time a commission, royalty or additional royalty is paid by CMC to the Group. The loan is secured by a Pledge Agreement between the CMC and ECMRCI covering the latter's rights, interests, receivables, obligations, and liabilities over the Mineral Production Sharing Agreements (MPSAs) on the Cagdianao property owned by ECMRCI.

On March 28, 2019, the ECMRCI and CMC amended the Loan Agreement executed in 2015. The Company obtained an additional ₱280 million loan from CMC. The outstanding balance due to CMC under the original and amended Loan Agreements shall be paid by deducting 60% of the commission and royalties, net of withholding tax and interest payments, each time a commission, royalty or additional royalty is paid by CMC to ECMRCI in 2024. The loan was settled in 2024.

Total interest expense incurred amounted to nil, nil, and ₱91,322 in 2025, 2024 and 2023, respectively. The loan was settled in 2024.

b. Installment Payable

Equipment Financing

Starting 2020, the Group acquired various units of transportation equipment through a three-year financing agreement with SBC terms of (a) down payment of an average 30% and (b) the remaining balance payable in installments and will mature in accordance with terms and conditions of the agreements. The related nonfinancial assets were recognized since the lease term is for the major part of the economic life of the transportation equipment (see Note 7).

In 2025, the ₱107,430,670 principal amount of finance lease facility with SBML Leasing Inc., was restructured with a new term of 30 months, with maturity date on December 30, 2027 and interest rate of 16.5%.



The future minimum lease payments for the obligations under finance lease on transportation equipment are as follows:

	Consolidated		Parent Company	
	2025	2024	2025	2024
Within one (1) year	₱105,699,114	₱118,639,920	₱-	₱-
After one (1) year but not more than four (4) years	3,050,121	8,062,152	-	-
Total minimum lease payments	108,749,235	126,702,072	-	-
Less: interest charges	2,725,571	3,513,727	-	-
Present value of minimum lease payments	106,023,664	123,188,345	-	-
Less current portion	102,973,543	115,839,113	-	-
Noncurrent portion	₱3,050,121	₱7,349,232	₱-	₱-

Total interest expense incurred amounted to ₱17,457,394, ₱17,740,255, and ₱8,207,522 in 2025, 2024, and 2023, respectively.

13. Retirement Benefits Liability

The Group has an unfunded, noncontributory defined benefit plan covering all regular employees. Benefits are based on the employee's years of service and final plan salary. Under the existing regulatory framework, Republic Act 7641 requires a provision for retirement pay to qualified private sector employees in the absence of any retirement plan in the entity, provided however that the employee's retirement benefits under any collective bargaining and other agreements shall not be less than those provided under the law. The law does not require minimum funding of the plan.

Retirement cost recognized in the statements of income follows:

	Consolidated			Parent Company		
	2025	2024	2023	2025	2024	2023
Interest cost	₱790,930	₱1,806,871	₱1,129,930	₱-	₱-	₱-
Current service cost	1,114,405	803,129	697,409	-	-	-
	₱1,905,335	₱2,610,000	₱1,827,339	₱-	₱-	₱-

Changes in the present value of the defined benefit obligation are as follows:

	Consolidated		Parent Company	
	2025	2024	2025	2024
Present value of defined benefit obligation	₱18,298,940	₱17,730,365	₱-	₱-
Interest cost	790,930	1,086,871	-	-
Current service cost	1,114,405	803,129	-	-
Actuarial losses (gains) due to:			-	-
Experience adjustments	(1,432,485)	(1,291,808)	-	-
Changes in financial assumptions	(524,053)	56,493	-	-
Demographic adjustments	124,682	(86,110)	-	-
	₱18,372,419	₱18,298,940	₱-	₱-



Remeasurement gains on defined benefit obligation recognized under OCI in the statements of comprehensive income are as follows:

	Consolidated			Parent Company		
	2025	2024	2023	2025	2024	2023
Actuarial losses (gains) due to:						
Experience adjustments	(P1,432,485)	(P1,291,808)	(P1,235,463)	P-	P-	P-
Changes in financial assumptions	(524,053)	56,493	1,487,107	-	-	-
Demographic adjustments	124,682	(86,110)	151,653	-	-	-
	(P1,831,856)	(P1,321,425)	P403,297	P-	P-	P-

Cumulative remeasurement losses recognized in other comprehensive income as of December 31, 2025 and 2024 are as follows:

	Consolidated		Parent Company	
	2025	2024	2025	2024
Balance at beginning of year	P5,836,310	P4,845,241	P-	P-
Actuarial gains	1,831,856	1,321,425	-	-
Income tax effect	(457,964)	(330,356)	-	-
	1,373,892	991,069	-	-
	P7,210,202	P5,836,310	P-	P-

The costs of defined benefit pension plan as well as the present value of the pension obligation are determined using actuarial valuations. The actuarial valuation involves making various assumptions. The principal assumptions used in determining pension for defined benefit plans are as follows:

	2025	2024
Discount rate	6.46%	6.09%
Future salary increase rate	11.00%	11.00%

The sensitivity analysis below has been determined based on reasonably possible changes of each significant assumption on the defined retirement benefits obligation as at the end of the reporting period, assuming all other assumptions were held constant:

	Increase (decrease)	2025	2024
Discount rate	+100 basis points (bps)	(P1,257,914)	(P1,298,467)
	-100 bps	1,499,251	1,553,526
Future salary increase	+100 bps	1,418,666	1,464,298
	-100 bps	(1,220,734)	(1,256,136)

Shown below is the maturity analysis of the Group's undiscounted benefit payments as at December 31, 2025 and 2024:

	2025	2024
One year	P9,184,414	P9,556,843
More than one (1) year to five (5) years	1,187,555	1,214,571
More than five (5) years to ten (10) years	1,266,217	1,380,632

The average duration of the defined benefit obligation is 7.5 years and 7.8 years as at December 31, 2025 and 2024, respectively.



14. Equity

Capital stock

	2025	2024
Authorized:		
Common shares - ₱1 par value, 12,000,000 shares	₱12,000,000,000	₱12,000,000,000
Issued:		
Common shares - ₱1 par value, 6,143,944,338 shares	6,143,944,338	6,143,944,338
Subscribed:		
Common shares - ₱1 par value, 486,055,662 shares (net of subscriptions receivable of ₱457,502,880)	28,552,782	28,552,782
	₱6,172,497,120	₱6,172,497,120

In 2021, the Parent Company entered into a MOA with majority stockholders of ECMRCI for the latter's subscription up to 5.18 billion shares of the Parent Company arising from the increase in authorized capital stock. Such increase in authorized capital stock from 4 billion shares to 12 billion shares has been approved by the BOD and Stockholders.

On May 29, 2023, the SEC approved the Parent Company's application for the amendment of Articles of Incorporation in relation to the increase in authorized capital stock from 4,000,000,000 shares to 12,000,000,000 shares. On the same date, the Parent Company issued 5,100,000,000 common shares with par value of ₱1 per share to HGP Group in exchange for the 100% outstanding shares of ECMRCI. The Group incurred ₱73,141,470 transactions costs in relation to the issuance of the capital stock, which the Parent Company availed from its related parties.

The table below provides information regarding the number of stockholders of the Parent Company as of December 31, 2025, 2024 and 2023:

	2025	2024	2023
Common shares	1,901	1,856	1,908

The following table presents the track record of registration of capital stock:

Year Approval	No. of shares Registered	No. of shares Issued	Par Value
Prior to 2025	8,000,000,000	5,180,000,000	₱1.00
2025	–	–	1.00
Total	8,000,000,000	5,180,000,000	₱–



Equity reserves

The amount of equity reserve consists of the net difference between the consideration transferred by ECVMC and the legal capital of ECMRCI that is eliminated to reflect the legal capital of ECVMC.

	2025	2024
Effect of:		
Adjustment of the legal capital of ECVMC	(P992,497,120)	(P992,497,120)
Elimination of ECMRCI Capital	925,000,000	925,000,000
Issuance of additional shares	(5,180,000,000)	(5,180,000,000)
Stock issuance costs	73,141,470	73,141,470
Identifiable net liabilities of ECVMC as at acquisition date	(84,251,551)	(84,251,551)
	(P5,258,607,201)	(P5,258,607,201)

The following are the fair values of the ECVMC as at the date of acquisition, May 31, 2023:

Assets	
Cash	P163,339
Prepayments and other current assets	300,434
Property and equipment	43,663
	507,436
Liabilities	
Trade and other payables	177,448
Due to related parties	84,581,539
	84,758,987
Total identifiable net liabilities	(P84,251,551)

Net cash inflow on acquisition is as follows:

Cash consideration	P—
Less cash acquired with the subsidiary ^(a)	163,339
Net cash inflow	P163,339

^(a)Cash acquired with the subsidiary is included in investing activities in consolidated statement of cash flows.

Capital Management

The primary objective of the Group's capital management is to ensure that the Group has sufficient funds in order to support its business, pay existing obligations and maximize shareholder value.

The Group considers the following as its core economic capital:

	Consolidated		Parent Company	
	2025	2024	2025	2024
Capital stock	P6,172,497,120	P6,172,497,120	P6,172,497,120	P6,172,497,120
Retained earnings (Deficit)	286,605,604	350,858,467	(1,101,135,754)	(1,093,245,209)
	P6,459,102,724	P6,523,355,587	P5,071,361,366	P5,079,251,911

The Group manages its capital structure and adjusts it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may obtain additional advances from related parties and stockholders or look for strategic and financial investors to invest in the Group.

No changes were made in the objectives, policies or processes for managing capital during the years ended December 31, 2025 and 2024.



15. Revenues

	Consolidated			Parent Company		
	2025	2024	2023	2025	2024	2023
Royalty income	₱269,131,535	₱112,330,287	₱161,685,814	₱—	₱—	₱—
Commission and marketing income	147,934,881	103,839,957	125,482,671	—	—	—
Others	33,882,956	73,058,975	88,277,284	—	—	—
	₱450,949,372	₱289,229,219	₱375,445,769	₱—	₱—	₱—

Royalty and commission and marketing income are earned equivalent to a certain percentage of the gross sales of all ores sold for the mineral properties covered by the operating agreements (Note 22).

Other income pertains to equipment rental and mining lease.

16. Operating Expenses

	Consolidated			Parent Company		
	2025	2024	2023	2025	2024	2023
Amortization of mining rights (Note 9)	₱288,739,284	₱146,768,705	₱65,303,172	₱—	₱—	₱—
Depreciation and amortization (Notes 7 and 8)	28,641,310	27,666,442	27,025,016	—	19,103	32,748
Agent and commission fees	15,818,335	20,226,065	—	—	—	—
Salaries and wages	14,063,315	15,467,384	13,555,577	—	—	—
Transportation and travel	13,263,200	1,263,282	7,862,851	21,535	35,717	51,724
Professional and consultant fees	10,199,357	10,756,405	12,221,431	3,889,964	3,530,000	4,691,825
Taxes and licenses	5,761,807	1,756,291	5,292,796	250,000	261,495	291,808
Employee benefits	4,499,008	5,733,064	5,862,047	—	—	—
Repairs and maintenance	3,061,199	1,214,343	4,184,808	—	—	—
Gasoline, oil & fuels	2,196,786	1,958,271	1,531,498	—	—	—
Communication, Light and water	1,657,956	1,630,974	1,430,240	—	—	—
Rental	1,486,855	1,116,855	—	1,486,855	1,116,855	779,214
Representation	1,277,820	1,828,990	3,798,340	851,077	716,283	839,880
Service fees	1,227,437	352,300	835,900	—	—	—
Outside services	1,048,073	1,104,291	3,959,840	210,431	266,650	3,959,840
Utilities	400,731	282,681	52,346	223,734	158,701	70,081
Donations	113,500	143,060	205,429	—	—	—
Office supplies	105,347	65,470	218,070	—	—	—
Bank Charges	29,261	1,704,971	806,688	—	—	—
Director's fees	—	—	—	440,000	360,000	665,000
Management fee	—	14,461,461	18,772,288	—	—	—
Miscellaneous	6,365,062	11,289,934	7,093,195	517,082	496,644	551,409
	₱399,955,643	₱266,791,239	₱180,011,532	₱7,890,678	₱6,961,448	₱11,933,529



17. Income Taxes

- a. The provision for current income tax represents MCIT in 2024 and 2025 and RCIT in 2023 for the Group and the Parent Company has no provision for current income tax in 2025, 2024 and 2023 due to its gross loss and net taxable loss position.
- b. The reconciliation of income before income tax computed at statutory income tax rate to the provision for income tax as shown in the statements comprehensive of income is summarized as follows:

	Consolidated			Parent Company		
	2025	2024	2023	2025	2024	2023
At statutory income tax rate 25% for the Group and 20% for the Parent Company	(P1,928,233)	(P13,810,191)	P42,925,645	(P1,578,109)	(P1,392,275)	(P2,386,693)
Additions to (reductions in) income tax resulting from:						
Royalty income already subjected to final tax	(67,282,884)	(28,082,572)	(40,421,454)	—	—	—
Final tax paid on royalty income	53,826,892	22,466,447	32,341,972	—	—	—
Changes in unrecognized deferred tax asset	70,318,427	43,596,509	2,383,800	1,578,136	1,392,290	17,015,000
Stock issuance costs	—	—	—	—	—	(P14,628,294)
Interest income already subjected to final tax	(757)	(497)	(6,013)	(27)	(15)	(13)
Nondeductible expenses	28,376	35,765	73,051	—	—	—
	P54,961,821	P24,205,461	P37,297,001	P—	P—	P—

- c. The components of the deferred tax assets are as follows:

	Consolidated		Parent Company	
	2025	2024	2025	2024
<i>Recognized directly in profit or loss</i>				
Retirement benefits liability	P6,996,507	P6,520,171	P—	P—
Unrealized foreign exchange loss	(250,917)	(100,877)	—	—
<i>Recognized directly in other comprehensive income</i>				
Retirement benefits liability	(2,403,401)	(1,945,437)	—	—
	P4,342,189	P4,473,857	P—	P—

- d. As at December 31, 2025 and 2024, the Group did not recognize deferred income tax assets on the following deductible temporary differences, NOLCO and MCIT:

	Consolidated		Parent Company	
	2025	2024	2025	2024
NOLCO	P530,051,300	P266,798,039	P101,370,406	P100,271,959
MCIT	1,461,225	1,964,989	—	—
	P531,512,525	P268,763,028	P101,370,406	P100,271,959

- e. On September 30, 2020, the Bureau of Internal Revenue (BIR) issued Revenue Regulations No. 25-2020 implementing Section 4 (bbbb) of Bayanihan to Recover as One Act” which states that the NOLCO incurred for taxable years 2021 and 2020 can be carried over and claimed as deduction from gross income for the next five (5) consecutive taxable years immediately following the year of such loss.



As of December 31, 2025, the Group has incurred NOLCO which can be claimed as deduction from the regular taxable income for the next three (3) and five (5) consecutive taxable years, as follows:

Group					
Year Incurred	Availment Period	Amount	Expired	Applied	NOLCO Unapplied
2020	2021-2025	₱813,040	₱813,040	₱—	₱—
2021	2022-2026	2,082,495	—	—	2,082,495
2022	2023-2025	5,339,977	5,339,977	—	—
2023	2024-2026	85,074,999	—	—	85,074,999
2024	2025-2027	166,526,075	—	—	166,526,075
2025	2026-2028	276,367,731	—	—	276,367,731
		₱536,204,317	₱6,153,017	₱—	₱530,051,300

As of December 31, 2025, the Parent Company has incurred NOLCO which can be claimed as deduction from the regular taxable income for the next three (3) and five (5) consecutive taxable years, as follows:

Year Incurred	Availment Period	Amount	Expired	Applied	NOLCO Unapplied
2020	2021-2025	₱813,040	₱813,040	₱—	₱—
2021	2022-2026	2,082,495	—	—	2,082,495
2022	2023-2025	5,339,977	5,339,977	—	—
2023	2024-2026	85,074,999	—	—	85,074,999
2024	2025-2027	6,961,448	—	—	6,961,448
2025	2026-2028	7,251,464	—	—	7,251,464
		₱107,523,423	₱6,153,017	₱—	₱101,370,406

The Group did not recognize deferred income tax asset on the carryforward benefits of unused NOLCO and MCIT, since management assessed that it is not probable that sufficient taxable income will be available to allow all or part of the deferred income tax asset to be utilized in the future.

Enhanced Fiscal Regime for Large-Scale Metallic Mining Act or Republic Act No. 12253 (RA 12253)

Republic Act No. 12253, or the Enhanced Fiscal Regime for Large-Scale Metallic Mining Act, was signed into law on September 4, 2025 and became effective on September 20, 2025. Its Implementing Rules and Regulations (IRR) were issued on December 18, 2025, with the new fiscal regime applying to mining contractors and operators starting February 17, 2026.

RA 12253 covers large-scale metallic mining operations under mineral agreements or FTAAAs. Patented mining claims segregated from the public domain and excluded from such agreements are not subject to the new taxes unless ruled otherwise by the Supreme Court.

The law defines income from metallic mining operations as gross output minus allowable deductions, including:

- Mining, milling, transport, smelting, and refining costs
- General and administrative expenses
- Environmental and community development expenses
- Lease and royalty payments
- Continuing exploration and development costs
- Necessary interest expenses (subject to related-party debt limits)
- Depreciation, depletion, and amortization
- Duties, fees, and taxes (excluding royalty and windfall profits tax)



Key fiscal provisions include:

- 5% royalty on minerals extracted within mineral reservations
- 1%–5% margin-based royalty outside mineral reservations (minimum of 0.1% if margin $\leq$ 0%)
- Windfall profits tax (1%–10%) based on the ratio of net income to gross output; corporate income tax and royalty taxes are deductible in computing the margin

Each mineral agreement or FTAA is treated as a separate taxable entity for royalty and windfall tax purposes.

The fiscal terms under RA 12253 will apply to new agreements, while existing ones remain under their original terms unless they allow automatic adoption of new laws.

As of December 31, 2025, the Bureau of Internal Revenue (BIR) has not yet issued revenue regulations needed to fully implement the changes. RA 12253 is therefore not considered substantively enacted as of that date.

RA 12253 is not considered substantively enacted as of December 31, 2025, because the transitory clause in the IRR provides that large-scale metallic mining contractors and/or operators shall be subject to the fiscal regime provided therein only on February 17, 2026.

The Group is currently assessing the impact of the amendments introduced by RA 12253 on its December 2026 consolidated financial statements based on the provisions of the IRR. The Group will reassess the impact of RA 12253 on its financial statements after the relevant revenue regulations have been issued by the BIR.

18. Related Party Disclosures

Related party relationship exists when one party has the ability to control, directly or indirectly through one or more intermediaries, the other party or exercises significant influence over the other party in making financial and operating decisions. Such relationship also exists between and/or among entities, which are under the common control with the reporting enterprises and its key management personnel, directors, or its shareholders. In considering each related party relationship, attention is directed to the substance of the relationship, and not merely the legal form.

In the normal course of business, the Group has transactions with its affiliates and stockholders. Transactions pertain to advances from related parties to meet the Group's working capital requirements.

	Consolidated					
	2025		2024		Terms	Conditions
	Volume	Outstanding Balance	Volume	Outstanding Balance		
Due from related parties						
Affiliates						
LMC	P=	P97,757,142	P=	P=		Secured
					Noninterest-bearing; Payable in cash; Due and demandable	
Hua Sheng Metals and Minerals Holdings, Inc. (HSMMI)	139,968,283	98,386,105	—	—		Secured
					Noninterest-bearing; Payable in cash; Due and demandable	

(Forward)



Consolidated						
	2025		2024		Terms	Conditions
	Volume	Outstanding Balance	Volume	Outstanding Balance		
<i>Stockholder</i>						
Individual stockholder	₱141,113,974	₱–	₱95,761,561	₱–	Noninterest-bearing; Payable in cash; Due and demandable	Unsecured
Total	₱281,082,257	₱196,143,247	₱95,761,561	₱–		
Due to related parties						
<i>Affiliates</i>						
LMC	₱8,689,890	₱50,203,283	₱2,193,470	₱41,513,390	Noninterest-bearing; Payable in cash; Due and demandable	Unsecured
Anglo Philippine Holdings Corporation (APHC)	–	3,178,883	–	3,178,883	Noninterest-bearing; Payable in cash; Due and demandable	Unsecured
<i>Stockholder</i>						
Individual stockholder	282,043,310	9,042,240	–	1,071,497	Noninterest-bearing; Payable in cash; Due and demandable	Unsecured
Total	₱290,733,200	₱62,424,406	₱2,193,470	₱45,763,770		
Trade Receivables						
<i>Affiliate</i>						
LMC	₱–	₱–	₱47,358,550	₱97,757,142	Noninterest-bearing; Payable in cash; Due and demandable	Unsecured
Total	₱–	₱–	₱47,358,550	₱97,757,142		
Royalty income						
LMC	₱147,923,424	₱33,333,834	₱36,138,897	₱–	Noninterest-bearing; Payable in cash; Due and demandable	Unsecured
Commission and marketing income						
LMC	18,618,734	9,305,686	11,219,653	–	Noninterest-bearing; Payable in cash; Due and demandable	Unsecured
Equipment Rental Income						
LMC	23,195,244	24,162,755	63,705,484	97,757,142	Noninterest-bearing; Payable in cash; Due and demandable	Unsecured
Management Fee						
HSMMI	–	–	14,461,461	–	Noninterest-bearing; Payable in cash; Due and demandable	Unsecured
Total	₱189,737,402	₱66,802,275	₱125,525,495	₱97,757,142		
Parent						
	2025		2024		Terms	Conditions
	Volume	Outstanding Balance	Volume	Outstanding Balance		
Due to related parties						
<i>Affiliates</i>						
APHC	₱–	₱3,178,883	₱–	₱3,178,883	Noninterest-bearing; Payable in cash; Due and demandable	Unsecured
ECMRCI	1,611,745	80,281,558	2,427,691	78,719,813	Noninterest-bearing; Payable in cash; Due and demandable	Secured
LMC	5,974,336	22,780,158	4,714,869	16,872,822	Noninterest-bearing; Payable in cash; Due and demandable	Secured
<i>Stockholder</i>						
Individual stockholder	–	1,297,897	–	1,071,497	Noninterest-bearing; Payable in cash; Due and demandable	Secured
Total	₱7,586,081	₱107,538,496	₱7,142,560	₱99,843,015		

The Group has transactions with related parties, the most significant of which are as follows:

- On January 5, 2024, the BOD of the ECMRCI approved the assignment, transfer, and release of receivables and due from LMC and due from HSMMI to a shareholder in payment for the advances made in the acquisition, licensures and development of several mining claims/mineral properties amounting to ₱47.62 million and ₱533.58 million, respectively.



- b. On January 1, 2022, the Group agreed to engage the services of Hua Sheng Metals & Minerals Holding Co. for a qualified management consultation services. In consideration of the contracted services, a management fee in the amount equivalent to five (5) percent of gross revenue before income tax is being collected. The agreement will continue to be in effect unless terminated upon mutually agreed terms and conditions. In 2025, the Group and HSMMHC mutually agreed to terminate the agreement.
- c. On December 23, 2025, the BOD of the ECMRCI approved the assignment, transfer, and release of trade receivables from LMC and due from HSMMI to a shareholder amounting to ₱231.92 million and ₱41.58 million, respectively.
- d. On December 23, 2025, the BOD of the ECMRCI approved the assignment, transfer, and release of trade payables to due to a shareholder amounting to ₱42.78 million.

Compensation of Key Management Personnel

The short-term employee benefits of key management personnel amounted to ₱9,165,325 and ₱9,597,243 and ₱9,628,637 for the years ended December 31, 2025, 2024 and 2023, respectively.

19. Basic/Diluted Earnings (Losses) Per Share

	Consolidated			Parent Company		
	2025	2024	2023	2025	2024	2023
Net income (loss) for the year	(₱64,252,863)	(₱79,446,223)	₱134,405,578	(₱7,890,545)	(₱6,961,375)	(₱11,933,465)
Divided by weighted average number of common shares	6,172,497,120	6,172,497,120	4,014,163,787	6,172,497,120	6,172,497,120	6,172,497,120
Basic/diluted earnings (losses) per share	(₱0.010)	(₱0.013)	₱0.033	(₱0.001)	(₱0.001)	(₱0.002)

As of December 31, 2025, 2024 and 2023, the Group and the Parent Company has no potential dilutive shares. Therefore, the basic and diluted losses per share are the same as of those dates.

20. Segment Information

The Group is engaged in the business of mine exploration. Accordingly, the Group operates mainly in one reportable business and geographical segment which is the Philippines. No entity-wide disclosures pertaining to revenues are provided as the Parent Company has not earned revenue and is only a holding company. Noncurrent assets of the Group are located in the Philippines.

21. Financial Risk Management Objectives and Policies

The Group has risk management policies that systematically view the risks that could prevent the Group from achieving its objectives. These policies are intended to manage risks identified in such a way that opportunities to deliver the Group's objectives are achieved. The Group's risk management takes place in the context of day-to-day operations and normal business processes such as strategic and business planning. Management has identified each risk and is responsible for coordinating and continuously improving risk strategies, processes and measures in accordance with the Group's established business objectives.



The Group's principal financial instruments consist of cash in banks, trade and other receivables and due to/from related parties, trade and other payables, loan payables and installment payable. The main purpose of these financial instruments is to finance the Group's operations.

The main risks arising from the Group's or financial instruments are credit risk and liquidity risk. The BOD reviews and agrees policies for managing each of these risks and are summarized below:

Credit Risk

Credit risk refers to the potential loss arising from any failure by counterparties to fulfill their obligations as and when they fall due. The Group trades only with recognized, creditworthy parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an on-going basis with the result that the Group's exposure to bad debts is not significant.

Since the Group trades only with recognized parties, there is no requirement for collateral.

The credit risk arising from these financial assets arises from default of the counterparty, with maximum exposure equal to the carrying amount of these instruments.

The table below shows the maximum exposure to credit risk of the Group's financial assets as at December 31, 2025 and 2024:

	Consolidated		Parent Company	
	2025	2024	2025	2024
Cash in banks	₱13,620,703	₱7,011,125	₱236,640	₱166,402
Trade and other receivables	58,776,093	114,035,099	—	—
Due from related parties	196,143,247	—	—	—
	₱268,540,043	₱121,046,224	₱236,640	₱166,402

For cash in banks, the Group has established probability of default (PD) rates based on available credit ratings published by third-party credit rating agencies. The credit ratings already consider forward-looking information. When a counterparty does not have published credit ratings, the Group benchmarks the credit ratings of comparable companies, adjusted to account for the difference in size and other relevant metrics.

While cash with banks are also subject to the impairment requirements of PFRS 9, the identified impairment loss was immaterial.

Trade and other receivables

The Group applies the PFRS 9 simplified approach in measuring ECL which uses a 12-month expected loss allowance for all trade receivables. The ECL on trade receivables are estimated using a provision matrix by reference to past default experience of the debtor and an analysis of the debtor's current financial position. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables.



Below is the information about the credit risk exposure on the Group's trade and other receivables using a provision matrix:

December 31, 2025

Consolidated

	Current	Days past due				Total
		< 30 days	30-60 days	61-90 days	>91 days	
ECL rate	0%	0%	0%	0%	0%	
Estimated total gross carrying amount at default	P-	P58,776,093	P-	P-	P-	P58,776,093
ECL	P-	P-	P-	P-	P-	P-

December 31, 2024

	Current	Days past due				Total
		< 30 days	30-60 days	61-90 days	>91 days	
ECL rate	0%	0%	0%	0%	0%	
Estimated total gross carrying amount at default	P-	P32,668,385	P-	P81,366,714	P-	P114,035,099
ECL	P-	P-	P-	P-	P-	P-

Due from related parties

ECL on due from related parties are assessed based on either 12-month or lifetime ECL. The Group considers reasonable and supportable information such as historical experience and forward-looking information available at each reporting period to determine whether there has been a significant increase in credit risk since initial recognition. The Group determines the realizable amount of due from related parties based on cashflow forecast. The allowance for ECL on due from related parties is nil since the Group's expected cash flows to be received exceeds the contractual cash flows due. Some of the due from related parties are also secured with financial guarantee contract.

Liquidity Risk

Liquidity risk is the risk that the Group may be unable to meet its payment obligations when they fall due under normal and stress circumstances. To manage this risk, the Group maintains a balance between continuity of funding and flexibility of cash flows through cash planning.

As part of its overall liquidity management, the Group maintains sufficient levels of cash to meet working capital requirements. The Group avails of funds from related parties when needed.

The table below summarizes the maturity profile of the Group's financial liabilities and financial assets based on contractual undiscounted payments.

As at December 31, 2025

	Consolidated			
	On demand	Less than 1 year	1 to 5 years	Total
<i>Financial liabilities:</i>				
Trade and other payables*	P-	P66,208,253	P-	P66,208,253
Due to related parties	62,424,406	-	-	62,424,406
Loans and installment payable	-	574,821,050	3,050,121	577,871,171
Future interest on loans and installment payable	-	42,296,475	1,569,556	43,866,031
	P62,424,406	P683,325,778	P4,619,677	P750,369,861

*Excluding statutory payables amounting to P10,807,353



	Consolidated			Total
	On demand	Less than 1 year	1 to 5 years	
Financial assets:				
Cash				
Cash on hand	₱105,000	₱–	₱–	₱105,000
Cash in bank	13,620,703	–	–	13,620,703
Trade receivables	–	58,776,093	–	58,776,093
Due from related parties	196,143,247	–	–	196,143,247
	₱209,868,950	₱58,776,093	₱–	₱268,645,043

	Parent Company			Total
	On demand	Less than 1 year	1 to 5 years	
Financial liabilities:				
Trade and other payables*	₱–	₱2,616,526	₱–	₱2,616,526
Due to related parties	107,538,496	–	–	107,538,496
	₱107,538,496	₱2,616,526	₱–	₱110,155,022

* Excluding statutory payables amounting to ₱10,000

	Parent Company			Total
	On demand	Less than 1 year	1 to 5 years	
Financial assets:				
Cash				
Cash on hand	₱100,000	₱–	₱–	₱100,000
Cash in bank	236,640	–	–	236,640
	₱336,640	₱–	₱–	₱336,640

As at December 31, 2024

	Consolidated			Total
	On demand	Less than 1 year	1 to 5 years	
Financial liabilities:				
Trade and other payables*	₱–	₱124,703,657	₱–	₱124,703,657
Due to related parties	45,763,770	–	–	45,763,770
Loans and installment payable	–	592,372,531	7,349,232	599,721,763
Future interest on loans and installment payable	–	60,500,556	–	60,500,556
	₱45,763,770	₱777,576,744	₱7,349,232	₱830,689,746

*Excluding statutory payables amounting to ₱31,969,472

	Consolidated			Total
	On demand	Less than 1 year	1 to 5 years	
Financial assets:				
Cash				
Cash on hand	₱105,000	₱–	₱–	₱105,000
Cash in bank	7,011,125	–	–	7,011,125
Trade receivables	–	114,035,099	–	114,035,099
Due from related parties	78,719,812	–	–	78,719,812
	₱85,835,937	₱114,035,099	₱–	₱199,871,036



	Parent Company			
	On demand	Less than 1 year	1 to 5 years	Total
<i>Financial liabilities:</i>				
Trade and other payables*	P–	P2,124,295	P–	P2,124,295
Due to related parties	99,843,015	–	–	99,843,015
	P99,843,015	P2,124,295	P–	P101,967,310

* Excluding statutory payables amounting to P10,000

	Parent Company			
	On demand	Less than 1 year	1 to 5 years	Total
<i>Financial assets:</i>				
Cash				
Cash on hand	P105,000	P–	P–	P105,000
Cash in bank	7,011,125	–	–	7,011,125
	P7,116,125	P–	P–	P7,116,125

Fair Values of Financial Instruments

The Company's financial asset and financial liabilities except installment payables approximate their fair values due to the short-term nature and/or maturity as of December 31, 2025 and 2024. The fair value of installment payables is estimated by discounting future contractual cash flows using current market interest rates available to the Group for similar financial instruments.

Fair Value Hierarchy

The table below presents the carrying values and fair values of the Group's financial assets and financial liabilities, by category and by class, as at December 31, 2025 and 2024:

	Consolidated 2025			
	Carrying Value	Fair Value		
		Quoted Prices in Active Markets (Level 1)	Significant Observable Input (Level 2)	Significant Unobservable Inputs (Level 3)
Assets				
Cash on hand and in banks	P13,725,703	P–	P–	P13,725,703
Trade receivables	58,776,093	–	–	58,776,093
Due from related parties	196,143,247	–	–	196,143,247
	P268,645,043	P–	P–	P268,645,043
Liabilities				
Trade and other payables*	P38,385,110	P–	P–	P38,385,110
Due to related parties	62,424,406	–	–	62,424,406
Loans payable	471,847,507	–	–	471,847,507
Installment payable	106,023,664	–	–	106,023,664
	P678,680,687	P–	P–	P678,680,687

*Excluding statutory payables amounting to P10,807,353

	Parent 2025			
	Carrying Value	Fair Value		
		Quoted Prices in Active Markets (Level 1)	Significant Observable Input (Level 2)	Significant Unobservable Inputs (Level 3)
Assets				
Cash in banks	P236,640	P–	P–	P236,640
Liabilities				
Trade and other payables*	P2,616,526	P–	P–	P2,616,526
Due to related parties	107,538,496	–	–	107,538,496
	P110,155,022	P–	P–	P110,155,022

* Excluding statutory payables amounting to P10,000



Consolidated 2024				
	Carrying Value	Fair Value		
		Quoted Prices in Active Markets (Level 1)	Significant Observable Input (Level 2)	Significant Unobservable Inputs (Level 3)
Assets				
Cash in banks	₱7,011,125	₱—	₱—	₱7,011,125
Trade receivables	114,035,099	—	—	114,035,099
Due from related parties	—	—	—	—
	₱121,046,224	₱—	₱—	₱121,046,224
Liabilities				
Trade and other payables*	₱122,579,362	₱—	₱—	₱122,579,362
Due to related parties	45,763,769	—	—	45,763,769
Loans payable	476,533,418	—	—	476,533,418
Installment payable	123,188,345	—	—	123,188,345
	₱768,064,894	₱—	₱—	₱768,064,894

*Excluding statutory payables amounting to ₱31,969,472

Parent 2024				
	Carrying Value	Fair Value		
		Quoted Prices in Active Markets (Level 1)	Significant Observable Input (Level 2)	Significant Unobservable Inputs (Level 3)
Assets				
Cash in banks	₱166,402	₱—	₱—	₱166,402
Liabilities				
Trade and other payables*	₱2,053,377	₱—	₱—	₱2,053,377
Due to related parties	92,700,455	—	—	92,700,455
	₱94,753,832	₱—	₱—	₱94,753,832

* Excluding statutory payables amounting to ₱10,000

The Group has determined that the carrying amounts of cash in banks, trade receivables, trade and other payables (except government payables), advances from/to related parties and loans and installment payable, reasonably approximate their fair values because these are mostly short-term in nature.

There were no transfers between Level 1 and 2 fair value measurements and no transfers into and out of Level 3 fair value measurement as at December 31, 2025 and 2024.

22. Significant Contracts

Memorandum of Agreement with CMC

On November 19, 1997, the Group entered into a Memorandum of Agreement (MOA) with CMC which allows CMC to explore, develop and mine nickel ore and obliges it to comply with the terms of the MPSA.

Under the MPSA, CMC pays the Government an excise tax of 4%, and a 5% royalty, as the contract area is within the Surigao Mineral Reservation.

On December 18, 2015, the Group and CMC executed a Supplemental Agreement to provide for the automatic renewal of the term of the MOA for another twenty-five (25) years, or from 2022 to 2047. In consideration of the new term as well as the other conditions contained in the Supplemental Agreement, CMC granted a loan of ₱1,000.0 million to the Group.



Thereafter, CMC shall pay ECMRCI commission and royalties as follows:

- Commission equivalent to 3.5% on the gross sales amount of all nickel ore;
- Royalties equivalent to either 7% or 8.75% on the gross sales amount of all nickel ore depending on the monthly average LME nickel settlement price; and
- Additional royalty ranging from ₱10.0 million to ₱50.0 million depending on CMC's audited net income after tax less the additional royalty amount.

On March 28, 2019, the Group and CMC entered into a supplemental agreement amending the memorandum of agreement stating that after the full payment of ECMRCI's loan to CMC, royalty percentage rates will range from 2.50% to 4.50% depending on the monthly average LME nickel settlement price. In 2023, ECMRCI settled the loan to CMC, hence, the new royalty percentage rates became effective.

As at December 31, 2024, the survey plan for the MPSA renewal is already approved by the MGB and is awaiting for the approval of the DENR. On March 2, 2022, MGB ordered the renewal of the MPSA between the Government and Group for another twenty-five (25) years.

Operating Agreement with LMC

On April 26, 2012, the Group entered into an Operating Agreement with LMC which allows LMC to explore, develop, exploit and operate the mineral property located in Libjo, Dinagat Islands and to extract, mine, process, market, sell, dispose or convey any and all minerals and ores found therein during the lifetime of this Operating Agreement.

For and in consideration of the rights granted, LMC shall pay the Group a royalty equivalent to 3% on the gross sales amount of nickel sold.

Thereafter, the Group and LMC executed a Supplemental Agreement to provide for the following:

- Goodwill bonus amounting to ₱200.0 million, net of tax, to be paid within 15 days from the date of signing;
- Additional royalty equivalent to 4.0% on the gross sales amount of all nickel ore, net of tax; and Marketing share of one USD per WMT for all ores shipped out, net of tax.

Memorandum of Agreement with OVMPC

The Group has an existing MOA with OVMPC which allows OVMPC to explore, develop, exploit, operate and utilize the mineral property covered by this MOA subject to the provisions of MPSA granted by the Philippine Government. OVMPC shall carry on and conduct immediate exploration, commence development and utilization works within two years from the signing of MOA.

For and in consideration of the rights granted, OVMPC shall pay the Group a commission equivalent to 5% on the gross sales amount of nickel sold.

Memorandum of Agreement with Norte Este Corporation (Norte Este)

In 2021, the Group entered into an Operating Agreement with Norte Este which allows Norte Este to explore, develop, extract, operate and market the minerals in the Phase 3 Mineral Property located in Libjo, Dinagat Islands. Norte Este has also the right to construct and maintain roads, bridges, causeway, buildings, plants, and other improvements of all kinds as may be deemed necessary and convenient to its mining operations.



Thereafter, Norte Este shall pay the Group royalties and marketing as follows:

- Royalties ranging from 7% to 15% on the gross sales amount of all nickel ore depending on the monthly average LME nickel settlement price; and
- Marketing ranging from \$0.75 to \$3.50 on the gross sales amount of all nickel ore depending on the monthly average LME nickel settlement price; and

Memorandum of Agreement with Westernshore Nickel Corporation

In 2023, the Group entered into an Operating Agreement with Westernshore Nickel Corporation (WNC) which allows WNC to explore, develop, extract, operate and market the minerals in the Phase 2 Mineral Property located in Libjo, Dinagat Islands.

Thereafter, WNC shall pay the Group mining lease of 3% on the gross sales amount of all nickel ore depending on the monthly average LME nickel settlement price.

As at April 27, 2026, the Group's respective agreements with CMC, LMC, OVMPC and Norte Este have not been terminated and continue to be in full force and effect, subject to the supplemental terms agreed by the Group each with CMC, LMC, OVMPC and Norte Este.

In 2025, 2024 and 2023, the Group earned royalty income amounting to ₱269,131,535, ₱112,330,287, and ₱161,685,814 respectively, and commission and marketing income amounting to ₱147,934,881, ₱103,839,957, and ₱125,482,671, respectively from CMC, LMC and Norte Este. (Note 15).

No royalty and commission earned yet from OVMPC as the current MPSA is still under exploration phase.

23. Supplemental Disclosures to Statements of Cash Flows

The following table summarizes the changes in liabilities arising from financing activities of consolidated statements of cash flows:

	Cash flows				December 31, 2025
	January 1, 2025	Availments	Payments	Others	
Loans payable	₱476,533,418	₱–	(₱4,685,913)	₱–	₱471,847,505
Installment payable	123,188,345	–	(17,164,681)	–	106,023,664
Due to related parties	45,763,770	282,043,310	–	(274,072,563)	53,734,517
	₱645,485,533	₱282,043,310	(₱21,850,594)	(₱274,072,563)	₱631,605,686

	Cash flows				December 31, 2024
	January 1, 2024	Availments	Payments	Others	
Loans payable	₱412,719,643	₱40,000,000	(₱338,693)	₱24,152,468	₱476,533,418
Installment payable	113,242,842	–	(19,306,857)	29,252,360	123,188,345
Due to related parties	242,020,027	2,193,470	–	(198,449,727)	45,763,770
	₱767,982,512	₱42,193,470	(₱19,645,550)	(₱145,044,899)	₱645,485,533

Other movements in financing activities in 2025 pertain to the following:

- Offsetting of amounts due to related parties against existing amounts due from related parties amounting to ₱316.86 million
- Assignment, transfer, and release of trade payables to due to related parties amounting to ₱42.78 million.



Other movements in financing activities in 2024 pertain to the following:

- a. Restructuring of loans payable and installment payable amounting to ₱24.15 million and ₱29.25 million, respectively.
- b. Offsetting of amounts due to related parties against existing amounts due from related parties to ₱198.45 million.

Non-cash investing activities in consolidated statements of cash flows pertain to the following:

- a. Reclassifications from trade receivables to due from related parties amounting to ₱231.92 million and ₱38.45 million in 2025 and 2024, respectively.

24. Events after the Reporting Period

Below are the events after the reporting period which are treated as non-adjusting events as at December 31, 2025:

Amendments of Articles of Incorporation of Parent Company

On March 24, 2026, during the special board meeting of the Parent Company, the Board approved the amendment of the Seventh Articles of the Company's Articles of Incorporation from twelve billion pesos (₱12,000,000,000) divided into Twelve Billion (12,000,000,000) Common Shares with a par value of One Peso (₱1.00) per share to Nine Billion Six Hundred Million Pesos (₱9,600,000,000) divided into Twelve Billion (12,000,000,000) Common Shares with a par value of Eighty Centavos (₱0.80) per share.

Other matters approved by the Board of Directors on March 24, 2026

- Subject to further stockholders' approval, a 1:8 stock split on the Common Shares with par value of ₱0.80 per share, such that the resulting par value of the Common Shares shall become ₱0.10 per share after the stock split.
- The conduct of a Follow-On Offering at a size and offer price to be determined at a later date by the Board of Directors in accordance with the rules of the Securities and Exchange Commission and Philippine Stock Exchange.

25. Supplementary Information Required Under Revenue Regulations (R.R.) No. 15-2010

In compliance with the requirements set forth by R.R. No. 15-2010, hereunder are the information on taxes, duties and license fees paid or accrued during the taxable year 2025:

VAT

The Parent Company is a VAT-registered company with no VAT output tax declaration for the year ended December 31, 2025. The Company has no sales subject to VAT of 12% for the year ended December 31, 2025.



Taxes and Licenses

This includes all other taxes, local and national, including license and permit fees lodged under “Taxes and licenses”, which is presented under “Operating expense” line item in the 2025 statement of comprehensive income.

National:	
PSE annual listing fee	₱250,000
Local:	
Permits and licenses	—
	₱250,000

Withholding Taxes

Withholding taxes paid and accrued by the Company in 2025 are as follows:

	Paid	Accrued
EWT	₱110,000	₱10,000
Withholding taxes on compensation and benefits	—	—
	₱110,000	₱10,000

Tax Assessments and Contingencies

The Company has no tax cases under preliminary investigation nor litigation and/or prosecution in courts or bodies outside of the administration of BIR as of December 31, 2025.



INDEPENDENT AUDITOR'S REPORT ON SUPPLEMENTARY SCHEDULES

The Board of Directors and Stockholders
East Coast Vulcan Mining Corporation (formerly East Coast Vulcan Corporation)
Unit 1502, Pacific Star Building
Sen. Gil J. Puyat Ave.
Makati City, Metro Manila 1209

We have audited in accordance with Philippine Standards on Auditing, the financial statements of East Coast Vulcan Mining Corporation (formerly East Coast Vulcan Corporation) as at December 31, 2025 and 2024, and for each of the three years in the period ended December 31, 2025, and have issued our report thereon dated April 27, 2026. Our audits were made for the purpose of forming an opinion on the basic financial statements taken as a whole. The schedules listed in the Index to the Financial Statements and Supplementary Schedules are the responsibility of the Company's management. These schedules are presented for purposes of complying with the Revised Securities Regulation Code Rule 68, and are not part of the basic financial statements. These schedules have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, fairly state, in all material respects, the financial information required to be set forth therein in relation to the basic financial statements taken as a whole.

SYCIP GORRES VELAYO & CO.



Eleanore A. Layug

Partner

CPA Certificate No. 0100794

Tax Identification No. 163-069-453

BOA/PRC Reg. No. 0001, April 16, 2024, valid until August 23, 2026

SEC Partner Accreditation No. 100794-SEC (Group A)

Valid to cover audit of 2021 to 2025 financial statements

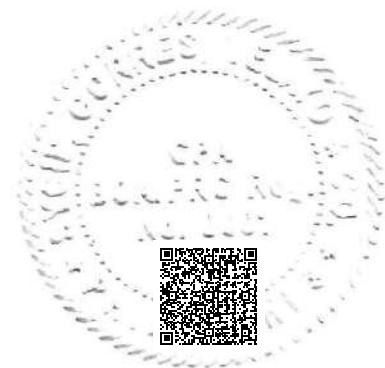
SEC Firm Accreditation No. 0001-SEC (Group A)

Valid to cover audit of 2021 to 2025 financial statements

BIR Accreditation No. 08-001998-097-2023, September 12, 2023, valid until September 11, 2026

PTR No. 10765063, January 2, 2026, Makati City

April 27, 2026



INDEPENDENT AUDITOR'S REPORT ON COMPONENTS OF FINANCIAL SOUNDNESS INDICATORS

The Board of Directors and Stockholders
East Coast Vulcan Mining Corporation (formerly East Coast Vulcan Corporation)
Unit 1502, Pacific Star Building
Sen. Gil J. Puyat Ave.
Makati City, Metro Manila 1209

We have audited in accordance with Philippine Standards on Auditing, the financial statements of East Coast Vulcan Mining Corporation (formerly East Coast Vulcan Corporation) as at December 31, 2025 and 2024 and for each of the three years in the period ended December 31, 2025, and have issued our report thereon dated April 27, 2026. Our audits were made for the purpose of forming an opinion on the basic financial statements taken as a whole. The Supplementary Schedule on Financial Soundness Indicators, including their definitions, formulas, calculation, and their appropriateness or usefulness to the intended users, are the responsibility of the Company's management. These financial soundness indicators are not measures of operating performance defined by Philippine Financial Reporting Standards (PFRS) Accounting Standards, and may not be comparable to similarly titled measures presented by other companies. This schedule is presented for the purpose of complying with the Revised Securities Regulation Code Rule 68 issued by the Securities and Exchange Commission, and is not a required part of the basic financial statements prepared in accordance with PFRS Accounting Standards. Except for price per share, the components of these financial soundness indicators have been traced to the Company's financial statements as at December 31, 2025 and 2024 and for each of the three years in the period ended December 31, 2025 and no material exceptions were noted.

SYCIP GORRES VELAYO & CO.



Eleanore A. Layug

Partner

CPA Certificate No. 0100794

Tax Identification No. 163-069-453

BOA/PRC Reg. No. 0001, April 16, 2024, valid until August 23, 2026

SEC Partner Accreditation No. 100794-SEC (Group A)

Valid to cover audit of 2021 to 2025 financial statements

SEC Firm Accreditation No. 0001-SEC (Group A)

Valid to cover audit of 2021 to 2025 financial statements

BIR Accreditation No. 08-001998-097-2023, September 12, 2023, valid until September 11, 2026

PTR No. 10765063, January 2, 2026, Makati City

April 27, 2026



**EAST COAST VULCAN MINING CORPORATION AND SUBSIDIARY
(FORMERLY EAST COAST VULCAN CORPORATION)
INDEX TO THE FINANCIAL STATEMENTS
AND SUPPLEMENTARY SCHEDULES
AS OF DECEMBER 31, 2025**

COMPANY FINANCIAL STATEMENTS

Statements of Financial Position as of December 31, 2025 and 2024

Statements of Income for the years ended December 31, 2025, 2024 and 2023

Statements of Comprehensive Income for the years ended December 31, 2025, 2024 and 2023

Statements of Changes in Equity (Capital Deficiency) for the years ended December 31, 2025, 2024 and 2023

Statements of Cash Flows for the years ended December 31, 2025, 2024 and 2023

Notes to Financial Statements

SUPPLEMENTARY SCHEDULES

- I. Schedules required by Annex 68-J:
 - A. Financial Assets
 - B. Amounts Receivable from Directors, Officers, Employees, Related Parties and Principal Stockholders (Other than Related Parties)
 - C. Amounts Receivable from Related Parties which are Eliminated during the Consolidation of Financial Statements
 - D. Long-Term Debt
 - E. Indebtedness to Related Parties (Long-Term Loans from Related Companies)
 - F. Guarantees of Securities of Other Issuers
 - G. Capital Stock
- II. Reconciliation of Retained Earnings Available for Dividend Declaration (Annex 68-D)
- III. Schedule of Financial Soundness Indicators (Annex 68-E)
- IV. Map showing the relationships of the Companies within the Group
- V. Schedule of External Auditor Fee-related information

**EAST COAST VULCAN MINING CORPORATION AND SUBSIDIARY
(FORMERLY EAST COAST VULCAN CORPORATION)
SCHEDULE A - FINANCIAL ASSETS
DECEMBER 31, 2025**

Name of issuing entity and association of each issue	Number of shares or principal amounts of bonds and notes	Amount shown in the statement of financial position	Value based on market quotation at end of reporting period	Income received and accrued
<i>Cash and related parties</i>				
Cash		₱13,725,703	₱13,725,703	₱3,052
Trade and other receivables		58,776,093	58,776,093	–
Due from related parties		196,143,247	196,143,247	–
Total		₱268,645,043	₱268,645,043	₱3,052

**EAST COAST VULCAN MINING CORPORATION AND SUBSIDIARY
(FORMERLY EAST COAST VULCAN CORPORATION)
SCHEDULE B - AMOUNTS RECEIVABLE FROM DIRECTORS, OFFICERS,
EMPLOYEES, RELATED PARTIES AND PRINCIPAL STOCKHOLDERS
(OTHER THAN RELATED PARTIES)
DECEMBER 31, 2025**

Name and Designation of Debtor	Balance at Beginning period	Additions	Amounts Collected	Amounts Written off	Current	Not Current	Balance at end of period

The Company has no amounts receivable from directors, officers, employees, related parties and principal stockholders as at December 31, 2025 equal to or above the established threshold of the Rule.

**EAST COAST VULCAN MINING CORPORATION AND SUBSIDIARY
(FORMERLY EAST COAST VULCAN CORPORATION)
SCHEDULE C - AMOUNTS RECEIVABLE FROM RELATED PARTIES
WHICH ARE ELIMINATED DURING THE
CONSOLIDATION OF FINANCIAL STATEMENTS
DECEMBER 31, 2025**

Name and Designation of Debtor	Balance at Beginning period	Additions	Amounts Collected/ Settlements	Amounts Written off	Current	Not Current	Balance at end of period
East Coast Vulcan Mining Corporation (Parent Company)	₱99,995,626	₱7,542,870	₱-	₱-	₱107,538,496	₱-	₱107,538,496

**EAST COAST VULCAN MINING CORPORATION AND SUBSIDIARY
(FORMERLY EAST COAST VULCAN CORPORATION)
SCHEDULE D - LONG-TERM DEBT
DECEMBER 31, 2025**

Title of Issue and type of obligation	Amount authorized by: Indenture	Amount shown under the caption "Current Portion of long-term debt" in related statement of financial position	Amount shown under caption "Long-term debt" in related statement of financial position

—Not applicable—

**EAST COAST VULCAN MINING CORPORATION AND SUBSIDIARY
(FORMERLY EAST COAST VULCAN CORPORATION)
SCHEDULE E - INDEBTEDNESS TO RELATED PARTIES
(LONG-TERM LOANS FROM RELATED COMPANIES)
DECEMBER 31, 2025**

Name of Related Party	Balance at beginning of period	Balance at end of period

—Not applicable—

**EAST COAST VULCAN MINING CORPORATION AND SUBSIDIARY
(FORMERLY EAST COAST VULCAN CORPORATION)
SCHEDULE F - GUARANTEES OF SECURITIES OF OTHER ISSUERS
DECEMBER 31, 2025**

Name of issuing entity of securities guaranteed by the company for which this statement is filed	Title of issue of each class of securities guaranteed	Total amount guaranteed and outstanding	Amount owed by person for which statement is filed	Nature of guarantee

—Not applicable—

**EAST COAST VULCAN MINING CORPORATION AND SUBSIDIARY
(FORMERLY EAST COAST VULCAN CORPORATION)
SCHEDULE G - CAPITAL STOCK
DECEMBER 31, 2025**

Title of Issue	Number of shares authorized	Number of shares issued and outstanding as shown under related statement of financial position caption	Number of shares reserved for options, warrants, conversions and other rights	Number of shares held by		
				Related parties	Directors, officers and employees	Others
Common Shares at ₱ 1 par value	12,000,000,000	6,630,000,000	—	—	5,185,937,650	1,444,062,350

**EAST COAST VULCAN MINING CORPORATION AND SUBSIDIARY
(FORMERLY EAST COAST VULCAN CORPORATION)
RECONCILIATION OF RETAINED EARNINGS AVAILABLE FOR DIVIDEND
DECLARATION (ANNEX 68-D)
AS OF DECEMBER 31, 2025**

Unappropriated Retained Earnings, beginning of reporting period		(₱1,093,245,209)
Add: Category A: Items that are directly credited to Unappropriated Retained Earnings		
Reversal of Retained Earnings Appropriation/s	—	
Effect of restatements or prior-period adjustments	—	
Others (describe nature)	—	—
Less: Category B: Items that are directly debited to Unappropriated Retained Earnings		
Dividend declaration during the reporting period	—	
Retained Earnings appropriated during the reporting period	—	
Effect of restatements or prior-period adjustments	—	
Others (describe nature)	—	—
Unappropriated Retained Earnings, as adjusted		(1,093,245,209)
Add/Less: Net Income (loss) for the current year		(7,890,545)
Less: Category C.1: Unrealized income recognized in the profit or loss during the reporting period (net of tax)		
Equity in net income of associate/joint venture, net of dividends declared	—	
Unrealized foreign exchange gain, except those attributable to cash and cash equivalents	—	
Unrealized fair value adjustment (mark-to-market gains) of financial instruments at fair value through profit or loss (FVTPL)	—	
Unrealized fair value gain of Investment Property	—	
Other unrealized gains or adjustments to the retained earnings as a result of certain transactions accounted for under the PFRS (describe nature)	—	
Sub-total		—
Add: Category C.2: Unrealized income recognized in the profit or loss in prior reporting periods but realized in the current reporting period (net of tax)		
Realized foreign exchange gain, except those attributable to Cash and cash equivalents	—	
Realized fair value adjustment (mark-to-market gains) of financial instruments at fair value through profit or loss (FVTPL)	—	
Realized fair value gain of Investment Property	—	
Other realized gains or adjustments to the retained earnings as a result of certain transactions accounted for under the PFRS (describe nature)	—	
Sub-total		—
Add: Category C.3: Unrealized income recognized in profit or loss in prior periods but reversed in the current reporting period (net of tax)		

Reversal of previously recorded foreign exchange gain, except those attributable to cash and cash equivalents	—	
Reversal of previously recorded fair value adjustment (mark-to-market gains) of financial instruments at fair value through profit or loss (FVTPL)	—	
Reversal of previously recorded fair value gain of Investment Property	—	
Reversal of other unrealized gains or adjustments to the retained earnings as a result of certain transactions accounted for under the PFRS, previously recorded (describe nature)	—	
Sub-total		—
Adjusted Net Income/Loss		(7,890,545)
Add: Category D: Non-actual losses recognized in profit or loss during the reporting period (net of tax)		
Depreciation on revaluation increment (after tax)	—	
Sub-total		—
Add/Less: Category E: Adjustments related to relief granted by the SEC and BSP (see Footnote 3)		
Amortization of the effect of reporting relief	—	
Total amount of reporting relief granted during the year	—	
Others (describe nature)	—	
Sub-total		—
Add/Less: Category F: Other items that should be excluded from the determination of the amount of available for dividends distribution		
Net movement of treasury shares (except for reacquisition of redeemable shares)	—	
Net movement of deferred tax asset not considered in the reconciling items under the previous categories	—	
Net movement in deferred tax asset and deferred tax liabilities related to same transaction, e.g., set up of right of use of asset and lease liability, set-up of asset and asset retirement obligation, and set-up of service concession asset and concession payable	—	
Adjustment due to deviation from PFRS/GAAP - gain (loss)	—	
Others (describe nature)	—	
Sub-total		—
Total Retained Earnings, end of the reporting period available for dividend		(P1,101,135,754)

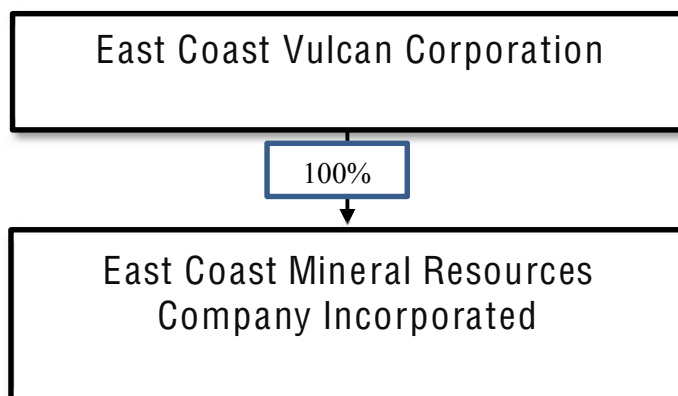
The amount is zero since the reconciliation results to a deficit of (P1,101,135,754) as at December 31, 2025.

**EAST COAST VULCAN MINING CORPORATION AND SUBSIDIARY
(FORMERLY EAST COAST VULCAN CORPORATION)
SCHEDULE OF FINANCIAL SOUNDNESS INDICATORS (ANNEX 68-E)
FOR THE YEARS ENDED DECEMBER 31, 2025 and 2024**

Ratio	Formula	2025	2024
<i>Liquidity and Solvency Ratios:</i>			
Current ratio	Total Current Assets Divided by: Total Current Liabilities	0.51:1	0.25:1
Quick ratio	(Cash + Receivables) Divided by: Total Current Liabilities	0.11:1	0.16:1
Solvency ratio	(Net Income + Depreciation) Divided by: Total Liabilities	0.34:1	0.12:1
<i>Financial Leverage Ratios:</i>			
Asset to equity ratio	Total Assets Divided by: Total Equity	1.61:1	1.65:1
Debt ratio	Total Liabilities Divided by: Total Assets	0.38:1	0.39:1
Debt to equity ratio	Total Liabilities Divided by: Total Equity	0.61:1	0.65:1
Interest coverage ratio	Net Income Before Tax Divided by: Interest Expense	(0.15:1)	(0.71:1)
Price earnings ratio	Current Share Price Divided by: Earnings Per Share	(26.90:1)	(24.39:1)
<i>Profitability Ratios:</i>			
Return on assets	Net Income Before Tax Divided by: Total Assets	(0%)	(3%)
Return on equity	Net Income Before Tax Divided by: Total Equity	(0%)	(4%)
Gross profit margin	Gross income Divided by: Net Sales	11%	8%
Net profit margin	Net Income Divided by: Net Sales	(14%)	(27%)

**EAST COAST VULCAN MINING CORPORATION AND SUBSIDIARY
(FORMERLY EAST COAST VULCAN CORPORATION)
MAP SHOWING THE RELATIONSHIPS OF THE COMPANIES WITHIN
THE GROUP**

AS OF DECEMBER 31, 2025
PURSUANT TO REVISED SRC RULE 68



**EAST COAST VULCAN MINING CORPORATION AND SUBSIDIARY
(FORMERLY EAST COAST VULCAN CORPORATION)
SUPPLEMENTARY SCHEDULE OF EXTERNAL AUDITOR
FEE-RELATED INFORMATION
For the year ended December 31, 2025 and 2024**

	2025	2024
Total Audit Fees	₱2,230,000	₱2,080,000
Non-audit services fees:		
Other assurance services	—	—
Tax services	—	—
All other services	—	—
Total Non-audit Fees	—	—
Total Audit and Non-audit Fees	₱2,230,000	₱2,080,000

Annex A: Reporting Template

(For additional guidance on how to answer the Topics, organizations may refer to Annex B: Topic Guide)

Contextual Information

Company Details	
Name of Organization	EAST COAST VULCAN MINING CORPORATION (formerly EAST COAST VULCAN CORPORATION)
Location of Headquarters	15 flr High Rise, Pacific Star Building, Sen. Gil Puyat Ave. Cor. Makati Ave., Makati City, Philippines
Location of Operations	
Report Boundary: Legal entities (e.g. subsidiaries) included in this report*	EAST COAST VULCAN MINING CORPORATION (ECVC) Formerly EAST COAST VULCAN CORPORATION (ECVC)
Business Model, including Primary Activities, Brands, Products, and Services	In 2023, SEC approved the share swap with East Coast Minerals Resources Company Incorporated (ECMRCl) with sources of income through royalty and commission from the two (2) of Three (3) MPSA. The Company has no products and services.
Reporting Period	January to December 2025
Highest Ranking Person responsible for this report	Hilario G. Pagautan-Chairman/President/CEO

**If you are a holding company, you could have an option whether to report on the holding company only or include the subsidiaries. However, please consider the principle of materiality when defining your report boundary.*

Materiality Process

Explain how you applied the materiality principle (or the materiality process) in identifying your material topics. ¹
The company has no operations in the past years and In 2023, the SEC approved the share swap with East Coast Minerals Resources Company Incorporated (ECMRCl) with sources of income through royalty and commission from the two (2) of Three (3) MPSA.. This report focuses on its care, professional, maintenance during this period of non-operation, consolidation and material topics were assessed based on existing company policies.

¹ See [GRI 102-46](#) (2016) for more guidance.

ECONOMIC

Economic Performance

Direct Economic Value Generated and Distributed

Disclosure	Amount	Units
Direct economic value generated (revenue)	-	PhP
Direct economic value distributed:		
a. Operating costs	7,890,678	PhP
b. Employee wages and benefits	0	PhP
c. Payments to suppliers, other operating costs	0	PhP
d. Dividends given to stockholders and interest payments to loan providers	0	PhP
e. Taxes given to government	250,000	PhP
f. Investments to community (e.g. donations, CSR)	0	PhP

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
<i>Since the company has no operation, no employees and no income, its expenses are mainly for professional and maintenance of the head office which it shares office space with affiliates.</i>	<i>Stockholders</i>	<i>Management is committed to finding more business opportunities to increase shareholder value.</i>
What are the Risk/s Identified?	Which stakeholders are affected?	Management Approach
<i>The company may continue to incur liabilities if no income will be realized in the coming years.</i>	<i>Stockholders</i>	<i>The company can rely on advances from affiliates but will continue to exert all efforts to find more business opportunities to create shareholder value.</i>
What are the Opportunity/ies Identified?	Which stakeholders are affected?	Management Approach
<i>With the approved increase of authorized share of capital the company can offer more to the public</i>	<i>Stockholders</i>	<i>The company will continue to look for more investors for growth of the company.</i>

Climate-related risks and opportunities²

Governance	Strategy	Risk Management	Metrics and Targets
<i>Since the company has no operations, it is not exposed to climate-related risks.</i>	<i>Since the company has had no operations for the last five years, the actual and potential impacts of climate-related risks and opportunities, if any, to the organization's, business strategy and financial planning are considered immaterial.</i>	<i>The company has no material climate-related risks but during its operational period the company complied with the maintenance of environmental trust fund as required by the DENR pursuant to the relevant mining laws.</i>	<i>At present the Company has no formal climate-related risk strategies and metrics. Nonetheless, the Company will consider adopting a formal enterprise risk management program once it undertakes business activities in the future.</i>

Procurement Practices - I

Proportion of spending on local suppliers

Disclosure	Quantity	Units
Percentage of procurement budget used for significant locations of operations that is spent on local suppliers	Not material	0%
What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
<i>Since the company has no operation, it has neither direct utilization of raw materials nor does it procure much supplies, except office supplies.</i>	<i>The effect on stakeholders is not material.</i>	<i>Management applies conventional business measures in monitoring and controlling procurement of supplies.</i>
What are the Risk/s Identified?	Which stakeholders are affected?	Management Approach
<i>Since the company has no operation, it has neither direct utilization of raw materials nor does it procure much supplies, except office supplies.</i>	<i>The effect on stakeholders is not material.</i>	<i>ECVC commits itself to strictly monitor procurement practices.</i>
What are the Opportunity/ies Identified?	Which stakeholders are affected?	Management Approach
<i>Reduction of procurement costs</i>	<i>Employees</i>	<i>ECVC commits itself to strictly monitor</i>

² Adopted from the Recommendations of the Task Force on Climate-Related Financial Disclosures. The TCFD Recommendations apply to non-financial companies and financial-sector organizations, including banks, insurance companies, asset managers and asset owners.

	Stockholders	procurement practices.

Anti-corruption

Training on Anti-corruption Policies and Procedures - Mostly not applicable. The company has no employees and under care and maintenance mode.

Disclosure	Quantity	Units
Percentage of employees to whom the organization's anti-corruption policies and procedures have been communicated to	N/A	%
Percentage of business partners to whom the organization's anti-corruption policies and procedures have been communicated to	N/A	%
Percentage of directors and management that have received anti-corruption training	16	100%
Percentage of employees that have received anti-corruption training	N/A	%

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
<i>There is no significant impact because the company has no operations and no employees.</i>	<i>Employees Stockholders Government</i>	<i>The company has a code of business conduct & ethics that the employees and officers are expected to comply. As management understands that the matter is a sensitive issue, ECVV also has a whistleblowing policy in place including its procedures to create a non-hostile environment in reporting such incidents.</i>
What are the Risk/s Identified?	Which stakeholders are affected?	Management Approach
<i>No significant risks identified.</i>	<i>Employees Stockholders Government</i>	<i>The company has a code of business conduct & ethics that the employees and officers are expected to comply with.</i>
What are the Opportunity/ies Identified?	Which stakeholders are affected?	Management Approach
<i>No significant opportunities identified.</i>	<i>Employees Government</i>	<i>The company has a code of business conduct & ethics that the employees and officers are expected to comply with.</i>

Incidents of Corruption

Disclosure	Quantity	Units
Number of incidents in which directors were removed or disciplined for corruption	0	#
Number of incidents in which employees were dismissed or disciplined for corruption	0	#
Number of incidents when contracts with business partners were terminated due to incidents of corruption	0	#

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
<i>As per company policy, the company will commence appropriate disciplinary actions on erring employees. It does not tolerate corrupt acts.</i>	<i>Employees Stockholders Government</i>	<i>The company has a code of business conduct & ethics that the employees are expected to comply with. As management understands that the matter is a sensitive issue, ECVI also has a whistleblowing policy in place including its procedures to create a non-hostile environment in reporting such incidents.</i>
What are the Risk/s Identified?	Which stakeholders are affected?	Management Approach
<i>The company has no employees due to non-operation, no significant risks are identified.</i>	<i>Employees Stockholders Government</i>	<i>The company has a code of business conduct & ethics that the employees are expected to comply with.</i>
What are the Opportunity/ies Identified?	Which stakeholders are affected?	Management Approach
<i>The company has no employees due to non-operation, hence no identifiable significant opportunities.</i>	<i>Employees Stockholders Government</i>	<i>The company has a code of business conduct & ethics that the employees are expected to comply with.</i>

ENVIRONMENT

Resource Management

Energy consumption within the organization: The company has no operations and no employees. It shares office space with affiliates.

Disclosure	Quantity	Units
Energy consumption (renewable sources)	0	GJ
Energy consumption (gasoline)	0	L
Energy consumption (LPG)	0	GJ
Energy consumption (diesel)	0	L
Energy consumption (electricity)	0	kWh

Reduction of energy consumption

Disclosure	Quantity	Units
Energy reduction (gasoline)	0	GJ
Energy reduction (LPG)	0	GJ
Energy reduction (diesel)	0	GJ
Energy reduction (electricity)	0	kWh
Energy reduction (gasoline)	0	GJ

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
<i>The Company has no operations and no employees. Energy consumption is very minimal and limited to the use of computers and printing of quarterly and annual reports for compliance with regulatory requirements and corporate housekeeping. It shares office space with affiliates that use power supplied by MERALCO.</i>	MERALCO Government	<i>ECVC will continue to find ways to minimize energy consumption.</i>
What are the Risk/s Identified?	Which stakeholders are affected?	Management Approach
<i>Since there is no operation and no employees, the risk is insignificant for energy consumption.</i>	MERALCO Government	<i>Management will continuously find ways to minimize energy usage.</i>

What are the Opportunity/ies Identified?	Which stakeholders are affected?	Management Approach
<i>Finding ways to save on energy costs will result to reduced company's expenses.</i>	<i>MERALCO Government</i>	<i>Management will continuously find ways to minimize energy usage.</i>

Water consumption within the organization -- The company has no operations and no employees. It shares office space with affiliates.

Disclosure	Quantity	Units
Water withdrawal		Cubic meters
Water consumption		Cubic meters
Water recycled and reused		Cubic meters

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
<i>The Company has no operations and no employees. Its activities are limited to the use of computers and printing of quarterly and annual reports for compliance with regulatory requirements and corporate housekeeping. It does not utilize water.</i>	<i>Community Government</i>	<i>Management will consider efficient water use programs for its future business activities.</i>
What are the Risk/s Identified?	Which stakeholders are affected?	Management Approach
<i>Since there is no operation and no employees, no significant risks are identified.</i>	<i>Community Government</i>	<i>Management will consider efficient water use programs for its future business activities.</i>
What are the Opportunity/ies Identified?	Which stakeholders are affected?	Management Approach
<i>No significant opportunities identified.</i>	<i>Community Government</i>	<i>Management will consider efficient water use programs for its future business activities.</i>

Materials used by the organization

Disclosure	Quantity	Units
Materials used by weight or volume	N/A	
• renewable		kg/liters
• non-renewable		kg/liters
Percentage of recycled input materials used to manufacture the organization's primary products and services	N/A	%

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
<i>ECVC has no operation, and therefore, does not use any raw materials.</i>	<i>Not applicable</i>	<i>Not applicable</i>
What are the Risk/s Identified?	Which stakeholders are affected?	Management Approach
<i>No significant risks identified.</i>	<i>Not applicable</i>	<i>Not applicable</i>
What are the Opportunity/ies Identified?	Which stakeholders are affected?	Management Approach
<i>No significant opportunities identified.</i>	<i>Not applicable</i>	<i>Not applicable</i>

Ecosystems and biodiversity (whether in upland/watershed or coastal/marine) - The company currently has no assets.

Disclosure	Quantity	Units
Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	0	
Habitats protected or restored	0	ha
IUCN ³ Red List species and national conservation list species with habitats in areas affected by operations	0	

³ International Union for Conservation of Nature

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
<i>Not applicable</i>	<i>Not applicable</i>	<i>Not applicable</i>
What are the Risk/s Identified?	Which stakeholders are affected?	Management Approach
<i>Not applicable</i>	<i>Not applicable</i>	<i>Not applicable</i>
What are the Opportunity/ies Identified?	Which stakeholders are affected?	Management Approach
<i>Not applicable</i>	<i>Not applicable</i>	<i>Not applicable</i>

Environmental impact management

Air Emissions

GHG

Disclosure	Quantity	Units
Direct (Scope 1) GHG Emissions	0	Tonnes CO ₂ e
Energy indirect (Scope 2) GHG Emissions	0	Tonnes CO ₂ e
Emissions of ozone-depleting substances (ODS)	0	Tonnes

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
<i>ECVC has no operation and no employees, hence there is no impact relating to air emission.</i>	<i>Not Applicable</i>	<i>Not Applicable</i>
What are the Risk/s Identified?	Which stakeholders are affected?	Management Approach
<i>No significant risks identified</i>	<i>Not Applicable</i>	<i>Not Applicable</i>
What are the Opportunity/ies Identified?	Which stakeholders are affected?	Management Approach
<i>No significant opportunities identified.</i>	<i>Not Applicable</i>	<i>Not Applicable</i>

Air pollutants

Disclosure	Quantity	Units
NO _x		kg
SO _x		kg
Persistent organic pollutants (POPs)		kg
Volatile organic compounds (VOCs)		kg
Hazardous air pollutants (HAPs)		kg
Particulate matter (PM)		kg

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
<i>ECVC has no operation and no employees, hence there is no impact relating to air pollutants.</i>	<i>Not Applicable</i>	<i>Not Applicable</i>
What are the Risk/s Identified?	Which stakeholders are affected?	Management Approach
<i>No significant risks identified.</i>	<i>Not Applicable</i>	<i>Not Applicable</i>
What are the Opportunity/ies Identified?	Which stakeholders are affected?	Management Approach
<i>No significant opportunities identified.</i>	<i>Not Applicable</i>	<i>Not Applicable</i>

Solid and Hazardous Wastes

Solid Waste

Disclosure	Quantity	Units
Total solid waste generated	0	kg
Reusable	0	kg
Recyclable	0	kg
Composted	0	kg
Incinerated	0	kg
Residuals/Landfilled	0	kg

What is the impact and where does it occur? What is the organization's involvement in the	Which stakeholders are affected?	Management Approach

impact?		
<i>ECVC has no operation and no employees, hence there is no impact relating to solid waste.</i>	<i>Not Applicable</i>	<i>Not Applicable</i>
What are the Risk/s Identified?	Which stakeholders are affected?	Management Approach
<i>No significant risks identified</i>	<i>Not Applicable</i>	<i>Not Applicable</i>
What are the Opportunity/ies Identified?	Which stakeholders are affected?	Management Approach
<i>No significant opportunities identified</i>	<i>Not Applicable</i>	<i>Not Applicable</i>

Hazardous Waste

Disclosure	Quantity	Units
Total weight of hazardous waste generated	0	kg
Total weight of hazardous waste transported	0	kg

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
<i>ECVC has no operation and no employees, hence there is no impact relating to hazardous waste.</i>	<i>Not Applicable</i>	<i>Not Applicable?</i>
What are the Risk/s Identified?	Which stakeholders are affected?	Management Approach
<i>No significant risks identified</i>	<i>Not Applicable</i>	<i>Not Applicable</i>
What are the Opportunity/ies Identified?	Which stakeholders are affected?	Management Approach
<i>No significant opportunities identified</i>	<i>Not Applicable</i>	<i>Not Applicable</i>

Effluents

Disclosure	Quantity	Units
Total volume of water discharges	0	Cubic meters
Percent of wastewater recycled	0	%

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
<i>ECVC has no operation and no employees, hence there is no impact relating to effluents.</i>	<i>Not Applicable</i>	<i>Not Applicable</i>
What are the Risk/s Identified?	Which stakeholders are affected?	Management Approach
<i>No significant risks identified</i>	<i>Not Applicable</i>	<i>Not Applicable</i>
What are the Opportunity/ies Identified?	Which stakeholders are affected?	Management Approach
<i>No significant opportunities identified</i>	<i>Not Applicable</i>	<i>Not Applicable</i>

Environmental compliance

Non-compliance with Environmental Laws and Regulations

Disclosure	Quantity	Units
Total amount of monetary fines for non-compliance with environmental laws and/or regulations	N/A	PhP
No. of non-monetary sanctions for non-compliance with environmental laws and/or regulations	N/A	#
No. of cases resolved through dispute resolution mechanism	N/A	#

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
<i>Since the company has no operations in the past years and no employees, ECVC has not violated any environmental laws and</i>	<i>Community Employees</i>	<i>During its period of operations, ECVC strived to ensure that the environmental impact of its business operations is mitigated and/or minimized and strictly</i>

<i>regulations that directly impact the environment.</i>	<i>Government</i>	<i>abides by the regulatory standards and policies. It will continue its adherence to such standards and policies in its future business activities.</i>
What are the Risk/s Identified?	Which stakeholders are affected?	Management Approach
<i>No significant risks identified</i>	<i>Community Employees Government</i>	<i>The company will continue to abide with the environmental laws and regulations.</i>
What are the Opportunity/ies Identified?	Which stakeholders are affected?	Management Approach
<i>No significant opportunities identified</i>	<i>Community Employees Government</i>	<i>The company will continue to abide with the environmental laws and regulations.</i>

SOCIAL

Employee Management

Employee Hiring and Benefits

Employee data

The company has no operation and no employees for the past year.

Disclosure	Quantity	Units
Total number of employees ⁴		
a. Number of female employees	0	#
b. Number of male employees	0	#
Attrition rate ⁵	0	rate
Ratio of lowest paid employee against minimum wage	0	ratio

Employee benefits - The company has no operation and no employees for the past year but has the following policy on employee benefits:

List of Benefits	Y/N	% of female employees who availed for the	% of male employees who availed for the

⁴ Employees are individuals who are in an employment relationship with the organization, according to national law or its application ([GRI Standards 2016 Glossary](#))

⁵ Attrition are = (no. of new hires – no. of turnover)/(average of total no. of employees of previous year and total no. of employees of current year)

		year	year
SSS	Y	N/A	N/A
PhilHealth	Y	N/A	N/A
Pag-ibig	Y	N/A	N/A
Parental leaves	Y	N/A	N/A
Vacation leaves	Y	N/A	N/A
Sick leaves	Y	N/A	N/A
Medical benefits (aside from PhilHealth))	y	N/A	N/A
Housing assistance (aside from Pag-ibig)	N	N/A	N/A
Retirement fund (aside from SSS)	N	N/A	N/A
Further education support	N	N/A	N/A
Company stock options	N	N/A	N/A
Telecommuting	Y	N/A	N/A
Flexible-working Hours	Y	N/A	N/A
(Others)		N/A	N/A

What is the impact and where does it occur? What is the organization's involvement in the impact?	Management Approach
<i>Employee benefits directly impact employee performance and morale.</i>	<i>The company has always complied with the directives of the SSS, Philhealth and Pag-ibig with regard to mandatory monthly company contributions and remittance of employee share.</i>
What are the Risk/s Identified?	Management Approach
<i>The company has no operations and no employees, but has always complied with mandatory benefits required by law during its period of operation. Hence, there is no significant risk identified.</i>	<i>Not applicable</i>
What are the Opportunity/ies Identified?	Management Approach
<i>No significant opportunities identified.</i>	<i>Not applicable</i>

Employee Training and Development-Not applicable

Disclosure	Quantity	Units
Total training hours provided to employees		
a. Female employees		hours
b. Male employees		hours
Average training hours provided to employees		
a. Female employees		hours/employee
b. Male employees		hours/employee

What is the impact and where does it occur? What is the organization's involvement in the impact?	Management Approach
<i>ECVC has no operation and no employees, hence there is no significant impact.</i>	<i>Not applicable</i>
What are the Risk/s Identified?	Management Approach
<i>Not applicable</i>	<i>Not applicable</i>
What are the Opportunity/ies Identified?	Management Approach
<i>Not applicable</i>	<i>Not applicable</i>

Labor-Management Relations

Disclosure	Quantity	Units
% of employees covered with Collective Bargaining Agreements	N/A	%
Number of consultations conducted with employees concerning employee-related policies	N/A	#

What is the impact and where does it occur? What is the organization's involvement in the impact?	Management Approach
<i>ECVC has no operation and no employees, hence there is no significant impact.</i>	<i>Not applicable</i>
What are the Risk/s Identified?	Management Approach
<i>Not applicable</i>	<i>Not applicable</i>
What are the Opportunity/ies Identified?	Management Approach
<i>Not applicable</i>	<i>Not applicable</i>

Diversity and Equal Opportunity – Not applicable

Disclosure	Quantity	Units
% of female workers in the workforce		%
% of male workers in the workforce		%
Number of employees from indigenous communities and/or vulnerable sector*		#

**Vulnerable sector includes, elderly, persons with disabilities, vulnerable women, refugees, migrants, internally displaced persons, people living with HIV and other diseases, solo parents, and the poor or the base of the pyramid (BOP; Class D and E).*

What is the impact and where does it occur? What is the organization's involvement in the impact?	Management Approach
<i>ECVC has no operation and no employees, and under care and maintenance mode only. Hence, there is no significant impact.</i>	<i>Criteria for employment and promotion focus mainly on the employee's ability to do his/her assigned work.</i>
What are the Risk/s Identified?	Management Approach
<i>Not applicable</i>	<i>Not applicable</i>
What are the Opportunity/ies Identified?	Management Approach
<i>Not applicable</i>	<i>Not applicable</i>

Workplace Conditions, Labor Standards, and Human Rights – Not applicable

Occupational Health and Safety

Disclosure	Quantity	Units
Safe Man-Hours	0	Man-hours
No. of work-related injuries	0	#
No. of work-related fatalities	0	#
No. of work related ill-health	0	#
No. of safety drills	0	#

What is the impact and where does it occur? What is the organization's involvement in the impact?	Management Approach
<i>ECVC has no operation and no employees. Hence, there is no significant impact.</i>	
What are the Risk/s Identified?	Management Approach
<i>Not applicable</i>	<i>Not applicable</i>
What are the Opportunity/ies Identified?	Management Approach
<i>Not applicable</i>	<i>Not applicable</i>

Labor Laws and Human Rights

Disclosure	Quantity	Units
No. of legal actions or employee grievances involving forced or child labor	NA	#

Do you have policies that explicitly disallows violations of labor laws and human rights (e.g. harassment, bullying) in the workplace?

Topic	Y/N	If Yes, cite reference in the company policy
Forced labor	N	
Child labor	N	
Human Rights	N	

What is the impact and where does it occur? What is the organization's involvement in the impact?	Management Approach
<i>ECVC has no operation and no employees. Hence, there is no significant impact.</i>	<i>Although there is no specific written company policy, management adheres to the relevant child labor and human rights laws.</i>
What are the Risk/s Identified?	Management Approach
<i>ECVC has no operation and no employees. Hence, there is no significant impact.</i>	<i>Although there is no specific written company policy, management adheres to the relevant child labor and human rights laws.</i>
What are the Opportunity/ies Identified?	Management Approach
<i>Being compliant with labor laws will make company attractive to potential employees. It will also foster loyalty within the organization.</i>	<i>Although there is no specific written company policy, ECVC will always adhere to the relevant child labor and human rights laws.</i>

Supply Chain Management

Do you have a supplier accreditation policy? If yes, please attach the policy or link to the policy:

The company have no operations and no employees, and under care and maintenance mode while it evaluates possible business opportunities. At present, it only purchases office supplies which does not necessitate an accredited supplier.

Do you consider the following sustainability topics when accrediting suppliers? N/A

Topic	Y/N	If Yes, cite reference in the supplier policy
Environmental performance		
Forced labor		
Child labor		
Human rights		
Bribery and corruption		
What is the impact and where does it occur? What is the organization's involvement in the impact?	Management Approach	
<i>Not applicable</i>	<i>Not applicable</i>	
What are the Risk/s Identified?	Management Approach	
<i>Not applicable</i>	<i>Not applicable</i>	

What are the Opportunity/ies Identified?	Management Approach
<i>Not applicable</i>	<i>Not applicable</i>

Relationship with Community

Significant Impacts on Local Communities - Not applicable

Operations with significant (positive or negative) impacts on local communities (exclude CSR projects; this has to be business operations)	Location	Vulnerable groups (if applicable)*	Does the particular operation have impacts on indigenous people (Y/N)?	Collective or individual rights that have been identified that or particular concern for the community	Mitigating measures (if negative) or enhancement measures (if positive)

**Vulnerable sector includes children and youth, elderly, persons with disabilities, vulnerable women, refugees, migrants, internally displaced persons, people living with HIV and other diseases, solo parents, and the poor or the base of the pyramid (BOP; Class D and E)*

For operations that are affecting IPs, indicate the total number of Free and Prior Informed Consent (FPIC) undergoing consultations and Certification Preconditions (CPs) secured and still operational and provide a copy or link to the certificates if available: _____

Certificates	Quantity	Units
FPIC process is still undergoing		#
CP secured		#

What are the Risk/s Identified?	Management Approach
<i>Not applicable</i>	<i>Not applicable</i>
What are the Opportunity/ies Identified?	Management Approach
<i>Not applicable</i>	<i>Not applicable</i>

Customer Management

Customer Satisfaction

Disclosure	Score	Did a third party conduct the customer satisfaction study (Y/N)?
<i>Not applicable</i>		<i>Not applicable</i>

What is the impact and where does it occur? What is the organization's involvement in the impact?	Management Approach
<i>Not applicable</i>	<i>Not applicable</i>
What are the Risk/s Identified?	Management Approach
<i>Not applicable</i>	<i>Not applicable</i>
What are the Opportunity/ies Identified?	Management Approach
<i>Not applicable</i>	<i>Not applicable</i>

Health and Safety

Disclosure	Quantity	Units
No. of substantiated complaints on product or service health and safety*	0	#
No. of complaints addressed	0	#

**Substantiated complaints include complaints from customers that went through the organization's formal communication channels and grievance mechanisms as well as complaints that were lodged to and acted upon by government agencies.*

What is the impact and where does it occur? What is the organization's involvement in the impact?	Management Approach
<i>Not applicable</i>	<i>Not applicable</i>
What are the Risk/s Identified?	Management Approach
<i>Not applicable</i>	<i>Not applicable</i>
What are the Opportunity/ies Identified?	Management Approach
<i>Not applicable</i>	<i>Not applicable</i>

Marketing and labelling

Disclosure	Quantity	Units
No. of substantiated complaints on marketing and labelling*	0	#
No. of complaints addressed	0	#

**Substantiated complaints include complaints from customers that went through the organization's formal communication channels and grievance mechanisms as well as complaints that were lodged to and acted upon by government agencies.*

What is the impact and where does it occur? What is the organization's involvement in the impact?	Management Approach
<i>Not applicable</i>	<i>Not applicable</i>
What are the Risk/s Identified?	Management Approach
<i>Not applicable</i>	<i>Not applicable</i>
What are the Opportunity/ies Identified?	Management Approach
<i>Not applicable</i>	<i>Not applicable</i>

Customer privacy

Disclosure	Quantity	Units
No. of substantiated complaints on customer privacy*	0	#
No. of complaints addressed	0	#
No. of customers, users and account holders whose information is used for secondary purposes	0	#

**Substantiated complaints include complaints from customers that went through the organization's formal communication channels and grievance mechanisms as well as complaints that were lodged to and acted upon by government agencies.*

What is the impact and where does it occur? What is the organization's involvement in the impact?	Management Approach
<i>Not applicable</i>	<i>Not applicable</i>
What are the Risk/s Identified?	Management Approach
<i>Not applicable</i>	<i>Not applicable</i>
What are the Opportunity/ies Identified?	Management Approach

<i>Not applicable</i>	<i>Not applicable</i>

Data Security

Disclosure	Quantity	Units
No. of data breaches, including leaks, thefts and losses of data	0	#

What is the impact and where does it occur? What is the organization's involvement in the impact?	Management Approach
<i>Since the company has no operations, no employees and no customers, there is no significant impact relating to data security.</i>	<i>The company believes in data privacy protection and will register pursuant to the Data Privacy Act once it undertakes business activities and hires employees. It has already appointed a Data Privacy Officer.</i>
What are the Risk/s Identified?	Management Approach
<i>Not applicable</i>	<i>Not applicable</i>
What are the Opportunity/ies Identified?	Management Approach
<i>Not applicable</i>	<i>Not applicable</i>

UN SUSTAINABLE DEVELOPMENT GOALS

Product or Service Contribution to UN SDGs

Key products and services and its contribution to sustainable development.

Key Products and Services	Societal Value / Contribution to UN SDGs	Potential Negative Impact of Contribution	Management Approach to Negative Impact
Since the company has no operations and no employees in the past year, it has not produced any product or offered any services.	In the event that the company conducts business activities and realizes income, ECVC would be able to make significant contributions to local communities.	Until the company begins operations, it cannot make any significant contributions to help alleviate poverty in the local communities.	The company will find ways to help the poor and the marginalized in the barangay communities and consider social amelioration programs in its future business activities.

** None/Not Applicable is not an acceptable answer. For holding companies, the services and products of its subsidiaries may be disclosed.*

COVER SHEET

for
AUDITED FINANCIAL STATEMENTS

SEC Registration Number

7	4	4	3						

COMPANY NAME

E	A	S	T		C	O	A	S	T		V	U	L	C	A	N		M	I	N	I	N	G		C	O	R	P	O
R	A	T	I	O	N																								

PRINCIPAL OFFICE (No. / Street / Barangay / City / Town / Province)

U	N	I	T		1	5	0	2		P	A	C	I	F	I	C		S	T	A	R		B	U	I	L	D	I	N
G		S	E	N	.		G	I	L		J	.	P	U	Y	A	T		A	V	E	.		M	A	K	A	T	I
C	I	T	Y		M	E	T	R	O		M	A	N	I	L	A		1	2	0	9								

Form Type

A	A	F	S

Department requiring the report

C	G	F	D

Secondary License Type, If Applicable

N	/	A	

COMPANY INFORMATION

Company's Email Address

info@eastcoastvulcan.com

Company's Telephone Number/s

(02) 8511-8312

Mobile Number

N/A

No. of Stockholders

1,901

Annual Meeting Month/Day

Last Wednesday of May

Fiscal Year Month/Day

12/31

CONTACT PERSON INFORMATIONThe designated contact person **MUST** be an Officer of the Corporation

Name of Contact Person

Ana Maria A. Katigbak-Lim

Email Address

ana.katigbak@cltps.com.ph

Telephone Number/s

(02) 8631-5139

Mobile Number

N/A

CONTACT PERSON's ADDRESS

15th Floor, High Rise, Pacific Star Building 1209 Sen. Gil J. Puyat Ave. Makati City, Metro Manila

NOTE 1 : In case of death, resignation or cessation of office of the officer designated as contact person, such incident shall be reported to the Commission within thirty (30) calendar days from the occurrence thereof with information and complete contact details of the new contact person designated.

2 : All Boxes must be properly and completely filled-up. Failure to do so shall cause the delay in updating the corporation's records with the Commission and/or non-receipt of Notice of Deficiencies. Further, non-receipt of Notice of Deficiencies shall not excuse the corporation from liability for its deficiencies



INDEPENDENT AUDITOR'S REPORT

The Board of Directors and Stockholders
East Coast Vulcan Mining Corporation (formerly East Coast Vulcan Corporation)
Unit 1502, Pacific Star Building
Sen. Gil J. Puyat Ave.
Makati City, Metro Manila 1209

Report on the Audit of the Consolidated and Parent Company Financial Statements

Opinion

We have audited the consolidated financial statements of East Coast Vulcan Mining Corporation (formerly East Coast Vulcan Corporation, the Parent Company, ECVMC) and its subsidiary (the Group) and the parent company financial statements of the Parent Company, which comprise the consolidated and parent company statements of financial position as at December 31, 2025 and 2024 and the consolidated and parent company statements of income, consolidated and parent company statements of comprehensive income, consolidated and parent company statements of changes in equity (capital deficiency) and consolidated and parent company statements of cash flows for each of the three years in the period ended December 31, 2025, and notes to the consolidated and parent company financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated and parent company financial statements present fairly, in all material respects, the financial position of the Group and the Parent Company as at December 31, 2025 and 2024, and their financial performance and their cash flows for each of the three years in the period ended December 31, 2025, in accordance with Philippine Financial Reporting Standards (PFRS) Accounting Standards.

Basis for Opinion

We conducted our audits in accordance with Philippine Standards on Auditing (PSAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated and Parent Company Financial Statements* section of our report. We are independent of the Group and the Parent Company in accordance with the Code of Ethics for Professional Accountants in the Philippines (the Code of Ethics), as applicable to the audits of the financial statements of public interest entities, together with the ethical requirements that are relevant to our audits of financial statements of public interest entities in the Philippines. We have also fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated and parent company financial statements of the current period. These matters were addressed in the context of our audit of the consolidated and parent company financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditor's Responsibilities for the Audit of the Consolidated and Parent Company Financial Statements* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated and parent company financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated and parent company financial statements.

Recoverability of Deferred Exploration Costs

As at December 31, 2025, the carrying value of the Group's deferred exploration costs amounted to ₱147.91 million. The deferred exploration costs pertain to the expenditures incurred by the Group for its ongoing exploration project. Under PFRS 6, *Exploration for and Evaluation of Mineral Resources*, these deferred exploration costs shall be assessed for impairment when facts and circumstances suggest that the carrying amounts exceed the recoverable amounts. The ability of the Group to recover its deferred exploration costs would depend on the commercial viability of the exploration projects. We considered this as a key audit matter because of the materiality of the amounts involved, and the significant judgment required in assessing whether there is any indication of impairment.

The Group's disclosures about deferred exploration costs are included in Notes 3 and 10 to the consolidated and parent company financial statements.

Audit Response

We obtained management's assessment on whether there is any indication that deferred exploration costs may be impaired. We inspected the summary of the status of the exploration project as at December 31, 2025, as certified by the Group's operations head, the type of expenses incurred, and assessed whether ongoing exploration activity exist to support the continued capitalization of this assets under the Group's accounting policies. We inspected contracts and agreements, inquired with management whether further evaluation is required in advance of a development decision and that such exploration is continuing, made reference with existing drilling results and inspected the approved budget for continuing the exploration and development costs. We inspected the licenses/permits of the exploration project to determine that the period for which the Group has the right in the specific area has not expired, will not expire in the near future, and will be renewed (or have been applied for renewal) accordingly. We also inquired about the existing concession areas that are expected to be abandoned or any exploration activities that are planned to be discontinued in those areas.



We also reviewed the presentation and disclosures related to the deferred exploration costs in the consolidated and parent company financial statements.

Impairment Testing of Mining Rights and Property and Equipment

The Group has mining rights and property and equipment amounting to ₱1,308.94 million and ₱115.64 million, respectively, comprising about 73% of the Group's consolidated total assets. The Group has been incurring net losses which is an impairment indicator requiring an assessment of the recoverable amount of mining rights and property and equipment. We considered this as a key audit matter because of the materiality of the amount involved, and the impairment assessment requires significant judgment and involves estimation and assumptions about future production levels and costs, as well as external inputs such as commodity prices, discount rate, and foreign currency exchange rate.

The Group's disclosures about mining rights and property and equipment are included in Notes 3, 7 and 9 to the consolidated and parent company financial statements.

Audit Response

We involved our internal specialist in evaluating the methodologies and the assumptions used. These assumptions include future production levels and costs as well as external inputs such as commodity prices, discount rate, and foreign currency exchange rates. We compared the key assumptions used against the mine life based on the ore reserve reports, forecasted average market price of nickel, discount rate based on industry weighted average capital cost, and forecasted foreign currency exchange rates of various financial institutions. We tested the parameters used in the determination of the discount rate against market data. We also reviewed the Group's disclosures about those assumptions to which the outcome of the impairment test is most sensitive, specifically those that have the most significant effect on the determination of the recoverable amount of property, equipment and mining rights.

Going Concern Assessment

The Group incurred net loss of ₱64.25 million and ₱79.45 million in 2025 and 2024, respectively. In addition, the Group's current liabilities exceeded its current assets by ₱348.06 million and ₱598.15 million as of December 31, 2025 and 2024, respectively.

The forecast for future operating results and cash inflows, and management's assessment of whether the Group will be able to continue meeting its currently maturing obligations are largely based on the expectations of, and the estimates made by management. The expectations and estimates can be influenced by subjective elements in its estimated future cash flows, specifically the forecasted metal production level, commodity prices, foreign exchange rate, operating costs and expenses, and the continued validity of its mining rights/tenements. As the going concern assessment is a significant aspect of our audit, we have identified this as a key audit matter.



The Group's disclosures on the going concern assessment are included in Note 1 to the consolidated and parent company financial statements.

Audit Response

We obtained an understanding of management's going concern assessment, taking into consideration the Group's current business plans. We evaluated the key assumptions used, such as the forecasted production, commodity prices, foreign exchange rate and operating costs that were used by management in the Group's cash flows forecast for the next twelve months from reporting period. We evaluated these key assumptions by reference to historical information, information up to report date, and relevant market data and by taking into consideration the actions undertaken and the planned strategies by management in relation to the Group's operating activities. We obtained and inspected copies of the supporting documents, such as minutes of meetings of board of directors and stockholders. We evaluated the events that transpired up to date of our report which may have an impact on the Group's operating activities. We also assessed the adequacy of the related disclosures in the notes to the consolidated financial statements.

Other Information

Management is responsible for the other information. The other information comprises the information included in the SEC Form 20-IS (Definitive Information Statement), SEC Form 17-A and Annual Report for the year ended December 31, 2025, but does not include the consolidated and parent company financial statements and our auditor's report thereon. The SEC Form 20-IS (Definitive Information Statement), SEC Form 17-A and Annual Report for the year ended December 31, 2025 are expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated and parent company financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audits of the consolidated and parent company financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated and parent company financial statements or our knowledge obtained in the audits, or otherwise appears to be materially misstated.

Responsibilities of Management and Those Charged with Governance for the Consolidated and Parent Company Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated and parent company financial statements in accordance with PFRS Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated and parent company financial statements that are free from material misstatement, whether due to fraud or error.



In preparing the consolidated and parent company financial statements, management is responsible for assessing the Group's and the Parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group and the Parent Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's and the Parent Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated and Parent Company Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated and parent company financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with PSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and parent company financial statements.

As part of an audit in accordance with PSAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated and parent financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Parent Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Parent Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated and parent company financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and the Parent Company to cease to continue as a going concern.



- Evaluate the overall presentation, structure and content of the consolidated and parent company financial statements, including the disclosures, and whether the consolidated and parent company financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance the audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated and parent company financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.



Report on the Supplementary Information Required Under Revenue Regulations 15-2010

Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information required under Revenue Regulations 15-2010 in Note 25 to the financial statements is presented for purposes of filing with the Bureau of Internal Revenue and is not a required part of the basic financial statements. Such information is the responsibility of the management of East Coast Vulcan Mining Corporation (formerly East Coast Vulcan Corporation). The information has been subjected to the auditing procedures applied in our audit of the basic financial statements. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

The partner in charge of the audit resulting in this independent auditor's report is Eleanore A. Layug.

SYCIP GORRES VELAYO & CO.



Partner

CPA Certificate No. 0100794

Tax Identification No. 163-069-453

BOA/PRC Reg. No. 0001, April 16, 2024, valid until August 23, 2026

SEC Partner Accreditation No. 100794-SEC (Group A)

Valid to cover audit of 2021 to 2025 financial statements

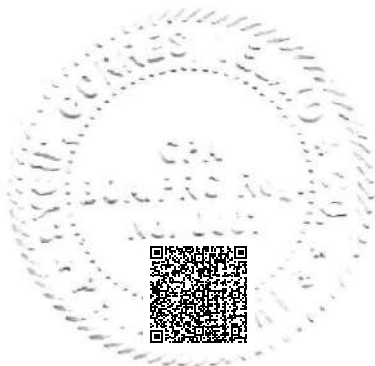
SEC Firm Accreditation No. 0001-SEC (Group A)

Valid to cover audit of 2021 to 2025 financial statements

BIR Accreditation No. 08-001998-097-2023, September 12, 2023, valid until September 11, 2026

PTR No. 10765063, January 2, 2026, Makati City

April 27, 2026



EAST COAST VULCAN MINING CORPORATION AND SUBSIDIARY
(Formerly East Coast Vulcan Corporation)
STATEMENTS OF FINANCIAL POSITION

	Consolidated		Parent Company	
	December 31		December 31	
	2025	2024	2025	2024
ASSETS				
Current Assets				
Cash (Note 4)	₱13,725,703	₱7,116,126	₱336,640	₱266,402
Trade and other receivables (Note 5)	61,873,245	118,410,662	—	—
Due from related parties (Note 18)	196,143,247	—	—	—
Prepayments and other current assets (Note 6)	94,461,373	71,130,018	1,189,748	962,821
Total Current Assets	366,203,568	196,656,806	1,526,388	1,229,223
Noncurrent Assets				
Investment in a subsidiary (Note 1)	—	—	5,180,000,000	5,180,000,000
Property and equipment (Note 7)	115,635,513	143,882,633	—	—
Intangible asset (Note 8)	359,891	441,552	—	—
Mining rights (Note 9)	1,308,938,513	1,597,677,797	—	—
Deferred exploration costs (Note 10)	147,909,653	147,909,653	—	—
Deferred tax asset - net (Note 17)	4,342,189	4,473,857	—	—
Total Noncurrent Assets	1,577,185,759	1,894,385,492	5,180,000,000	5,180,000,000
TOTAL ASSETS	₱1,943,389,327	₱2,091,042,298	₱5,181,526,388	₱5,181,229,223
Current Liabilities				
Trade and other payables (Note 11)	₱77,015,606	₱156,673,129	₱2,626,526	₱2,134,297
Due to related parties (Note 18)	62,424,406	45,763,770	107,538,496	99,843,015
Loans payable - current portion (Note 12)	471,847,507	476,533,418	—	—
Installment payable - current portion (Note 12)	102,973,543	115,839,113	—	—
Total Current Liabilities	714,261,062	794,809,430	110,165,022	101,977,312
Noncurrent Liabilities				
Installment payable - noncurrent portion (Note 12)	3,050,121	7,349,232	—	—
Retirement benefits liability (Note 13)	18,372,419	18,298,940	—	—
Total Noncurrent Liabilities	21,422,540	25,648,172	—	—
Total Liabilities	735,683,602	820,457,602	110,165,022	101,977,312
Equity				
Capital stock (Note 14)	6,172,497,120	6,172,497,120	6,172,497,120	6,172,497,120
Equity reserve (Note 14)	(5,258,607,201)	(5,258,607,201)	—	—
Remeasurement gain on retirement benefits liability (Note 13)	7,210,202	5,836,310	—	—
Retained earnings (Deficit)	286,605,604	350,858,467	(1,101,135,754)	(1,093,245,209)
Total Equity	1,207,705,725	1,270,584,696	5,071,361,366	5,079,251,911
TOTAL LIABILITIES AND EQUITY	₱1,943,389,327	₱2,091,042,298	5,181,526,388	₱5,181,229,223

See accompanying Notes to Financial Statements.



EAST COAST VULCAN MINING CORPORATION AND SUBSIDIARY
(Formerly East Coast Vulcan Corporation)
STATEMENTS OF INCOME

	Consolidated			Parent Company		
	Years Ended December 31					
	2025	2024	2023	2025	2024	2023
REVENUES (Note 15)	₱450,949,372	₱289,229,219	₱375,445,769	₱—	₱—	₱—
OPERATING EXPENSES (Note 16)	399,955,643	266,791,239	180,011,532	7,890,678	6,961,448	11,933,529
OPERATING INCOME (LOSS)	50,993,729	22,437,980	195,434,237	(7,890,678)	(6,961,448)	(11,933,529)
OTHER INCOME (CHARGES) - net						
Finance costs (Notes 12 and 13)	(61,291,486)	(78,084,240)	(23,173,124)	—	—	—
Unrealized foreign exchange gain (loss) - net	1,003,663	403,512	(582,588)	—	—	—
Finance income (Note 4)	3,052	1,986	24,054	133	73	64
	(60,284,771)	(77,678,742)	(23,731,658)	133	73	64
INCOME (LOSS) BEFORE INCOME TAX	(9,291,042)	(55,240,762)	171,702,579	(7,890,545)	(6,961,375)	(11,933,465)
BENEFIT FROM (PROVISION FOR)						
INCOME TAX (Note 17)						
Current	(1,461,225)	(1,964,989)	(5,062,959)	—	—	—
Final	(53,826,892)	(22,466,447)	(32,341,972)	—	—	—
Deferred	326,296	225,975	107,930	—	—	—
	(54,961,821)	(24,205,461)	(37,297,001)	—	—	—
NET INCOME (LOSS)	(₱64,252,863)	(₱79,446,223)	₱134,405,578	(₱7,890,545)	(₱6,961,375)	(₱11,933,465)
Basic/Diluted Earnings (Loss)						
Per Share (Note 19)	(₱0.010)	(₱0.013)	₱0.033	(₱0.001)	(₱0.001)	(₱0.002)

See accompanying Notes to Financial Statements.



EAST COAST VULCAN MINING CORPORATION AND SUBSIDIARY
(Formerly East Coast Vulcan Corporation)

STATEMENTS OF COMPREHENSIVE INCOME

	Consolidated			Parent Company		
	Years Ended December 31					
	2025	2024	2023	2025	2024	2023
NET INCOME (LOSS)	(P64,252,863)	(P79,446,223)	P134,405,578	(P7,890,545)	(P6,961,375)	(P11,933,465)
OTHER COMPREHENSIVE INCOME (LOSS)						
Other comprehensive income (loss) not to be reclassified to profit or loss in subsequent periods						
Remeasurement gain (loss) on retirement benefits liability - net of tax	1,373,892	991,069	(302,473)	—	—	—
TOTAL COMPREHENSIVE INCOME (LOSS)	(P62,878,971)	(P78,455,154)	P134,103,105	(P7,890,545)	(P6,961,375)	(P11,933,465)

See accompanying Notes to Financial Statements.



EAST COAST VULCAN MINING CORPORATION AND SUBSIDIARY
(Formerly East Coast Vulcan Corporation)

STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2025, 2024 AND 2023

Consolidated								
Capital Stock (Note 14)					Equity Reserve (Note 14)	Remeasurement Gain (Loss) on Retirement Benefits Liability	Retained Earnings (Deficit)	Total
Issued	Subscribed	Subscription Receivable	Total					
Balances at January 1, 2023	₱963,944,338	₱486,055,662	(₱457,502,880)	₱992,497,120	(₱67,497,120)	₱5,147,714	₱369,040,582	₱1,299,188,296
Net income	—	—	—	—	—	—	134,405,578	134,405,578
Other comprehensive income	—	—	—	—	—	(302,473)	—	(302,473)
Total comprehensive income	—	—	—	—	—	(302,473)	134,405,578	134,103,105
Issuance of capital stock	5,180,000,000	—	—	5,180,000,000	—	—	—	5,180,000,000
Stock issuance costs (Note 14)	—	—	—	—	—	—	(73,141,470)	(73,141,470)
Effect of reverse acquisition	—	—	—	—	(5,191,110,081)	—	—	(5,191,110,081)
Balances at December 31, 2023	6,143,944,338	486,055,662	(457,502,880)	6,172,497,120	(5,258,607,201)	4,845,241	430,304,690	1,349,039,850
Net loss	—	—	—	—	—	—	(79,446,223)	(79,446,223)
Other comprehensive income	—	—	—	—	—	991,069	—	991,069
Total comprehensive income (loss)	—	—	—	—	—	991,069	(79,446,223)	(78,455,154)
Balances at December 31, 2024	6,143,944,338	486,055,662	(457,502,880)	6,172,497,120	(5,258,607,201)	5,836,310	350,858,467	1,270,584,696
Net loss	—	—	—	—	—	—	(64,252,863)	(64,252,863)
Other comprehensive income	—	—	—	—	—	1,373,892	—	1,373,892
Total comprehensive income (loss)	—	—	—	—	—	1,373,892	(64,252,863)	(62,878,971)
Balances at December 31, 2025	₱6,143,944,338	₱486,055,662	(₱457,502,880)	₱6,172,497,120	(₱5,258,607,201)	₱7,210,202	₱286,605,604	₱1,207,705,725

See accompanying Notes to Financial Statements.



EAST COAST VULCAN MINING CORPORATION
(Formerly East Coast Vulcan Corporation)
STATEMENTS OF CHANGES IN EQUITY (CAPITAL DEFICIENCY)
FOR THE YEARS ENDED DECEMBER 31, 2025, 2024 AND 2023

	Parent Company					
	Capital Stock (Note 14)			Total	Deficit	Total
	Issued	Subscribed	Subscription Receivable			
Balances at January 1, 2023	₱963,944,338	₱486,055,662	(₱457,502,880)	₱992,497,120	(₱1,001,208,899)	(₱8,711,779)
Net loss	—	—	—	—	(11,933,465)	(11,933,465)
Other comprehensive loss	—	—	—	—	—	—
Total comprehensive loss	—	—	—	—	(11,933,465)	(11,933,465)
Issuance of capital stock	5,180,000,000	—	—	5,180,000,000	—	5,180,000,000
Stock issuance costs	—	—	—	—	(73,141,470)	(73,141,470)
Balances at December 31, 2023	6,143,944,338	486,055,662	(457,502,880)	6,172,497,120	(1,086,283,834)	5,086,213,286
Net loss	—	—	—	—	(6,961,375)	(6,961,375)
Other comprehensive loss	—	—	—	—	—	—
Total comprehensive loss	—	—	—	—	(6,961,375)	(6,961,375)
Balances at December 31, 2024	6,143,944,338	486,055,662	(457,502,880)	6,172,497,120	(1,093,245,209)	5,079,251,911
Net loss	—	—	—	—	(7,890,545)	(7,890,545)
Other comprehensive loss	—	—	—	—	—	—
Total comprehensive loss	—	—	—	—	(7,890,545)	(7,890,545)
Balances at December 31, 2025	₱6,143,944,338	₱486,055,662	(₱457,502,880)	₱6,172,497,120	(₱1,101,135,754)	₱5,071,361,366

See accompanying Notes to Financial Statements.



EAST COAST VULCAN MINING CORPORATION AND SUBSIDIARY
(Formerly East Coast Vulcan Corporation)
STATEMENTS OF CASH FLOWS

	Consolidated		
	Years Ended December 31		
	2025	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES			
Income (loss) before income tax	(P9,291,042)	(P55,240,762)	P171,702,579
Adjustments for:			
Depreciation and amortization (Notes 7, 8 and 9)	317,380,594	174,435,147	92,328,188
Finance cost (Note 12 and 13)	61,291,486	78,084,240	23,173,124
Current service cost on retirement benefits liability (Note 13)	1,114,405	803,129	697,409
Unrealized foreign exchange loss (gain) - net	(1,003,663)	(403,512)	582,588
Interest income (Note 4)	(3,052)	(1,986)	(24,054)
Operating income before working capital changes	369,488,728	197,676,256	288,459,834
Decrease (increase) in:			
Trade and other receivables	(174,380,725)	(104,704,109)	(44,299,580)
Prepayments and other current assets	(23,331,355)	(14,258,361)	(25,397,196)
Increase (decrease) in trade and other payables	(36,869,272)	50,965,085	57,738,514
Net cash flows generated from operations	134,907,376	129,678,871	276,501,572
Interest paid	(60,500,556)	(32,692,541)	(22,043,194)
Income taxes paid	(55,288,117)	(24,431,436)	(37,404,931)
Interest received	3,052	1,986	24,054
Net cash flows from operating activities	19,121,755	72,556,880	217,077,501
CASH FLOWS FROM INVESTING ACTIVITIES			
Increase in due from related parties (Note 18)	(281,082,257)	(95,761,561)	(373,499,672)
Additions to:			
Property and equipment (Note 7)	(201,100)	(276,710)	(7,599,036)
Intangible asset (Note 8)	(111,429)	(98,214)	(128,570)
Deferred exploration costs (Note 10)	—	—	(147,909,653)
Cash of ECVMC before reverse acquisition (Note 14)	—	—	163,339
Net cash flows used in investing activities	(281,394,786)	(96,136,485)	(528,973,592)
CASH FLOWS FROM FINANCING ACTIVITIES			
Increase in due to related parties (Note 18)	290,733,200	2,193,470	117,134,362
Payments of installment payable (Note 12)	(17,164,681)	(19,306,857)	(45,653,131)
Payments of loans payable (Note 12)	(4,685,911)	(338,693)	(57,570,278)
Availment of loans payable (Note 12)	—	40,000,000	300,000,000
Net cash flows from financing activities	268,882,608	22,547,920	313,910,953
NET INCREASE (DECREASE) IN CASH	6,609,577	(1,031,685)	2,014,862
CASH AT BEGINNING OF YEAR	7,116,126	8,147,811	6,132,949
CASH AT END OF YEAR (Note 4)	P13,725,703	P7,116,126	P8,147,811

See accompanying Notes to Financial Statements.



EAST COAST VULCAN MINING CORPORATION
(Formerly East Coast Vulcan Corporation)

STATEMENTS OF CASH FLOWS

	Parent Company		
	Years Ended December 31		
	2025	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES			
Net loss	(P7,890,545)	(P6,961,375)	(P11,933,465)
Adjustments for:			
Depreciation (Note 7)	—	19,103	32,747
Interest income (Note 4)	(133)	(73)	(64)
Operating loss before working capital changes	(7,890,678)	(6,942,345)	(11,900,782)
Increase in prepayments and other current assets	(226,927)	(168,183)	(563,442)
Increase in trade and other payables	492,229	70,920	1,576,994
Net cash flows used in operations	(7,625,376)	(7,039,608)	(10,887,230)
Interest received	133	73	64
Net cash flows used in operating activities	(7,625,243)	(7,039,535)	(10,887,166)
CASH FLOW FROM A FINANCING ACTIVITY			
Increase in due to related parties	7,695,481	7,142,560	10,887,230
NET INCREASE IN CASH	70,238	103,025	64
CASH AT BEGINNING OF YEAR	266,402	163,377	163,313
CASH AT END OF YEAR (Note 4)	P336,640	P266,402	P163,377

See accompanying Notes to Financial Statements.



EAST COAST VULCAN MINING CORPORATION AND SUBSIDIARY
(Formerly East Coast Vulcan Corporation)

NOTES TO FINANCIAL STATEMENTS

1. Corporate Information and Status of Operations

Corporate Information

East Coast Vulcan Mining Corporation (formerly, Vulcan Industrial & Mining Corporation, ECVMC, the Parent Company) was incorporated and registered with the Philippine Securities and Exchange Commission (SEC) on January 13, 1953 and was listed in the Philippine Stock Exchange (PSE) on August 31, 1970. The primary and secondary purpose of ECVMC is as a holding company and such other purposes as management deems fit and in the best interest of the Parent Company.

Amendment of Articles of Incorporation

In 2021, the BOD and Stockholders have approved the following amendment in the Parent Company's Articles of Incorporation

- Change in corporate name to East Coast Vulcan Corporation;
- Change in principal office address to 15th Floor, High Rise, Pacific Star Building, 1226 Sen. Gil J. Puyat Ave., Makati City, Metro Manila; and,
- Increase in authorized capital stock from 4 billion shares to 12 billion shares.

In 2022, the Parent Company submitted its application for the amendment of Articles of Incorporation to the Philippine SEC. On May 29, 2023, the SEC approved the Parent Company's application for the amendment of its Articles of Incorporation.

ECVMC and ECMRCI Share-for-Share Swap Transaction

On July 1, 2021, the Parent Company entered into a Memorandum of Agreement (MOA) with the majority stockholders (HGP Group) of East Coast Mineral Resources Company Incorporated (ECMRCI) for the latter's subscription up to 5,180.00 million shares of ECVMC arising from the increase in authorized capital stock. Upon approval of the SEC on May 29, 2023, the Parent Company issued 5,180,000,000 common shares with par value of ₱1 per share to HGP Group in exchange for the 100% outstanding shares of ECMRCI ("the Share Swap transaction") which resulted in ECVMC obtaining 100% interest in and control over ECMRCI. ECVMC and its subsidiary, ECMRCI, are referred to as "the Group".

Status of Operations

As of April 27, 2026, the Group is a holder of three Mineral Product and Sharing Agreements (MPSA):

- MPSA-078-97-XIII-SMR issued on November 19, 1997 covering an area of 697.05 hectares in the Municipality of Cagdianao, Dinagat Islands. On March 22, 2022, the Mines and Geosciences Bureau (MGB) ordered the renewal of the MPSA between the Government and the Group for another twenty-five years. Exploration is done by and with Cagdianao Mining Corporation under a Memorandum of Agreement to explore and to operate for a period of 25 years which were renewed until 2047 (see Note 22).
- MPSA-233-2007-XIII-SMR issued in 2007 covering an area of 4,226.27 hectares in the Municipality of Libjo, Dinagat Islands. As an outcome of exploration works conducted, the area has a positive Nickel Ore Reserve of 30 million wet metric ton (WMT). Exploration is done by and with various operators, Libjo Mining Corporation, Westernshore Nickel Corporation and Norte Este Corporation, under a Memorandum of Agreement to explore and to operate during the lifetime of the MPSA (see Note 22).



- MPSA-232-2007-XIII-SMR covering an area of 248 hectares in the Municipality of Surigao del Norte, Hibuson Island. The area is now being explored by and with Oriental Vision Mining Philippines Corporation (OVMPC) (see Note 22).

In 2023, the BOD and Stockholders have approved the following amendment in the Parent Company's Articles of Incorporation

- Change in corporate name to East Coast Vulcan Mining Corporation;
- Change in principal office address to Unit 1502, Pacific Star Building, Sen. Gil J. Puyat Ave., Makati City, Metro Manila 1209; and
- The amount of capital stock of the Corporation is Twelve Billion Pesos (₱12,000,000,000.00), Philippine currency, and the said capital is divided into One Hundred Twenty Billion (120,000,000,000) common shares at the par value of Ten Centavos (₱0.10) per share.

In 2023, the Parent Company submitted its application for the amendment of Articles of Incorporation to the Philippine SEC. On April 19, 2024, the SEC approved the Parent Company's application for the amendment of its Articles of Incorporation.

The Company's registered office address is at Unit 1502, Pacific Star Building, Sen. Gil J. Puyat Ave., Makati City, Metro Manila 1209.

The Group's Ability to Continue as a Going Concern

The Group incurred net loss of ₱64,252,863 and ₱79,446,223 in 2025 and 2024, respectively. In addition, the Group's current liabilities exceeded its current assets by ₱348,057,494 and ₱598,152,624 as of December 31, 2025 and 2024, respectively. Further, the Group failed to meet the scheduled loan payment, resulting in an event of default under the terms of the loan agreement.

In response to these matters, the Group came up with the following actions:

- Continuously coordinate with the respective operators of its MPSA to continue confirmatory and exploration activities to further enhance Ore Reserves/Resources
- manage expenditures for its day-to-day activities
- enter into loan restructuring agreements to negotiate deferral of payments of third-party loans
- proceed with the necessary actions to complete the requirements on its permit renewal
- improve efficiency and production level of operations through strategic operational changes and capital developments to increase cash inflows generated
- made total payments amounting to ₱26,316,129, which were applied against the principal balance that became due in 2025

Management has determined that the actions above are sufficient to raise financial resources for at least the next twelve months from December 31, 2025 and has therefore prepared the financial reporting on a going concern basis.

Authorization for Issue of the Parent and Consolidated Financial Statements

The consolidated and parent company financial statements as of December 31, 2025 and 2024 and for each of the three years in the period ended December 31, 2025 were approved and authorized for issue by the BOD on April 27, 2026.



2. **Basis of Preparation, Statement of Compliance, Basis of Consolidation, Changes in Accounting Policies and Disclosures and Material Accounting Policy Information**

Basis of Preparation

The Group's and Parent Company's consolidated and parent company financial statements have been prepared under the historical cost basis. The consolidated and parent company financial statements are presented in Philippine peso (₱), which is the Group's and Parent Company's functional currency. All amounts are rounded to the nearest Philippine Peso, except as otherwise stated.

Acquisition of ECMRCI

As discussed in Note 1, ECVMC and HGP Group entered into a Share Swap transaction that resulted in ECVMC owning 100% of ECMRCI.

The Share Swap transaction is an asset acquisition because ECMRCI was deemed to be the accounting acquirer for accounting purposes accounted for under the reverse acquisition method following the guidance provided by the standard. In a reverse acquisition, the legal parent, ECVMC is identified as the acquiree for accounting purposes because based on the substance of the transaction, the legal subsidiary ECMRCI is adjudged to be the entity that gained control over the legal parent. Accordingly, the consolidated financial statements of ECVMC have been prepared as a continuation of the financial statements of ECMRCI. ECMRCI has accounted for the acquisition of ECMRCI on May 29, 2023, which was the date when ECMRCI acquired or gained control over ECVMC.

The Group determined that ECMRCI obtained control over ECVMC upon issuance of shares on May 29, 2023. As allowed under PFRS 3, *Business Combinations*, an entity may designate an acquisition date of the end or the beginning of a month (convenience date), the date on which it closes its books, rather than the actual acquisition date. The Group determined that the date of acquisition is on May 29, 2023 (convenience date) rather than the actual date of issuance of shares there are no material transactions that occurred from May 29, 2023 to May 31, 2023.

The Share Swap transaction was a transaction between entities under common control since at acquisition date on May 31, 2023, ECVMC and ECMRCI are under the common control of HGP Group.

The comparative December 31, 2022 and January 1, 2022 information presented in the consolidated statements of changes in equity is that of ECMRCI, not originally presented in the previous financial statements of the legal parent (the Parent Company - accounting acquiree) and is also retroactively adjusted to reflect the legal capital (i.e., the number and type of capital stock issued) of ECVMC. The adjustment, which is the difference between the capital structure of ECVMC and ECMRCI, is recognized as part of the equity reserve in the consolidated statements of financial position as at December 31, 2025 and 2024.

Because the accompanying consolidated financial statements represent a continuation of the financial statements of ECMRCI, except for its capital structure, the consolidation reflects:

- a. The consolidated assets and liabilities of ECMRCI (legal subsidiary/accounting acquirer) recognized and measured at their pre-combination carrying amounts and not at fair value, and the assets and liabilities of ECVMC (legal parent/accounting acquiree), consisting of cash, prepayments, office equipment, trade and other payables and due to related parties, recognized and measured at acquisition cost;



- b. The retained earnings of ECMRCI for the full period together with the post-combination results of ECVMC from May 31, 2023, the date when ECVMC was acquired by ECMRCI;
- c. The total equity that shows the combined equity of ECVMC and ECMRCI with the legal capital of ECMRCI eliminated as the legal capital reflected would be that of ECVMC (legal parent);
- d. Any difference between the consideration transferred by ECVMC and the legal capital of ECMRCI that is eliminated is reflected as "Equity reserve".
- e. The consolidated statements of comprehensive income for the year ended December 31, 2022 and 2021 reflect that of ECMRCI for the full period.

Reverse acquisition applies only to the consolidated financial statements. The Parent Company financial statements will continue to represent ECVMC as a stand-alone entity as at December 31, 2025 and 2024 and for each of the three years in the period ended December 31, 2025.

Statement of Compliance

The consolidated and parent company financial statements have been prepared in accordance with Philippine Financial Reporting Standards (PFRS) Accounting Standards.

Basis of Consolidation

The consolidated financial statements comprise the financial statements of the Group as at December 31, 2025 and 2024 and for each of the three years in the period ended December 31, 2025. The financial statements of the subsidiary are prepared for the same reporting year as the Parent Company using uniform accounting policies. When necessary, adjustments are made to the separate financial statements of the subsidiary to bring its accounting policies in line with the Parent Company's accounting policies.

Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if, and only if, the Group has:

- power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee);
- exposure, or rights, to variable returns from its involvement with the investee; and
- the ability to use its power over the investee to affect its returns.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the Parent Company and to the non-controlling interests (NCI), even if this results in the NCI having a deficit balance. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.



If the Group loses control over a subsidiary, it derecognizes the related assets (including goodwill), liabilities, NCI and other components of equity while any resulting gain or loss is recognized in the consolidated statement of income. Any investment retained is recognized at fair value.

Changes in Accounting Policies and Disclosures

New Standards, Interpretations and Amendments

The accounting policies adopted are consistent with those of the previous financial year, except for the adoption of amendments effective in 2025. The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

- Amendments to PAS 1, *Classification of Liabilities as Current or Non-current*

The amendments clarify:

- That only covenants with which an entity must comply on or before reporting date will affect a liability's classification as current or non-current.
- That classification is unaffected by the likelihood that an entity will exercise its deferral right.
- That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification.

- Amendments to PFRS 16, *Lease Liability in a Sale and Leaseback*

The amendments specify how a seller-lessee measures the lease liability arising in a sale and leaseback transaction in a way that it does not recognize any amount of the gain or loss that relates to the right of use retained.

- Amendments to PAS 7 and PFRS 7, *Disclosures: Supplier Finance Arrangements*

The amendments specify disclosure requirements to enhance the current requirements, which are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk.

- Amendments to PAS 21, *Lack of exchangeability*

The amendments specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking.

The amendments are effective for annual reporting periods beginning on or after January 1, 2025. Earlier adoption is permitted and that fact must be disclosed. When applying the amendments, an entity cannot restate comparative information.

Standards Issued but not yet Effective

Pronouncements issued but not yet effective are listed below. Unless otherwise indicated, the Group does not expect that the future adoption of the said pronouncements will have a significant impact on its consolidated financial statements. The Group intends to adopt the following pronouncements when they become effective.



Effective beginning on or after January 1, 2026

- Amendments to Illustrative Examples on PFRS 7, PFRS 18, PAS 1, PAS 8, PAS 26 and PAS 37, *Disclosures about Uncertainties in the Financial Statements*
- Amendments to PFRS 9 and PFRS 7, *Classification and Measurement of Financial Instruments*
- Amendments to PFRS 9 and PFRS 7, *Contracts Referencing Nature-dependent Electricity*
- Annual Improvements to PFRS Accounting Standards—Volume 11
 - Amendments to PFRS 1, *Hedge Accounting by a First-time Adopter*
 - Amendments to PFRS 7, *Gain or Loss on Derecognition*
 - Amendments to PFRS 9, *Lessee Derecognition of Lease Liabilities and Transaction Price*
 - Amendments to PFRS 10, *Determination of a 'De Facto Agent'*
 - Amendments to PAS 7, *Cost Method*

Effective beginning on or after January 1, 2027

- PFRS 17, *Insurance Contracts*
- PFRS 18, *Presentation and Disclosure in Financial Statements*
- PFRS 19, *Subsidiaries without Public Accountability*
- Amendments to PAS 21, *Translation to a Hyperinflationary Presentation Currency*

Deferred effectivity

- Amendments to PFRS 10, *Consolidated Financial Statements*, and PAS 28, *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*

Summary of Material Accounting Policies

The accounting policies set out below have been applied consistently to all periods presented in the Group's consolidated and parent company's financial statements, unless otherwise indicated.

Presentation of Financial Statements

The Group has elected to present all items of recognized income and expense in two statements: a statement displaying components of profit or loss (consolidated and parent company statement of income) and a second statement beginning with profit or loss and displaying components of OCI (consolidated and parent company statement of comprehensive income).

Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible to the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a nonfinancial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.



The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the consolidated and parent company financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy.

Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial Assets: Initial Recognition and Measurement

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. The Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVTPL), transaction costs.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognized on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

Contractual Cash Flows Characteristics

If the financial asset is held within a business model whose objective is to hold assets to collect contractual cash flows or within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets, the Group assesses whether the cash flows from the financial asset represent 'solely payments of principal and interest' (SPPI) on the principal amount outstanding.

In making this assessment, the Group determines whether the contractual cash flows are consistent with a basic lending arrangement, i.e., interest includes consideration only for the time value of money, credit risk and other basic lending risks and costs associated with holding the financial asset for a particular period of time. In addition, interest can include a profit margin that is consistent with a basic lending arrangement. The assessment as to whether the cash flows meet the test is made in the currency in which the financial asset is denominated. Any other contractual terms that introduce exposure to risks or volatility in the contractual cash flows that is unrelated to a basic lending arrangement, such as exposure to changes in equity prices or commodity prices, do not give rise to contractual cash flows that are SPPI on the principal amount outstanding.



Financial Assets: Subsequent Measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortized cost (debt instruments);
- Financial assets at FVTPL;
- Financial assets at fair value through other comprehensive income (FVOCI), where cumulative gains or losses previously recognized are reclassified to profit or loss (debt instruments); and
- Financial assets at FVOCI, where cumulative gains or losses previously recognized are not reclassified to profit or loss (equity instruments).

The Group's financial assets are all classified and measured at amortized cost.

Financial Assets at Amortized Cost

This category is most relevant to the Group. The Group measures financial assets at amortized cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are SPPI on the principal amount outstanding.

These financial assets are initially recognized at fair value plus directly attributable transaction costs and subsequently measured at amortized cost using the effective interest (EIR) method, less any impairment in value. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees and costs that are an integral part of the EIR. The amortization is included in "Interest income" in the statements of comprehensive income and is calculated by applying the EIR to the gross carrying amount of the financial asset, except for (i) purchased or originated credit-impaired financial assets and (ii) financial assets that have subsequently become credit-impaired, where, in both cases, the EIR is applied to the amortized cost of the financial asset.

The Group's financial assets at amortized cost include cash in bank, trade and other receivables, and due from related parties.

Impairment of Financial Assets

The Group recognizes expected credit losses (ECLs) for all debt instruments not held at FVTPL. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original EIR. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are measured in a way that reflects the following:

- an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
- the time value of money; and
- reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.



Financial assets migrate through the following three stages based on the change in credit quality since initial recognition:

Stage 1: 12-month ECL

For credit exposures where there has not been a significant increase in credit risk since initial recognition and that are not credit-impaired upon origination, the portion of lifetime ECLs that represent the ECLs that result from default events that are possible within the 12 months after the reporting date are recognized.

Stage 2: Lifetime ECL - not credit-impaired

For credit exposures where there has been a significant increase in credit risk since initial recognition on an individual or collective basis but are not credit-impaired, lifetime ECLs representing the ECLs that result from all possible default events over the expected life of the financial asset are recognized.

Stage 3: Lifetime ECL - credit-impaired

Financial assets are credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of those financial assets have occurred. For these credit exposures, lifetime ECLs are recognized and interest revenue is calculated by applying the credit-adjusted EIR to the amortized cost of the financial asset.

For cash in bank, the Group applies the low credit risk simplification. The probability of default and loss given defaults are publicly available. At every reporting date, the Group evaluates whether the debt instrument is considered to have low credit risk using all reasonable and supportable information that is available without undue cost or effort. In making that evaluation, the Group uses the rating from external credit agencies to determine whether the debt instrument has significantly increased in credit risk and to estimate ECLs.

A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Financial Liabilities: Initial Recognition and Measurement

Financial liabilities are classified, at initial recognition, as FVTPL, at amortized cost or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognized initially at fair value and, in the case of financial liabilities at amortized cost, net of directly attributable transaction costs.

The Group's financial liabilities are all classified and measured at amortized cost.

Subsequent Measurement – Financial Liabilities at Amortized Cost

This is the category most relevant to the Group. After initial recognition, interest-bearing financial liabilities are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in the statements of comprehensive income when the liabilities are derecognized as well as through the EIR amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as "Interest expense" in the statements of comprehensive income.

The Group's financial liabilities at amortized cost consist of trade and other payables, due to related parties, loans payable and installment payable.



Reclassifications of Financial Instruments

The Group reclassifies its financial assets when, and only when, there is a change in the business model for managing the financial assets. Reclassifications shall be applied prospectively by the Group and any previously recognized gains, losses or interest shall not be restated. The Group does not reclassify its financial liabilities.

Derecognition of Financial Assets and Liabilities

Financial Assets

A financial asset (or, where applicable a part of a financial asset or part of a group of similar financial assets) is primarily derecognized when:

1. the rights to receive cash flows from the asset have expired;
2. the Group retains the right to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a “pass-through” arrangement; or
3. the Group has transferred its rights to receive cash flows from the asset and either (a) has transferred substantially all the risks and rewards of the asset, or (b) has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognize the transferred asset to the extent of the Group’s continuing involvement. In that case, the Group also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Financial Liabilities

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or has expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statements of comprehensive income.

Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statements of financial position if there is a currently enforceable legal right to set off the recognized amounts and there is intention to settle on a net basis, or to realize the asset and settle the liability simultaneously. The Group assesses that it has a currently enforceable right of offset if the right is not contingent on a future event, and is legally enforceable in the normal course of business, event of default, and event of insolvency or bankruptcy of the Group and all of the counterparties.

Prepayments and Other Current Assets

Prepayments and other current assets are composed of prepaid expenses, creditable withholding taxes (CWTs), advances to suppliers and contractors, and input value-added tax (VAT). These are classified as current when these are probable to be realized within one year from the end of the reporting period. Otherwise, these are classified as noncurrent assets.



Property and Equipment

Property and equipment are carried at cost, excluding the cost of day-to-day servicing, less accumulated depreciation and any accumulated impairment in value. The initial cost of an item of property and equipment consists of its purchase price including import duties, taxes, and any directly attributable costs of bringing the asset to its working condition and location of its intended use. Such costs include the cost of replacing part of such property and equipment when that cost is incurred, only if the recognition criteria are met. Expenditures incurred after the asset has been put into operation, such as repairs and maintenance, are normally charged to statement of comprehensive income in the period in which the costs are incurred.

In situations where it can be clearly demonstrated that the expenditures have resulted in an increase in future economic benefits expected to be obtained from the use of an item of property and equipment beyond its originally assessed standard of performance, the expenditures are capitalized as an additional cost of property and equipment. Major maintenance cost that are capitalized as part of property and equipment are depreciated on straight-line basis over the shorter of their estimated useful life, typically the period until the next major maintenance or inspection.

Depreciation of property and equipment is computed using the straight-line basis, net of any estimated residual value, over their estimated useful lives as follows:

Category	Number of Years
Building and other structures	5
Furniture and fixtures	5
Office equipment	5
Tools and Equipment	5
Communications Equipment	5
Transportation equipment	7
Other equipment	5

Depreciation of property and equipment begins when it becomes available for use, i.e., when it is in the location and condition necessary for it to be capable of operating in the manner intended by management. Depreciation do not cease when the asset becomes idle or is retired from active use unless the asset is fully depreciated and amortized. Depreciation of an asset ceases when the asset is derecognized.

Each part of an item of property and equipment with a cost that is significant in relation to the total cost of an item shall be depreciated and amortized separately.

The useful lives and depreciation method are reviewed at each reporting date to ensure that the period and method of depreciation are consistent with the expected pattern of economic benefits from items of property and equipment.

An item of property and equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the property and equipment (calculated as the difference between the net disposal proceeds and the carrying amount of the property and equipment) is recognized in the statements of comprehensive income in the year the property and equipment is derecognized.

When items of property and equipment are retired or otherwise disposed of, their cost and related accumulated depreciation and amortization and any impairment in value are eliminated from the accounts and any resulting gain or loss on disposal is included in the statements of comprehensive income.



Fully depreciated and amortized assets are retained in the accounts until they are no longer in use and no further depreciation is recorded.

Intangible Asset

Intangible assets are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortization in the case of intangible assets with finite useful lives, and any accumulated impairment losses. The useful lives of intangible assets are assessed to be either finite or indefinite. Intangible assets with finite lives are amortized over the asset's useful or economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. Amortization shall begin when the asset is available for use, i.e. when it is in the location and condition necessary for it to be capable of operating in the manner intended by management.

The amortization period and method for an intangible asset with a finite useful life is reviewed at least at each financial year-end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortization period or method, as appropriate, and treated as changes in accounting estimates. The amortization on intangible assets with finite lives is recognized in the statements of comprehensive income consistent with the function of the intangible asset.

Intangible asset is derecognized on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognized in the statement of comprehensive income.

Mining Rights

Mining rights are identifiable intangible assets acquired by the entity to explore, extract, and retain, at least, a portion of the benefits from mineral deposits. Mining rights shall be recognized if it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the cost of the asset can be measured reliably.

Mining rights pertain to the right of the Group as the holder of the MPSA-078-97-XIII-SMR located in Cagdianao, Dinagat Islands, MPSA-233-2007-XIII-SMR located in Libjo, Dinagat Islands and MPSA-232-2007-XIII-SMR located in Surigao del Norte, Hibuson Island. The mining rights is acquired through the assignment of MPSA from CMC, LMC, Norte Este and WNC.

Mining rights with finite useful life is stated at cost less amortization and accumulated impairment in value. Impairment assessments are made if events or changes in circumstances indicate that a carrying value of the assets may not be recoverable.

The net carrying amount of mining rights of the Group is amortized using the units of production method based on the estimated economically recoverable reserves to which they relate or are written off if the properties covered by the mining rights are abandoned.

Deferred Exploration Costs

Costs incurred during the start-up phase of a mine are expensed as incurred. Ongoing mining expenditures on producing properties are charged against earnings as incurred.



Expenditures for mine exploration work prior to drilling are charged to operations. When it has been established that a mineral deposit is commercially mineable and a decision has been made to formulate a mining plan (which occurs upon completion of a positive economic analysis of the mineral deposit), the costs subsequently incurred to develop a mine on the property prior to the start of mining operations are capitalized. Upon the start of commercial operations, such costs are transferred to mine and mining properties under "Property and equipment". Capitalized amounts may be written down if future cash flows, including potential sales proceeds related to the property, are projected to be less than the carrying value of the property. If no mineable ore body is discovered, capitalized acquisition costs are expensed in the period in which it is determined that the mineral property has no future economic value.

Major development expenditures incurred to expose the ore, increase production or extend the life of an existing mine are capitalized.

Impairment of Nonfinancial Assets

Nonfinancial prepayments and other current and noncurrent assets

The Group assesses at each financial reporting date, its prepayments and other current assets and deposits and other noncurrent assets to determine whether there is any indication that the assets may be impaired. If there is an indication of possible impairment, the recoverable amount of prepayments and other current assets and deposits and other noncurrent assets is estimated and compared with its carrying amount. If estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognized immediately in the statements of comprehensive income.

The Group provides allowance for impairment losses on nonfinancial prepayments and other current assets and deposits and other noncurrent assets when they can no longer be realized. The amounts and timing of recorded expenses for any period would differ if the Group made different judgments or utilized different estimates. An increase in allowance for impairment losses would increase recorded expenses and decrease prepayments and other current assets and deposits and other noncurrent assets.

Property and equipment, intangible assets and mining rights

The Group assesses at each financial reporting date whether there is an indication that property and equipment may be impaired. If any such indication exists, or when the annual impairment testing for an asset is required, the Group makes an estimate of the asset's recoverable amount. An asset's recoverable amount is the higher of its fair value less costs to sell (FVLCS) and its value-in-use (VIU) and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing VIU, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining FVLCS, an appropriate valuation model is used, with the calculations corroborated by other available fair value indicators. Any impairment loss is recognized in the statements of comprehensive income in those expense categories consistent with the function of the impaired asset.

Recovery of impairment losses recognized in prior years is recorded when there is an indication that the impairment losses recognized for the asset no longer exist or have decreased. The recovery is recorded in the statements of comprehensive income. However, the increased carrying amount of an asset due to a recovery of an impairment loss is recognized to the extent that it does not exceed the carrying amount that would have been determined (net of depreciation and amortization) had no impairment loss been recognized for that asset in prior years.



Deferred Exploration Costs

An impairment review is performed, either individually or at the CGU level, when there are indicators that the carrying amount of the assets may exceed their recoverable amounts. To the extent that this occurs, the excess is fully provided against, at the end of the reporting period in which this is determined.

Deferred exploration costs are reassessed on a regular basis. Facts and circumstances that would require an impairment assessment as set forth in PFRS 6, *Exploration for and Evaluation of Mineral Resources*, are as follows:

- The period for which the Group has the right to explore in the specific area has expired or will expire in the near future, and is not expected to be renewed
- Substantive expenditure on further exploration and evaluation of mineral resources in the specific area is neither budgeted nor planned
- Exploration for and evaluation of mineral resources in the specific area have not led to the discovery of commercially viable quantities of mineral resources and the Group has decided to discontinue such activities in the specific area
- When a service contract where the Group has participating interest in is permanently abandoned, and
- Sufficient data exist to indicate that, although a development in the specific area is likely to proceed, the carrying amount of the exploration and evaluation asset is unlikely to be recovered in full from successful development or by sale.

Retirement Benefits Costs

The Group has a non-funded, non-contributory defined retirement benefit plan covering substantially all its employees. The retirement benefits costs are actuarially determined using the projected unit credit method and incorporates assumptions concerning employees' projected salaries.

Retirement benefits costs comprise of the following:

- Service cost
- Net interest on the net retirement benefit liability or asset
- Remeasurements of net retirement benefit liability or asset

Service costs which include current service costs, past service costs and gains or losses on non-routine settlements are recognized as expense in statements of comprehensive income. Past service costs are recognized when plan amendment or curtailment occurs. These amounts are calculated periodically by independent qualified actuaries.

Net interest cost on the retirement benefit liability or asset is the change during the period in the net retirement liability that arises from the passage of time which is determined by applying the discount rate in government bonds to the net retirement benefit liability, determined at the start of the period, after considering any payments to the net retirement benefit liability during the period. Interest on the retirement benefit liability is recognized as finance expense in the statements of comprehensive income.

Remeasurements comprising actuarial gains and losses were previously recognized immediately in statements of comprehensive income in the period in which they arise.



Capital Stock

The Parent Company has issued capital stock that is classified as equity and recorded at par. Incremental costs incurred directly attributable to the issuance of new shares are deducted from additional paid-in capital (APIC). If APIC is not sufficient, the excess is charged against retained earnings (deficit).

Subscription Receivable

Subscription receivable pertains to the amount of subscribed capital stock less the amount paid-up. Subscription receivable is presented as deduction from capital stock.

Basic/Diluted Earnings/Losses Per Share

Basic earnings/losses per share is computed by dividing net loss attributable to equity holders of the Group for the year by the weighted average number of common shares outstanding during the year after giving retroactive effect to stock dividends declared and stock rights exercised during the year, if any. The Group currently does not have potential dilutive common shares.

Retained Earnings (Deficit)

Retained earnings (deficit) includes accumulated profits and losses attributable to the Group's stockholders. Retained earnings (deficit) may also include effect of changes in accounting policy as may be required by the standard's transitional provisions.

Equity Reserve

Equity reserve represents the residual amount recognized in the consolidated financial statements to reflect the equity of the legal subsidiary (accounting acquirer) before the business combination, which was accounted for as a reverse acquisition. However, the equity structure (i.e., the number and type of equity instruments issued) still reflects the equity structure of the legal parent (accounting acquiree), including the equity instruments issued by the legal parent to effect the combination.

Reverse Acquisitions

Consolidated financial statements prepared following a reverse acquisition are issued under the name of the legal parent (accounting acquiree) but described in the notes as a continuation of the financial statements of the legal subsidiary (accounting acquirer), with one adjustment, which is to adjust retroactively the accounting acquirer's legal capital to reflect the legal capital of the accounting acquiree. That adjustment is required to reflect the capital of the legal parent (the accounting acquiree). Comparative information presented in those consolidated financial statements also is retroactively adjusted to reflect the legal capital of the legal parent (accounting acquiree).

Combination of Entities under Common Control

Combination of entities under common control are accounted for by applying the pooling-of-interest method. The pooling-of-interests method generally involved the following:

- The assets and liabilities of the combining entities are reflected in the consolidated financial statements at their carrying amounts. No adjustments are made to reflect fair value or recognize any new assets or liabilities at the date of combination. The only adjustments that are made are those adjustments to harmonize the accounting policies.
- No new goodwill is recognized as a result of the combination. The only goodwill that is recognized is any existing goodwill relating to either of the combining entities. Any difference between the consideration paid or transferred and the entity acquired is reflected within equity.



- The consolidated statement of income, comprehensive income and cash flows reflect the result of the combining entities in full, irrespective of when the combination takes place.
- Comparative financial information are presented as if the entities had always been combined, or on the date the common control existed on the combining entities, whichever comes earlier.
- The effects of any intercompany transactions are eliminated to the extent possible.

OCI

OCI includes items of income and expenses (including items previously presented under statement of changes in equity) that are not recognized in the statement of comprehensive income for the year in accordance with PFRS Accounting Standards.

Revenue from Contracts with Customers

Revenue from contracts with customers is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. The Group assesses its revenue arrangements against specific criteria in order to determine if it is acting as principal or agent.

The following specific recognition criteria must also be met before revenue is recognized:

Royalty income

Royalty income is main source of revenue and is recognized from the share of sale of export of raw minerals by the Operators which rate is equivalent to certain percentage of gross receipts as stated in the agreements with various Operators.

Commission and marketing income

Commission income is recognized either based on the ore price per WMT at the date of loading and also equivalent to certain percentage of gross receipts depending on the agreement with various operators.

Other income

Other income is recognized as they are earned.

Expense Recognition

Costs and expenses are decreases in economic benefits during the accounting period in the form of outflows or decreases of assets or incurrence of liabilities that result in decreases in equity other than those relating to distributions to equity participants. Costs and expenses are recognized when the services are used, or the expense arises.

General and administrative expenses

General and administrative expenses consist of costs associated with the development and execution of day-to-day operations of the Group. These are generally recognized when the service is incurred or the related expense arises.

Other charges

Other charges are recognized as they are incurred.

Income Taxes

Current Income Tax

Current income tax assets and liabilities for the current and prior year periods are measured at the amount expected to be recovered from, or paid to, the tax authority. The tax rates and tax laws used to compute the amount are those that have been enacted or substantively enacted as at the reporting date.



Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions when appropriate.

Deferred Income Tax

Deferred income tax is provided, using the liability method, on all temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred income tax assets are recognized for all deductible temporary differences, carryforward of unused tax credits and unused net operating loss carry-over (NOLCO), to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carryforward benefits of unused tax credits and unused NOLCO can be utilized.

Deferred income tax liabilities are recognized for all taxable temporary differences.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax assets to be utilized. Unrecognized deferred income tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profit will allow the deferred income tax assets to be recovered.

Deferred income tax assets and liabilities are measured at the tax rate that is expected to apply to the period when the asset is realized or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the reporting date.

OCI

OCI comprises items of income and expense (including items previously presented under the consolidated statement of changes in equity) that are not recognized in profit or loss for the year in accordance with PFRS Accounting Standards.

Segment Reporting

An operating segment is a component of an entity that: (a) engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the same entity); (b) whose operating results are regularly reviewed by the entity's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance; and (c) for which discrete financial information is available.

The Group has only one business and geographical segment.

Related Party Transactions

Transactions with related parties accounted for based on the nature and substance of the agreement, and financial effects are included in the appropriate asset, liabilities, income and expense accounts.

Provisions

Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as interest expense.



When the Group expects some or all of a provision to be reimbursed, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statements of comprehensive income, net of any reimbursement.

Contingencies

Contingent liabilities are not recognized in the financial statements. These are disclosed unless the possibility of an outflow of resources embodying economic benefits is remote. Contingent asset are not recognized in the financial statements but disclosed in the notes to financial statements when an inflow of economic benefits is probable.

Events After the Reporting Date

Post year-end events that provide additional information about the Group's position at the reporting date (adjusting events) are reflected in the financial statements. Post year-end events that are non-adjusting events are disclosed in the notes to the financial statements when material.

3. Significant Accounting Judgments, Estimates and Assumptions

The Group's financial statements prepared in accordance with PFRS Accounting Standards require management to make judgment, estimates and assumptions that affect the amounts reported in the financial statements and related notes. The estimates and assumptions used in the financial statements are based upon management's evaluation of relevant facts and circumstances as of the date of the Group's financial statements. Actual results could differ from such estimates.

Judgments, estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Judgments

In the process of applying the Group's accounting policies, management has made the following significant judgments, apart from those including estimations and assumptions, which have the most significant effect on the amounts recognized in the financial statements.

Assessing Going Concern

The use of going concern assumption requires management to make judgments at a particular point in time about the future outcome of events and conditions that are inherently uncertain. The underlying assumption in the preparation of financial statements is that the Group has neither the intention nor the need to liquidate the business.

Note 1 to the consolidated financial statements discusses the matters considered by management in concluding the appropriateness of the use of going concern assumption in the preparation of the financial statements. As such, the financial statements have been prepared on a going concern basis of accounting.

Accounting for the reverse acquisition of ECVMC and ECMRCI

As discussed in Notes 1 and 2, as at May 31, 2023, the equity share swap transaction between ECVMC and ECMRCI became effective.



Management judgment was required to determine that ECVMC did not meet the definition of a “business” and should not be accounted for as a business combination.

Combination of Entities under Common Control

A combination involving entities or business under common control is a combination in which all of the combining entities or businesses are ultimately controlled by the same party or parties both before and after the acquisition, and that is control is not transitory.

The Share Swap transaction was a transaction between entities under common control since at acquisition date on May 31, 2023, ECVMC and ECMRCI are under the common control of HGP Group.

Estimates and Assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

Estimating Allowance for ECL on Trade and Other Receivables and Due from Related Parties

The Group uses a provision matrix to calculate ECLs for trade and other receivables. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns. The provision matrix is initially based on the Group’s historical observed default rates. The Group calibrates the matrix to adjust the historical credit loss experience with forward-looking information. At every end of the reporting period, the historical observed default rates are updated and changes in the forward-looking estimates are analyzed. The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Group’s historical credit loss experience and forecast of economic conditions may also not be representative of customers’ actual default in the future. The information about the ECLs on the Group’s trade and other receivables is disclosed in Note 5.

For the Group’s advances to related parties, the ECL is based on the 12-month ECL. The 12-month ECL is the proportion of lifetime ECL that results from default events on a financial instrument that are possible within twelve (12) months after the end of the reporting period. However, when there has been a significant increase in credit risk since origination, the allowance will be based on the lifetime ECL. When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECL, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group’s historical experience and informed credit assessment including forward looking information. Significant management’s judgment and estimate is also required to determine the realizable amount of the financial asset based on cashflow forecast, which requires the use of significant assumptions.

As at December 31, 2025 and 2024, the carrying values of the Group’s trade receivables amounted to ₱61,873,245 and ₱118,410,662, respectively, and the carrying values of the Group’s due from related parties amounted to ₱196,143,247 and nil. No allowance for expected credit losses were recognized as of December 31, 2025 and 2024 (see Notes 5 and 18).



Estimating Impairment on Property and Equipment and Mining Rights

The Group assesses impairment on property and equipment and mining rights whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable.

The factors that the Group considers important which could trigger an impairment review include the following:

- Significant underperformance relative to expected historical or projected future operating results;
- Significant changes in the manner of use of the acquired assets or the strategy for overall business; and
- Significant negative industry or negative trends

Management performed assessment of impairment as at December 31, 2025 and 2024. The recoverable amount of the cash-generating unit has been determined based on a value-in-use calculation using cash flow projections from financial budgets approved by management covering the mine life of the cash generating unit under its existing operating agreements with various operators of the Group's MPSAs.

The calculation of value-in-use for the cash-generating unit incorporates the following key assumptions: a) expected life of the project; b) future production levels and costs which are based on the Group's historical experience; c) contributions to the government based on current regulations; d) nickel prices which are estimated with reference to external market forecasts; e) foreign exchange rates based on the current and forecasts in different banks; and f) discount rate which is computed using the weighted average cost of capital.

The Group also recognizes impairment loss on individual assets when impairment indicators are present and aimed at individual assets rather than the cash-generating unit of which they are part of. The Group did not recognize provision for impairment loss on mining rights, and property and equipment in 2025, 2024 and 2023 (see Notes 7 and 9).

Assessing Unit-of-Production Depletion

Estimated recoverable mineral reserves are key inputs in determining the depletion of mining rights. This results in a depletion charge proportional to the depletion of the anticipated remaining mine life. Estimated recoverable mineral reserves for development projects is, to a large extent, based on the interpretation of geological data obtained from drill holes and other sampling techniques and feasibility studies, which derive estimates of costs based upon anticipated tonnage and grades of ores to be mined and processed, the configuration of the ore body, expected recovery rates from the ore, estimated operating costs, estimated climatic conditions and other factors.

Estimated recoverable reserves are used in determining the depletion of mining rights. This results in a depletion charge proportional to the depletion of the anticipated remaining mine life. Each item's life, which is assessed annually, has regard to both physical life limitations and to present assessments of economically recoverable reserves of the mine property at which the asset is located. The calculations require the use of estimates of future capital expenditure. The Group use the tons of ore produced as the basis for depletion. Any change in estimates is accounted for prospectively in accordance with PAS 8. Average depletion rates used by the Group in 2025, 2024 and 2023 are 8.07%, 8.41%, and 7.05% in 2025, 2024 and 2023, respectively.

Assessing Recoverability of Deferred Exploration Costs

The application of the Group's accounting policy for deferred exploration costs requires judgment and estimates in determining whether it is likely that the future economic benefits are certain, which may be based on assumptions about future events or circumstances. Estimates and assumptions may



change if new information becomes available. If, after mine exploration costs are capitalized, information becomes available suggesting that the recovery of expenditure is unlikely, the amount capitalized is written off and is recognized in the statement of comprehensive income in the period when the new information becomes available.

The Group reviews the carrying values of its mineral property interests whenever events or changes in circumstances indicate that their carrying values may exceed their estimated net recoverable amounts. An impairment loss is recognized when the carrying values of these assets are not recoverable and exceeds their fair value. There were no impairment losses recognized on the Group's deferred exploration costs in 2025 and 2024. No allowance for impairment loss was provided for deferred exploration costs as at December 31, 2025 and 2024. Deferred exploration costs amounted to ₱147,909,653 as at December 31, 2025 and 2024 (see Note 10).

Estimating Realizability of Deferred Tax Assets

The Group reviews the carrying amounts of deferred tax assets at each reporting date and reduces the amounts to the extent that it is no longer probable that sufficient future taxable income will be available to allow all or part of the deferred income tax assets to be utilized in the future. Significant management judgment is required to determine the amount of deferred income tax assets that can be recognized, based upon the likely timing and level of future taxable income together with future planning strategies.

The Group recognized deferred tax assets amounting to ₱4,342,189 and ₱4,473,857 as of December 31, 2025 and 2024, respectively (see Note 17).

The Group did not recognize deferred tax assets on carryforward benefits of unused NOLCO and MCIT amounting to ₱531,512,525 and ₱268,763,028 as of December 31, 2025 and 2024, respectively and the Parent Company did not recognize deferred tax assets on carryforward benefits of unused NOLCO amounting to ₱101,370,406 and ₱100,271,959 as of December 31, 2025 and 2024, respectively, as management assessed that it is not probable that sufficient future taxable income will be available to allow all or part of deferred income tax assets to be utilized in the future (see Note 17).

4. Cash

	Consolidated		Parent Company	
	2025	2024	2025	2024
Cash on hand	₱105,000	₱105,000	₱100,000	₱100,000
Cash in bank	13,620,703	7,011,126	236,640	166,402
	₱13,725,703	₱7,116,126	₱336,640	₱266,402

Cash in bank generally earn interest based on prevailing bank deposit rates. Interest income earned from cash in bank, net of final taxes withheld, are as follows:

	Consolidated			Parent Company		
	2025	2024	2023	2025	2024	2023
Interest income	₱3,052	₱1,986	₱24,054	₱133	₱73	₱64



5. Trade and Other Receivables

	Consolidated		Parent Company	
	2025	2024	2025	2024
Trade receivables				
Third parties	₱58,776,093	₱16,277,957	₱—	₱—
Related parties (Note 18)	—	97,757,142	—	—
Advances to employees	3,097,152	4,375,563	—	—
	₱61,873,245	₱118,410,662	₱—	₱—

Trade receivables are noninterest-bearing and are generally settled within 30 days.

Advances to employees are noninterest-bearing and are normally liquidated within 14 days upon receipt.

The Group uses a provision matrix to calculate for ECL on trade receivables. The provision rates are based on days past due and customer loss patterns. Aside from historical credit loss experience, the provision matrix incorporates forward looking information which may lead to increased number of defaults such as gross domestic product and inflation rate. No allowance for ECL was recognized as of December 31, 2025 and 2024.

6. Prepayments and Other Current Assets

	Consolidated		Parent Company	
	2025	2024	2025	2024
Creditable withholding taxes	₱88,868,017	₱66,459,680	₱—	₱—
Prepayments	4,421,469	3,244,489	50,000	—
Input VAT	1,171,887	1,425,849	1,139,748	962,821
	₱94,461,373	₱71,130,018	₱1,189,748	₱962,821

CWTs, which are claimed against the income tax due, are carried over in the succeeding period for the same purpose.

Prepayments pertain to those expenses paid in advance which are to be amortized within 12 months from the end of the financial reporting period.

Input VAT, which is presented net of output VAT, represents taxes paid on purchases of goods and services which can be recovered as tax credit against future VAT liability of the Group.



7. Property and Equipment

December 31, 2025

	Consolidated							Total
	Land	Building and other structures	Furniture and fixtures	Office equipment	Transportation equipment	Other Equipment	Mining and Heavy Equipment	
Cost:								
Beginning balances	₱5,300,000	₱9,200,000	₱2,670,587	₱4,533,992	₱90,206,959	₱894,930	₱196,416,407	₱309,222,875
Additions	–	–	–	135,974	–	65,126	–	201,100
Ending balances	5,300,000	9,200,000	2,670,587	4,669,966	90,206,959	960,056	196,416,407	309,423,975
Accumulated depreciation								
Beginning balances	–	9,200,000	2,554,057	3,791,232	56,605,197	667,535	92,522,221	165,340,242
Depreciation (Note 16)	–	–	32,520	384,101	7,231,687	82,438	20,717,474	28,448,220
Ending balances	–	9,200,000	2,586,577	4,175,333	63,836,884	749,973	113,239,695	193,788,462
Net book values	₱5,300,000	₱–	₱84,010	₱494,633	₱26,370,075	₱210,083	₱83,176,712	₱115,635,513

December 31, 2024

	Consolidated							Total
	Land	Building and other structures	Furniture and fixtures	Office equipment	Transportation equipment	Other Equipment	Mining & Heavy Equipment	
Cost:								
Beginning balances	₱5,300,000	₱9,200,000	₱2,670,587	₱4,332,192	₱81,032,049	₱894,930	₱196,416,407	₱299,846,165
Additions	–	–	–	201,800	9,174,910	–	–	9,376,710
Ending balances	5,300,000	9,200,000	2,670,587	4,533,992	90,206,959	894,930	196,416,407	309,222,875
Accumulated depreciation								
Beginning balances	–	9,200,000	2,521,537	3,423,181	50,311,666	586,121	71,804,747	137,847,252
Depreciation (Note 16)	–	–	32,520	368,051	6,293,531	81,414	20,717,474	27,492,990
Ending balances	–	9,200,000	2,554,057	3,791,232	56,605,197	667,535	92,522,221	165,340,242
Net book values	₱5,300,000	₱–	₱116,530	₱742,760	₱33,601,762	₱227,395	₱103,894,186	₱143,882,633



Total additions to property and equipment includes non-cash additions amounting to nil and ₱9,100,000 in 2025 and 2024, respectively, which pertains to equipment financing availed from a bank (Note 12).

	Parent Company	
	2025	2024
Cost:		
Beginning and ending balance	₱65,495	₱65,495
Accumulated depreciation		
Beginning balances	65,495	46,392
Depreciation (Note 16)	–	19,103
Ending balance	65,495	65,495
Net book value	₱–	₱–

Fully depreciated property and equipment are retained in the books until they are no longer in use and no further depreciation is charged to current operations. The cost of fully depreciated property and equipment still being used in operations amounted to ₱96,149,934 and ₱105,485,125 as at December 31, 2025 and 2024, respectively. The Group does not have property and equipment that are idle as at December 31, 2025 and 2024.

8. Intangible Asset

	Consolidated		Parent Company	
	2025	2024	2025	2024
Cost:				
Beginning balance	₱878,123	₱779,909	₱–	₱–
Addition	111,429	98,214	–	–
Ending balance	989,552	878,123	–	–
Accumulated amortization:				
Beginning balance	436,571	263,119	–	–
Amortization (Note 16)	193,090	173,452	–	–
Ending balance	629,661	436,571	–	–
Net book value	₱359,891	₱441,552	₱–	₱–

Intangible asset pertains to computer software used in Group's operations.

9. Mining Rights

Mining rights represent the cost transferred from deferred exploration costs as there has been established mineral deposit that is commercially mineable.

	Consolidated		Parent Company	
	2025	2024	2025	2024
Cost:				
Beginning balance	₱1,863,800,122	₱979,721,396	₱–	₱–
Additions	–	884,078,726	–	–
Ending balance	1,863,800,122	1,863,800,122	–	–

(Forward)



	Consolidated		Parent Company	
	2025	2024	2025	2024
Accumulated amortization:				
Beginning balance	₱266,122,325	₱119,353,620	₱—	₱—
Amortization (Note 16)	288,739,284	146,768,705	—	—
Ending balance	554,861,609	266,122,325	—	—
Net book value	₱1,308,938,513	₱1,597,677,797	₱—	₱—

No additions to mining rights in 2025. Additions generally include costs incurred under the MPSA for the further development of the mines, drilling activities, and other direct costs related to development and production activities of the existing MPSAs. There was no impairment losses recognized on the Group's mining rights in 2025 and 2024.

10. Deferred Exploration Costs

	Consolidated		Parent Company	
	2025	2024	2025	2024
Balances at beginning of year	₱147,909,653	₱147,909,653	₱—	₱—
Exploration costs incurred	—	—	—	—
	₱147,909,653	₱147,909,653	₱—	₱—

Deferred exploration costs pertain to the exploration expenditure on the 88 Kiamba project. On March 23, 2023, the Group entered into a memorandum of agreement with 88 Kiamba Mining & Development Corporation (88 KMDC) to undertake the exploration, development, mining and utilization of the mineral property covered by Exploration Permit No. 014-2014-XII located in Maitum, Kiamba, Sarangani and Exploration Permit No. 129-XII located in T'boli, South Cotabato, Mindanao.

The Group, through a letter dated April 26, 2024, filed an application for registration of the Operating Agreements executed between ECMRCI and 88 KMDC for the abovementioned EP No. EP-14-2014-XII and EXPA No. 129-XII-2013. On May 6, 2024, the MGB issued a letter requiring the Group to further submit documentary requirements for the said registration, which request has already been complied with by the Group. In 2025, the Group applied for the renewal of the EP/EXPA to MGB.

There were no impairment losses recognized on the Group's deferred exploration costs in 2025 and 2024.

11. Trade and Other Payables

	Consolidated		Parent Company	
	2025	2024	2025	2024
Trade payables	₱31,958,351	₱108,392,317	₱—	₱—
Output VAT	25,206,618	22,585,857	—	—
Statutory payables	10,917,353	9,410,557	10,000	10,000
Accrued expenses and others	8,933,284	16,284,398	2,616,526	2,124,297
	₱77,015,606	₱156,673,129	₱2,626,526	₱2,134,297

Trade payables are liabilities incurred by the Group for the purchase of services from suppliers. These are noninterest-bearing and are normally settled in a 30-day term.



Statutory payables include, among others, Social Security System (SSS) and PAG-IBIG premiums payable which are payable to the Philippine government.

Accrued expenses and others are payables for services already rendered to the Group which are not yet billed as at year-end and are generally settled in 30-90 days' term.

12. Loans Payable and Installment Payables

a. Loans payable

The Group entered into separate agreements with each of the following:

	Consolidated		Parent Company	
	2025	2024	2025	2024
Security Bank Corporation	₱471,847,507	₱476,533,418	₱—	₱—
Less: current portion	471,847,507	476,533,418	—	—
Noncurrent portion	₱—	₱—	₱—	₱—

	Consolidated			Parent Company	
	2025			2025	
	Availment	Payment	Others	Availment	Payment
Security Bank Corporation	₱—	₱4,685,911	₱—	₱—	₱—
Loan to shareholder	—	—	—	—	—
	₱—	₱4,685,911	₱—	₱—	—

	Consolidated			Parent Company	
	2024			2024	
	Availment	Payment	Others	Availment	Payment
Security Bank Corporation	₱40,000,000	₱—	₱24,152,468	₱—	₱—
Loan to shareholder	—	338,693	—	—	—
	₱40,000,000	₱338,693	₱24,152,468	₱—	₱—

Loan with SBC

Facility Loan

The Group and SBC executed a Loan Agreement wherein SBC granted the Group a loan facility amounting to ₱476,533,418 with a prevailing SBC average lending rate of 8.25%, 8.75%, and 7.75 in 2025, 2024, and 2023, respectively. Total interest expense incurred amounted to ₱41,685,388, ₱54,184,323, and ₱13,660,411 in 2025, 2024 and 2023, respectively. The loan is secured by multiple real estate properties owned by the shareholders.

In 2024, the Group entered into a loan restructuring agreement with SBC, which included an additional loan of ₱40,000,000 and adding the unpaid interest amounting to ₱24,152,468 as part of the carrying amount of the loan.

In 2025, the Group entered into a loan restructuring agreement with SBC for a principal amount of ₱476,533,418, for the purpose of restructuring existing past-due obligations. The loan has a tenor of 30 months and bears interest at the Bank's prevailing rate, subject to periodic resetting, payable in monthly arrears.



In 2025, the Group failed to meet the scheduled loan payment, resulting in an event of default under the terms of the loan agreement. Consequently, the outstanding loan balance became immediately due and demandable and was reclassified as a current liability as of year-end. As of April 27, 2026, the Group made total payments amounting to ₱26,316,129, which were applied against the principal balance that became due in 2025.

Loan to shareholder

The Group availed a loan from its shareholder for a transportation equipment amounting to ₱2.69 million with an interest rate of 9.73% per annum. Total interest expense incurred amounted to nil, ₱6,895, and ₱83,938 in 2025, 2024 and 2023, respectively. The loan was settled in 2024.

Loan with CMC

The Group and CMC executed a Loan Agreement wherein CMC granted the Group a loan facility amounting to ₱1,000 million with an interest rate of 3% per annum. The loan was issued in two tranches of ₱150 million in October 2015 and ₱850 million in December 2015.

As payment for the loan, CMC shall deduct 50% of the commission and royalties, net of withholding tax and interest, each time a commission, royalty or additional royalty is paid by CMC to the Group. The loan is secured by a Pledge Agreement between the CMC and ECMRCI covering the latter's rights, interests, receivables, obligations, and liabilities over the Mineral Production Sharing Agreements (MPSAs) on the Cagdianao property owned by ECMRCI.

On March 28, 2019, the ECMRCI and CMC amended the Loan Agreement executed in 2015. The Company obtained an additional ₱280 million loan from CMC. The outstanding balance due to CMC under the original and amended Loan Agreements shall be paid by deducting 60% of the commission and royalties, net of withholding tax and interest payments, each time a commission, royalty or additional royalty is paid by CMC to ECMRCI in 2024. The loan was settled in 2024.

Total interest expense incurred amounted to nil, nil, and ₱91,322 in 2025, 2024 and 2023, respectively. The loan was settled in 2024.

b. Installment Payable

Equipment Financing

Starting 2020, the Group acquired various units of transportation equipment through a three-year financing agreement with SBC terms of (a) down payment of an average 30% and (b) the remaining balance payable in installments and will mature in accordance with terms and conditions of the agreements. The related nonfinancial assets were recognized since the lease term is for the major part of the economic life of the transportation equipment (see Note 7).

In 2025, the ₱107,430,670 principal amount of finance lease facility with SBML Leasing Inc., was restructured with a new term of 30 months, with maturity date on December 30, 2027 and interest rate of 16.5%.



The future minimum lease payments for the obligations under finance lease on transportation equipment are as follows:

	Consolidated		Parent Company	
	2025	2024	2025	2024
Within one (1) year	₱105,699,114	₱118,639,920	₱-	₱-
After one (1) year but not more than four (4) years	3,050,121	8,062,152	-	-
Total minimum lease payments	108,749,235	126,702,072	-	-
Less: interest charges	2,725,571	3,513,727	-	-
Present value of minimum lease payments	106,023,664	123,188,345	-	-
Less current portion	102,973,543	115,839,113	-	-
Noncurrent portion	₱3,050,121	₱7,349,232	₱-	₱-

Total interest expense incurred amounted to ₱17,457,394, ₱17,740,255, and ₱8,207,522 in 2025, 2024, and 2023, respectively.

13. Retirement Benefits Liability

The Group has an unfunded, noncontributory defined benefit plan covering all regular employees. Benefits are based on the employee's years of service and final plan salary. Under the existing regulatory framework, Republic Act 7641 requires a provision for retirement pay to qualified private sector employees in the absence of any retirement plan in the entity, provided however that the employee's retirement benefits under any collective bargaining and other agreements shall not be less than those provided under the law. The law does not require minimum funding of the plan.

Retirement cost recognized in the statements of income follows:

	Consolidated			Parent Company		
	2025	2024	2023	2025	2024	2023
Interest cost	₱790,930	₱1,806,871	₱1,129,930	₱-	₱-	₱-
Current service cost	1,114,405	803,129	697,409	-	-	-
	₱1,905,335	₱2,610,000	₱1,827,339	₱-	₱-	₱-

Changes in the present value of the defined benefit obligation are as follows:

	Consolidated		Parent Company	
	2025	2024	2025	2024
Present value of defined benefit obligation	₱18,298,940	₱17,730,365	₱-	₱-
Interest cost	790,930	1,086,871	-	-
Current service cost	1,114,405	803,129	-	-
Actuarial losses (gains) due to:			-	-
Experience adjustments	(1,432,485)	(1,291,808)	-	-
Changes in financial assumptions	(524,053)	56,493	-	-
Demographic adjustments	124,682	(86,110)	-	-
	₱18,372,419	₱18,298,940	₱-	₱-



Remeasurement gains on defined benefit obligation recognized under OCI in the statements of comprehensive income are as follows:

	Consolidated			Parent Company		
	2025	2024	2023	2025	2024	2023
Actuarial losses (gains) due to:						
Experience adjustments	(P1,432,485)	(P1,291,808)	(P1,235,463)	P-	P-	P-
Changes in financial assumptions	(524,053)	56,493	1,487,107	-	-	-
Demographic adjustments	124,682	(86,110)	151,653	-	-	-
	(P1,831,856)	(P1,321,425)	P403,297	P-	P-	P-

Cumulative remeasurement losses recognized in other comprehensive income as of December 31, 2025 and 2024 are as follows:

	Consolidated		Parent Company	
	2025	2024	2025	2024
Balance at beginning of year	P5,836,310	P4,845,241	P-	P-
Actuarial gains	1,831,856	1,321,425	-	-
Income tax effect	(457,964)	(330,356)	-	-
	1,373,892	991,069	-	-
	P7,210,202	P5,836,310	P-	P-

The costs of defined benefit pension plan as well as the present value of the pension obligation are determined using actuarial valuations. The actuarial valuation involves making various assumptions. The principal assumptions used in determining pension for defined benefit plans are as follows:

	2025	2024
Discount rate	6.46%	6.09%
Future salary increase rate	11.00%	11.00%

The sensitivity analysis below has been determined based on reasonably possible changes of each significant assumption on the defined retirement benefits obligation as at the end of the reporting period, assuming all other assumptions were held constant:

	Increase (decrease)	2025	2024
Discount rate	+100 basis points (bps)	(P1,257,914)	(P1,298,467)
	-100 bps	1,499,251	1,553,526
Future salary increase	+100 bps	1,418,666	1,464,298
	-100 bps	(1,220,734)	(1,256,136)

Shown below is the maturity analysis of the Group's undiscounted benefit payments as at December 31, 2025 and 2024:

	2025	2024
One year	P9,184,414	P9,556,843
More than one (1) year to five (5) years	1,187,555	1,214,571
More than five (5) years to ten (10) years	1,266,217	1,380,632

The average duration of the defined benefit obligation is 7.5 years and 7.8 years as at December 31, 2025 and 2024, respectively.



14. Equity

Capital stock

	2025	2024
Authorized:		
Common shares - ₱1 par value, 12,000,000 shares	₱12,000,000,000	₱12,000,000,000
Issued:		
Common shares - ₱1 par value, 6,143,944,338 shares	6,143,944,338	6,143,944,338
Subscribed:		
Common shares - ₱1 par value, 486,055,662 shares (net of subscriptions receivable of ₱457,502,880)	28,552,782	28,552,782
	₱6,172,497,120	₱6,172,497,120

In 2021, the Parent Company entered into a MOA with majority stockholders of ECMRCI for the latter's subscription up to 5.18 billion shares of the Parent Company arising from the increase in authorized capital stock. Such increase in authorized capital stock from 4 billion shares to 12 billion shares has been approved by the BOD and Stockholders.

On May 29, 2023, the SEC approved the Parent Company's application for the amendment of Articles of Incorporation in relation to the increase in authorized capital stock from 4,000,000,000 shares to 12,000,000,000 shares. On the same date, the Parent Company issued 5,100,000,000 common shares with par value of ₱1 per share to HGP Group in exchange for the 100% outstanding shares of ECMRCI. The Group incurred ₱73,141,470 transactions costs in relation to the issuance of the capital stock, which the Parent Company availed from its related parties.

The table below provides information regarding the number of stockholders of the Parent Company as of December 31, 2025, 2024 and 2023:

	2025	2024	2023
Common shares	1,901	1,856	1,908

The following table presents the track record of registration of capital stock:

Year Approval	No. of shares Registered	No. of shares Issued	Par Value
Prior to 2025	8,000,000,000	5,180,000,000	₱1.00
2025	—	—	1.00
Total	8,000,000,000	5,180,000,000	₱—



Equity reserves

The amount of equity reserve consists of the net difference between the consideration transferred by ECVMC and the legal capital of ECMRCI that is eliminated to reflect the legal capital of ECVMC.

	2025	2024
Effect of:		
Adjustment of the legal capital of ECVMC	(P992,497,120)	(P992,497,120)
Elimination of ECMRCI Capital	925,000,000	925,000,000
Issuance of additional shares	(5,180,000,000)	(5,180,000,000)
Stock issuance costs	73,141,470	73,141,470
Identifiable net liabilities of ECVMC as at acquisition date	(84,251,551)	(84,251,551)
	(P5,258,607,201)	(P5,258,607,201)

The following are the fair values of the ECVMC as at the date of acquisition, May 31, 2023:

Assets	
Cash	P163,339
Prepayments and other current assets	300,434
Property and equipment	43,663
	507,436
Liabilities	
Trade and other payables	177,448
Due to related parties	84,581,539
	84,758,987
Total identifiable net liabilities	(P84,251,551)

Net cash inflow on acquisition is as follows:

Cash consideration	P—
Less cash acquired with the subsidiary ^(a)	163,339
Net cash inflow	P163,339

^(a)Cash acquired with the subsidiary is included in investing activities in consolidated statement of cash flows.

Capital Management

The primary objective of the Group's capital management is to ensure that the Group has sufficient funds in order to support its business, pay existing obligations and maximize shareholder value.

The Group considers the following as its core economic capital:

	Consolidated		Parent Company	
	2025	2024	2025	2024
Capital stock	P6,172,497,120	P6,172,497,120	P6,172,497,120	P6,172,497,120
Retained earnings (Deficit)	286,605,604	350,858,467	(1,101,135,754)	(1,093,245,209)
	P6,459,102,724	P6,523,355,587	P5,071,361,366	P5,079,251,911

The Group manages its capital structure and adjusts it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may obtain additional advances from related parties and stockholders or look for strategic and financial investors to invest in the Group.

No changes were made in the objectives, policies or processes for managing capital during the years ended December 31, 2025 and 2024.



15. Revenues

	Consolidated			Parent Company		
	2025	2024	2023	2025	2024	2023
Royalty income	₱269,131,535	₱112,330,287	₱161,685,814	₱—	₱—	₱—
Commission and marketing income	147,934,881	103,839,957	125,482,671	—	—	—
Others	33,882,956	73,058,975	88,277,284	—	—	—
	₱450,949,372	₱289,229,219	₱375,445,769	₱—	₱—	₱—

Royalty and commission and marketing income are earned equivalent to a certain percentage of the gross sales of all ores sold for the mineral properties covered by the operating agreements (Note 22).

Other income pertains to equipment rental and mining lease.

16. Operating Expenses

	Consolidated			Parent Company		
	2025	2024	2023	2025	2024	2023
Amortization of mining rights (Note 9)	₱288,739,284	₱146,768,705	₱65,303,172	₱—	₱—	₱—
Depreciation and amortization (Notes 7 and 8)	28,641,310	27,666,442	27,025,016	—	19,103	32,748
Agent and commission fees	15,818,335	20,226,065	—	—	—	—
Salaries and wages	14,063,315	15,467,384	13,555,577	—	—	—
Transportation and travel	13,263,200	1,263,282	7,862,851	21,535	35,717	51,724
Professional and consultant fees	10,199,357	10,756,405	12,221,431	3,889,964	3,530,000	4,691,825
Taxes and licenses	5,761,807	1,756,291	5,292,796	250,000	261,495	291,808
Employee benefits	4,499,008	5,733,064	5,862,047	—	—	—
Repairs and maintenance	3,061,199	1,214,343	4,184,808	—	—	—
Gasoline, oil & fuels	2,196,786	1,958,271	1,531,498	—	—	—
Communication, Light and water	1,657,956	1,630,974	1,430,240	—	—	—
Rental	1,486,855	1,116,855	—	1,486,855	1,116,855	779,214
Representation	1,277,820	1,828,990	3,798,340	851,077	716,283	839,880
Service fees	1,227,437	352,300	835,900	—	—	—
Outside services	1,048,073	1,104,291	3,959,840	210,431	266,650	3,959,840
Utilities	400,731	282,681	52,346	223,734	158,701	70,081
Donations	113,500	143,060	205,429	—	—	—
Office supplies	105,347	65,470	218,070	—	—	—
Bank Charges	29,261	1,704,971	806,688	—	—	—
Director's fees	—	—	—	440,000	360,000	665,000
Management fee	—	14,461,461	18,772,288	—	—	—
Miscellaneous	6,365,062	11,289,934	7,093,195	517,082	496,644	551,409
	₱399,955,643	₱266,791,239	₱180,011,532	₱7,890,678	₱6,961,448	₱11,933,529



17. Income Taxes

- a. The provision for current income tax represents MCIT in 2024 and 2025 and RCIT in 2023 for the Group and the Parent Company has no provision for current income tax in 2025, 2024 and 2023 due to its gross loss and net taxable loss position.
- b. The reconciliation of income before income tax computed at statutory income tax rate to the provision for income tax as shown in the statements comprehensive of income is summarized as follows:

	Consolidated			Parent Company		
	2025	2024	2023	2025	2024	2023
At statutory income tax rate 25% for the Group and 20% for the Parent Company	(P1,928,233)	(P13,810,191)	P42,925,645	(P1,578,109)	(P1,392,275)	(P2,386,693)
Additions to (reductions in) income tax resulting from:						
Royalty income already subjected to final tax	(67,282,884)	(28,082,572)	(40,421,454)	—	—	—
Final tax paid on royalty income	53,826,892	22,466,447	32,341,972	—	—	—
Changes in unrecognized deferred tax asset	70,318,427	43,596,509	2,383,800	1,578,136	1,392,290	17,015,000
Stock issuance costs	—	—	—	—	—	(P14,628,294)
Interest income already subjected to final tax	(757)	(497)	(6,013)	(27)	(15)	(13)
Nondeductible expenses	28,376	35,765	73,051	—	—	—
	P54,961,821	P24,205,461	P37,297,001	P—	P—	P—

- c. The components of the deferred tax assets are as follows:

	Consolidated		Parent Company	
	2025	2024	2025	2024
<i>Recognized directly in profit or loss</i>				
Retirement benefits liability	P6,996,507	P6,520,171	P—	P—
Unrealized foreign exchange loss	(250,917)	(100,877)	—	—
<i>Recognized directly in other comprehensive income</i>				
Retirement benefits liability	(2,403,401)	(1,945,437)	—	—
	P4,342,189	P4,473,857	P—	P—

- d. As at December 31, 2025 and 2024, the Group did not recognize deferred income tax assets on the following deductible temporary differences, NOLCO and MCIT:

	Consolidated		Parent Company	
	2025	2024	2025	2024
NOLCO	P530,051,300	P266,798,039	P101,370,406	P100,271,959
MCIT	1,461,225	1,964,989	—	—
	P531,512,525	P268,763,028	P101,370,406	P100,271,959

- e. On September 30, 2020, the Bureau of Internal Revenue (BIR) issued Revenue Regulations No. 25-2020 implementing Section 4 (bbbb) of Bayanihan to Recover as One Act” which states that the NOLCO incurred for taxable years 2021 and 2020 can be carried over and claimed as deduction from gross income for the next five (5) consecutive taxable years immediately following the year of such loss.



As of December 31, 2025, the Group has incurred NOLCO which can be claimed as deduction from the regular taxable income for the next three (3) and five (5) consecutive taxable years, as follows:

Group					
Year Incurred	Availment Period	Amount	Expired	Applied	NOLCO Unapplied
2020	2021-2025	₱813,040	₱813,040	₱—	₱—
2021	2022-2026	2,082,495	—	—	2,082,495
2022	2023-2025	5,339,977	5,339,977	—	—
2023	2024-2026	85,074,999	—	—	85,074,999
2024	2025-2027	166,526,075	—	—	166,526,075
2025	2026-2028	276,367,731	—	—	276,367,731
		₱536,204,317	₱6,153,017	₱—	₱530,051,300

As of December 31, 2025, the Parent Company has incurred NOLCO which can be claimed as deduction from the regular taxable income for the next three (3) and five (5) consecutive taxable years, as follows:

Year Incurred	Availment Period	Amount	Expired	Applied	NOLCO Unapplied
2020	2021-2025	₱813,040	₱813,040	₱—	₱—
2021	2022-2026	2,082,495	—	—	2,082,495
2022	2023-2025	5,339,977	5,339,977	—	—
2023	2024-2026	85,074,999	—	—	85,074,999
2024	2025-2027	6,961,448	—	—	6,961,448
2025	2026-2028	7,251,464	—	—	7,251,464
		₱107,523,423	₱6,153,017	₱—	₱101,370,406

The Group did not recognize deferred income tax asset on the carryforward benefits of unused NOLCO and MCIT, since management assessed that it is not probable that sufficient taxable income will be available to allow all or part of the deferred income tax asset to be utilized in the future.

Enhanced Fiscal Regime for Large-Scale Metallic Mining Act or Republic Act No. 12253 (RA 12253)

Republic Act No. 12253, or the Enhanced Fiscal Regime for Large-Scale Metallic Mining Act, was signed into law on September 4, 2025 and became effective on September 20, 2025. Its Implementing Rules and Regulations (IRR) were issued on December 18, 2025, with the new fiscal regime applying to mining contractors and operators starting February 17, 2026.

RA 12253 covers large-scale metallic mining operations under mineral agreements or FTAAAs. Patented mining claims segregated from the public domain and excluded from such agreements are not subject to the new taxes unless ruled otherwise by the Supreme Court.

The law defines income from metallic mining operations as gross output minus allowable deductions, including:

- Mining, milling, transport, smelting, and refining costs
- General and administrative expenses
- Environmental and community development expenses
- Lease and royalty payments
- Continuing exploration and development costs
- Necessary interest expenses (subject to related-party debt limits)
- Depreciation, depletion, and amortization
- Duties, fees, and taxes (excluding royalty and windfall profits tax)



Key fiscal provisions include:

- 5% royalty on minerals extracted within mineral reservations
- 1%–5% margin-based royalty outside mineral reservations (minimum of 0.1% if margin $\leq$ 0%)
- Windfall profits tax (1%–10%) based on the ratio of net income to gross output; corporate income tax and royalty taxes are deductible in computing the margin

Each mineral agreement or FTAA is treated as a separate taxable entity for royalty and windfall tax purposes.

The fiscal terms under RA 12253 will apply to new agreements, while existing ones remain under their original terms unless they allow automatic adoption of new laws.

As of December 31, 2025, the Bureau of Internal Revenue (BIR) has not yet issued revenue regulations needed to fully implement the changes. RA 12253 is therefore not considered substantively enacted as of that date.

RA 12253 is not considered substantively enacted as of December 31, 2025, because the transitory clause in the IRR provides that large-scale metallic mining contractors and/or operators shall be subject to the fiscal regime provided therein only on February 17, 2026.

The Group is currently assessing the impact of the amendments introduced by RA 12253 on its December 2026 consolidated financial statements based on the provisions of the IRR. The Group will reassess the impact of RA 12253 on its financial statements after the relevant revenue regulations have been issued by the BIR.

18. Related Party Disclosures

Related party relationship exists when one party has the ability to control, directly or indirectly through one or more intermediaries, the other party or exercises significant influence over the other party in making financial and operating decisions. Such relationship also exists between and/or among entities, which are under the common control with the reporting enterprises and its key management personnel, directors, or its shareholders. In considering each related party relationship, attention is directed to the substance of the relationship, and not merely the legal form.

In the normal course of business, the Group has transactions with its affiliates and stockholders. Transactions pertain to advances from related parties to meet the Group's working capital requirements.

	Consolidated				Terms	Conditions
	2025	2024	2025	2024		
	Volume	Outstanding Balance	Volume	Outstanding Balance		
Due from related parties						
<i>Affiliates</i>						
LMC	P=	P97,757,142	P=	P=	Noninterest-bearing; Payable in cash; Due and demandable	Secured
Hua Sheng Metals and Minerals Holdings, Inc. (HSMMI)	139,968,283	98,386,105	—	—	Noninterest-bearing; Payable in cash; Due and demandable	Secured

(Forward)



Consolidated						
	2025		2024		Terms	Conditions
	Volume	Outstanding Balance	Volume	Outstanding Balance		
<i>Stockholder</i>						
Individual stockholder	₱141,113,974	₱–	₱95,761,561	₱–	Noninterest-bearing; Payable in cash; Due and demandable	Unsecured
Total	₱281,082,257	₱196,143,247	₱95,761,561	₱–		
Due to related parties						
<i>Affiliates</i>						
LMC	₱8,689,890	₱50,203,283	₱2,193,470	₱41,513,390	Noninterest-bearing; Payable in cash; Due and demandable	Unsecured
Anglo Philippine Holdings Corporation (APHC)	–	3,178,883	–	3,178,883	Noninterest-bearing; Payable in cash; Due and demandable	Unsecured
<i>Stockholder</i>						
Individual stockholder	282,043,310	9,042,240	–	1,071,497	Noninterest-bearing; Payable in cash; Due and demandable	Unsecured
Total	₱290,733,200	₱62,424,406	₱2,193,470	₱45,763,770		
Trade Receivables						
<i>Affiliate</i>						
LMC	₱–	₱–	₱47,358,550	₱97,757,142	Noninterest-bearing; Payable in cash; Due and demandable	Unsecured
Total	₱–	₱–	₱47,358,550	₱97,757,142		
Royalty income						
LMC	₱147,923,424	₱33,333,834	₱36,138,897	₱–	Noninterest-bearing; Payable in cash; Due and demandable	Unsecured
Commission and marketing income						
LMC	18,618,734	9,305,686	11,219,653	–	Noninterest-bearing; Payable in cash; Due and demandable	Unsecured
Equipment Rental Income						
LMC	23,195,244	24,162,755	63,705,484	97,757,142	Noninterest-bearing; Payable in cash; Due and demandable	Unsecured
Management Fee						
HSMMI	–	–	14,461,461	–	Noninterest-bearing; Payable in cash; Due and demandable	Unsecured
Total	₱189,737,402	₱66,802,275	₱125,525,495	₱97,757,142		
Parent						
	2025		2024		Terms	Conditions
	Volume	Outstanding Balance	Volume	Outstanding Balance		
Due to related parties						
<i>Affiliates</i>						
APHC	₱–	₱3,178,883	₱–	₱3,178,883	Noninterest-bearing; Payable in cash; Due and demandable	Unsecured
ECMRCI	1,611,745	80,281,558	2,427,691	78,719,813	Noninterest-bearing; Payable in cash; Due and demandable	Secured
LMC	5,974,336	22,780,158	4,714,869	16,872,822	Noninterest-bearing; Payable in cash; Due and demandable	Secured
<i>Stockholder</i>						
Individual stockholder	–	1,297,897	–	1,071,497	Noninterest-bearing; Payable in cash; Due and demandable	Secured
Total	₱7,586,081	₱107,538,496	₱7,142,560	₱99,843,015		

The Group has transactions with related parties, the most significant of which are as follows:

- On January 5, 2024, the BOD of the ECMRCI approved the assignment, transfer, and release of receivables and due from LMC and due from HSMMI to a shareholder in payment for the advances made in the acquisition, licensures and development of several mining claims/mineral properties amounting to ₱47.62 million and ₱533.58 million, respectively.



- b. On January 1, 2022, the Group agreed to engage the services of Hua Sheng Metals & Minerals Holding Co. for a qualified management consultation services. In consideration of the contracted services, a management fee in the amount equivalent to five (5) percent of gross revenue before income tax is being collected. The agreement will continue to be in effect unless terminated upon mutually agreed terms and conditions. In 2025, the Group and HSMMHC mutually agreed to terminate the agreement.
- c. On December 23, 2025, the BOD of the ECMRCI approved the assignment, transfer, and release of trade receivables from LMC and due from HSMMI to a shareholder amounting to ₱231.92 million and ₱41.58 million, respectively.
- d. On December 23, 2025, the BOD of the ECMRCI approved the assignment, transfer, and release of trade payables to due to a shareholder amounting to ₱42.78 million.

Compensation of Key Management Personnel

The short-term employee benefits of key management personnel amounted to ₱9,165,325 and ₱9,597,243 and ₱9,628,637 for the years ended December 31, 2025, 2024 and 2023, respectively.

19. Basic/Diluted Earnings (Losses) Per Share

	Consolidated			Parent Company		
	2025	2024	2023	2025	2024	2023
Net income (loss) for the year	(₱64,252,863)	(₱79,446,223)	₱134,405,578	(₱7,890,545)	(₱6,961,375)	(₱11,933,465)
Divided by weighted average number of common shares	6,172,497,120	6,172,497,120	4,014,163,787	6,172,497,120	6,172,497,120	6,172,497,120
Basic/diluted earnings (losses) per share	(₱0.010)	(₱0.013)	₱0.033	(₱0.001)	(₱0.001)	(₱0.002)

As of December 31, 2025, 2024 and 2023, the Group and the Parent Company has no potential dilutive shares. Therefore, the basic and diluted losses per share are the same as of those dates.

20. Segment Information

The Group is engaged in the business of mine exploration. Accordingly, the Group operates mainly in one reportable business and geographical segment which is the Philippines. No entity-wide disclosures pertaining to revenues are provided as the Parent Company has not earned revenue and is only a holding company. Noncurrent assets of the Group are located in the Philippines.

21. Financial Risk Management Objectives and Policies

The Group has risk management policies that systematically view the risks that could prevent the Group from achieving its objectives. These policies are intended to manage risks identified in such a way that opportunities to deliver the Group's objectives are achieved. The Group's risk management takes place in the context of day-to-day operations and normal business processes such as strategic and business planning. Management has identified each risk and is responsible for coordinating and continuously improving risk strategies, processes and measures in accordance with the Group's established business objectives.



The Group's principal financial instruments consist of cash in banks, trade and other receivables and due to/from related parties, trade and other payables, loan payables and installment payable. The main purpose of these financial instruments is to finance the Group's operations.

The main risks arising from the Group's or financial instruments are credit risk and liquidity risk. The BOD reviews and agrees policies for managing each of these risks and are summarized below:

Credit Risk

Credit risk refers to the potential loss arising from any failure by counterparties to fulfill their obligations as and when they fall due. The Group trades only with recognized, creditworthy parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an on-going basis with the result that the Group's exposure to bad debts is not significant.

Since the Group trades only with recognized parties, there is no requirement for collateral.

The credit risk arising from these financial assets arises from default of the counterparty, with maximum exposure equal to the carrying amount of these instruments.

The table below shows the maximum exposure to credit risk of the Group's financial assets as at December 31, 2025 and 2024:

	Consolidated		Parent Company	
	2025	2024	2025	2024
Cash in banks	₱13,620,703	₱7,011,125	₱236,640	₱166,402
Trade and other receivables	58,776,093	114,035,099	—	—
Due from related parties	196,143,247	—	—	—
	₱268,540,043	₱121,046,224	₱236,640	₱166,402

For cash in banks, the Group has established probability of default (PD) rates based on available credit ratings published by third-party credit rating agencies. The credit ratings already consider forward-looking information. When a counterparty does not have published credit ratings, the Group benchmarks the credit ratings of comparable companies, adjusted to account for the difference in size and other relevant metrics.

While cash with banks are also subject to the impairment requirements of PFRS 9, the identified impairment loss was immaterial.

Trade and other receivables

The Group applies the PFRS 9 simplified approach in measuring ECL which uses a 12-month expected loss allowance for all trade receivables. The ECL on trade receivables are estimated using a provision matrix by reference to past default experience of the debtor and an analysis of the debtor's current financial position. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables.



Below is the information about the credit risk exposure on the Group's trade and other receivables using a provision matrix:

December 31, 2025

Consolidated

	Current	Days past due				Total
		< 30 days	30-60 days	61-90 days	>91 days	
ECL rate	0%	0%	0%	0%	0%	
Estimated total gross carrying amount at default	P-	P58,776,093	P-	P-	P-	P58,776,093
ECL	P-	P-	P-	P-	P-	P-

December 31, 2024

	Current	Days past due				Total
		< 30 days	30-60 days	61-90 days	>91 days	
ECL rate	0%	0%	0%	0%	0%	
Estimated total gross carrying amount at default	P-	P32,668,385	P-	P81,366,714	P-	P114,035,099
ECL	P-	P-	P-	P-	P-	P-

Due from related parties

ECL on due from related parties are assessed based on either 12-month or lifetime ECL. The Group considers reasonable and supportable information such as historical experience and forward-looking information available at each reporting period to determine whether there has been a significant increase in credit risk since initial recognition. The Group determines the realizable amount of due from related parties based on cashflow forecast. The allowance for ECL on due from related parties is nil since the Group's expected cash flows to be received exceeds the contractual cash flows due. Some of the due from related parties are also secured with financial guarantee contract.

Liquidity Risk

Liquidity risk is the risk that the Group may be unable to meet its payment obligations when they fall due under normal and stress circumstances. To manage this risk, the Group maintains a balance between continuity of funding and flexibility of cash flows through cash planning.

As part of its overall liquidity management, the Group maintains sufficient levels of cash to meet working capital requirements. The Group avails of funds from related parties when needed.

The table below summarizes the maturity profile of the Group's financial liabilities and financial assets based on contractual undiscounted payments.

As at December 31, 2025

	Consolidated			
	On demand	Less than 1 year	1 to 5 years	Total
<i>Financial liabilities:</i>				
Trade and other payables*	P-	P66,208,253	P-	P66,208,253
Due to related parties	62,424,406	-	-	62,424,406
Loans and installment payable	-	574,821,050	3,050,121	577,871,171
Future interest on loans and installment payable	-	42,296,475	1,569,556	43,866,031
	P62,424,406	P683,325,778	P4,619,677	P750,369,861

*Excluding statutory payables amounting to P10,807,353



	Consolidated			Total
	On demand	Less than 1 year	1 to 5 years	
Financial assets:				
Cash				
Cash on hand	₱105,000	₱–	₱–	₱105,000
Cash in bank	13,620,703	–	–	13,620,703
Trade receivables	–	58,776,093	–	58,776,093
Due from related parties	196,143,247	–	–	196,143,247
	₱209,868,950	₱58,776,093	₱–	₱268,645,043

	Parent Company			Total
	On demand	Less than 1 year	1 to 5 years	
Financial liabilities:				
Trade and other payables*	₱–	₱2,616,526	₱–	₱2,616,526
Due to related parties	107,538,496	–	–	107,538,496
	₱107,538,496	₱2,616,526	₱–	₱110,155,022

* Excluding statutory payables amounting to ₱10,000

	Parent Company			Total
	On demand	Less than 1 year	1 to 5 years	
Financial assets:				
Cash				
Cash on hand	₱100,000	₱–	₱–	₱100,000
Cash in bank	236,640	–	–	236,640
	₱336,640	₱–	₱–	₱336,640

As at December 31, 2024

	Consolidated			Total
	On demand	Less than 1 year	1 to 5 years	
Financial liabilities:				
Trade and other payables*	₱–	₱124,703,657	₱–	₱124,703,657
Due to related parties	45,763,770	–	–	45,763,770
Loans and installment payable	–	592,372,531	7,349,232	599,721,763
Future interest on loans and installment payable	–	60,500,556	–	60,500,556
	₱45,763,770	₱777,576,744	₱7,349,232	₱830,689,746

*Excluding statutory payables amounting to ₱31,969,472

	Consolidated			Total
	On demand	Less than 1 year	1 to 5 years	
Financial assets:				
Cash				
Cash on hand	₱105,000	₱–	₱–	₱105,000
Cash in bank	7,011,125	–	–	7,011,125
Trade receivables	–	114,035,099	–	114,035,099
Due from related parties	78,719,812	–	–	78,719,812
	₱85,835,937	₱114,035,099	₱–	₱199,871,036



	Parent Company			
	On demand	Less than 1 year	1 to 5 years	Total
<i>Financial liabilities:</i>				
Trade and other payables*	P–	P2,124,295	P–	P2,124,295
Due to related parties	99,843,015	–	–	99,843,015
	P99,843,015	P2,124,295	P–	P101,967,310

* Excluding statutory payables amounting to P10,000

	Parent Company			
	On demand	Less than 1 year	1 to 5 years	Total
<i>Financial assets:</i>				
Cash				
Cash on hand	P105,000	P–	P–	P105,000
Cash in bank	7,011,125	–	–	7,011,125
	P7,116,125	P–	P–	P7,116,125

Fair Values of Financial Instruments

The Company's financial asset and financial liabilities except installment payables approximate their fair values due to the short-term nature and/or maturity as of December 31, 2025 and 2024. The fair value of installment payables is estimated by discounting future contractual cash flows using current market interest rates available to the Group for similar financial instruments.

Fair Value Hierarchy

The table below presents the carrying values and fair values of the Group's financial assets and financial liabilities, by category and by class, as at December 31, 2025 and 2024:

	Consolidated 2025			
	Carrying Value	Fair Value		
		Quoted Prices in Active Markets (Level 1)	Significant Observable Input (Level 2)	Significant Unobservable Inputs (Level 3)
Assets				
Cash on hand and in banks	P13,725,703	P–	P–	P13,725,703
Trade receivables	58,776,093	–	–	58,776,093
Due from related parties	196,143,247	–	–	196,143,247
	P268,645,043	P–	P–	P268,645,043
Liabilities				
Trade and other payables*	P38,385,110	P–	P–	P38,385,110
Due to related parties	62,424,406	–	–	62,424,406
Loans payable	471,847,507	–	–	471,847,507
Installment payable	106,023,664	–	–	106,023,664
	P678,680,687	P–	P–	P678,680,687

*Excluding statutory payables amounting to P10,807,353

	Parent 2025			
	Carrying Value	Fair Value		
		Quoted Prices in Active Markets (Level 1)	Significant Observable Input (Level 2)	Significant Unobservable Inputs (Level 3)
Assets				
Cash in banks	P236,640	P–	P–	P236,640
Liabilities				
Trade and other payables*	P2,616,526	P–	P–	P2,616,526
Due to related parties	107,538,496	–	–	107,538,496
	P110,155,022	P–	P–	P110,155,022

* Excluding statutory payables amounting to P10,000



Consolidated 2024				
	Carrying Value	Fair Value		
		Quoted Prices in Active Markets (Level 1)	Significant Observable Input (Level 2)	Significant Unobservable Inputs (Level 3)
Assets				
Cash in banks	₱7,011,125	₱—	₱—	₱7,011,125
Trade receivables	114,035,099	—	—	114,035,099
Due from related parties	—	—	—	—
	₱121,046,224	₱—	₱—	₱121,046,224
Liabilities				
Trade and other payables*	₱122,579,362	₱—	₱—	₱122,579,362
Due to related parties	45,763,769	—	—	45,763,769
Loans payable	476,533,418	—	—	476,533,418
Installment payable	123,188,345	—	—	123,188,345
	₱768,064,894	₱—	₱—	₱768,064,894

*Excluding statutory payables amounting to ₱31,969,472

Parent 2024				
	Carrying Value	Fair Value		
		Quoted Prices in Active Markets (Level 1)	Significant Observable Input (Level 2)	Significant Unobservable Inputs (Level 3)
Assets				
Cash in banks	₱166,402	₱—	₱—	₱166,402
Liabilities				
Trade and other payables*	₱2,053,377	₱—	₱—	₱2,053,377
Due to related parties	92,700,455	—	—	92,700,455
	₱94,753,832	₱—	₱—	₱94,753,832

* Excluding statutory payables amounting to ₱10,000

The Group has determined that the carrying amounts of cash in banks, trade receivables, trade and other payables (except government payables), advances from/to related parties and loans and installment payable, reasonably approximate their fair values because these are mostly short-term in nature.

There were no transfers between Level 1 and 2 fair value measurements and no transfers into and out of Level 3 fair value measurement as at December 31, 2025 and 2024.

22. Significant Contracts

Memorandum of Agreement with CMC

On November 19, 1997, the Group entered into a Memorandum of Agreement (MOA) with CMC which allows CMC to explore, develop and mine nickel ore and obliges it to comply with the terms of the MPSA.

Under the MPSA, CMC pays the Government an excise tax of 4%, and a 5% royalty, as the contract area is within the Surigao Mineral Reservation.

On December 18, 2015, the Group and CMC executed a Supplemental Agreement to provide for the automatic renewal of the term of the MOA for another twenty-five (25) years, or from 2022 to 2047. In consideration of the new term as well as the other conditions contained in the Supplemental Agreement, CMC granted a loan of ₱1,000.0 million to the Group.



Thereafter, CMC shall pay ECMRCI commission and royalties as follows:

- Commission equivalent to 3.5% on the gross sales amount of all nickel ore;
- Royalties equivalent to either 7% or 8.75% on the gross sales amount of all nickel ore depending on the monthly average LME nickel settlement price; and
- Additional royalty ranging from ₱10.0 million to ₱50.0 million depending on CMC's audited net income after tax less the additional royalty amount.

On March 28, 2019, the Group and CMC entered into a supplemental agreement amending the memorandum of agreement stating that after the full payment of ECMRCI's loan to CMC, royalty percentage rates will range from 2.50% to 4.50% depending on the monthly average LME nickel settlement price. In 2023, ECMRCI settled the loan to CMC, hence, the new royalty percentage rates became effective.

As at December 31, 2024, the survey plan for the MPSA renewal is already approved by the MGB and is awaiting for the approval of the DENR. On March 2, 2022, MGB ordered the renewal of the MPSA between the Government and Group for another twenty-five (25) years.

Operating Agreement with LMC

On April 26, 2012, the Group entered into an Operating Agreement with LMC which allows LMC to explore, develop, exploit and operate the mineral property located in Libjo, Dinagat Islands and to extract, mine, process, market, sell, dispose or convey any and all minerals and ores found therein during the lifetime of this Operating Agreement.

For and in consideration of the rights granted, LMC shall pay the Group a royalty equivalent to 3% on the gross sales amount of nickel sold.

Thereafter, the Group and LMC executed a Supplemental Agreement to provide for the following:

- Goodwill bonus amounting to ₱200.0 million, net of tax, to be paid within 15 days from the date of signing;
- Additional royalty equivalent to 4.0% on the gross sales amount of all nickel ore, net of tax; and Marketing share of one USD per WMT for all ores shipped out, net of tax.

Memorandum of Agreement with OVMPC

The Group has an existing MOA with OVMPC which allows OVMPC to explore, develop, exploit, operate and utilize the mineral property covered by this MOA subject to the provisions of MPSA granted by the Philippine Government. OVMPC shall carry on and conduct immediate exploration, commence development and utilization works within two years from the signing of MOA.

For and in consideration of the rights granted, OVMPC shall pay the Group a commission equivalent to 5% on the gross sales amount of nickel sold.

Memorandum of Agreement with Norte Este Corporation (Norte Este)

In 2021, the Group entered into an Operating Agreement with Norte Este which allows Norte Este to explore, develop, extract, operate and market the minerals in the Phase 3 Mineral Property located in Libjo, Dinagat Islands. Norte Este has also the right to construct and maintain roads, bridges, causeway, buildings, plants, and other improvements of all kinds as may be deemed necessary and convenient to its mining operations.



Thereafter, Norte Este shall pay the Group royalties and marketing as follows:

- Royalties ranging from 7% to 15% on the gross sales amount of all nickel ore depending on the monthly average LME nickel settlement price; and
- Marketing ranging from \$0.75 to \$3.50 on the gross sales amount of all nickel ore depending on the monthly average LME nickel settlement price; and

Memorandum of Agreement with Westernshore Nickel Corporation

In 2023, the Group entered into an Operating Agreement with Westernshore Nickel Corporation (WNC) which allows WNC to explore, develop, extract, operate and market the minerals in the Phase 2 Mineral Property located in Libjo, Dinagat Islands.

Thereafter, WNC shall pay the Group mining lease of 3% on the gross sales amount of all nickel ore depending on the monthly average LME nickel settlement price.

As at April 27, 2026, the Group's respective agreements with CMC, LMC, OVMPC and Norte Este have not been terminated and continue to be in full force and effect, subject to the supplemental terms agreed by the Group each with CMC, LMC, OVMPC and Norte Este.

In 2025, 2024 and 2023, the Group earned royalty income amounting to ₱269,131,535, ₱112,330,287, and ₱161,685,814 respectively, and commission and marketing income amounting to ₱147,934,881, ₱103,839,957, and ₱125,482,671, respectively from CMC, LMC and Norte Este. (Note 15).

No royalty and commission earned yet from OVMPC as the current MPSA is still under exploration phase.

23. Supplemental Disclosures to Statements of Cash Flows

The following table summarizes the changes in liabilities arising from financing activities of consolidated statements of cash flows:

	Cash flows				December 31, 2025
	January 1, 2025	Availments	Payments	Others	
Loans payable	₱476,533,418	₱–	(₱4,685,913)	₱–	₱471,847,505
Installment payable	123,188,345	–	(17,164,681)	–	106,023,664
Due to related parties	45,763,770	282,043,310	–	(274,072,563)	53,734,517
	₱645,485,533	₱282,043,310	(₱21,850,594)	(₱274,072,563)	₱631,605,686

	Cash flows				December 31, 2024
	January 1, 2024	Availments	Payments	Others	
Loans payable	₱412,719,643	₱40,000,000	(₱338,693)	₱24,152,468	₱476,533,418
Installment payable	113,242,842	–	(19,306,857)	29,252,360	123,188,345
Due to related parties	242,020,027	2,193,470	–	(198,449,727)	45,763,770
	₱767,982,512	₱42,193,470	(₱19,645,550)	(₱145,044,899)	₱645,485,533

Other movements in financing activities in 2025 pertain to the following:

- Offsetting of amounts due to related parties against existing amounts due from related parties amounting to ₱316.86 million
- Assignment, transfer, and release of trade payables to due to related parties amounting to ₱42.78 million.



Other movements in financing activities in 2024 pertain to the following:

- a. Restructuring of loans payable and installment payable amounting to ₱24.15 million and ₱29.25 million, respectively.
- b. Offsetting of amounts due to related parties against existing amounts due from related parties to ₱198.45 million.

Non-cash investing activities in consolidated statements of cash flows pertain to the following:

- a. Reclassifications from trade receivables to due from related parties amounting to ₱231.92 million and ₱38.45 million in 2025 and 2024, respectively.

24. Events after the Reporting Period

Below are the events after the reporting period which are treated as non-adjusting events as at December 31, 2025:

Amendments of Articles of Incorporation of Parent Company

On March 24, 2026, during the special board meeting of the Parent Company, the Board approved the amendment of the Seventh Articles of the Company's Articles of Incorporation from twelve billion pesos (₱12,000,000,000) divided into Twelve Billion (12,000,000,000) Common Shares with a par value of One Peso (₱1.00) per share to Nine Billion Six Hundred Million Pesos (₱9,600,000,000) divided into Twelve Billion (12,000,000,000) Common Shares with a par value of Eighty Centavos (₱0.80) per share.

Other matters approved by the Board of Directors on March 24, 2026

- Subject to further stockholders' approval, a 1:8 stock split on the Common Shares with par value of ₱0.80 per share, such that the resulting par value of the Common Shares shall become ₱0.10 per share after the stock split.
- The conduct of a Follow-On Offering at a size and offer price to be determined at a later date by the Board of Directors in accordance with the rules of the Securities and Exchange Commission and Philippine Stock Exchange.

25. Supplementary Information Required Under Revenue Regulations (R.R.) No. 15-2010

In compliance with the requirements set forth by R.R. No. 15-2010, hereunder are the information on taxes, duties and license fees paid or accrued during the taxable year 2025:

VAT

The Parent Company is a VAT-registered company with no VAT output tax declaration for the year ended December 31, 2025. The Company has no sales subject to VAT of 12% for the year ended December 31, 2025.



Taxes and Licenses

This includes all other taxes, local and national, including license and permit fees lodged under “Taxes and licenses”, which is presented under “Operating expense” line item in the 2025 statement of comprehensive income.

National:	
PSE annual listing fee	₱250,000
Local:	
Permits and licenses	—
	₱250,000

Withholding Taxes

Withholding taxes paid and accrued by the Company in 2025 are as follows:

	Paid	Accrued
EWT	₱110,000	₱10,000
Withholding taxes on compensation and benefits	—	—
	₱110,000	₱10,000

Tax Assessments and Contingencies

The Company has no tax cases under preliminary investigation nor litigation and/or prosecution in courts or bodies outside of the administration of BIR as of December 31, 2025.



INDEPENDENT AUDITOR'S REPORT ON SUPPLEMENTARY SCHEDULES

The Board of Directors and Stockholders
East Coast Vulcan Mining Corporation (formerly East Coast Vulcan Corporation)
Unit 1502, Pacific Star Building
Sen. Gil J. Puyat Ave.
Makati City, Metro Manila 1209

We have audited in accordance with Philippine Standards on Auditing, the financial statements of East Coast Vulcan Mining Corporation (formerly East Coast Vulcan Corporation) as at December 31, 2025 and 2024, and for each of the three years in the period ended December 31, 2025, and have issued our report thereon dated April 27, 2026. Our audits were made for the purpose of forming an opinion on the basic financial statements taken as a whole. The schedules listed in the Index to the Financial Statements and Supplementary Schedules are the responsibility of the Company's management. These schedules are presented for purposes of complying with the Revised Securities Regulation Code Rule 68, and are not part of the basic financial statements. These schedules have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, fairly state, in all material respects, the financial information required to be set forth therein in relation to the basic financial statements taken as a whole.

SYCIP GORRES VELAYO & CO.



Eleanore A. Layug

Partner

CPA Certificate No. 0100794

Tax Identification No. 163-069-453

BOA/PRC Reg. No. 0001, April 16, 2024, valid until August 23, 2026

SEC Partner Accreditation No. 100794-SEC (Group A)

Valid to cover audit of 2021 to 2025 financial statements

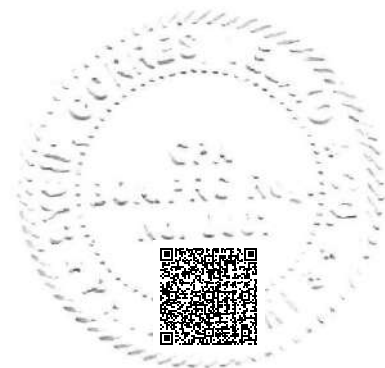
SEC Firm Accreditation No. 0001-SEC (Group A)

Valid to cover audit of 2021 to 2025 financial statements

BIR Accreditation No. 08-001998-097-2023, September 12, 2023, valid until September 11, 2026

PTR No. 10765063, January 2, 2026, Makati City

April 27, 2026



INDEPENDENT AUDITOR'S REPORT ON COMPONENTS OF FINANCIAL SOUNDNESS INDICATORS

The Board of Directors and Stockholders
East Coast Vulcan Mining Corporation (formerly East Coast Vulcan Corporation)
Unit 1502, Pacific Star Building
Sen. Gil J. Puyat Ave.
Makati City, Metro Manila 1209

We have audited in accordance with Philippine Standards on Auditing, the financial statements of East Coast Vulcan Mining Corporation (formerly East Coast Vulcan Corporation) as at December 31, 2025 and 2024 and for each of the three years in the period ended December 31, 2025, and have issued our report thereon dated April 27, 2026. Our audits were made for the purpose of forming an opinion on the basic financial statements taken as a whole. The Supplementary Schedule on Financial Soundness Indicators, including their definitions, formulas, calculation, and their appropriateness or usefulness to the intended users, are the responsibility of the Company's management. These financial soundness indicators are not measures of operating performance defined by Philippine Financial Reporting Standards (PFRS) Accounting Standards, and may not be comparable to similarly titled measures presented by other companies. This schedule is presented for the purpose of complying with the Revised Securities Regulation Code Rule 68 issued by the Securities and Exchange Commission, and is not a required part of the basic financial statements prepared in accordance with PFRS Accounting Standards. Except for price per share, the components of these financial soundness indicators have been traced to the Company's financial statements as at December 31, 2025 and 2024 and for each of the three years in the period ended December 31, 2025 and no material exceptions were noted.

SYCIP GORRES VELAYO & CO.



Eleanore A. Layug

Partner

CPA Certificate No. 0100794

Tax Identification No. 163-069-453

BOA/PRC Reg. No. 0001, April 16, 2024, valid until August 23, 2026

SEC Partner Accreditation No. 100794-SEC (Group A)

Valid to cover audit of 2021 to 2025 financial statements

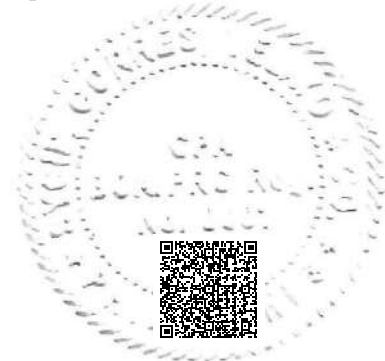
SEC Firm Accreditation No. 0001-SEC (Group A)

Valid to cover audit of 2021 to 2025 financial statements

BIR Accreditation No. 08-001998-097-2023, September 12, 2023, valid until September 11, 2026

PTR No. 10765063, January 2, 2026, Makati City

April 27, 2026



**EAST COAST VULCAN MINING CORPORATION AND SUBSIDIARY
(FORMERLY EAST COAST VULCAN CORPORATION)
INDEX TO THE FINANCIAL STATEMENTS
AND SUPPLEMENTARY SCHEDULES
AS OF DECEMBER 31, 2025**

COMPANY FINANCIAL STATEMENTS

Statements of Financial Position as of December 31, 2025 and 2024

Statements of Income for the years ended December 31, 2025, 2024 and 2023

Statements of Comprehensive Income for the years ended December 31, 2025, 2024 and 2023

Statements of Changes in Equity (Capital Deficiency) for the years ended December 31, 2025, 2024 and 2023

Statements of Cash Flows for the years ended December 31, 2025, 2024 and 2023

Notes to Financial Statements

SUPPLEMENTARY SCHEDULES

- I. Schedules required by Annex 68-J:
 - A. Financial Assets
 - B. Amounts Receivable from Directors, Officers, Employees, Related Parties and Principal Stockholders (Other than Related Parties)
 - C. Amounts Receivable from Related Parties which are Eliminated during the Consolidation of Financial Statements
 - D. Long-Term Debt
 - E. Indebtedness to Related Parties (Long-Term Loans from Related Companies)
 - F. Guarantees of Securities of Other Issuers
 - G. Capital Stock
- II. Reconciliation of Retained Earnings Available for Dividend Declaration (Annex 68-D)
- III. Schedule of Financial Soundness Indicators (Annex 68-E)
- IV. Map showing the relationships of the Companies within the Group
- V. Schedule of External Auditor Fee-related information

**EAST COAST VULCAN MINING CORPORATION AND SUBSIDIARY
(FORMERLY EAST COAST VULCAN CORPORATION)
SCHEDULE A - FINANCIAL ASSETS
DECEMBER 31, 2025**

Name of issuing entity and association of each issue	Number of shares or principal amounts of bonds and notes	Amount shown in the statement of financial position	Value based on market quotation at end of reporting period	Income received and accrued
<i>Cash and related parties</i>				
Cash		₱13,725,703	₱13,725,703	₱3,052
Trade and other receivables		58,776,093	58,776,093	–
Due from related parties		196,143,247	196,143,247	–
Total		₱268,645,043	₱268,645,043	₱3,052

**EAST COAST VULCAN MINING CORPORATION AND SUBSIDIARY
(FORMERLY EAST COAST VULCAN CORPORATION)
SCHEDULE B - AMOUNTS RECEIVABLE FROM DIRECTORS, OFFICERS,
EMPLOYEES, RELATED PARTIES AND PRINCIPAL STOCKHOLDERS
(OTHER THAN RELATED PARTIES)
DECEMBER 31, 2025**

Name and Designation of Debtor	Balance at Beginning period	Additions	Amounts Collected	Amounts Written off	Current	Not Current	Balance at end of period

The Company has no amounts receivable from directors, officers, employees, related parties and principal stockholders as at December 31, 2025 equal to or above the established threshold of the Rule.

**EAST COAST VULCAN MINING CORPORATION AND SUBSIDIARY
(FORMERLY EAST COAST VULCAN CORPORATION)
SCHEDULE C - AMOUNTS RECEIVABLE FROM RELATED PARTIES
WHICH ARE ELIMINATED DURING THE
CONSOLIDATION OF FINANCIAL STATEMENTS
DECEMBER 31, 2025**

Name and Designation of Debtor	Balance at Beginning period	Additions	Amounts Collected/ Settlements	Amounts Written off	Current	Not Current	Balance at end of period
East Coast Vulcan Mining Corporation (Parent Company)	₱99,995,626	₱7,542,870	₱-	₱-	₱107,538,496	₱-	₱107,538,496

**EAST COAST VULCAN MINING CORPORATION AND SUBSIDIARY
(FORMERLY EAST COAST VULCAN CORPORATION)
SCHEDULE D - LONG-TERM DEBT
DECEMBER 31, 2025**

Title of Issue and type of obligation	Amount authorized by: Indenture	Amount shown under the caption "Current Portion of long-term debt" in related statement of financial position	Amount shown under caption "Long-term debt" in related statement of financial position

—Not applicable—

**EAST COAST VULCAN MINING CORPORATION AND SUBSIDIARY
(FORMERLY EAST COAST VULCAN CORPORATION)
SCHEDULE E - INDEBTEDNESS TO RELATED PARTIES
(LONG-TERM LOANS FROM RELATED COMPANIES)
DECEMBER 31, 2025**

Name of Related Party	Balance at beginning of period	Balance at end of period

—Not applicable—

**EAST COAST VULCAN MINING CORPORATION AND SUBSIDIARY
(FORMERLY EAST COAST VULCAN CORPORATION)
SCHEDULE F - GUARANTEES OF SECURITIES OF OTHER ISSUERS
DECEMBER 31, 2025**

Name of issuing entity of securities guaranteed by the company for which this statement is filed	Title of issue of each class of securities guaranteed	Total amount guaranteed and outstanding	Amount owed by person for which statement is filed	Nature of guarantee

—Not applicable—

**EAST COAST VULCAN MINING CORPORATION AND SUBSIDIARY
(FORMERLY EAST COAST VULCAN CORPORATION)
SCHEDULE G - CAPITAL STOCK
DECEMBER 31, 2025**

Title of Issue	Number of shares authorized	Number of shares issued and outstanding as shown under related statement of financial position caption	Number of shares reserved for options, warrants, conversions and other rights	Number of shares held by		
				Related parties	Directors, officers and employees	Others
Common Shares at ₱ 1 par value	12,000,000,000	6,630,000,000	—	—	5,185,937,650	1,444,062,350

**EAST COAST VULCAN MINING CORPORATION AND SUBSIDIARY
(FORMERLY EAST COAST VULCAN CORPORATION)
RECONCILIATION OF RETAINED EARNINGS AVAILABLE FOR DIVIDEND
DECLARATION (ANNEX 68-D)
AS OF DECEMBER 31, 2025**

Unappropriated Retained Earnings, beginning of reporting period		(₱1,093,245,209)
Add: Category A: Items that are directly credited to Unappropriated Retained Earnings		
Reversal of Retained Earnings Appropriation/s	—	
Effect of restatements or prior-period adjustments	—	
Others (describe nature)	—	—
Less: Category B: Items that are directly debited to Unappropriated Retained Earnings		
Dividend declaration during the reporting period	—	
Retained Earnings appropriated during the reporting period	—	
Effect of restatements or prior-period adjustments	—	
Others (describe nature)	—	—
Unappropriated Retained Earnings, as adjusted		(1,093,245,209)
Add/Less: Net Income (loss) for the current year		(7,890,545)
Less: Category C.1: Unrealized income recognized in the profit or loss during the reporting period (net of tax)		
Equity in net income of associate/joint venture, net of dividends declared	—	
Unrealized foreign exchange gain, except those attributable to cash and cash equivalents	—	
Unrealized fair value adjustment (mark-to-market gains) of financial instruments at fair value through profit or loss (FVTPL)	—	
Unrealized fair value gain of Investment Property	—	
Other unrealized gains or adjustments to the retained earnings as a result of certain transactions accounted for under the PFRS (describe nature)	—	
Sub-total		—
Add: Category C.2: Unrealized income recognized in the profit or loss in prior reporting periods but realized in the current reporting period (net of tax)		
Realized foreign exchange gain, except those attributable to Cash and cash equivalents	—	
Realized fair value adjustment (mark-to-market gains) of financial instruments at fair value through profit or loss (FVTPL)	—	
Realized fair value gain of Investment Property	—	
Other realized gains or adjustments to the retained earnings as a result of certain transactions accounted for under the PFRS (describe nature)	—	
Sub-total		—
Add: Category C.3: Unrealized income recognized in profit or loss in prior periods but reversed in the current reporting period (net of tax)		

Reversal of previously recorded foreign exchange gain, except those attributable to cash and cash equivalents	—	
Reversal of previously recorded fair value adjustment (mark-to-market gains) of financial instruments at fair value through profit or loss (FVTPL)	—	
Reversal of previously recorded fair value gain of Investment Property	—	
Reversal of other unrealized gains or adjustments to the retained earnings as a result of certain transactions accounted for under the PFRS, previously recorded (describe nature)	—	
Sub-total		—
Adjusted Net Income/Loss		(7,890,545)
Add: Category D: Non-actual losses recognized in profit or loss during the reporting period (net of tax)		
Depreciation on revaluation increment (after tax)	—	
Sub-total		—
Add/Less: Category E: Adjustments related to relief granted by the SEC and BSP (see Footnote 3)		
Amortization of the effect of reporting relief	—	
Total amount of reporting relief granted during the year	—	
Others (describe nature)	—	
Sub-total		—
Add/Less: Category F: Other items that should be excluded from the determination of the amount of available for dividends distribution		
Net movement of treasury shares (except for reacquisition of redeemable shares)	—	
Net movement of deferred tax asset not considered in the reconciling items under the previous categories	—	
Net movement in deferred tax asset and deferred tax liabilities related to same transaction, e.g., set up of right of use of asset and lease liability, set-up of asset and asset retirement obligation, and set-up of service concession asset and concession payable	—	
Adjustment due to deviation from PFRS/GAAP - gain (loss)	—	
Others (describe nature)	—	
Sub-total		—
Total Retained Earnings, end of the reporting period available for dividend		(P1,101,135,754)

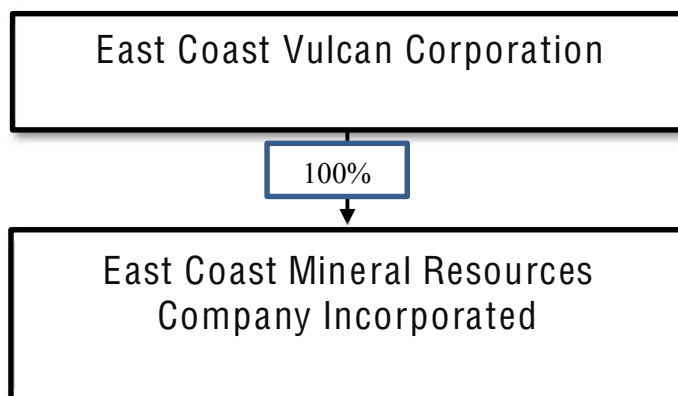
The amount is zero since the reconciliation results to a deficit of (P1,101,135,754) as at December 31, 2025.

**EAST COAST VULCAN MINING CORPORATION AND SUBSIDIARY
(FORMERLY EAST COAST VULCAN CORPORATION)
SCHEDULE OF FINANCIAL SOUNDNESS INDICATORS (ANNEX 68-E)
FOR THE YEARS ENDED DECEMBER 31, 2025 and 2024**

Ratio	Formula	2025	2024
<i>Liquidity and Solvency Ratios:</i>			
Current ratio	Total Current Assets Divided by: Total Current Liabilities	0.51:1	0.25:1
Quick ratio	(Cash + Receivables) Divided by: Total Current Liabilities	0.11:1	0.16:1
Solvency ratio	(Net Income + Depreciation) Divided by: Total Liabilities	0.34:1	0.12:1
<i>Financial Leverage Ratios:</i>			
Asset to equity ratio	Total Assets Divided by: Total Equity	1.61:1	1.65:1
Debt ratio	Total Liabilities Divided by: Total Assets	0.38:1	0.39:1
Debt to equity ratio	Total Liabilities Divided by: Total Equity	0.61:1	0.65:1
Interest coverage ratio	Net Income Before Tax Divided by: Interest Expense	(0.15:1)	(0.71:1)
Price earnings ratio	Current Share Price Divided by: Earnings Per Share	(26.90:1)	(24.39:1)
<i>Profitability Ratios:</i>			
Return on assets	Net Income Before Tax Divided by: Total Assets	(0%)	(3%)
Return on equity	Net Income Before Tax Divided by: Total Equity	(0%)	(4%)
Gross profit margin	Gross income Divided by: Net Sales	11%	8%
Net profit margin	Net Income Divided by: Net Sales	(14%)	(27%)

**EAST COAST VULCAN MINING CORPORATION AND SUBSIDIARY
(FORMERLY EAST COAST VULCAN CORPORATION)
MAP SHOWING THE RELATIONSHIPS OF THE COMPANIES WITHIN
THE GROUP**

AS OF DECEMBER 31, 2025
PURSUANT TO REVISED SRC RULE 68



**EAST COAST VULCAN MINING CORPORATION AND SUBSIDIARY
(FORMERLY EAST COAST VULCAN CORPORATION)
SUPPLEMENTARY SCHEDULE OF EXTERNAL AUDITOR
FEE-RELATED INFORMATION
For the year ended December 31, 2025 and 2024**

	2025	2024
Total Audit Fees	₱2,230,000	₱2,080,000
Non-audit services fees:		
Other assurance services	—	—
Tax services	—	—
All other services	—	—
Total Non-audit Fees	—	—
Total Audit and Non-audit Fees	₱2,230,000	₱2,080,000



SECURITIES AND EXCHANGE COMMISSION

THE SEC HEADQUARTERS 7907 Makati Avenue, Salcedo Village, Bel-Air, Makati City
1209 Trunk Line No:02-5322-7696 Email Us:www.sec.gov.ph/imessagemo@sec.gov.ph



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Company Information

SEC Registration No.: 0000007443

Company Name: EAST COAST VULCAN MINING CORPORATION

Industry Classification: D24294

Company Type: Stock Corporation

Document Information

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COVER SHEET

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SEC Registration Number

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C	O	A	S	T	V	U	L	C	A	N	C	O	R	P	O	R	A	T	I	O	N	)				

(Company's Full Name)

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(Business Address: No., Street City / Town / Province)

Atty. Ana Maria A. Katigbak
Contact Person

8511-8312
Company Telephone Number

1	2

3	1

Month Day
Fiscal Year

SEC Form 17-Q
March 31, 2026
FORM TYPE

05
Month Day
Annual Meeting

Secondary License Type, If Applicable

Dept Requiring this Doc

Amended Articles Number / Section

Total No. of Stockholders

Total Amount of Borrowings

Domestic

Foreign

To be accomplished by SEC Personnel concerned

File Number									

LCU

Document ID

Cashier

STAMPS

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SECURITIES AND EXCHANGE COMMISSION
SEC FORM 17 – Q
QUARTERLY REPORT PURSUANT TO SECTION 17 OF THE SECURITIES REGULATION CODE AND SRC RULE
17(2) (b) THEREUNDER

1. For the quarterly period ended **March 31, 2026**

2. Commission identification number **7443**

3. BIR Tax Identification No. **000 – 062 – 736**

4. Exact name of issuer as specified in its charter

EAST COAST VULCAN MINING CORPORATION

5. Province, country or other jurisdiction of incorporation or organization **Philippines**

6. Industry Classification Code: (SEC Use Only)

7. Address of issuer's principal office **15TH Flr, Pacific Star Bldg., High Rise Tower, Makati Ave. cor. Senator Gil Puyat Ave., Makati City, Philippines** Postal Code **1209**

8. Issuer's telephone number, including area code **Tel (632) 8511-8312**

9. Former name, former address and former fiscal year, if changed since last report

EAST COAST VULCAN CORPORATION, 4TH Flr, Pacific Star Bldg., Low Rise Tower, Makati Ave. cor. Senator Gil Puyat Ave., Makati City, Philippines

10. Securities registered pursuant to Sections 8 and 12 of the RSA

Title of each class	Number of shares of common stock outstanding
Common	6,630,000,000

11. Are any or all of the securities listed on the Philippine Stock Exchange?

Yes ☒ [X] No ☐ []

12. Indicate by check mark whether the registrant:

(a) has filed all reports required to be filed by Section 17 of the Code and RSC Rule 17 thereunder or Sections 11 of the RSA and RSA Rule 11 (a)-1 thereunder, and Sections 28 and 141 of the Corporation Code of the Philippines, during the preceding twelve (12) months (or such shorter period the registrant was required to file such reports)

Yes ☒ [X] No ☐ []

(b) has been subject to such filing requirements for the past 90 days

Yes ☒ [X] No ☐ []

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PART I - FINANCIAL INFORMATION

Item 1. Management's Discussion and Analysis of Financial Condition and Results of Operations

Comparative financial highlights for the quarter ended March 31, 2026 and March 31, 2025 are presented below:

	<u>Consolidated Unaudited</u> <u>31 March 2026</u>	<u>Consolidated Unaudited</u> <u>31 March 2025</u>
Revenues	₱-	₱10,942,874
Net Loss	36,326,097	20,830,496
Total Assets	1,873,530,135	2,091,129,104
Total Liabilities	702,150,507	841,375,168
Net Worth	1,171,379,628	1,249,753,936
Issued and Outstanding Capital	6,630,000,000	₱6,630,000,000

The Company has no revenue for the period March 31, 2026 and has revenue from rental of equipment amounting to ₱10.9 million for the period March 31, 2025 and incurred a net loss of ₱36.33 million and ₱20.83 million, respectively. The net loss pertains mainly to Salaries and wages, depreciation expenses and professional fees.

The Company has total assets of ₱1.87 Billion and ₱2.09 Billion as of the period ended March 31, 2026 and March 31, 2025, respectively. The decreased of assets is due to depreciation and depletion.

The Company's total liabilities decreased to ₱702.15 million as of March 31, 2026 as compared to ₱841.37 million as of March 31, 2025 due to accounts payables.

The Company's net worth decreased to P1.17 Billion as of March 31, 2026 compared to P1.25 Billion as of March 31, 2025. The decrease was due to the net losses incurred by the Company during the period and previous period.

The following discussion is based on the unaudited interim consolidated financial statements for the 1st quarter period ended March 31, 2026, with comparative figures for the corresponding periods in 2025 and audited consolidated financial statements as of December 31, 2025, prepared in conformity with Philippine Accounting Standards 34, Interim Financial Reporting and included herein, and should be read in conjunction with those unaudited interim consolidated financial statements.

Financial Condition as of March 31, 2026 and December 31, 2025 and Results of Operation for the Three months ended March 31, 2026 and March 31, 2025

Statement of Consolidated Comprehensive income

For the Three-months Ended March 31				
	<u>2026</u> <u>Consolidated</u> <u>Unaudited</u>	<u>2025</u> <u>Consolidated</u> <u>Unaudited</u>	<u>Increase</u> <u>(Decrease)</u>	<u>%Change</u>
Revenues	₱-	₱10,942,874	(₱10,942,874)	(100.00%)
General and admin. Exp.	22,789,162	16,358,107	6,431,055	39.31%
Income (loss) from operations	(22,789,162)	(5,415,233)	(17,245,178)	320.83%

Interest Expense	13,657,947	15,432,047	1,774,100	(11.50%)
Other income	1,028	324	704	217.28%
Interest expense (charges) – net	120,184	16,520	103,664	627.51%
Income (loss) before income tax	(P36,325,898)	(P20,830,436)	(P15,495,462)	74.39%

Revenues

For the three-month period ended March 31, 2026, East Coast Mineral Resources Company Inc. , the subsidiary, holder of MPSA of Cagdianao Mining Corporation (CMC) and Libjo Mining Corporation (LMC), has no shipment during the period. The companies CMC and LMC has been doing the preparatory activities consisting primarily of restoration of mine pit, waste dump site, and settling pond, road widening, repair of haul roads and causeway improvement and expects to make shipments for the second and third quarter of 2026, which will increase the Company's income.

General and admin exp.

General and admin expenses increase by 39.31% or P6.43 million from P22.96 million for the 1st quarter period last year to P22.79 million this year. The increase was due to increases in commission fees, repairs and maintenance and professional fees.

Statement of Financial Position

Assets

The consolidated total assets of the Company decrease by P69.86 million from P1.94 billion as of December 31, 2025 to P1.87 billion as of March 31, 2026. The decrease was mainly due to the following:

- **Trade and other receivable** decrease by P34.57 million or 55.87% from P61.87 million to P27.30 million in 2026 mainly due to the collection of trade receivable.
- **Due to related parties** decrease by P21.09 million in 2026 or 10.75% from P196.14 to P175.05 million mainly due to collection of advances.
- **Property and equipment** decrease by P7.04 million or 6.09% from P115.64 million to P108.59 million in 2026 due to depreciation and depletion.

Liabilities

The consolidated total liabilities of the Company decrease by P33.53 million from P735.68 million as of December 31, 2025 to P702.15 million as of March 31, 2026. The 4.56% decrease was mainly due to the following:

- **Due to related parties** decrease by P6.86 million or 10.99% from P62.42 million to P55.56 million in 2026 mainly due to payment from Stockholders.
- **Loans payable - current** decrease by P26.32 million or 5.58% from P471.85 million to P445.53 million in 2026 mainly due to the payment of loans this quarter.

Equity

The stockholders' equity of the Company decreased by P36.33 million or 3.01% from P1.21 billion in 2025 to P1.17 billion as of March 31, 2026. This was mainly due to the net loss incurred during the period.

Statement of Cash Flows

As of March 31, 2026, the net cash provided in operating activities amounting to P12.93 million was mainly due to the collection of trade receivables and decrease of due from related parties. Net cash provided for

investing activities amounting to ₱18.79 million was mainly due to collection from related parties. Net cash used for financing activities amounting to ₱37.11 million was primarily for payment of loans payable. The net effect of the foregoing operating, investing, and financing activities is a decrease of ₱5.38 million in cash, leaving a balance of ₱8.34 million in cash during the period.

Item 2. Financial Statements

The financial statements are filed as part of this Form 17-Q.

The interim financial reports of the Company are in compliance with the generally accepted accounting principles applied on a basis consistent with that of the preceding quarters/period.

The financial statements are prepared in conformity with the same accounting policies and methods of computation are followed in the interim financial statements as compared with the most recent annual financial statements.

Horizontal and Vertical Analysis:

	Horizontal Analysis				Vertical Analysis	
	Mar. 31, 2026 Unaudited	2025 Audited	Change	% Change	March 2026	2025
ASSETS						
Current Assets						
Cash	₱8,342,867	₱13,725,703	(₱5,382,836)	(39.22%)	0.45%	0.71%
Trade and other receivables	27,302,501	61,873,245	(34,570,744)	(55.87%)	1.46%	3.18%
Due from related parties	175,048,233	196,143,247	(21,095,014)	(10.75%)	9.34%	10.09%
Prepayments and other current assets	90,391,119	94,461,373	(4,070,254)	(4.31%)	4.82%	4.86%
Total Current Assets	301,084,720	366,203,568	(65,118,848)	(17.78%)	16.07%	18.84%
Noncurrent Assets						
Property and equipment (net)	108,589,701	115,635,513	(7,045,812)	(6.09%)	5.80%	5.95%
Intangible asset	521,320	359,891	161,429	44.85%	0.03%	0.02%
Mining rights	1,308,938,513	1,308,938,513	-	-	69.86%	67.35%
Deferred exploration costs	150,053,692	147,909,653	2,144,039	1.45%	8.01%	7.61%
Deferred tax asset - net	4,342,189	4,342,189	-	-	0.23%	0.22%
Total Noncurrent Assets	1,572,445,415	1,577,185,759	(4,740,344)	(0.30%)	83.93%	81.16%
TOTAL ASSETS	₱1,873,530,135	₱1,943,389,327	(69,859,192)	(3.59%)	100.00%	100.00%

LIABILITIES AND EQUITY

Current Liabilities						
Trade and other payables	₱80,594,545	₱77,015,606	3,578,939	4.53%	4.30%	3.96%
Due to related parties	55,562,662	62,424,406	(6,861,744)	(10.99%)	2.97%	3.21%
Loans payable - current portion	445,531,380	471,847,507	(26,316,127)	(5.58%)	23.78%	24.28%
Installment payable - current portion	99,039,380	102,973,543	(3,934,163)	(3.82%)	5.29%	5.30%
Total Current Liabilities	680,727,967	714,261,062	(33,533,095)	(4.69%)	36.33%	36.75%
Noncurrent Liabilities						
Installment payable - noncurrent portion	3,050,121	3,050,121	-	0.00%	0.16%	0.16%
Retirement benefits liability	18,372,419	18,372,419	-	0.00%	0.98%	0.95%
Total Noncurrent Liabilities	21,422,540	21,422,540	-	0.00%	1.14%	1.10%
Total Liabilities	702,150,507	735,683,602	(33,533,095)	(4.56%)	37.48%	37.86%
Equity						
Capital stock	6,172,497,120	6,172,497,120	-	-	329.46%	317.62%
Equity reserve	(5,258,607,201)	(5,258,607,201)	-	-	(280.68%)	(270.59%)

Remeasurement gain on retirement benefits liability	7,210,202	7,210,202	-	-	0.38%	0.37%
Retained earnings	250,279,507	286,605,604	(36,326,097)	(12.67%)	13.36%	14.75%
Total Equity	1,171,379,628	1,207,705,725	(36,326,097)	(3.01%)	62.53%	62.14%

TOTAL LIABILITIES AND EQUITY	₱1,873,530,135	₱1,943,389,327	(69,859,192)	(3.59%)	100.00%	100.00%

	For the Three-months ended March 31		Horizontal Analysis		Vertical Analysis	
	2026 Conso Unaudited	2025 Conso Unaudited	Increase (decrease)			
REVENUE	₱-	₱10,942,874	(₱10,942,874)	(100.0%)	-	100.0%
GENERAL AND ADMIN. EXP.	22,789,162	16,358,107	6,431,055	39.31%	-	149.5%
INCOME (LOSS) FROM OPERATIONS	(22,789,162)	(5,415,233)	(17,373,929)	320.83%	-	(49.5%)
INTEREST EXPENSE	13,657,948	15,432,047	(1,774,100)	(11.50%)	-	(141.0%)
OTHER INCOME						
Interest income from bank deposits	1,028	324	704	217.28%	-	0.0%
OTHER INCOME (CHARGES) - NET	120,184	16,520	103,664	627.51%	-	0.2%
INCOME (LOSS) BEFORE INCOME TAX	(36,325,898)	(20,830,436)	(15,495,462)	74.39%	-	(190.4%)
OTHER COMPREHENSIVE INCOME	-	-	-	-	-	-
TOTAL COMPREHENSIVE LOSS	(₱36,325,898)	(₱20,830,436)	(15,495,462)	74.39%	-	(190.4%)

Other Information

- There are NO known trends, demands, commitments, events or uncertainties that have or are reasonably likely to have material impact on the Company's liquidity.
- The Company has NO material commitments for capital expenditures.
- The standards mentioned in SEC Memorandum Circular No. 6 Series of 2013 are not applicable to the Company's interim financial statements as of the period ended September 30, 2023.
- There will be no purchase /sale of significant equipment in the next twelve months.
- The number of employees will have no significant change in the next twelve (12) months.
- Any material commitment for capital expenditures- the Company has NO material commitments for capital expenditures.

- g. Any known trends, events or uncertainties that have had or that are reasonably expected to have a material favorable or unfavorable impact on net sales/revenues/income from continuing operations is not applicable
- h. Any significant elements of income or loss that did not arise from the issuer's continuing operations is not applicable
- i. Any seasonal aspects that had material effect on the financial condition or results of operations is not applicable
- j. The Company activities expose it to a variety of financial risks. The Board of Directors reviews and approves on policies for managing each of these risks namely:

Key Performance Indicators (KPIs)

The top five (5) key performance indicators of the Company are as follows:

The change in key indicators as of March 31, 2026 as compared to March 31, 2025 and December 31, 2025 noted a significant decrease in all areas due to net loss incurred during each period.

In general, Management is not aware of any material event or uncertainty that has affected the current fiscal period and/or would have a material impact on future operations of the Company.

	<u>Consolidated</u> <u>31 Mar. 2026</u>	<u>Consolidated</u> <u>Dec. 2025</u>	<u>Consolidated</u> <u>31 Mar. 2025</u>
Current Ratio	0.44:1	0.51:1	0.25:1
<u>Current Assets</u>	<u>301,084,720</u>	<u>366,203,568</u>	<u>203,781,515</u>
Current Liabilities	680,727,967	714,261,062	816,398,643
Debt to Equity Ratio	0.60:1	0.61:1	0.67:1
<u>Total Liabilities</u>	<u>702,150,507</u>	<u>735,683,602</u>	<u>841,375,168</u>
Stockholders' Equity	1,171,379,628	1,207,705,725	1,249,753,936
Equity to Debt Ratio	1.67:1	1.64:1	1.49:1
<u>Stockholders' Equity</u>	<u>1,171,379,628</u>	<u>1,207,705,725</u>	<u>1,249,753,936</u>
Total Liabilities	702,150,507	735,683,602	841,375,168
Book Value Per Share	0.19	0.20	0.20
<u>Stockholders' Equity</u>	<u>1,171,379,628</u>	<u>1,207,705,725</u>	<u>1,249,753,936</u>
Total # of shares	6,172,497,120	6,172,497,120	6,172,497,120
Earnings (Loss) per share	(0.006)	(0.01)	(0.003)
<u>Net Income (Loss)</u>	<u>(36,326,097)</u>	<u>(64,252,863)</u>	<u>(20,830,496)</u>
Total # of shares	6,172,497,120	6,172,497,120	6,172,497,120

Liquidity Risk

Liquidity risk is the risk the Company will not be able to meet its financial obligations as they fall due. The Company's objective to managing liquidity risk is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking adverse effect to the Company's credit standing.

The company manages liquidity risk by maintaining balance between continuity of funding and flexibility. As part of its liquidity risk management, the Company regularly evaluates its projected cash flows.

The financial assets held by the Company for liquidity purposes consist of cash, all of the Company's financial liabilities are either due and demandable or payable within the year.

Equity Price Risk

Equity price risk is the risk that the value of a financial instrument will fluctuate because of changes in market prices. The Company is exposed to equity price risk because of quoted financial assets held by the Company, which are classified on the financial statements of consolidated balance sheets as AFS financial assets.

Financial instruments

The Company's financial instruments consist of cash. The main purpose of the financial instruments is to fund the Company's operations. The Company has various other financial instruments such as accrued expenses and other payables that arise directly from its operations.

Financial instruments are recognized initially at fair value, which is the fair value of the consideration given (in case of asset) or received (in case of a liability). The initial measurement of financial instruments, except for those financial assets and financial liabilities at fair value through profit or loss (FVPL), includes transaction cost.

On initial recognition, the Company classifies its financial assets in the following categories: Held-for-Maturity (HTM) investments, AFS financial assets, and loans and receivables. The classification depends on the purpose for which the investments were acquired and whether they are quoted in an active market. Management determines the classification of its financial assets at initial recognition and, where allowed and appropriate, re-evaluates such designation at every financial reporting date.

Under PAS 39, all financial liabilities are recognized initially at fair value and in case of loans and borrowings, plus directly attributable transaction costs. Financial liabilities are classified as FVPL, loans and borrowings and derivatives designated as hedging instruments in an effective hedge, as appropriate.

Financial instruments are classified as liabilities or equity in accordance with the substance of the contractual agreement. Interest, dividends, gains and losses relating to a financial instrument or a component that is a financial liability are reported as expense or income. Distributions to holders of financial instruments classified as equity are charged directly to equity net of any related income tax benefits.

The Company's financial assets consist of loans and receivables and AFS investments. The Company's financial liabilities are classified as loans and borrowings. The Company has no financial assets and liabilities at FVPL and HTM investment.

The fair value of financial instruments that are actively traded in organized financial markets is determined by reference to quoted market bid prices at the close of business on the reporting date. For investments and all other financial instruments where there is no active market, fair value is determined by using generally accepted valuation techniques. Such techniques include using arm's length market transactions; reference to the current market value of another instrument, which are substantially the same; discounted cash flow analysis and other valuation models.

PART II - OTHER INFORMATION

There were no items for disclosure that were made under SEC Form 17-C during the current interim period (01 January to March 31, 2026).

PART III – FINANCIAL SOUNDNESS INDICATORS

<i>Profitability Ratios</i>	Consolidated March 31, 2026	Consolidated March 31, 2025
Return on Assets	-1.94%	-1.00%
Return on Equity	-3.10%	-1.67%
Gross profit margin	0.0%	-190.36%
Net profit margin	0.0%	-190.36%
<i>Liquidity and Solvency Ratios</i>		
Current Ratio	0.44	0.25
Quick Ratio	0.44	2.56
Solvency Ratio	2.803	2.485
<i>Financial Leverage Ratios</i>		
Asset to Equity Ratio	1.60	1.67
Debt Ratio	0.37	0.40
Debt to Equity Ratio	0.60	0.67
Interest Coverage Ratio	(1.68)	1.35

Liquidity Ratio

a. Current Ratio

Total Current Assets/ Total Current Liabilities

b. Quick Ratio

Quick asset / Total Current Liabilities

Solvency Ratio

a. Debt Ratio

Total liabilities / Total assets

b. Debt to Equity Ratio

Total liabilities / Shareholder's Equity

Profitability Ratio

a. Return on Equity Ratio

Net Income (Loss) / Average shareholder's equity

b. Return on Assets

Net Income (Loss)/ Average Total assets

- c. Fixed Assets Turnover Ratio:
 $\text{Revenue} / \text{Property Plant and Equipment}$
- d. Asset to Equity Ratio:
 $\text{Total Assets} / \text{Stockholders' Equity}$
- e. Asset Turnover:
 $\text{Revenue} / \text{Total Assets}$
- f. Interest Coverage Ratio
 $\text{Net Income (Loss)} / \text{Interest expense}$

SIGNATURE

Pursuant to the requirements of Section 11 of the RSA and Section 141 of the Corporation Code, the registrant has duly caused this report to be signed on its behalf by the undersigned; thereunto duly authorized, in the City of Makati on _____ April 2026.

EAST COAST VULCAN MINING CORPORATION

Issuer

Pursuant to the requirements of the Revised Securities Act, this annual report has been signed by the following persons in the capacities and on the dates indicated.

By:


Hilario G. Pagautan
President/CEO


Ma. Hilarnie Mercedes P. Parada
Treasurer

EAST COAST VULCAN MINING CORPORATION
SEPARATE STATEMENTS OF FINANCIAL POSITION

	Unaudited March 31, 2026	Audited 2025
ASSETS		
Current Assets		
Cash in bank and on hand	₱346,320	₱336,640
Other current assets	1,232,348	1,189,748
Total Current Assets	1,578,668	1,526,388
Noncurrent Asset		
Investment in subsidiary	5,180,000,000	5,180,000,000
Property and equipment	-	-
Total NonCurrent Assets	5,180,000,000	5,180,000,000
TOTAL ASSETS	₱5,181,578,668	₱5,181,526,388
LIABILITIES AND EQUITY		
Current Liabilities		
Accrued expenses	₱3,019,290	₱2,626,526
Due to related parties	108,728,150	107,538,496
Total Current Liabilities	111,747,440	110,165,022
Equity		
Capital stock	6,172,497,120	6,172,497,120
Deficit	(1,102,665,892)	(1,101,135,754)
Total Equity	5,069,831,228	5,071,361,366
TOTAL LIABILITIES AND EQUITY	₱5,181,578,668	₱5,181,526,388

EAST COAST VULCAN MINING CORPORATION
SEPARATE STATEMENTS OF COMPREHENSIVE INCOME

	Unaudited March 31, 2026	Unaudited March 31, 2025
GENERAL AND ADMIN. EXP.	₱1,530,168	₱1,520,471
OTHER INCOME		
Interest income from bank deposits	30	23
NET LOSS	(1,530,138)	(1,520,448)
OTHER COMPREHENSIVE INCOME	—	—
TOTAL COMPREHENSIVE LOSS	(₱1,530,138)	(₱1,520,448)
BASIC/DILUTED LOSSES PER SHARE	(₱0.000)	(₱0.000)

EAST COAST VULCAN MINING CORPORATION**SEPARATE STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY**

	Unaudited	
	March 31, 2026	March 31, 2025
CAPITAL STOCK		
Authorized:		
Common shares - ₱1 par value		
12,000,000,000/4,000,000,000 shares	₱12,000,000,000	₱12,000,000,000
Issued and subscribed:		
Common shares - ₱1 par value		
963,944,338 shares	6,630,000,000	6,630,000,000
Subscription receivable:		
Common shares - ₱1 par value		
₱457,502,880)	457,502,880	457,502,880
	6,172,497,120	6,172,497,120
DEFICIT		
Beginning	(1,101,135,754)	(1,093,245,208)
Add Net loss during the period	(1,530,138)	(1,520,448)
Ending	(1,102,665,892)	(1,094,765,656)
BALANCE	₱5,069,831,228	₱5,077,731,464

EAST COAST VULCAN MINING CORPORATION
SEPARATE STATEMENTS OF CASH FLOWS

	Unaudited March 31, 2026	Unaudited March 31, 2025
CASH FLOWS FROM OPERATING ACTIVITIES		
Net loss	(₱1,530,138)	(₱1,520,448)
Adjustments for:		
Depreciation	-	-
Interest income	(30)	(23)
Operating loss before working capital changes	(1,530,168)	(1,520,471)
Decrease (increase) in:		
Input VAT	(42,600)	(50,280)
Increase (decrease) in:		
Accrued expenses	392,764	383,000
Due to related parties	1,189,654	1,187,752
Net cash flows from operations	9,650	-
Interest received	30	23
Net cash flows from operating activities	9,680	23
CASH FLOW FROM AN INVESTING ACTIVITY		
Additions to property and equipment	-	-
NET INCREASE IN CASH	9,680	23
CASH AT BEGINNING OF YEAR	366,640	266,402
CASH AT END OF YEAR	₱346,320	₱266,425

EAST COAST VULCAN MINING CORPORATION AND SUBSIDIARY
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	Unaudited March 31, 2026	Audited December 31, 2025
ASSETS		
Current Assets		
Cash in bank and on hand	₱8,342,867	₱13,725,703
Trade and other receivables	27,302,501	61,873,245
Due from related parties	175,048,233	196,143,247
Prepayments and other current assets	90,391,119	94,461,373
Total Current Assets	301,084,720	366,203,568
Noncurrent Asset		
Property and equipment	108,589,701	115,635,513
Intangible asset	521,320	359,891
Mining rights	1,308,938,513	1,308,938,513
Deferred exploration cost	150,053,692	147,909,653
Deferred tax asset	4,342,189	4,342,189
Total NonCurrent Assets	1,572,445,415	1,577,185,759
TOTAL ASSETS	₱1,873,530,135	₱1,943,389,327
LIABILITIES AND EQUITY		
Current Liabilities		
Trade and other payable	₱80,594,545	₱77,015,606
Due to related parties	55,562,662	62,424,406
Loans payable – current portion	445,531,380	471,847,507
Installment payable – current portion	99,039,380	102,973,543
Total Current Liabilities	680,727,967	714,261,062
Noncurrent Liabilities		
Installment payable – noncurrent portion	3,050,121	3,050,121
Retirement benefit liability	18,372,419	18,372,419
Total Noncurrent Liabilities	21,422,540	21,422,540
Total Liabilities	702,150,507	735,683,602
Equity		
Capital stock	6,630,000,000	6,630,000,000
Subscription receivable	(457,502,880)	(457,502,880)
Equity reserve	(5,258,607,201)	(5,258,607,201)
Remeasurement gain on retirement benefit liability	7,210,202	7,210,202
Retained earnings (deficit)	250,279,507	286,605,604
Total Equity	1,171,379,628	1,207,705,725
TOTAL LIABILITIES AND EQUITY	₱1,873,530,135	₱1,943,389,327

EAST COAST VULCAN MINING CORPORATION AND SUBSIDIARY
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	Unaudited March 31, 2026	Unaudited March 31, 2025
REVENUE	₱-	₱10,942,874
GENERAL AND ADMIN. EXP.	22,789,162	16,358,107
INCOME (LOSS) FROM OPERATIONS	(22,789,162)	(5,415,233)
INTEREST EXPENSE	13,657,948	15,432,047
OTHER INCOME		
Interest income from bank deposits	1,028	324
OTHER INCOME (CHARGES) - NET	120,184	16,520
INCOME (LOSS) BEFORE INCOME TAX	(₱36,325,898)	(20,830,436)
PROVISION FOR INCOME TAX - CURRENT	199	60
COMPREHENSIVE INCOME (LOSS)	(₱36,326,097)	(₱20,830,496)
BASIC/DILUTED LOSSES PER SHARE	(₱0.005)	(₱0.003)

EAST COAST VULCAN MINING CORPORATION AND SUBSIDIARY
CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY

	Unaudited March 31, 2026	Audited December 31, 2025
CAPITAL STOCK		
Authorized:		
Common shares - ₱1 par value		
12,000,000,000/4,000,000,000 shares	₱12,000,000,000	₱12,000,000,000
Issued and subscribed:		
Common shares - ₱1 par value		
6,172,497,120 shares	6,630,000,000	6,630,000,000
Subscription receivable:		
Common shares - ₱1 par value		
₱457,502,880)	(457,502,880)	(457,502,880)
	6,172,497,120	6,172,497,120
RETAINED EARNINGS		
Beginning	286,605,604	350,858,467
Add Net (loss) gain during the period	(36,326,097)	(64,252,863)
Other comprehensive income	-	-
Ending	250,279,507	286,605,604
EQUITY RESERVE	(5,258,607,201)	(5,258,607,201)
REMEASUREMENT GAIN ON RETIREMENT LIABILITY	7,210,202	7,210,202
BALANCE	₱1,171,379,628	₱1,207,705,725

EAST COAST VULCAN MINING CORPORATION AND SUBSIDIARY
CONSOLIDATED STATEMENTS OF CASH FLOWS

	Unaudited March 31, 2026	Audited December 31, 2025
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income (loss)	(P36,325,898)	(P9,291,042)
Adjustments for:		
Depreciation	7,045,811	317,380,594
Interest expense	13,657,948	61,291,486
Current service cost on retirement benefits liability	-	1,114,405
Unrealized foreign exchange loss - net	-	(1,003,663)
Interest income	(1,028)	(3,052)
Operating loss before working capital changes	(15,623,166)	369,488,728
Decrease (increase) in:		
Trade and other receivables	34,570,744	(174,380,725)
Other current assets	4,070,254	(23,331,355)
Increase (decrease) in:		
Trade and other payables	3,578,939	(36,869,272)
Net cash flows from operations	26,596,770	134,907,376
Interest paid	(13,657,948)	(60,500,556)
Income taxes paid	(199)	(55,288,117)
Interest received	1,028	3,052
Net cash flows from (used in) operating activities	12,939,651	19,121,755
CASH FLOW FROM INVESTING ACTIVITIES		
Mine and mining properties	(2,144,039)	
Additions to property and equipment	(161,428)	(201,100)
Additions to intangible asset		(111,429)
Other noncurrent assets		
Due from related parties	21,095,014	(281,082,257)
Net cash (used in) investing activities	18,789,547	(281,394,786)
CASH FLOW FROM FINANCING ACTIVITIES		
Availment of loans payable		(17,164,681)
Payments of installment payable		(4,685,911)
Payments of loans payable	(30,250,290)	290,733,200
Due to related parties	(6,861,744)	
Net cash from (used in) Financing activities	(37,112,034)	268,882,608
NET INCREASE (DECREASE) IN CASH	(5,382,836)	6,609,577
CASH AT BEGINNING OF YEAR	13,725,703	7,116,126
CASH AT END OF YEAR	P8,342,867	P13,725,703

EAST COAST VULCAN MINING CORPORATION AND SUBSIDIARY

(Formerly East Coast Vulcan Corporation)

NOTES TO FINANCIAL STATEMENTS

1. Corporate Information and Status of Operations

Corporate Information

East Coast Vulcan Mining Corporation (formerly, Vulcan Industrial & Mining Corporation, ECVMC, the Parent Company) was incorporated and registered with the Philippine Securities and Exchange Commission (SEC) on January 13, 1953 and was listed in the Philippine Stock Exchange (PSE) on August 31, 1970. The primary and secondary purpose of ECVMC is as a holding company and such other purposes as management deems fit and in the best interest of the Parent Company.

Amendment of Articles of Incorporation

In 2021, the BOD and Stockholders have approved the following amendment in the Parent Company's Articles of Incorporation

- Change in corporate name to East Coast Vulcan Corporation;
- Change in principal office address to 15th Floor, High Rise, Pacific Star Building, 1226 Sen. Gil J. Puyat Ave., Makati City, Metro Manila; and,
- Increase in authorized capital stock from 4 billion shares to 12 billion shares.

In 2022, the Parent Company submitted its application for the amendment of Articles of Incorporation to the Philippine SEC. On May 29, 2023, the SEC approved the Parent Company's application for the amendment of its Articles of Incorporation.

ECVMC and ECMRCI Share-for-Share Swap Transaction

On July 1, 2021, the Parent Company entered into a Memorandum of Agreement (MOA) with the majority stockholders (HGP Group) of East Coast Mineral Resources Company Incorporated (ECMRCI) for the latter's subscription up to 5,180.00 million shares of ECVMC arising from the increase in authorized capital stock. Upon approval of the SEC on May 29, 2023, the Parent Company issued 5,180,000,000 common shares with par value of ₱ 1 per share to HGP Group in exchange for the 100% outstanding shares of ECMRCI ("the Share Swap transaction") which resulted in ECVMC obtaining 100% interest in and control over ECMRCI. ECVMC and its subsidiary, ECMRCI, are referred to as "the Group".

Status of Operations

As of April 27, 2026, the Group is a holder of three Mineral Product and Sharing Agreements (MPSA):

- MPSA-078-97-XIII-SMR issued on November 19, 1997 covering an area of 697.05 hectares in the Municipality of Cagdianao, Dinagat Islands. On March 22, 2022, the Mines and Geosciences Bureau (MGB) ordered the renewal of the MPSA between the Government and the Group for another twenty-five years. Exploration is done by and with Cagdianao Mining Corporation under a Memorandum of Agreement to explore and to operate for a period of 25 years which were renewed until 2047 (see Note 22).
- MPSA-233-2007-XIII-SMR issued in 2007 covering an area of 4,226.27 hectares in the Municipality of Libjo, Dinagat Islands. As an outcome of exploration works conducted, the area has a positive Nickel Ore Reserve of 30 million wet metric ton (WMT). Exploration is done by and with various operators, Libjo Mining Corporation, Westernshore Nickel Corporation and Norte Este Corporation, under a Memorandum of Agreement to explore and to operate during the lifetime of the MPSA (see Note 22).

- MPSA-232-2007-XIII-SMR covering an area of 248 hectares in the Municipality of Surigao del Norte, Hibuson Island. The area is now being explored by and with Oriental Vision Mining Philippines Corporation (OVMPC) (see Note 22).

In 2023, the BOD and Stockholders have approved the following amendment in the Parent Company's Articles of Incorporation

- Change in corporate name to East Coast Vulcan Mining Corporation;
- Change in principal office address to Unit 1502, Pacific Star Building, Sen. Gil J. Puyat Ave., Makati City, Metro Manila 1209; and
- The amount of capital stock of the Corporation is Twelve Billion Pesos (₱12,000,000,000.00), Philippine currency, and the said capital is divided into One Hundred Twenty Billion (120,000,000,000) common shares at the par value of Ten Centavos (₱0.10) per share.

In 2023, the Parent Company submitted its application for the amendment of Articles of Incorporation to the Philippine SEC. On April 19, 2024, the SEC approved the Parent Company's application for the amendment of its Articles of Incorporation.

The Company's registered office address is at Unit 1502, Pacific Star Building, Sen. Gil J. Puyat Ave., Makati City, Metro Manila 1209.

The Group's Ability to Continue as a Going Concern

The Group incurred net loss of ₱64,252,863 and ₱79,446,223 in 2025 and 2024, respectively. In addition, the Group's current liabilities exceeded its current assets by ₱348,057,494 and ₱598,152,624 as of December 31, 2025 and 2024, respectively.

In response to these matters, the Group came up with the following actions:

- Continuously coordinate with the respective operators of its MPSA to continue confirmatory and exploration activities to further enhance Ore Reserves/Resources
- manage expenditures for its day-to-day activities
- enter into loan restructuring agreements to negotiate deferral of payments of third-party loans
- proceed with the necessary actions to complete the requirements on its permit renewal
- improve efficiency and production level of operations through strategic operational changes and capital developments to increase cash inflows generated

Management has determined that the actions above are sufficient to raise financial resources for at least the next twelve months from December 31, 2025 and has therefore prepared the financial reporting on a going concern basis.

Authorization for Issue of the Parent and Consolidated Financial Statements

The consolidated and parent company financial statements as of December 31, 2025 and 2024 and for each of the three years in the period ended December 31, 2025 were approved and authorized for issue by the BOD on April 27, 2026.

2. Basis of Preparation, Statement of Compliance, Changes in Accounting Policies and Disclosures and Material Accounting Policy Information

Basis of Preparation

The Group's and Parent Company's consolidated and parent company financial statements have been prepared under the historical cost basis. The consolidated and parent company financial statements are presented in Philippine peso (₱), which is the Group's and Parent Company's functional currency. All amounts are rounded to the nearest Philippine Peso, except as otherwise stated.

Acquisition of ECMRCI

As discussed in Note 1, ECVMC and HGP Group entered into a Share Swap transaction that resulted in ECVMC owning 100% of ECMRCI.

The Share Swap transaction is an asset acquisition because ECMRCI was deemed to be the accounting acquirer for accounting purposes accounted for under the reverse acquisition method following the guidance provided by the standard. In a reverse acquisition, the legal parent, ECVMC is identified as the acquiree for accounting purposes because based on the substance of the transaction, the legal subsidiary ECMRCI is adjudged to be the entity that gained control over the legal parent. Accordingly, the consolidated financial statements of ECVMC have been prepared as a continuation of the financial statements of ECMRCI. ECMRCI has accounted for the acquisition of ECMRCI on May 29, 2023, which was the date when ECMRCI acquired or gained control over ECVMC.

The Group determined that ECMRCI obtained control over ECVMC upon issuance of shares on May 29, 2023. As allowed under PFRS 3, *Business Combinations*, an entity may designate an acquisition date of the end or the beginning of a month (convenience date), the date on which it closes its books, rather than the actual acquisition date. The Group determined that the date of acquisition is on May 29, 2023 (convenience date) rather than the actual date of issuance of shares there are no material transactions that occurred from May 29, 2023 to May 31, 2023.

The Share Swap transaction was a transaction between entities under common control since at acquisition date on May 31, 2023, ECVMC and ECMRCI are under the common control of HGP Group.

The comparative December 31, 2022 and January 1, 2022 information presented in the consolidated statements of changes in equity is that of ECMRCI, not originally presented in the previous financial statements of the legal parent (the Parent Company - accounting acquiree) and is also retroactively adjusted to reflect the legal capital (i.e., the number and type of capital stock issued) of ECVMC. The adjustment, which is the difference between the capital structure of ECVMC and ECMRCI, is recognized as part of the equity reserve in the consolidated statements of financial position as at December 31, 2025 and 2024.

Because the accompanying consolidated financial statements represent a continuation of the financial statements of ECMRCI, except for its capital structure, the consolidation reflects:

- a. The consolidated assets and liabilities of ECMRCI (legal subsidiary/accounting acquirer) recognized and measured at their pre-combination carrying amounts and not at fair value, and the assets and liabilities of

- ECVMC (legal parent/accounting acquiree), consisting of cash, prepayments, office equipment, trade and other payables and due to related parties, recognized and measured at acquisition cost;
- b. The retained earnings of ECMRCI for the full period together with the post-combination results of ECVMC from May 31, 2023, the date when ECVMC was acquired by ECMRCI;
 - c. The total equity that shows the combined equity of ECVMC and ECMRCI with the legal capital of ECMRCI eliminated as the legal capital reflected would be that of ECVMC (legal parent);
 - d. Any difference between the consideration transferred by ECVMC and the legal capital of ECMRCI that is eliminated is reflected as "Equity reserve".
 - e. The consolidated statements of comprehensive income for the year ended December 31, 2022 and 2021 reflect that of ECMRCI for the full period.

Reverse acquisition applies only to the consolidated financial statements. The Parent Company financial statements will continue to represent ECVMC as a stand-alone entity as at December 31, 2025 and 2024 and for each of the three years in the period ended December 31, 2025.

Statement of Compliance

The consolidated and parent company financial statements have been prepared in accordance with Philippine Financial Reporting Standards (PFRS) Accounting Standards.

Basis of Consolidation

The consolidated financial statements comprise the financial statements of the Group as at December 31, 2025 and 2024 and for each of the three years in the period ended December 31, 2025. The financial statements of the subsidiary are prepared for the same reporting year as the Parent Company using uniform accounting policies. When necessary, adjustments are made to the separate financial statements of the subsidiary to bring its accounting policies in line with the Parent Company's accounting policies.

Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if, and only if, the Group has:

- power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee);
- exposure, or rights, to variable returns from its involvement with the investee; and
- the ability to use its power over the investee to affect its returns.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the Parent Company and to the non-controlling interests (NCI), even if this results in the NCI having a deficit balance. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognizes the related assets (including goodwill), liabilities, NCI and other components of equity while any resulting gain or loss is recognized in the consolidated statement of income. Any investment retained is recognized at fair value.

NCI represents the interests in the subsidiaries not held by the Parent Company and are presented separately in the consolidated statement of income and within equity in the consolidated statement of financial position, separately from equity attributable to holders of the Parent Company. NCI shares in losses even if the losses exceed the NCI in the subsidiary.

Changes in Accounting Policies and Disclosures

New Standards, Interpretations and Amendments

The accounting policies adopted are consistent with those of the previous financial year, except for the adoption of amendments effective in 2025. The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

- Amendments to PAS 1, *Classification of Liabilities as Current or Non-current*

The amendments clarify:

- That only covenants with which an entity must comply on or before reporting date will affect a liability's classification as current or non-current.
- That classification is unaffected by the likelihood that an entity will exercise its deferral right.
- That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification.

- Amendments to PFRS 16, *Lease Liability in a Sale and Leaseback*

The amendments specify how a seller-lessee measures the lease liability arising in a sale and leaseback transaction in a way that it does not recognize any amount of the gain or loss that relates to the right of use retained.

- Amendments to PAS 7 and PFRS 7, *Disclosures: Supplier Finance Arrangements*

The amendments specify disclosure requirements to enhance the current requirements, which are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk.

- Amendments to PAS 21, *Lack of exchangeability*

The amendments specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking.

The amendments are effective for annual reporting periods beginning on or after January 1, 2025. Earlier adoption is permitted and that fact must be disclosed. When applying the amendments, an entity cannot restate comparative information.

Standards Issued but not yet Effective

Pronouncements issued but not yet effective are listed below. Unless otherwise indicated, the Group does not expect that the future adoption of the said pronouncements will have a significant impact on its consolidated financial statements. The Group intends to adopt the following pronouncements when they become effective.

Effective beginning on or after January 1, 2026

- Amendments to Illustrative Examples on PFRS 7, PFRS 18, PAS 1, PAS 8, PAS 26 and PAS 37, *Disclosures about Uncertainties in the Financial Statements*
- Amendments to PFRS 9 and PFRS 7, *Classification and Measurement of Financial Instruments*
- Amendments to PFRS 9 and PFRS 7, *Contracts Referencing Nature-dependent Electricity*
- Annual Improvements to PFRS Accounting Standards—Volume 11
 - Amendments to PFRS 1, *Hedge Accounting by a First-time Adopter*
 - Amendments to PFRS 7, *Gain or Loss on Derecognition*
 - Amendments to PFRS 9, *Lessee Derecognition of Lease Liabilities and Transaction Price*
 - Amendments to PFRS 10, *Determination of a 'De Facto Agent'*
 - Amendments to PAS 7, *Cost Method*

Effective beginning on or after January 1, 2027

- PFRS 17, *Insurance Contracts*
- PFRS 18, *Presentation and Disclosure in Financial Statements*
- PFRS 19, *Subsidiaries without Public Accountability*
- Amendments to PAS 21, *Translation to a Hyperinflationary Presentation Currency*

Deferred effectivity

- Amendments to PFRS 10, *Consolidated Financial Statements*, and PAS 28, *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*

Summary of Material Accounting Policies

The accounting policies set out below have been applied consistently to all periods presented in the Group's consolidated and parent company's financial statements, unless otherwise indicated.

Presentation of Financial Statements

The Group has elected to present all items of recognized income and expense in two statements: a statement displaying components of profit or loss (consolidated and parent company statement of income) and a second statement beginning with profit or loss and displaying components of OCI (consolidated and parent company statement of comprehensive income).

Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible to the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a nonfinancial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the consolidated and parent company financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy.

Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial Assets: Initial Recognition and Measurement

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. The Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVTPL), transaction costs.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognized on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

Contractual Cash Flows Characteristics

If the financial asset is held within a business model whose objective is to hold assets to collect contractual cash flows or within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets, the Group assesses whether the cash flows from the financial asset represent 'solely payments of principal and interest' (SPPI) on the principal amount outstanding.

In making this assessment, the Group determines whether the contractual cash flows are consistent with a basic lending arrangement, i.e., interest includes consideration only for the time value of money, credit risk and other basic lending risks and costs associated with holding the financial asset for a particular period of time. In addition, interest can include a profit margin that is consistent with a basic lending arrangement. The assessment as to whether the cash flows meet the test is made in the currency in which the financial asset is denominated. Any other contractual terms that introduce exposure to risks or volatility in the contractual cash flows that is unrelated to a basic lending arrangement, such as exposure to changes in equity prices or commodity prices, do not give rise to contractual cash flows that are SPPI on the principal amount outstanding.

Financial Assets: Subsequent Measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortized cost (debt instruments);
- Financial assets at FVTPL;
- Financial assets at fair value through other comprehensive income (FVOCI), where cumulative gains or losses previously recognized are reclassified to profit or loss (debt instruments); and
- Financial assets at FVOCI, where cumulative gains or losses previously recognized are not reclassified to profit or loss (equity instruments).

The Group's financial assets are all classified and measured at amortized cost.

Financial Assets at Amortized Cost

This category is most relevant to the Group. The Group measures financial assets at amortized cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are SPPI on the principal amount outstanding.

These financial assets are initially recognized at fair value plus directly attributable transaction costs and subsequently measured at amortized cost using the effective interest (EIR) method, less any impairment in value. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees and costs that are an integral part of

the EIR. The amortization is included in “Interest income” in the statements of comprehensive income and is calculated by applying the EIR to the gross carrying amount of the financial asset, except for (i) purchased or originated credit-impaired financial assets and (ii) financial assets that have subsequently become credit-impaired, where, in both cases, the EIR is applied to the amortized cost of the financial asset.

The Group’s financial asset at amortized cost includes cash in bank.

Impairment of Financial Assets

The Group recognizes expected credit losses (ECLs) for all debt instruments not held at FVTPL. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original EIR. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are measured in a way that reflects the following:

- an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
- the time value of money; and
- reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

Financial assets migrate through the following three stages based on the change in credit quality since initial recognition:

Stage 1: 12-month ECL

For credit exposures where there has not been a significant increase in credit risk since initial recognition and that are not credit-impaired upon origination, the portion of lifetime ECLs that represent the ECLs that result from default events that are possible within the 12 months after the reporting date are recognized.

Stage 2: Lifetime ECL - not credit-impaired

For credit exposures where there has been a significant increase in credit risk since initial recognition on an individual or collective basis but are not credit-impaired, lifetime ECLs representing the ECLs that result from all possible default events over the expected life of the financial asset are recognized.

Stage 3: Lifetime ECL - credit-impaired

Financial assets are credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of those financial assets have occurred. For these credit exposures, lifetime ECLs are recognized and interest revenue is calculated by applying the credit-adjusted EIR to the amortized cost of the financial asset.

For cash in bank, the Group applies the low credit risk simplification. The probability of default and loss given defaults are publicly available. At every reporting date, the Group evaluates whether the debt instrument is considered to have low credit risk using all

reasonable and supportable information that is available without undue cost or effort. In making that evaluation, the Group uses the rating from external credit agencies to determine whether the debt instrument has significantly increased in credit risk and to estimate ECLs.

A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Financial Liabilities: Initial Recognition and Measurement

Financial liabilities are classified, at initial recognition, as FVTPL, at amortized cost or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognized initially at fair value and, in the case of financial liabilities at amortized cost, net of directly attributable transaction costs.

The Group's financial liabilities are all classified and measured at amortized cost.

Subsequent Measurement – Financial Liabilities at Amortized Cost

This is the category most relevant to the Group. After initial recognition, interest-bearing financial liabilities are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in the statements of comprehensive income when the liabilities are derecognized as well as through the EIR amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as "Interest expense" in the statements of comprehensive income.

The Group's financial liabilities at amortized cost consist of trade and other payables, due to related parties, loans payable and installment payable.

Reclassifications of Financial Instruments

The Group reclassifies its financial assets when, and only when, there is a change in the business model for managing the financial assets. Reclassifications shall be applied prospectively by the Group and any previously recognized gains, losses or interest shall not be restated. The Group does not reclassify its financial liabilities.

Derecognition of Financial Assets and Liabilities

Financial Assets

A financial asset (or, where applicable a part of a financial asset or part of a group of similar financial assets) is primarily derecognized when:

1. the rights to receive cash flows from the asset have expired;
2. the Group retains the right to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a "pass-through" arrangement; or
3. the Group has transferred its rights to receive cash flows from the asset and either (a) has transferred substantially all the risks and rewards of the asset, or (b) has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all the risks and rewards of the asset, nor transferred control of the asset, the Group continues to

recognize the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Financial Liabilities

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or has expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statements of comprehensive income.

Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statements of financial position if there is a currently enforceable legal right to set off the recognized amounts and there is intention to settle on a net basis, or to realize the asset and settle the liability simultaneously. The Group assesses that it has a currently enforceable right of offset if the right is not contingent on a future event, and is legally enforceable in the normal course of business, event of default, and event of insolvency or bankruptcy of the Group and all of the counterparties.

Prepayments and Other Current Assets

Prepayments and other current assets are composed of prepaid expenses, creditable withholding taxes (CWTs), advances to suppliers and contractors, and input value-added tax (VAT). These are classified as current when these are probable to be realized within one year from the end of the reporting period. Otherwise, these are classified as noncurrent assets.

Property and Equipment

Property and equipment are carried at cost, excluding the cost of day-to-day servicing, less accumulated depreciation and any accumulated impairment in value. The initial cost of an item of property and equipment consists of its purchase price including import duties, taxes, and any directly attributable costs of bringing the asset to its working condition and location of its intended use. Such costs include the cost of replacing part of such property and equipment when that cost is incurred, only if the recognition criteria are met. Expenditures incurred after the asset has been put into operation, such as repairs and maintenance, are normally charged to statement of comprehensive income in the period in which the costs are incurred.

In situations where it can be clearly demonstrated that the expenditures have resulted in an increase in future economic benefits expected to be obtained from the use of an item of property and equipment beyond its originally assessed standard of performance, the expenditures are capitalized as an additional cost of property and equipment. Major maintenance cost that are capitalized as part of property and equipment are depreciated on

straight-line basis over the shorter of their estimated useful life, typically the period until the next major maintenance or inspection.

Depreciation of property and equipment is computed using the straight-line basis, net of any estimated residual value, over their estimated useful lives as follows:

Category	Number of Years
Building and other structures	5
Furniture and fixtures	5
Office equipment	5
Tools and Equipment	5
Communications Equipment	5
Transportation equipment	7
Other equipment	5

Depreciation of property and equipment begins when it becomes available for use, i.e., when it is in the location and condition necessary for it to be capable of operating in the manner intended by management. Depreciation do not cease when the asset becomes idle or is retired from active use unless the asset is fully depreciated and amortized. Depreciation of an asset ceases when the asset is derecognized.

Each part of an item of property and equipment with a cost that is significant in relation to the total cost of an item shall be depreciated and amortized separately.

The useful lives and depreciation method are reviewed at each reporting date to ensure that the period and method of depreciation are consistent with the expected pattern of economic benefits from items of property and equipment.

An item of property and equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the property and equipment (calculated as the difference between the net disposal proceeds and the carrying amount of the property and equipment) is recognized in the statements of comprehensive income in the year the property and equipment is derecognized.

When items of property and equipment are retired or otherwise disposed of, their cost and related accumulated depreciation and amortization and any impairment in value are eliminated from the accounts and any resulting gain or loss on disposal is included in the statements of comprehensive income.

Fully depreciated and amortized assets are retained in the accounts until they are no longer in use and no further depreciation is recorded.

Intangible Asset

Intangible assets are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortization in the case of intangible assets with finite useful lives, and any accumulated impairment losses. The useful lives of intangible assets are assessed to be either finite or indefinite. Intangible assets with finite lives are amortized over the asset's useful or economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. Amortization shall

begin when the asset is available for use, i.e. when it is in the location and condition necessary for it to be capable of operating in the manner intended by management.

The amortization period and method for an intangible asset with a finite useful life is reviewed at least at each financial year-end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortization period or method, as appropriate, and treated as changes in accounting estimates. The amortization on intangible assets with finite lives is recognized in the statements of comprehensive income consistent with the function of the intangible asset.

The Group's intangible asset pertains to the acquired computer software, which is estimated to have a useful life of five (5) years.

Intangible asset is derecognized on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognized in the statement of comprehensive income.

Mining Rights

Mining rights are identifiable intangible assets acquired by the entity to explore, extract, and retain, at least, a portion of the benefits from mineral deposits. Mining rights shall be recognized if it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the cost of the asset can be measured reliably.

Mining rights pertain to the right of the Group as the holder of the MPSA-078-97-XIII-SMR located in Cagdianao, Dinagat Islands, MPSA-233-2007-XIII-SMR located in Libjo, Dinagat Islands and MPSA-232-2007-XIII-SMR located in Surigao del Norte, Hibuson Island. The mining rights is acquired through the assignment of MPSA from CMC, LMC, Norte Este and WNC.

Mining rights with finite useful life is stated at cost less amortization and accumulated impairment in value. Impairment assessments are made if events or changes in circumstances indicate that a carrying value of the assets may not be recoverable.

The net carrying amount of mining rights of the Group is amortized using the units of production method based on the estimated economically recoverable reserves to which they relate or are written off if the properties covered by the mining rights are abandoned.

Deferred Exploration Costs

Costs incurred during the start-up phase of a mine are expensed as incurred. Ongoing mining expenditures on producing properties are charged against earnings as incurred.

Expenditures for mine exploration work prior to drilling are charged to operations. When it has been established that a mineral deposit is commercially mineable and a decision has been made to formulate a mining plan (which occurs upon completion of a positive economic analysis of the mineral deposit), the costs subsequently incurred to develop a mine on the property prior to the start of mining operations are capitalized. Upon the start of commercial operations, such costs are transferred to mine and mining properties under "Property and equipment".

Capitalized amounts may be written down if future cash flows, including potential sales proceeds related to the property, are projected to be less than the carrying value of the property. If no mineable ore body is discovered, capitalized acquisition costs are expensed in the period in which it is determined that the mineral property has no future economic value.

Major development expenditures incurred to expose the ore, increase production or extend the life of an existing mine are capitalized.

Impairment of Nonfinancial Assets

Nonfinancial prepayments and other current and noncurrent assets

The Group assesses at each financial reporting date, its prepayments and other current assets and deposits and other noncurrent assets to determine whether there is any indication that the assets may be impaired. If there is an indication of possible impairment, the recoverable amount of prepayments and other current assets and deposits and other noncurrent assets is estimated and compared with its carrying amount. If estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognized immediately in the statements of comprehensive income.

The Group provides allowance for impairment losses on nonfinancial prepayments and other current assets and deposits and other noncurrent assets when they can no longer be realized. The amounts and timing of recorded expenses for any period would differ if the Group made different judgments or utilized different estimates. An increase in allowance for impairment losses would increase recorded expenses and decrease prepayments and other current assets and deposits and other noncurrent assets.

Property and equipment, intangible assets and mining rights

The Group assesses at each financial reporting date whether there is an indication that property and equipment may be impaired. If any such indication exists, or when the annual impairment testing for an asset is required, the Group makes an estimate of the asset's recoverable amount. An asset's recoverable amount is the higher of its fair value less costs to sell (FVLCS) and its value-in-use (VIU) and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing VIU, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining FVLCS, an appropriate valuation model is used, with the calculations corroborated by other available fair value indicators. Any impairment loss is recognized in the statements of comprehensive income in those expense categories consistent with the function of the impaired asset.

Recovery of impairment losses recognized in prior years is recorded when there is an indication that the impairment losses recognized for the asset no longer exist or have decreased. The recovery is recorded in the statements of comprehensive income. However, the increased carrying amount of an asset due to a recovery of an impairment loss is recognized to the extent that it does not exceed the carrying amount that would have been determined (net of depreciation and amortization) had no impairment loss been recognized for that asset in prior years.

Deferred exploration costs

An impairment review is performed, either individually or at the CGU level, when there are indicators that the carrying amount of the assets may exceed their recoverable amounts. To the extent that this occurs, the excess is fully provided against, at the end of the reporting period in which this is determined.

Deferred exploration costs are reassessed on a regular basis. Facts and circumstances that would require an impairment assessment as set forth in PFRS 6, *Exploration for and Evaluation of Mineral Resources*, are as follows:

- The period for which the Group has the right to explore in the specific area has expired or will expire in the near future, and is not expected to be renewed
- Substantive expenditure on further exploration and evaluation of mineral resources in the specific area is neither budgeted nor planned
- Exploration for and evaluation of mineral resources in the specific area have not led to the discovery of commercially viable quantities of mineral resources and the Group has decided to discontinue such activities in the specific area
- When a service contract where the Group has participating interest in is permanently abandoned, and
- Sufficient data exist to indicate that, although a development in the specific area is likely to proceed, the carrying amount of the exploration and evaluation asset is unlikely to be recovered in full from successful development or by sale.

Retirement Benefits Costs

The Group has a non-funded, non-contributory defined retirement benefit plan covering substantially all its employees. The retirement benefits costs are actuarially determined using the projected unit credit method and incorporates assumptions concerning employees' projected salaries.

Retirement benefits costs comprise of the following:

- Service cost
- Net interest on the net retirement benefit liability or asset
- Remeasurements of net retirement benefit liability or asset

Service costs which include current service costs, past service costs and gains or losses on non-routine settlements are recognized as expense in statements of comprehensive income. Past service costs are recognized when plan amendment or curtailment occurs. These amounts are calculated periodically by independent qualified actuaries.

Net interest cost on the retirement benefit liability or asset is the change during the period in the net retirement liability that arises from the passage of time which is determined by applying the discount rate in government bonds to the net retirement benefit liability, determined at the start of the period, after considering any payments to the net retirement benefit liability during the period. Interest on the retirement benefit liability is recognized as finance expense in the statements of comprehensive income.

Remeasurements comprising actuarial gains and losses were previously recognized immediately in statements of comprehensive income in the period in which they arise.

Capital Stock

The Parent Company has issued capital stock that is classified as equity and recorded at par. Incremental costs incurred directly attributable to the issuance of new shares are deducted from additional paid-in capital (APIC). If APIC is not sufficient, the excess is charged against retained earnings (deficit).

Subscription Receivable

Subscription receivable pertains to the amount of subscribed capital stock less the amount paid-up. Subscription receivable is presented as deduction from capital stock.

Basic/Diluted Earnings/Losses Per Share

Basic earnings/losses per share is computed by dividing net loss attributable to equity holders of the Group for the year by the weighted average number of common shares outstanding during the year after giving retroactive effect to stock dividends declared and stock rights exercised during the year, if any. The Group currently does not have potential dilutive common shares.

Retained earnings (deficit)

Retained earnings (deficit) includes accumulated profits and losses attributable to the Group's stockholders. Retained earnings (deficit) may also include effect of changes in accounting policy as may be required by the standard's transitional provisions.

Equity Reserve

Equity reserve represents the residual amount recognized in the consolidated financial statements to reflect the equity of the legal subsidiary (accounting acquirer) before the business combination, which was accounted for as a reverse acquisition. However, the equity structure (i.e., the number and type of equity instruments issued) still reflects the equity structure of the legal parent (accounting acquiree), including the equity instruments issued by the legal parent to effect the combination.

Reverse Acquisitions

Consolidated financial statements prepared following a reverse acquisition are issued under the name of the legal parent (accounting acquiree) but described in the notes as a continuation of the financial statements of the legal subsidiary (accounting acquirer), with one adjustment, which is to adjust retroactively the accounting acquirer's legal capital to reflect the legal capital of the accounting acquiree. That adjustment is required to reflect the capital of the legal parent (the accounting acquiree). Comparative information presented in those consolidated financial statements also is retroactively adjusted to reflect the legal capital of the legal parent (accounting acquiree).

Combination of Entities under Common Control

Combination of entities under common control are accounted for by applying the pooling-of-interest method. The pooling-of-interests method generally involved the following:

- The assets and liabilities of the combining entities are reflected in the consolidated financial statements at their carrying amounts. No adjustments are made to reflect fair value or recognize any new assets or liabilities at the date of combination. The only adjustments that are made are those adjustments to harmonize the accounting policies.
- No new goodwill is recognized as a result of the combination. The only goodwill that is recognized is any existing goodwill relating to either of the combining entities. Any difference between the consideration paid or transferred and the entity acquired is reflected within equity.

- The consolidated statement of income, comprehensive income and cash flows reflect the result of the combining entities in full, irrespective of when the combination takes place.
- Comparative financial information are presented as if the entities had always been combined, or on the date the common control existed on the combining entities, whichever comes earlier.
- The effects of any intercompany transactions are eliminated to the extent possible.

OCI

OCI includes items of income and expenses (including items previously presented under statement of changes in equity) that are not recognized in the statement of comprehensive income for the year in accordance with PFRSs.

Revenue from Contracts with Customers

Revenue from contracts with customers is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. The Group assesses its revenue arrangements against specific criteria in order to determine if it is acting as principal or agent.

The following specific recognition criteria must also be met before revenue is recognized:

Royalty income

Royalty income is main source of revenue and is recognized from the share of sale of export of raw minerals by the Operators which rate is equivalent to certain percentage of gross receipts as stated in the agreements with various Operators.

Commission and marketing income

Commission income is recognized either based on the ore price per WMT at the date of loading and also equivalent to certain percentage of gross receipts depending on the agreement with various operators.

Other income

Other income is recognized as they are earned.

Expense Recognition

Costs and expenses are decreases in economic benefits during the accounting period in the form of outflows or decreases of assets or incurrence of liabilities that result in decreases in equity other than those relating to distributions to equity participants. Costs and expenses are recognized when the services are used, or the expense arises.

General and administrative expenses

General and administrative expenses consist of costs associated with the development and execution of day-to-day operations of the Group. These are generally recognized when the service is incurred or the related expense arises.

Other charges

Other charges are recognized as they are incurred.

Income Taxes

Current Income Tax

Current income tax assets and liabilities for the current and prior year periods are measured at the amount expected to be recovered from, or paid to, the tax authority. The tax rates and

tax laws used to compute the amount are those that have been enacted or substantively enacted as at the reporting date.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions when appropriate.

Deferred Income Tax

Deferred income tax is provided, using the liability method, on all temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred income tax assets are recognized for all deductible temporary differences, carryforward of unused tax credits and unused net operating loss carry-over (NOLCO), to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carryforward benefits of unused tax credits and unused NOLCO can be utilized.

Deferred income tax liabilities are recognized for all taxable temporary differences.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax assets to be utilized. Unrecognized deferred income tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profit will allow the deferred income tax assets to be recovered.

Deferred income tax assets and liabilities are measured at the tax rate that is expected to apply to the period when the asset is realized or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the reporting date.

OCI

OCI comprises items of income and expense (including items previously presented under the consolidated statement of changes in equity) that are not recognized in profit or loss for the year in accordance with PFRSs.

Segment Reporting

An operating segment is a component of an entity that: (a) engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the same entity); (b) whose operating results are regularly reviewed by the entity's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance; and (c) for which discrete financial information is available.

The Group has only one business and geographical segment.

Related Party Transactions

Transactions with related parties accounted for based on the nature and substance of the agreement, and financial effects are included in the appropriate asset, liabilities, income and expense accounts.

Provisions

Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as interest expense.

When the Group expects some or all of a provision to be reimbursed, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statements of comprehensive income, net of any reimbursement.

Contingencies

Contingent liabilities are not recognized in the financial statements. These are disclosed unless the possibility of an outflow of resources embodying economic benefits is remote. Contingent asset are not recognized in the financial statements but disclosed in the notes to financial statements when an inflow of economic benefits is probable.

Events After the Reporting Date

Post year-end events that provide additional information about the Group's position at the reporting date (adjusting events) are reflected in the financial statements. Post year-end events that are non-adjusting events are disclosed in the notes to the financial statements when material.

3. Significant Accounting Judgments, Estimates and Assumptions

The Group's financial statements prepared in accordance with PFRSs require management to make judgment, estimates and assumptions that affect the amounts reported in the financial statements and related notes. The estimates and assumptions used in the financial statements are based upon management's evaluation of relevant facts and circumstances as of the date of the Group's financial statements. Actual results could differ from such estimates.

Judgments, estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Judgments

In the process of applying the Group's accounting policies, management has made the following significant judgments, apart from those including estimations and assumptions, which have the most significant effect on the amounts recognized in the financial statements.

Assessing Going Concern

The use of going concern assumption requires management to make judgments at a particular point in time about the future outcome of events and conditions that are inherently uncertain. The underlying assumption in the preparation of financial statements is that the Group has neither the intention nor the need to liquidate the business.

Note 1 to the consolidated financial statements discusses the matters considered by management in concluding the appropriateness of the use of going concern assumption in the preparation of the financial statements. As such, the financial statements have been prepared on a going concern basis of accounting.

Accounting for the reverse acquisition of ECVMC and ECMRCI

As discussed in Notes 1 and 2, as at May 31, 2023, the equity share swap transaction between ECVMC and ECMRCI became effective.

Management judgment was required to determine that ECVMC did not meet the definition of a “business” and should not be accounted for as a business combination.

Combination of Entities under Common Control

A combination involving entities or business under common control is a combination in which all of the combining entities or businesses are ultimately controlled by the same party or parties both before and after the acquisition, and that is control is not transitory.

The Share Swap transaction was a transaction between entities under common control since at acquisition date on May 31, 2023, ECVMC and ECMRCI are under the common control of HGP Group.

Estimates and Assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

Estimating Allowance for ECL on Trade and Other Receivables and Due from Related Parties

The Group uses a provision matrix to calculate ECLs for trade and other receivables. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns. The provision matrix is initially based on the Group’s historical observed default rates. The Group calibrates the matrix to adjust the historical credit loss experience with forward-looking information. At every end of the reporting period, the historical observed default rates are updated and changes in the forward-looking estimates are analyzed. The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Group’s historical credit loss experience and forecast of economic conditions may also not be representative of customers’ actual default in the future. The information about the ECLs on the Group’s trade and other receivables is disclosed in Note 5.

For the Group’s advances to related parties, the ECL is based on the 12-month ECL. The 12-month ECL is the proportion of lifetime ECL that results from default events on a financial instrument that are possible within twelve (12) months after the end of the reporting period. However, when there has been a significant increase in credit risk since origination, the allowance will be based on the lifetime ECL. When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECL, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and

analysis, based on the Group's historical experience and informed credit assessment including forward looking information. Significant management's judgment and estimate is also required to determine the realizable amount of the financial asset based on cashflow forecast, which requires the use of significant assumptions.

As at December 31, 2025 and 2024, the carrying values of the Group's trade receivables amounted to ₱61,873,245 and ₱118,410,662, respectively, and the carrying values of the Group's due from related parties amounted to ₱196,143,247 and nil. No allowance for expected credit losses were recognized as of December 31, 2025 and 2024 (see Notes 5 and 18).

Estimating Impairment on Property and Equipment and Mining Rights

The Group assesses impairment on property and equipment and mining rights whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable.

The factors that the Group considers important which could trigger an impairment review include the following:

- Significant underperformance relative to expected historical or projected future operating results;
- Significant changes in the manner of use of the acquired assets or the strategy for overall business; and
- Significant negative industry or negative trends

Management performed assessment of impairment as at December 31, 2025 and 2024. The recoverable amount of the cash-generating unit has been determined based on a value-in-use calculation using cash flow projections from financial budgets approved by management covering the mine life of the cash generating unit under its existing operating agreements with various operators of the Group's MPSAs.

The calculation of value-in-use for the cash-generating unit incorporates the following key assumptions: a) expected life of the project; b) future production levels and costs which are based on the Group's historical experience; c) contributions to the government based on current regulations; d) nickel prices which are estimated with reference to external market forecasts; e) foreign exchange rates based on the current and forecasts in different banks; and f) discount rate which is computed using the weighted average cost of capital.

The Group also recognizes impairment loss on individual assets when impairment indicators are present and aimed at individual assets rather than the cash-generating unit of which they are part of. The Group did not recognize provision for impairment loss on mining rights, and property and equipment in 2025, 2024 and 2023 (see Notes 7 and 9).

Assessing Unit-of-Production Depletion

Estimated recoverable mineral reserves are key inputs in determining the depletion of mining rights. This results in a depletion charge proportional to the depletion of the anticipated remaining mine life. Estimated recoverable mineral reserves for development projects is, to a large extent, based on the interpretation of geological data obtained from drill holes and other sampling techniques and feasibility studies, which derive estimates of costs based upon anticipated tonnage and grades of ores to be mined and processed, the configuration of the ore body, expected recovery rates from the ore, estimated operating costs, estimated climatic conditions and other factors.

Estimated recoverable reserves are used in determining the depletion of mining rights. This results in a depletion charge proportional to the depletion of the anticipated remaining mine life. Each item's life, which is assessed annually, has regard to both physical life limitations and to present assessments of economically recoverable reserves of the mine property at which the asset is located. The calculations require the use of estimates of future capital expenditure. The Group use the tons of ore produced as the basis for depletion. Any change in estimates is accounted for prospectively in accordance with PAS 8. Average depletion rates used by the Group in 2025, 2024 and 2023 are 8.07%, 8.41%, and 7.05% in 2025, 2024 and 2023, respectively.

Assessing Recoverability of Deferred Exploration Costs

The application of the Group's accounting policy for deferred exploration costs requires judgment and estimates in determining whether it is likely that the future economic benefits are certain, which may be based on assumptions about future events or circumstances. Estimates and assumptions may change if new information becomes available. If, after mine exploration costs are capitalized, information becomes available suggesting that the recovery of expenditure is unlikely, the amount capitalized is written off and is recognized in the statement of comprehensive income in the period when the new information becomes available.

The Group reviews the carrying values of its mineral property interests whenever events or changes in circumstances indicate that their carrying values may exceed their estimated net recoverable amounts. An impairment loss is recognized when the carrying values of these assets are not recoverable and exceeds their fair value. There were no impairment losses recognized on the Group's deferred exploration costs in 2025 and 2024. No allowance for impairment loss was provided for deferred exploration costs as at December 31, 2025 and 2024. Deferred exploration costs amounted to ₱147,909,653 as at December 31, 2025 and 2024 (see Note 10).

Estimating Realizability of Deferred Tax Assets

The Group reviews the carrying amounts of deferred tax assets at each reporting date and reduces the amounts to the extent that it is no longer probable that sufficient future taxable income will be available to allow all or part of the deferred income tax assets to be utilized in the future. Significant management judgment is required to determine the amount of deferred income tax assets that can be recognized, based upon the likely timing and level of future taxable income together with future planning strategies.

The Group recognized deferred tax assets amounting to ₱4,342,189 and ₱4,473,857 as of December 31, 2025 and 2024, respectively (see Note 17).

The Group did not recognize deferred tax assets on carryforward benefits of unused NOLCO and MCIT amounting to ₱531,512,525 and ₱268,763,028 as of December 31, 2025 and 2024, respectively and the Parent Company did not recognize deferred tax assets on carryforward benefits of unused NOLCO amounting to ₱101,370,406 and ₱100,271,959 as of December 31, 2025 and 2024, respectively, as management assessed that it is not probable that sufficient future taxable income will be available to allow all or part of deferred income tax assets to be utilized in the future (see Note 17).

3. Cash

	Consolidated		Parent Company	
	Mar 31, 2026	2025	Mar 31, 2026	2025
Cash on hand	₱305,000	₱105,000	₱100,000	₱100,000
Cash in bank	8,037,867	13,620,703	246,320	236,640
	₱8,342,867	₱13,725,703	₱346,320	₱336,640

Cash in bank generally earn interest based on prevailing bank deposit rates. Interest income earned from cash in bank, net of final taxes withheld, are as follows:

	Consolidated			Parent Company		
	Mar 31, 2026	2025	2024	Mar 31, 2026	2025	2024
Interest income	₱1,028	₱3,052	₱1,986	₱30	₱133	₱73

4. Trade and Other Receivables

	Consolidated		Parent Company	
	Mar 31, 2026	2025	Mar 31, 2026	2024
Trade receivables				
Related parties (Note 18)	₱—	₱—	₱—	₱—
Third parties	24,162,755	58,776,093	—	—
Advances to employees	3,139,746	3,097,152	—	—
	₱27,302,501	₱61,873,245	₱—	₱—

Trade receivables are noninterest-bearing and are generally settled within 30 days.

Advances to employees are noninterest-bearing and are normally liquidated within 14 days upon receipt.

March 31, 2026

	Current	Days past due				Total
		< 30 days	30-60 days	61-90 days	>91 days	
Trade and other receivables	₱—	₱—	₱—	₱24,162,755	₱—	₱24,162,755
Total	₱—	₱—	₱—	₱24,162,755	₱—	₱24,162,755

December 31, 2025

	Current	Days past due				Total
		< 30 days	30-60 days	61-90 days	>91 days	
Trade and other receivables	₱—	₱58,776,093	₱—	₱—	₱—	₱58,776,093
Total	₱—	₱58,776,093	₱—	₱—	₱—	₱58,776,093

The Group uses a provision matrix to calculate for ECL on trade receivables. The provision rates are based on days and past due and customer loss patterns. Aside from historical credit loss experience, the provision matrix incorporates forward looking information which may lead to increased number of defaults such as gross domestic product and inflation rate. No allowance for ECL was recognized as of March 31, 2026 and 2025, respectively.

5. Prepayments and Other Current Assets

	Consolidated		Parent Company	
	Mar 31, 2026	2025	Mar 31, 2026	2025
Creditable withholding taxes	₱88,868,017	₱88,868,017	₱—	₱—
Prepayments	340,754	4,421,469	50,000	50,000
Input VAT	1,182,348	1,171,887	1,182,348	1,139,748
	₱90,391,119	₱94,461,373	₱1,232,348	₱1,189,748

CWTs, which are claimed against the income tax due, are carried over in the succeeding period for the same purpose.

Prepayments pertain to those expenses paid in advance which are to be amortized within 12 months from the end of the financial reporting period.

Input VAT, which is presented net of output VAT, represents taxes paid on purchases of goods and services which can be recovered as tax credit against future VAT liability of the Group.

6. Property and Equipment
March 31, 2026

Consolidated								
	Land	Building and other structures	Furniture and fixtures	Office equipment	Transportation equipment	Other Equipment	Mining & Heavy Equipment	Total
Cost:								
Beginning balances	₱5,300,000	₱9,200,000	₱2,670,587	₱4,669,966	₱90,206,959	₱960,056	₱196,416,407	₱309,423,975
Additions	—	—	—	—	—	—	—	—
Ending balances	5,300,000	9,200,000	2,670,587	4,669,966	90,206,959	960,056	196,416,407	309,423,975
Accumulated depreciation								
Beginning balances	—	9,200,000	2,586,577	4,175,333	63,836,884	749,973	113,239,695	193,788,462
Depreciation (Note 16)	—	—	8,130	51,919	1,782,783	23,610	5,179,369	7,045,811
Ending balances	—	9,200,000	2,594,707	4,227,252	65,619,667	773,583	118,419,065	200,834,274
Net book values	₱5,300,000	₱—	₱75,880	₱442,714	₱24,587,292	₱186,473	₱77,997,343	₱108,589,701

December 31, 2025

	Land	Building and other structures	Furniture and fixtures	Office equipment	Transportation equipment	Other Equipment	Mining & Heavy Equipment	Total
Cost:								
Beginning balances	₱5,300,000	₱9,200,000	₱2,670,587	₱4,533,992	₱90,206,959	₱894,930	₱196,416,407	₱309,222,875
Additions	—	—	—	135,974	—	65,126	—	201,100
Ending balances	5,300,000	9,200,000	2,670,587	4,669,966	90,206,959	960,056	196,416,407	309,423,975
Accumulated depreciation								
Beginning balances	—	9,200,000	2,554,057	3,791,232	56,605,197	667,535	92,522,221	165,340,242
Depreciation (Note 16)	—	—	32,520	384,101	7,231,687	82,438	20,717,474	28,448,220
Ending balances	—	9,200,000	2,586,577	4,175,333	63,836,884	749,973	113,239,695	193,788,462
Net book values	₱5,300,000	₱—	₱84,010	₱494,633	₱26,370,075	₱210,083	₱83,176,712	₱115,635,513

	Parent Company	
	Mar 31, 2026	2025
Cost:		
Beginning and ending balance	₱65,495	₱65,495
Accumulated depreciation		
Beginning balances	—	—
Depreciation (Note 16)	(65,495)	(65,495)
Ending balance	65,495	65,495
Net book value	₱—	₱—

Fully depreciated property and equipment are retained in the books until they are no longer in use and no further depreciation is charged to current operations. The cost of fully depreciated property and equipment still being used in operations amounted to ₱96,149,934 and ₱96,149,934 as at March 31, 2026 and 2025, respectively. The Group does not have property and equipment that are idle as at March 31, 2026 and 2025.

7. Intangible Asset

	Consolidated		Parent Company	
	2026	2025	2026	2025
Cost:				
Beginning balance	₱878,123	₱878,123	₱—	₱—
Addition	111,429	111,429	—	—
Ending balance	989,552	989,552	—	—
Accumulated amortization:				
Beginning balance	436,571	436,571	—	—
Amortization (Note 16)	193,090	193,090	—	—
Ending balance	629,661	629,661	—	—
Net book value	₱359,891	₱359,891	₱—	₱—

Intangible asset pertains to computer software used in Group's operations.

8. Mining Rights

Mining rights represent the cost transferred from deferred exploration costs as there has been established mineral deposit that is commercially mineable.

	Consolidated		Parent Company	
	Mar. 31, 2026	2025	Mar. 31, 2026	2025
Cost:				
Beginning balance	₱1,863,800,122	₱1,863,800,122	₱—	₱—
Additions	—	—	—	—
Ending balance	1,863,800,122	1,863,800,122	—	—
Accumulated amortization:				
Beginning balance	266,122,325	266,122,325	—	—
Amortization (Note 16)	288,739,284	288,739,284	—	—
Ending balance	554,861,609	554,861,609	—	—
Net book value	₱1,308,938,513	₱1,308,938,513	₱—	₱—

Additions to mining rights include those incurred on the MPSA for the further development of the mines, drilling activities, and other direct costs related to development and production activities of the existing MPSAs. There was no impairment losses recognized on the Group's mining rights in March 31, 2026 and 2025. No provision for impairment loss was recognized in March 31, 2026 and 2025.

9. Deferred Exploration Costs

	Consolidated		Parent Company	
	Mar. 31, 2026	2025	Mar. 31, 2026	2025
Balances at beginning of year	₱147,909,653	₱147,909,653	₱—	₱—
Exploration costs incurred	—	—	—	—
	₱147,909,653	₱147,909,653	₱—	₱—

Deferred exploration costs pertain to the exploration expenditure on the 88 Kiamba project. On March 23, 2023, the Group entered into a memorandum of agreement with 88 Kiamba Mining & Development Corporation to undertake the exploration, development, mining and utilization of the mineral property covered by Exploration Permit No. 014-2014-XII located in Maitum, Kiamba, Sarangani and Exploration Permit No. 129-XII located in T'boli, South Cotabato, Mindanao.

The Corporation through a letter dated April 26, 2024, have filed application for registration of the Operating Agreements executed between the Corporation and 88 Kiamba Mining & Development Corporation ("88 KMDC") for the abovementioned EP No. EP-14-2014-XII and EXPA No. 129-XII-2013. On May 6, 2024 the MGB issued a letter requiring the Corporation to further submit documentary requirements for the said registration, which request has already been complied with by the Corporation.

The compliance of the Corporation to the requirements of MGB was duly recorded and noted by the MGB. Furthermore, the MGB issued a letter dated November 6, 2025 in relation to the Operating Agreement between the Corporation and 88 KMDC. The same November 6, 2025 MGB letter also advised that the registration fee for the Operating Agreement and other documents may be paid. Order of Payment dated November 11, 2025 was issued by the MGB for purposes of registration of the Operating Agreement and other documents. Thus, on November 11, 2025, the Corporation on behalf of 88 KMDC paid the registration fees for the Operating Agreement and other documents. To date, despite payment of the registration fees with the MGB, matters related to the renewal of the EP/EXPA remains pending with the MGB.

There were no impairment losses recognized on the Group's deferred exploration costs in March 31, 2026 and 2025. No provision for impairment loss was recognized as of March 31, 2026 and 2025.

10. Trade and Other Payables

	Consolidated		Parent Company	
	Mar. 31, 2026	2025	Mar. 31, 2026	2025
Trade payables	₱28,493,888	₱31,958,351	₱—	₱—
Output VAT	25,206,618	25,206,618	—	—

Statutory payables	10,342,611	10,917,353	10,000	10,000
Accrued expenses and others	16,551,429	8,933,284	3,009,290	2,616,526
	₱80,594,546	₱77,015,606	₱3,019,290	₱2,626,526

Trade payables are liabilities incurred by the Group for the purchase of services from suppliers. These are noninterest-bearing and are normally settled in a 30-day term.

Statutory payables include, among others, Social Security System (SSS) and PAG-IBIG premiums payable which are payable to Philippine government.

Accrued expenses and others are payables for services already rendered to the Group which are not yet billed as at year-end and are generally settled in 30-90 days' term.

11. Loans Payable and Installment Payables

a. Loans payable

The Group entered into separate agreements with each of the following:

	Consolidated		Parent Company	
	March 31, 2026	2025	2026	2025
Security Bank Corporation	₱445,531,380	₱471,847,507	₱—	₱—
Less: current portion	445,531,380	471,847,507	—	—
Noncurrent portion	₱—	₱—	₱—	₱—

	Consolidated			Parent Company	
	March 31, 2026			March 31, 2026	
	Availment	Payment	Restructuring	Availment	Payment
Security Bank Corporation	₱—	₱26,316,127	₱445,531,380	₱—	₱—
Loan to shareholder	—	—	—	—	—
	₱—	₱26,316,127	₱445,531,380	₱—	—

	Consolidated			Parent Company	
	2025			2025	
	Availment	Payment	Restructuring	Availment	Payment
Security Bank Corporation	₱—	₱4,685,911	₱476,533,418	₱—	₱—
Loan to shareholder	—	—	—	—	—
	₱—	₱4,685,911	₱476,533,418	₱—	—

Loan with SBC

Facility Loan

The Group and SBC executed a Loan Agreement wherein SBC granted the Group a loan facility amounting to ₱476,533,418 with a prevailing SBC average lending rate of 8.25%, 8.75%, and 7.75 in 2025, 2024, and 2023. Total interest expense incurred amounted to ₱ 41,685,388, ₱54,184,323, and ₱13,660,411 in 2025, 2024 and 2023, respectively.

In 2024, the Group entered into a loan restructuring agreement with SBC, which included an additional loan of ₱40,000,000 and adding the unpaid interest amounting to ₱ 24,152,468 as part of the carrying amount of the loan.

In 2025, the Group entered into a loan restructuring agreement with SBC for a principal amount of ₱476,533,418, for the purpose of restructuring existing past-due obligations.

The loan has a tenor of 30 months and bears interest at the Bank's prevailing rate, subject to periodic resetting, payable in monthly arrears.

In 2025, the Group failed to meet the scheduled loan payment, resulting in an event of default under the terms of the loan agreement. Consequently, the outstanding balance became due and demandable and was reclassified as a current liability.

Loan to shareholder

The Group availed a loan from its shareholder for a transportation equipment amounting to ₱2.69 million with an interest rate of 9.73% per annum. Total interest expense incurred amounted to nil, ₱6,895, and 83,938 in 2025, 2024 and 2023, respectively.

Loan with CMC

The Group and CMC executed a Loan Agreement wherein CMC granted the Group a loan facility amounting to ₱1,000 million with an interest rate of 3% per annum. The loan was issued in two tranches of ₱150 million in October 2015 and ₱850 million in December 2015.

As payment for the loan, CMC shall deduct 50% of the commission and royalties, net of withholding tax and interest, each time a commission, royalty or additional royalty is paid by CMC to the Group. The loan is secured by a Pledge Agreement between the CMC and ECMRCI covering the latter's rights, interests, receivables, obligations, and liabilities over the Mineral Production Sharing Agreements (MPSAs) on the Cagdianao property owned by ECMRCI.

On March 28, 2019, the ECMRCI and CMC amended the Loan Agreement executed in 2015. The Company obtained an additional ₱280 million loan from CMC. The outstanding balance due to CMC under the original and amended Loan Agreements shall be paid by deducting 60% of the commission and royalties, net of withholding tax and interest payments, each time a commission, royalty or additional royalty is paid by CMC to ECMRCI.

Total interest expense incurred amounted to nil, nil, and ₱91,322 in 2025, 2024 and 2023, respectively.

b. Installment Payable

Equipment Financing

Starting 2020, the Group acquired various units of transportation equipment through a three-year financing agreement with SBC terms of (a) down payment of an average 30% and (b) the remaining balance payable in installments and will mature in accordance with terms and conditions of the agreements. The related nonfinancial assets were recognized since the lease term is for the major part of the economic life of the transportation equipment (see Note 7).

In 2025, the ₱107,430,670 principal amount of finance lease facility with SBML Leasing Inc., was restructured with a new term of 30 months, with maturity date on December 30, 2027 and interest rate of 16.5%.

The future minimum lease payments for the obligations under finance lease on transportation equipment are as follows:

	Consolidated		Parent Company	
	March 31, 2026	2025	March 31, 2026	2025
Within one (1) year	₱105,699,113	₱105,699,113	₱–	₱–
After one (1) year but not more than four (4) years	3,050,122	3,050,122	–	–
Total minimum lease payments	108,749,235	108,749,235	–	–
Less: interest charges	2,725,571	2,725,571	–	–
Present value of minimum lease payments	106,023,664	106,023,664	–	–
Less current portion	102,973,543	102,973,543	–	–
Noncurrent portion	₱3,050,121	₱3,050,121	₱–	₱–

Total interest expense incurred amounted to ₱17,457,394, ₱17,740,255, and ₱8,207,522 in 2025, 2024, and 2023, respectively.

12. Retirement Benefits Liability

The Group has an unfunded, noncontributory defined benefit plan covering all regular employees. Benefits are based on the employee's years of service and final plan salary. Under the existing regulatory framework, Republic Act 7641 requires a provision for retirement pay to qualified private sector employees in the absence of any retirement plan in the entity, provided however that the employee's retirement benefits under any collective bargaining and other agreements shall not be less than those provided under the law. The law does not require minimum funding of the plan.

Retirement cost recognized in the statements of income follows:

	Consolidated			Parent Company		
	March 31, 2026	2025	2024	March 31, 2026	2025	2024
Interest cost	₱790,930	₱790,930	₱1,806,871	₱–	₱–	₱–
Current service cost	1,114,405	1,114,405	803,129	–	–	–
	₱1,905,335	₱1,905,335	₱2,610,000	₱–	₱–	₱–

Changes in the present value of the defined benefit obligation are as follows:

	Consolidated		Parent Company	
	March 31, 2026	2025	March 31, 2026	2025
Present value of defined benefit obligation	₱18,298,940	₱18,298,940	₱–	₱–
Interest cost	790,930	790,930	–	–
Current service cost	1,114,405	1,114,405	–	–
Actuarial losses (gains) due to:			–	–
Demographic adjustments	124,682	124,682	–	–
Experience adjustments	(1,432,485)	(1,432,485)	–	–
Changes in financial assumptions	(524,053)	(524,053)	–	–
	₱18,372,419	₱18,372,419	₱–	₱–

Remeasurement gains on defined benefit obligation recognized under OCI in the statements of comprehensive income are as follows:

	Consolidated			Parent Company		
	Mar. 31, 2026	2025	2024	March 31, 2026	2025	2024
Actuarial losses						
(gains) due to:						
Experience						
adjustments	(P1,432,485)	(P1,432,485)	(P1,291,808)	P–	P–	P–
Changes in financial						
assumptions	(524,053)	(524,053)	56,493	–	–	–
Demographic adjustments	124,682	124,682	(86,110)	–	–	–
	(P1,831,856)	(P1,831,856)	(P1,321,425)	P–	P–	P–

Cumulative remeasurement losses recognized in other comprehensive income as of March 31, 2026 and 2025 are as follows:

	Consolidated		Parent Company	
	March 31, 2026	2025	March 31, 2026	2025
Balance at beginning of year	P5,836,310	P5,836,310	P–	P–
Actuarial gains	1,831,856	1,831,856	–	–
Income tax effect	(457,964)	(457,964)	–	–
	1,373,892	1,373,892	–	–
	P7,210,202	P7,210,202	P–	P–

The costs of defined benefit pension plan as well as the present value of the pension obligation are determined using actuarial valuations. The actuarial valuation involves making various assumptions. The principal assumptions used in determining pension for defined benefit plans are as follows:

	2025	2024
Discount rate	6.46%	6.09%
Future salary increase rate	11.00%	11.00%

The sensitivity analysis below has been determined based on reasonably possible changes of each significant assumption on the defined retirement benefits obligation as at the end of the reporting period, assuming all other assumptions were held constant:

	Increase (decrease)	2025	2024
Discount rate	+100 basis points (bps)	(P1,257,914)	(P1,257,914)
	-100 bps	1,499,251	1,499,251
Future salary increase	+100 bps	1,418,666	1,418,666
	-100 bps	(1,220,734)	(1,220,734)

Shown below is the maturity analysis of the Group's undiscounted benefit payments as at December 31, 2025 and 2024:

	2025	2024
One year	P9,184,414	P9,184,414
More than one (1) year to five (5) years	1,187,555	1,187,555
More than five (5) years to ten (10) years	1,266,217	1,266,217

The average duration of the defined benefit obligation is 7.5 years and 7.8 years as at December 31, 2025 and 2024, respectively.

13. Equity

Capital stock

Authorized:	March 31, 2026	2025
Common shares - ₱1 par value, 12,000,0000 shares	₱12,000,000,000	₱12,000,000,000
Issued:		
Common shares - ₱1 par value, 6,143,944,338 shares	6,143,944,338	6,143,944,338
Subscribed:		
Common shares - ₱1 par value, 486,055,662 shares (net of subscriptions receivable of ₱457,502,880)	28,552,782	28,552,782
	₱6,172,497,120	₱6,172,497,120

In 2021, the Parent Company entered into a MOA with majority stockholders of ECMRCI for the latter's subscription up to 5.18 billion shares of the Parent Company arising from the increase in authorized capital stock. Such increase in authorized capital stock from 4 billion shares to 12 billion shares has been approved by the BOD and Stockholders.

On May 29, 2023, the SEC approved the Parent Company's application for the amendment of Articles of Incorporation in relation to the increase in authorized capital stock from 4,000,000,000 shares to 12,000,000,000 shares. On the same date, the Parent Company issued 5,100,000,000 common shares with par value of ₱1 per share to HGP Group in exchange for the 100% outstanding shares of ECMRCI. The Group incurred ₱73,141,470 transactions costs in relation to the issuance of the capital stock, which the Parent Company availed from its related parties.

The table below provides information regarding the number of stockholders of the Parent Company as of March 31, 2026, 2025 and 2024:

	March 31, 2026	2025	2024
Common shares	1,899	1,901	1,856

The following table presents the track record of registration of capital stock:

Year Approval	No. of shares Registered	No. of shares Issued	Par Value
Prior to 2025	8,000,000,000	5,180,000,000	₱1.00
2025	–	–	1.00
Total	8,000,000,000	5,180,000,000	

Equity reserves

The amount of equity reserve consists of the net difference between the consideration transferred by ECVMC and the legal capital of ECMRCI that is eliminated to reflect the legal capital of ECVMC.

	March 31, 2026	2025
Effect of:		
Adjustment of the legal capital of ECVMC	(P992,497,120)	(P992,497,120)
Elimination of ECMRCI Capital	925,000,000	925,000,000
Issuance of additional shares	(5,180,000,000)	(5,180,000,000)
Stock issuance costs	73,141,470	73,141,470
Identifiable net liabilities of ECVMC as at acquisition date	(84,251,551)	(84,251,551)
	(P	(P
	5,258,607,201)	5,258,607,201)

The following are the fair values of the ECVMC as at the date of acquisition, May 31, 2023:

Assets	
Cash	P163,339
Prepayments and other current assets	300,434
Property and equipment	43,663
	507,436
Liabilities	
Trade and other payables	177,448
Due to related parties	84,581,539
	84,758,987
Total identifiable net liabilities	(P84,251,551)

Net cash inflow on acquisition is as follows:

Cash consideration	P—
Less cash acquired with the subsidiary ^(a)	163,339
Net cash inflow	P163,339

^(a)Cash acquired with the subsidiary is included in investing activities in consolidated statement of cash flows.

Capital Management

The primary objective of the Group's capital management is to ensure that the Group has sufficient funds in order to support its business, pay existing obligations and maximize shareholder value.

The Group considers the following as its core economic capital:

	Consolidated		Parent Company	
	March 31, 2026	2025	March 31, 2026	2025
Capital stock	P6,172,497,120	P6,172,497,120	P6,172,497,120	P6,172,497,120
Retained earnings (Deficit)	250,279,507	286,605,604	(1,102,665,892)	(1,101,135,754)
	P6,422,776,627	P6,459,102,724	P5,069,831,228	P5,071,361,366

The Group manages its capital structure and adjusts it, in light of changes in economic conditions.

To maintain or adjust the capital structure, the Group may obtain additional advances from related parties and stockholders or look for strategic and financial investors to invest in the Group.

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2026 and 2025.

14. Revenues

	Consolidated			Parent Company		
	March 31, 2026	2025	2024	Mar. 31, 2026	2025	2024
Royalty income	P=	P269,131,535	P112,330,287	P=	P=	P=
Commission and marketing income	–	147,934,881	103,839,957	–	–	–
Others	–	33,882,956	73,058,975	–	–	–
	P=	P450,949,372	P289,229,219	P=	P=	P=

Royalty and commission and marketing income are earned equivalent to a certain percentage of the gross sales of all ores sold for the mineral properties covered by the operating agreements (Note 22).

Other income pertains to equipment rental and mining lease.

15. Operating Expenses

	Consolidated		Parent Company	
	Mar. 31, 2026	2025	Mar. 31, 2026	2025
Amortization of mining rights (Note 9)	P=	P288,739,284	P=	P=
Depreciation and amortization (Notes 7 and 8)	7,045,811	28,641,310	–	–
Agent and commission fees	2,153,692	15,818,335	–	–
Salaries and wages	2,476,308	14,063,315	–	–
Transportation and travel	311,863	13,263,200	5,804	21,535
Professional and consultant fees	3,669,160	10,199,357	675,000	3,889,964
Taxes and licenses	219,284	5,761,807	250,000	250,000
Employee benefits		4,499,008	–	–
Repairs and maintenance	2,947,489	3,061,199	–	–
Gasoline, oil & fuels	451,017	2,196,786	–	–
Communication, Light and water	447,508	1,657,956	–	–
Rental	279,214	1,486,855	279,214	1,486,855
Representation	114,003	1,277,820	67,878	851,077
Service fees	481,786	1,227,437	–	–
Outside services	149,803	1,048,073	80,000	210,431
Utilities	83,304	400,731	54,753	223,734
Donations	70,000	113,500	–	–
Office supplies	31,418	105,347	28,293	–
Bank Charges		29,261	–	–
Director's fees		–	–	440,000
Management fee		–	–	–
Miscellaneous	1,857,502	6,365,062	89,226	517,082
	P22,789,162	P399,955,643	P1,530,168	P7,890,678

16. Income Taxes

- The provision for current income tax represents MCIT in 2024 and 2025 and RCIT in 2023 for the Group and the Parent Company has no provision for current income tax in 2025, 2024 and 2023 due to its gross loss and net taxable loss position.

- b. The reconciliation of income before income tax computed at statutory income tax rate to the provision for income tax as shown in the statements comprehensive of income is summarized as follows:

	Consolidated			Parent Company		
	Mar. 31, 2026	2025	2024	Mar. 31, 2026	2025	2024
At statutory income tax rate 25% for the Group and 20% for the Parent Company	(₱1,928,233)	(₱1,928,233)	(₱13,810,191)	(₱1,578,109)	(₱1,578,109)	(₱1,392,275)
Additions to (reductions in) income tax resulting from:						
Royalty income already subjected to final tax	(67,282,884)	(67,282,884)	(28,082,572)	—	—	—
Final tax paid on royalty income	53,826,892	53,826,892	22,466,447	—	—	—
Changes in unrecognized deferred tax asset	70,318,427	70,318,427	43,596,509	1,578,136	1,578,136	1,392,290

(Forward)

	Consolidated			Parent Company		
	Mar. 31, 2026	2025	2024	Mar. 31, 2026	2025	2024
Stock issuance costs	P–	P–	P–	P–	P–	P–
Interest income already subjected to final tax	(757)	(757)	(497)	(27)	(27)	(15)
Nondeductible expenses	28,376	28,376	35,765	–	–	–
	P54,961,821	P54,961,821	P24,205,461	P–	P–	P–

c. The components of the deferred tax assets are as follows:

	Consolidated		Parent Company	
	March 31, 2026	2025	March 31, 2026	2024
<i>Recognized directly in profit or loss</i>				
Retirement benefits liability	P6,996,507	P6,996,507	P–	P–
Unrealized foreign exchange loss	(250,917)	(250,917)	–	–
<i>Recognized directly in other comprehensive income</i>				
Retirement benefits liability	(2,403,401)	(2,403,401)	–	–
	P4,342,189	P4,342,189	P–	P–

d. As at December 31, 2025 and 2024, the Group did not recognize deferred income tax assets on the following deductible temporary differences, NOLCO and MCIT:

	Consolidated		Parent Company	
	March 31, 2026	2025	March 31, 2026	2025
NOLCO	P530,051,300	P530,051,300	P101,370,406	P100,271,959
MCIT	1,461,225	1,461,225	–	–
	P531,512,525	P531,512,525	P101,370,406	P100,271,959

e. On September 30, 2020, the Bureau of Internal Revenue (BIR) issued Revenue Regulations No. 25-2020 implementing Section 4(b) of Bayanihan to Recover as One Act” which states that the NOLCO incurred for taxable years 2021 and 2020 can be carried over and claimed as deduction from gross income for the next five (5) consecutive taxable years immediately following the year of such loss.

As of December 31, 2025, the Group has incurred NOLCO which can be claimed as deduction from the regular taxable income for the next three (3) consecutive taxable years, as follows:

Group					NOLCO
Year Incurred	Availment Period	Amount	Expired	Applied	Unapplied
2020	2021-2025	P813,040	P813,040	P–	P–
2021	2022-2026	2,082,495	–	–	2,082,495
2022	2023-2025	5,339,977	5,339,977	–	–
2023	2024-2026	85,074,999	–	–	85,074,999
2024	2025-2027	166,526,075	–	–	166,526,075
2025	2026-2028	276,367,731	–	–	276,367,731
		P536,204,317	P6,153,017	P–	P530,051,300

As of December 31, 2025, the Parent Company has incurred NOLCO in taxable years 2022 and 2021 which can be claimed as deduction from the regular taxable income for the next five (5) consecutive taxable years pursuant to the Bayanihan to Recover as One Act, as follows:

Year Incurred	Availment Period	Amount	Expired	Applied	NOLCO Unapplied
2020	2021-2025	₱813,040	₱813,040	₱—	₱—
2021	2022-2026	2,082,495	—	—	2,082,495
2022	2023-2025	5,339,977	5,339,977	—	—
2023	2024-2026	85,074,999	—	—	85,074,999
2024	2025-2027	6,961,448	—	—	6,961,448
2025	2026-2028	7,251,464	—	—	7,251,464
		₱107,523,423	₱6,153,017	₱—	₱101,370,406

The Group did not recognize deferred income tax asset on the carryforward benefits of unused NOLCO and MCIT, since management assessed that it is not probable that sufficient taxable income will be available to allow all or part of the deferred income tax asset to be utilized in the future.

17. Related Party Disclosures

Related party relationship exists when one party has the ability to control, directly or indirectly through one or more intermediaries, the other party or exercises significant influence over the other party in making financial and operating decisions. Such relationship also exists between and/or among entities, which are under the common control with the reporting enterprises and its key management personnel, directors, or its shareholders. In considering each related party relationship, attention is directed to the substance of the relationship, and not merely the legal form.

In the normal course of business, the Group has transactions with its affiliates and stockholders. Transactions pertain to advances from related parties to meet the Group's working capital requirements.

	Parent Company				Terms	Conditions
	March 31, 2026		2025			
	Volume	Outstanding Balance	Volume	Outstanding Balance		
Due to related parties						
Affiliates						
APHC	₱—	₱3,178,883	₱—	₱3,178,883	Noninterest-bearing; Payable in cash; Due and demandable	Unsecured
ECMRCI	614,690	80,896,248	1,611,745	80,281,558	Noninterest-bearing; Payable in cash; Due and demandable	Secured
LMC	574,964	23,355,122	5,974,336	22,780,158	Noninterest-bearing; Payable in cash; Due and demandable	Secured
Stockholder						

Parent Company					
March 31, 2026			2025		
	Volume	Outstanding Balance	Volume	Outstanding Balance	
Individual stockholder	–	1,297,897	–	1,297,897	Noninterest-bearing; Payable in cash; Due and demandable
Total		P= P108,728,151		P= P107,538,496	Secured

The Group has transactions with related parties, the most significant of which are as follows:

- On January 5, 2024, the BOD of the ECMRCI approved the assignment, transfer, and release of receivables and due from LMC and due from HSMMI to a shareholder in payment for the advances made in the acquisition, licensures and development of several mining claims/mineral properties amounting to P47.62 million and P533.58 million, respectively.
- On January 1, 2022, the Group has agreed to engage the services of Hua Sheng Metals & Minerals Holding Co. for a qualified management consultation services. In consideration of the contracted services, a management fee in the amount equivalent to five (5) percent of gross revenue before income tax is being collected. The agreement will continue to be in effect unless terminated upon mutually agreed terms and conditions. In 2025, the Group and HSMMHC mutually agreed to terminate the agreement.
- On December 23, 2025, the BOD of the ECMRCI approved the assignment, transfer, and release of trade receivables from LMC and due from HSMMI to a shareholder amounting to P134.16 million and P41.58 million, respectively.
- On December 23, 2025, the BOD of the ECMRCI approved the assignment, transfer, and release of trade payables to due to a shareholder amounting to P42.78 million.

Compensation of Key Management Personnel

The short-term employee benefits of key management personnel amounted to P9,165,325 and P9,597,243 and P9,628,637 for the years ended December 31, 2025, 2024 and 2023, respectively.

18. **Basic/Diluted Earnings (Losses) Per Share**

	Consolidated		Parent Company	
	Mar 31, 2026	2025	Mar 31, 2026	2025
Net income (loss) for the year/Quarter	(P36,326,097)	(P64,252,863)	(P1,530,138)	(P7,890,545)
Divided by weighted average number of common shares	6,172,497,120	6,172,497,120	6,172,497,120	6,172,497,120
Basic/diluted earnings (losses) per share	(P0.005)	(P0.010)	(P0.000)	(P0.001)

As of March 31, 2026 and 2025, the Group and the Parent Company has no potential dilutive shares. Therefore, the basic and diluted losses per share are the same as of those dates.

19. **Segment Information**

The Group is engaged in the business of mine exploration. Accordingly, the Group operates mainly in one reportable business and geographical segment which is the Philippines. No entity-wide disclosures pertaining to revenues are provided as the Parent Company has not earned revenue and is only a holding company. Noncurrent assets of the Group are located in the Philippines.

20. **Financial Risk Management Objectives and Policies**

The Group has risk management policies that systematically view the risks that could prevent the Group from achieving its objectives. These policies are intended to manage risks identified in such a way that opportunities to deliver the Group's objectives are achieved. The Group's risk management takes place in the context of day-to-day operations and normal business processes such as strategic and business planning. Management has identified each risk and is responsible for coordinating and continuously improving risk strategies, processes and measures in accordance with the Group's established business objectives.

The Group's principal financial instruments consist of cash in banks, trade and other receivables and due to/from related parties, trade and other payables, loan payables and installment payable. The main purpose of these financial instruments is to finance the Group's operations.

The main risks arising from the Group's or financial instruments are credit risk and liquidity risk. The BOD reviews and agrees policies for managing each of these risks and are summarized below:

Credit Risk

Credit risk refers to the potential loss arising from any failure by counterparties to fulfill their obligations as and when they fall due. The Group trades only with recognized, creditworthy parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an on-going basis with the result that the Group's exposure to bad debts is not significant.

Since the Group trades only with recognized parties, there is no requirement for collateral.

The credit risk arising from these financial assets arises from default of the counterparty, with maximum exposure equal to the carrying amount of these instruments.

The table below shows the maximum exposure to credit risk of the Group's financial assets as at March 31, 2026 and 2025:

	Consolidated		Parent Company	
	March 31, 2026	2025	March 31, 2026	2025
Cash in banks	₱8,342,867	₱13,620,703	₱346,320	₱336,640
Trade and other receivables	27,302,501	58,776,093	—	—
Due from related parties	175,048,233	196,143,247	—	—
	₱210,693,601	₱268,540,043	₱346,320	₱336,640

For cash in banks, the Group has established probability of default (PD) rates based on available credit ratings published by third-party credit rating agencies. The credit ratings already consider forward-looking information. When a counterparty does not have published credit ratings, the Group benchmarks the credit ratings of comparable companies, adjusted to account for the difference in size and other relevant metrics.

While cash with banks are also subject to the impairment requirements of PFRS 9, the identified impairment loss was immaterial.

Trade and other receivables

The Group applies the PFRS 9 simplified approach in measuring ECL which uses a 12-month expected loss allowance for all trade receivables. The ECL on trade receivables are estimated using a provision matrix by reference to past default experience of the debtor and an analysis of the debtor's current financial position. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables.

Below is the information about the credit risk exposure on the Group's trade and other receivables using a provision matrix:

March 31, 2026

Consolidated

	Current	Days past due				Total
		< 30 days	30-60 days	61-90 days	>91 days	
ECL rate	0%	0%	0%	0%	0%	
Estimated total gross carrying amount at default	P-	P-	P-	P24,162,755	P-	P24,162,755
ECL	P-	P-	P-	P24,162,755	P-	P24,162,755

December 31, 2025

	Current	Days past due				Total
		< 30 days	30-60 days	61-90 days	>91 days	
ECL rate	0%	0%	0%	0%	0%	
Estimated total gross carrying amount at default	P-	P58,776,093	P-	P-	P-	P58,776,093
ECL	P-	P58,776,093	P-	P-	P-	P58,776,093

Due from related parties

ECL on due from related parties are assessed based on either 12-month or lifetime ECL. The Group considers reasonable and supportable information such as historical experience and forward-looking information available at each reporting period to determine whether there has been a significant increase in credit risk since initial recognition. The Group determines the realizable amount of due from related parties based on cashflow forecast. The allowance for ECL on due from related parties is nil since the Group's expected cash flows to be received exceeds the contractual cash flows due. Some of the due from related parties are also secured with financial guarantee contract.

Liquidity Risk

Liquidity risk is the risk that the Group may be unable to meet its payment obligations when they fall due under normal and stress circumstances. To manage this risk, the Group maintains a balance between continuity of funding and flexibility of cash flows through cash planning.

As part of its overall liquidity management, the Group maintains sufficient levels of cash to meet working capital requirements. The Group avails of funds from related parties when needed.

The table below summarizes the maturity profile of the Group's financial liabilities and financial assets based on contractual undiscounted payments.

As at March 31, 2026

	Consolidated			
	On demand	Less than 1 year	1 to 5 years	Total
<i>Financial liabilities:</i>				
Trade and other payables*	P—	P80,594,546	P—	P80,594,546
Due to related parties	55,562,662	—	—	55,562,662
Loans and installment payable	—	544,570,760	3,050,121	547,620,881
	P55,562,662	P625,165,306	P3,050,121	P683,778,089

*Excluding statutory payables amounting to P10,807,353

	Consolidated			
	On demand	Less than 1 year	1 to 5 years	Total
<i>Financial assets:</i>				
Cash				
Cash on hand	P305,000	P—	P—	P305,000
Cash in bank	8,037,867	—	—	8,037,867
Trade receivables	24,162,755	—	—	24,162,755
Due from related parties	175,048,233	—	—	175,048,233
	P207,553,855	P—	P—	P207,553,855

	Consolidated			Total
	On demand	Less than 1 year	1 to 5 years	
	Parent Company			Total
	On demand	Less than 1 year	1 to 5 years	
Financial liabilities:				
Trade and other payables*	P–	P2,616,525	P–	P2,616,525
Due to related parties	107,538,496	–	–	107,538,496
	P107,538,496	P2,616,525	P–	P110,155,021

* Excluding statutory payables amounting to P10,000

	Parent Company			Total
	On demand	Less than 1 year	1 to 5 years	
Financial assets:				
Cash:				
Cash on hand	P100,000	P–	P–	P100,000
Cash in bank	246,320	–	–	246,320
	P346,320	P–	P–	P346,320

As at December 31, 2025

	Consolidated			Total
	On demand	Less than 1 year	1 to 5 years	
Financial liabilities:				
Trade and other payables*	P–	P66,208,253	P–	P66,208,253
Due to related parties	62,424,406	–	–	62,424,406
Loans and installment payable	–	577,546,620	3,050,121	580,596,741
	P62,424,406	P643,754,873	P3,050,121	P709,229,400

*Excluding statutory payables amounting to P31,969,472

	Consolidated			Total
	On demand	Less than 1 year	1 to 5 years	
Financial assets:				
Cash				
Cash on hand	P105,000	P–	P–	P105,000
Cash in bank	13,620,703	–	–	13,620,703
Trade receivables	58,776,093	–	–	58,776,093
Due from related parties	196,143,247	–	–	196,143,247
	P268,645,043	P–	P–	P268,645,043

	Parent Company			Total
	On demand	Less than 1 year	1 to 5 years	
Financial liabilities:				
Trade and other payables*	P–	P2,616,525	P–	P2,616,525
Due to related parties	107,538,496	–	–	107,538,496
	P107,538,496	P2,616,525	P–	P110,155,021

* Excluding statutory payables amounting to P10,000

	Parent Company			Total
	On demand	Less than 1 year	1 to 5 years	
Financial assets:				
Cash:				
Cash on hand	P100,000	P–	P–	P100,000
Cash in bank	236,640	–	–	236,640
	P336,640	P–	P–	P336,640

Fair Values of Financial Instruments

The Company's financial asset and financial liabilities approximate their fair values due to the short-term nature and/or maturity as of December 31, 2025 and 2024.

Fair Value Hierarchy

The table below presents the carrying values and fair values of the Group's financial assets and financial liabilities, by category and by class, as at December 31, 2025 and 2024:

Consolidated March 31, 2026				
Fair Value				
	Carrying Value	Quoted Prices in Active Markets (Level 1)	Significant Observable Input (Level 2)	Significant Unobservable Inputs (Level 3)
Assets				
Cash on hand and in banks	₱8,342,867	₱–	₱–	₱8,342,867
Trade receivables	27,302,501	–	–	27,302,501
Due from related parties	175,048,233	–	–	175,048,233
	₱210,693,601	₱–	₱–	₱210,693,601
Liabilities				
Trade and other payables*	₱80,594,545	₱–	₱–	₱80,594,545
Due to related parties	55,562,662	–	–	55,562,662
Loans payable	445,531,380	–	–	445,531,380
Installment payable	99,039,380	–	–	99,039,380
	₱680,727,967	₱–	₱–	₱680,727,967

*Excluding statutory payables amounting to ₱10,807,353

Parent March 31, 2026				
Fair Value				
	Carrying Value	Quoted Prices in Active Markets (Level 1)	Significant Observable Input (Level 2)	Significant Unobservable Inputs (Level 3)
Assets				
Cash in banks	₱236,640	₱–	₱–	₱236,640
Liabilities				
Trade and other payables*	₱2,616,525	₱–	₱–	₱2,616,525
Due to related parties	107,538,496	–	–	107,538,496
	₱110,155,021	₱–	₱–	₱110,155,021

* Excluding statutory payables amounting to ₱10,000

Consolidated 2025				
Fair Value				
	Carrying Value	Quoted Prices in Active Markets (Level 1)	Significant Observable Input (Level 2)	Significant Unobservable Inputs (Level 3)
Assets				
Cash in banks	₱13,620,703	₱–	₱–	₱13,620,703
Trade receivables	58,776,093	–	–	58,776,093
Due from related parties	196,143,247	–	–	196,143,247
	₱268,540,043	₱–	₱–	₱268,540,043
Liabilities				
Trade and other payables*	₱38,385,110	₱–	₱–	₱38,385,110
Due to related parties	62,424,406	–	–	62,424,406
Loans payable	471,847,507	–	–	471,847,507
Installment payable	106,023,664	–	–	106,023,664
	₱678,680,687	₱–	₱–	₱678,680,687

*Excluding statutory payables amounting to ₱31,969,472

Parent				
2025				
Fair Value				
	Carrying Value	Quoted Prices in Active Markets (Level 1)	Significant Observable Input (Level 2)	Significant Unobservable Inputs (Level 3)
Assets				
Cash in banks	P236,640	P–	P–	P236,640
Liabilities				
Trade and other payables*	P2,616,525	P–	P–	P2,616,525
Due to related parties	107,538,496	–	–	107,538,496
	P110,155,021	P–	P–	P110,155,021

* Excluding statutory payables amounting to P10,000

The Group has determined that the carrying amounts of cash in banks, trade receivables, trade and other payables (except government payables), advances from/to related parties and loans and installment payable, reasonably approximate their fair values because these are mostly short-term in nature.

There were no transfers between Level 1 and 2 fair value measurements and no transfers into and out of Level 3 fair value measurement as at December 31, 2025 and 2024.

21. Significant Contracts

Memorandum of Agreement with CMC

On November 19, 1997, the Group entered into a Memorandum of Agreement (MOA) with CMC which allows CMC to explore, develop and mine nickel ore and obliges it to comply with the terms of the MPSA.

Under the MPSA, CMC pays the Government an excise tax of 4%, and a 5% royalty, as the contract area is within the Surigao Mineral Reservation.

On December 18, 2015, the Group and CMC executed a Supplemental Agreement to provide for the automatic renewal of the term of the MOA for another twenty-five (25) years, or from 2022 to 2047. In consideration of the new term as well as the other conditions contained in the Supplemental Agreement, CMC granted a loan of P1,000.0 million to the Group.

Thereafter, CMC shall pay ECMRCI commission and royalties as follows:

- Commission equivalent to 3.5% on the gross sales amount of all nickel ore;
- Royalties equivalent to either 7% or 8.75% on the gross sales amount of all nickel ore depending on the monthly average LME nickel settlement price; and
- Additional royalty ranging from P10.0 million to P50.0 million depending on CMC's audited net income after tax less the additional royalty amount.

On March 28, 2019, the Group and CMC entered into a supplemental agreement amending the memorandum of agreement stating that after the full payment of ECMRCI's loan to CMC, royalty percentage rates will range from 2.50% to 4.50% depending on the monthly average LME nickel settlement price. In 2023, ECMRCI settled the loan to CMC, hence, the new royalty percentage rates became effective.

As at December 31, 2024, the survey plan for the MPSA renewal is already approved by the MGB and is awaiting for the approval of the DENR. On March 2, 2022, MGB ordered the renewal of the MPSA between the Government and Group for another twenty-five (25) years.

Operating Agreement with LMC

On April 26, 2012, the Group entered into an Operating Agreement with LMC which allows LMC to explore, develop, exploit and operate the mineral property located in Libjo, Dinagat Islands and to extract, mine, process, market, sell, dispose or convey any and all minerals and ores found therein during the lifetime of this Operating Agreement.

For and in consideration of the rights granted, LMC shall pay the Group a royalty equivalent to 3% on the gross sales amount of nickel sold.

Thereafter, the Group and LMC executed a Supplemental Agreement to provide for the following:

- Goodwill bonus amounting to ₱200.0 million, net of tax, to be paid within 15 days from the date of signing;
- Additional royalty equivalent to 4.0% on the gross sales amount of all nickel ore, net of tax; and Marketing share of one USD per WMT for all ores shipped out, net of tax.

Memorandum of Agreement with OVMPC

The Group has an existing MOA with OVMPC which allows OVMPC to explore, develop, exploit, operate and utilize the mineral property covered by this MOA subject to the provisions of MPSA granted by the Philippine Government. OVMPC shall carry on and conduct immediate exploration, commence development and utilization works within two years from the signing of MOA.

For and in consideration of the rights granted, OVMPC shall pay the Group a commission equivalent to 5% on the gross sales amount of nickel sold.

Memorandum of Agreement with Norte Este Corporation (Norte Este)

In 2021, the Group entered into an Operating Agreement with Norte Este which allows Norte Este to explore, develop, extract, operate and market the minerals in the Phase 3 Mineral Property located in Libjo, Dinagat Islands. Norte Este has also the right to construct and maintain roads, bridges, causeway, buildings, plants, and other improvements of all kinds as may be deemed necessary and convenient to its mining operations.

Thereafter, Norte Este shall pay the Group royalties and marketing as follows:

- Royalties ranging from 7% to 15% on the gross sales amount of all nickel ore depending on the monthly average LME nickel settlement price; and
- Marketing ranging from \$0.75 to \$3.50 on the gross sales amount of all nickel ore depending on the monthly average LME nickel settlement price; and

Memorandum of Agreement with Westernshore Nickel Corporation

In 2023, the Group entered into an Operating Agreement with Westernshore Nickel Corporation (WNC) which allows WNC to explore, develop, extract, operate and market the minerals in the Phase 2 Mineral Property located in Libjo, Dinagat Islands.

Thereafter, WNC shall pay the Group mining lease of 3% on the gross sales amount of all nickel ore depending on the monthly average LME nickel settlement price.

As at April 27, 2025, the Group's respective agreements with CMC, LMC, OVMPC and Norte Este have not been terminated and continue to be in full force and effect, subject to the supplemental terms agreed by the Group each with CMC, LMC, OVMPC and Norte Este.

In 2025, 2024 and 2023, the Group earned royalty income amounting to ₱269,131,535, ₱112,330,287, and ₱161,685,814 respectively, and commission and marketing income amounting to ₱147,934,881, ₱103,839,957, and ₱125,482,671, respectively from CMC, LMC and Norte Este. (Note 15).

No royalty and commission earned yet from OVMPC as the current MPSA is still under exploration phase.

22. Supplemental Disclosures to Statements of Cash Flows.

The following table summarizes the changes in liabilities arising from financing activities:

	January 1, 2026	Cash flows Availments	Payments	Restructuring	December 31, 2025
Loans payable	₱476,533,418	–	4,685,911	–	₱471,847,507
Principal portion of installment liability	123,188,345	–	17,164,681	–	106,023,664
	₱599,721,763	–	21,850,592	–	₱577,871,171

	January 1, 2025	Cash flows Availments	Payments	Restructuring	December 31, 2024
Loans payable	₱476,533,418	–	4,685,911	–	₱471,847,507
Principal portion of installment liability	123,188,345	–	17,164,681	–	106,023,664
	₱599,721,763	–	21,850,592	–	₱577,871,171

The other non-cash financing activities of the Group include the amortization of loans payable, recognition of interest expense on lease liabilities under PFRS 16, and the recognition of amounts due to related parties arising from non-cash transactions.

23. Events after the Reporting Period

Below are the events after the reporting period which are treated as non-adjusting event as at December 31, 2025:

Amendments of Articles of Incorporation of Parent Company

On March 24, 2026, during the special board meeting of the Parent Company, the Board approved the amendment of the Seventh Articles of the Company's Articles of Incorporation

from twelve billion pesos (Php 12,000,000,000.00) divided into Twelve Billion (12,000,000,000) Common Shares with a par value of One Peso (Php 1.00) per share to Nine Billion Six Hundred Million Pesos (Php 9,600,000,000.00) divided into Twelve Billion (12,000,000,000) Common Shares with a par value of Eighty Centavos (Php 0.80) per share.

Other matters approved by the Board of Directors on March 24, 2026

- Subject to further stockholders' approval, a 1:8 stock split on the Common Shares with par value of Php 0.80 per share, such that the resulting par value of the Common Shares shall become Php 0.10 per share after the stock split.
- The conduct of a Follow-On Offering at a size and offer price to be determined at a later date by the Board of Directors in accordance with the rules of the Securities and Exchange Commission and Philippine Stock Exchange.

24. **Supplementary Information Required Under Revenue Regulations (R.R.) No. 15-2010**

In compliance with the requirements set forth by R.R. No. 15-2010, hereunder are the information on taxes, duties and license fees paid or accrued during the taxable year 2025:

VAT

The Parent Company is a VAT-registered company with no VAT output tax declaration for the year ended December 31, 2025. The Company has no sales subject to VAT of 12% for the year ended December 31, 2025.

Taxes and Licenses

This includes all other taxes, local and national, including license and permit fees lodged under "Taxes and licenses", which is presented under "Operating expense" line item in the 2025 statement of comprehensive income.

National:

PSE annual listing fee	₱250,000

Local:

Permits and licenses	—
	₱250,000

Withholding Taxes

Withholding taxes paid and accrued by the Company in 2025 are as follows:

	Paid	Accrued
EWT	₱110,000	₱10,000
Withholding taxes on compensation and benefits	—	—
	₱110,000	₱10,000

Tax Assessments and Contingencies

The Company has no tax cases under preliminary investigation nor litigation and/or prosecution in courts or bodies outside of the administration of BIR as of December 31, 2025.

**EAST COAST VULCAN MINING CORPORATION AND SUBSIDIARY
(FORMERLY EAST COAST VULCAN CORPORATION)
INDEX TO THE FINANCIAL STATEMENTS
AND SUPPLEMENTARY SCHEDULES
AS OF MARCH 31, 2026**

COMPANY FINANCIAL STATEMENTS

Statements of Financial Position as of March 31, 2026 and 2025

Statements of Income for the years ended March 31, 2026, 2025 and 2024

Statements of Comprehensive Income for the years ended March 31, 2026, 2025 and 2024

Statements of Changes in Equity (Capital Deficiency) for the years ended March 31, 2026, 2025 and 2024

Statements of Cash Flows for the years ended March 31, 2026, 2025 and 2024

Notes to Financial Statements

SUPPLEMENTARY SCHEDULES

- I. Schedules required by Annex 68-J:
 - A. Financial Assets
 - B. Amounts Receivable from Directors, Officers, Employees, Related Parties and Principal Stockholders (Other than Related Parties)
 - C. Amounts Receivable from Related Parties which are Eliminated during the Consolidation of Financial Statements
 - D. Long-Term Debt
 - E. Indebtedness to Related Parties (Long-Term Loans from Related Companies)
 - F. Guarantees of Securities of Other Issuers
 - G. Capital Stock
- II. Reconciliation of Retained Earnings Available for Dividend Declaration (Annex 68-D)
- III. Schedule of Financial Soundness Indicators (Annex 68-E)
- IV. Map showing the relationships of the Companies within the Group
- V. Schedule of External Auditor Fee-related information

**EAST COAST VULCAN MINING CORPORATION AND SUBSIDIARY
(FORMERLY EAST COAST VULCAN CORPORATION)
SCHEDULE A - FINANCIAL ASSETS
MARCH 31, 2026**

Name of issuing entity and association of each issue	Number of shares or principal amounts of bonds and notes	Amount shown in the statement of financial position	Value based on market quotation at end of reporting period	Income received and accrued
<i>Cash and related parties</i>				
Cash		₱8,342,867	₱8,342,867	₱3,052
Trade and other receivables		27,302,501	27,302,501	—
Due from related parties		175,048,233	175,048,233	—
Total		₱210,693,601	₱210,693,601	₱3,052

**EAST COAST VULCAN MINING CORPORATION AND SUBSIDIARY
(FORMERLY EAST COAST VULCAN CORPORATION)
SCHEDULE B - AMOUNTS RECEIVABLE FROM DIRECTORS, OFFICERS,
EMPLOYEES, RELATED PARTIES AND PRINCIPAL STOCKHOLDERS
(OTHER THAN RELATED PARTIES)
MARCH 31, 2026**

Name and Designation of Debtor	Balance at Beginning period	Additions	Amounts Collected	Amounts Written off	Current	Not Current	Balance at end of period

The Company has no amounts receivable from directors, officers, employees, related parties and principal stockholders as at March 31, 2026 equal to or above the established threshold of the Rule.

**EAST COAST VULCAN MINING CORPORATION AND SUBSIDIARY
(FORMERLY EAST COAST VULCAN CORPORATION)
SCHEDULE C - AMOUNTS RECEIVABLE FROM RELATED PARTIES
WHICH ARE ELIMINATED DURING THE
CONSOLIDATION OF FINANCIAL STATEMENTS
MARCH 31, 2026**

Name and Designation of Debtor	Balance at Beginning period	Additions	Amounts Collected/ Settlements	Amounts Written off	Current	Not Current	Balance at end of period
East Coast Vulcan Mining Corporation (Parent Company)	₱107,738,496	₱1,189,655	₱-	₱-	₱107,538,496	₱-	₱107,738,496

**EAST COAST VULCAN MINING CORPORATION AND SUBSIDIARY
(FORMERLY EAST COAST VULCAN CORPORATION)
SCHEDULE D - LONG-TERM DEBT
MARCH 31, 2026**

Title of Issue and type of obligation	Amount authorized by: Indenture	Amount shown under the caption "Current Portion of long-term debt" in related statement of financial position	Amount shown under caption "Long-term debt" in related statement of financial position

—Not applicable—

**EAST COAST VULCAN MINING CORPORATION AND SUBSIDIARY
(FORMERLY EAST COAST VULCAN CORPORATION)
SCHEDULE E - INDEBTEDNESS TO RELATED PARTIES
(LONG-TERM LOANS FROM RELATED COMPANIES)
MARCH 31, 2026**

<u>Name of Related Party</u>	<u>Balance at beginning of period</u>	<u>Balance at end of period</u>

—Not applicable—

**EAST COAST VULCAN MINING CORPORATION AND SUBSIDIARY
(FORMERLY EAST COAST VULCAN CORPORATION)
SCHEDULE F - GUARANTEES OF SECURITIES OF OTHER ISSUERS
MARCH 31, 2026**

Name of issuing entity of securities guaranteed by the company for which this statement is filed	Title of issue of each class of securities guaranteed	Total amount guaranteed and outstanding	Amount owed by person for which statement is filed	Nature of guarantee

—Not applicable—

**EAST COAST VULCAN MINING CORPORATION AND SUBSIDIARY
(FORMERLY EAST COAST VULCAN CORPORATION)
SCHEDULE G - CAPITAL STOCK
MARCH 31, 2026**

Title of Issue	Number of shares authorized	Number of shares issued and outstanding as shown under related statement of financial position caption	Number of shares reserved for options, warrants, conversions and other rights	Number of shares held by		
				Related parties	Directors, officers and employees	Others
Common Shares at ₱ 1 par value	12,000,000,000	6,630,000,000	—	—	5,185,937,650	1,444,062,350

**EAST COAST VULCAN MINING CORPORATION AND SUBSIDIARY
(FORMERLY EAST COAST VULCAN CORPORATION)
RECONCILIATION OF RETAINED EARNINGS AVAILABLE FOR DIVIDEND
DECLARATION (ANNEX 68-D)
AS OF MARCH 31, 2026**

Unappropriated Retained Earnings, beginning of reporting period		<u>(P1,101,135,754)</u>
Add: Category A: Items that are directly credited to Unappropriated Retained Earnings		
Reversal of Retained Earnings Appropriation/s	—	
Effect of restatements or prior-period adjustments	—	
Others (describe nature)	—	—
Less: Category B: Items that are directly debited to Unappropriated Retained Earnings		
Dividend declaration during the reporting period	—	
Retained Earnings appropriated during the reporting period	—	
Effect of restatements or prior-period adjustments	—	
Others (describe nature)	—	—
Unappropriated Retained Earnings, as adjusted		<u>(P1,101,135,754)</u>
Add/Less: Net Income (loss) for the current year		<u>(1,530,138)</u>
Less: Category C.1: Unrealized income recognized in the profit or loss during the reporting period (net of tax)		
Equity in net income of associate/joint venture, net of dividends declared	—	
Unrealized foreign exchange gain, except those attributable to cash and cash equivalents	—	
Unrealized fair value adjustment (mark-to-market gains) of financial instruments at fair value through profit or loss (FVTPL)	—	
Unrealized fair value gain of Investment Property	—	
Other unrealized gains or adjustments to the retained earnings as a result of certain transactions accounted for under the PFRS (describe nature)	—	
Sub-total		<u>—</u>
Add: Category C.2: Unrealized income recognized in the profit or loss in prior reporting periods but realized in the current reporting period (net of tax)		
Realized foreign exchange gain, except those attributable to Cash and cash equivalents	—	
Realized fair value adjustment (mark-to-market gains) of financial instruments at fair value through profit or loss (FVTPL)	—	
Realized fair value gain of Investment Property	—	
Other realized gains or adjustments to the retained earnings as a result of certain transactions accounted for under the PFRS (describe nature)	—	
Sub-total		<u>—</u>
Add: Category C.3: Unrealized income recognized in profit or loss in prior periods but reversed in the current reporting period (net of tax)		

Reversal of previously recorded foreign exchange gain, except those attributable to cash and cash equivalents	—	
Reversal of previously recorded fair value adjustment (mark-to-market gains) of financial instruments at fair value through profit or loss (FVTPL)	—	
Reversal of previously recorded fair value gain of Investment Property	—	
Reversal of other unrealized gains or adjustments to the retained earnings as a result of certain transactions accounted for under the PFRS, previously recorded (describe nature)	—	
Sub-total		—
Adjusted Net Income/Loss		(1,530,138)
Add: Category D: Non-actual losses recognized in profit or loss during the reporting period (net of tax)		
Depreciation on revaluation increment (after tax)	—	
Sub-total		—
Add/Less: Category E: Adjustments related to relief granted by the SEC and BSP (see Footnote 3)		
Amortization of the effect of reporting relief	—	
Total amount of reporting relief granted during the year	—	
Others (describe nature)	—	
Sub-total		—
Add/Less: Category F: Other items that should be excluded from the determination of the amount of available for dividends distribution		
Net movement of treasury shares (except for reacquisition of redeemable shares)	—	
Net movement of deferred tax asset not considered in the reconciling items under the previous categories	—	
Net movement in deferred tax asset and deferred tax liabilities related to same transaction, e.g., set up of right of use of asset and lease liability, set-up of asset and asset retirement obligation, and set-up of service concession asset and concession payable	—	
Adjustment due to deviation from PFRS/GAAP - gain (loss)	—	
Others (describe nature)	—	
Sub-total		—
Total Retained Earnings, end of the reporting period available for dividend		(₱1,102,665,892)

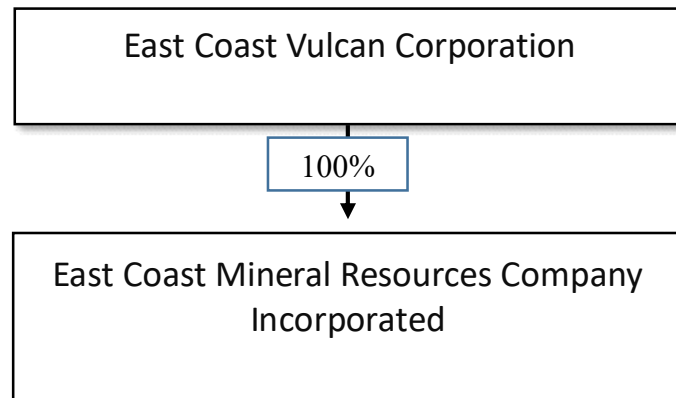
The amount is zero since the reconciliation results to a deficit of (₱1,102,665,892) as at March 31, 2026.

**EAST COAST VULCAN MINING CORPORATION AND SUBSIDIARY
(FORMERLY EAST COAST VULCAN CORPORATION)
SCHEDULE OF FINANCIAL SOUNDNESS INDICATORS (ANNEX 68-E)
FOR THE YEARS ENDED MARCH 31, 2026 and 2025**

Ratio	Formula	2026	2025
<i>Liquidity and Solvency Ratios:</i>			
Current ratio	Total Current Assets Divided by: Total Current Liabilities	0.44:1	0.51:1
Quick ratio	(Cash + Receivables) Divided by: Total Current Liabilities	0.44:1	0.11:1
Solvency ratio	(Net Income + Depreciation) Divided by: Total Liabilities	2.81:1	0.34:1
<i>Financial Leverage Ratios:</i>			
Asset to equity ratio	Total Assets Divided by: Total Equity	1.60:1	1.61:1
Debt ratio	Total Liabilities Divided by: Total Assets	0.37:1	0.38:1
Debt to equity ratio	Total Liabilities Divided by: Total Equity	0.60:1	0.61:1
Interest coverage ratio	Net Income Before Tax Divided by: Interest Expense	(1.68:1)	(0.15:1)
Price earnings ratio	Current Share Price Divided by: Earnings Per Share	(45.88:1)	(26.95:1)
<i>Profitability Ratios:</i>			
Return on assets	Net Income Before Tax Divided by: Total Assets	(1.94%)	(0%)
Return on equity	Net Income Before Tax Divided by: Total Equity	(3.10%)	(0%)
Gross profit margin	Gross income Divided by: Net Sales	0%	8%
Net profit margin	Net Income Divided by: Net Sales	0% _s	(14%)

**EAST COAST VULCAN MINING CORPORATION AND SUBSIDIARY
(FORMERLY EAST COAST VULCAN CORPORATION)
MAP SHOWING THE RELATIONSHIPS OF THE COMPANIES WITHIN
THE GROUP
AS OF MARCH 31, 2026**

PURSUANT TO REVISED SRC RULE 68



**EAST COAST VULCAN MINING CORPORATION AND SUBSIDIARY
(FORMERLY EAST COAST VULCAN CORPORATION)
SUPPLEMENTARY SCHEDULE OF EXTERNAL AUDITOR
FEE-RELATED INFORMATION
For the year ended March 31, 2026 and 2025**

	2026	2025
Total Audit Fees	₱2,230,000	₱2,230,000
Non-audit services fees:		
Other assurance services	—	—
Tax services	—	—
All other services	—	—
Total Non-audit Fees	—	—
Total Audit and Non-audit Fees	₱2,230,000	₱2,230,000



EAST COAST VULCAN MINING CORPORATION
formerly EAST COAST VULCAN CORPORATION

U1502, Pacific Star Bldg., Sen. Gil Puyat Ave., Cor. Makati Ave., Bel-Air, Makati City
1209 Tel (632) 8511-8312: Fax (632) 8550-1468
Website: www.eastcoastvulcanmining.com

May 12, 2026

Philippine Stock Exchange, Inc.
6th Floor PSE Tower
5th Avenue corner 28th Street
Bonifacio Global City, Taguig City

Attention: **Ms. Stefanie Ann B. Go**
Officer-In-Charge, Disclosure Department

Gentlemen:

In connection with the submission of East Coast Vulcan Mining Corporation (the "**Corporation**")'s SEC Form 17-Q for the period ended March 31, 2026, the Corporation would like to inform the Exchange that no exploration activities were conducted during the said period.

For reference, the most recent exploration results remain as reported in the 2014 Exploration Report for the Libjo Laterite Nickel Project and the 2025 Annual Mineral Resource/Ore Reserve Inventory Report, under MPSA-233-2007-XIII (SMR), and the 2025 Annual Mineral Resource/Ore Reserve Inventory Report of Cagdianao Mining Corporation under MPSA-078-97-XIII (SMR). Copies of these reports are enclosed for reference and in compliance with the relevant disclosure requirements.

Should there be any developments or resumption of exploration activities, the Corporation will submit an updated summary in accordance with the required format and timelines.

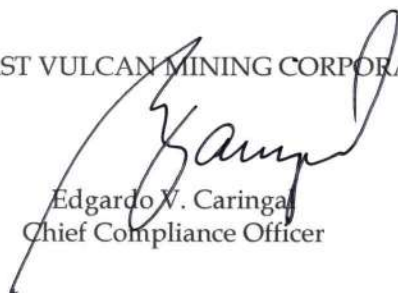
Please let us know if further information is required.

Thank you for your attention to this matter.

Very truly yours,

EAST COAST VULCAN MINING CORPORATION

By:


Edgardo V. Caringal
Chief Compliance Officer



February 25, 2026

Engr. Michael V. Cabalda
OIC-Director
DENR - Mines and Geosciences Bureau
North Avenue, Diliman, Quezon City



Dear OIC-Director Cabalda,

Greetings!

We are submitting herewith the **2025 Annual Mineral Resource Ore Reserve Inventory Report** of Cagdianao Mining Corporation.

Hope you will find everything in order.

Thank you.

Very truly yours,


Engr. Christian Jae R. Gascon
Resident Mine Manager

**Cagdianao
Mining
Corporation**

Main Office:
29th Floor NAC Tower,
32nd Street, Bonifacio
Global City, Taguig City,
Philippines 1634

Phone: (02) 7798 7625

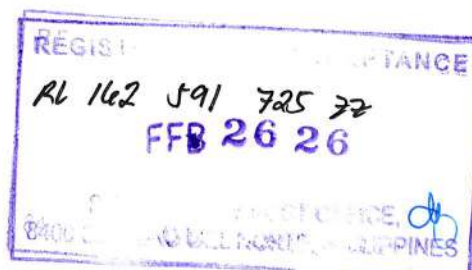
Liaison Office:
2nd Floor NAC Building,
Km. 3, Brgy. Luna,
Surigao City,
Philippines 8400

Phone: (086) 826 6113

Site Address:
Brgy. Valencia,
Municipality of Cagdianao,
Province of Dinagat Island,
Philippines 8411

Web: nickelasia.com

CC: Engr. Larry M. Heradez
Regional Director
Mines and Geosciences Bureau – Region 13
Surigao City



Guidelines on How to Fill Out the Digitized Annual Mineral Resources and Reserves Inventory Report (MGB Form No. 29-19)

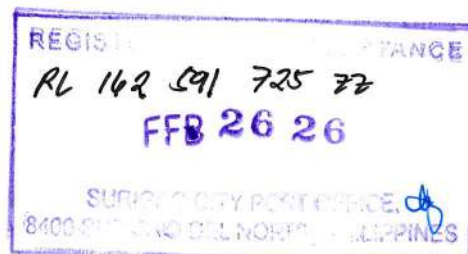
Before You Begin

- Use **Adobe Acrobat** to ensure full functionality of the fillable form.
- Ensure **consistency between resource and reserve figures** across all sections.
- All entries must use the prescribed reporting units: Dry Metric Tonne (DMT), Wet Metric Tonne (WMT), and cubic meter (cu.m.). for tonnage; percent (%), gram per tonne (g/t), and parts per million (ppm) for grades. Furthermore, use appropriate units for Specific Gravity, Cut-off Grade, etc.
- To ensure uniform reporting, tonnage and grade figures must be **rounded o to two decimal places**.
- All entries must be written in full. Abbreviations for names of permittees/contractors and minerals are not allowed.
- Report Mineral Reserves as part of Mineral Resources, i.e., **Resources $\geq$ Reserves; otherwise state the reason in the remarks.**
- The **deadline for submission** of MGB Form 29-19 is on or before the end of the 1st quarter of every year.



Submission Procedures

1. **Open** the Digitized Annual Mineral Resources and Reserves Inventory Report (MGB Form No. 29-19). **arranged in alphabetical order.** Manual entry is allowed only if your contract or permit number is not included in the list.
2. **Fill out** the necessary fields.
 - 2.1. **General Information**
 - 2.1.1. **Name of Mining Contractor/Permit Holder/Permittee** – Enter the official name of the **entity authorized to operate** under the mining contract or permit.
 - 2.1.2. **Name of Operator** – Provide the name of the operator, if different from the permit holder. Enter **N/A** if not applicable.
 - 2.1.3. **Mining Contract/Permit Number** – Select your valid Mining Contract/Permit Number from the **dropdown list**, which is
 - 2.1.4. **Region** – Identify the region where the mining project is located.
 - 2.1.5. **Status of Operation** – Specify the current **operational status** of the project.
 - 2.1.6. **For Year** – Indicate the **reporting year** of the data being submitted.
 - 2.2. **Mineral Data**
 - 2.2.1. **Mineral Type** – Indicate whether the mineral is **Metallic or Non-Metallic**.
 - 2.2.2. **Primary Mineral** – Specify the **main mineral** being reported or extracted (e.g., Gold, Copper, Nickel, etc.).



- 2.2.3. Secondary Mineral(s) – List any **associated or by-product minerals** of economic interest (e.g., Silver, Molybdenum, Iron, etc.)
- 2.2.4. With Material Classification? - Indicate **"Yes"** if the report includes **more than one material classification**, such as different ore types (e.g., Limonite and Saprolite) or mining methods (e.g., Underground and Open Pit). Otherwise, select **"No"**.
- 2.2.5. Material Classification – If **"Yes"** is selected above, **provide the specific classifications** used in the report (e.g., Limonite, Saprolite, Open Pit, Underground) under the appropriate Material Classification 1 and/or Material Classification 2 fields.
- 2.2.6. Moisture Content – Enter the average moisture content (%) of the reported material, if applicable.
- 2.2.7. Previous Year's Resources and Reserves – Enter the reported tonnage and grade by category (Measured, Indicated, Proved, etc.) for the **previous year**.
- 2.2.8. Changes in Resources and Reserves – State the **changes in tonnage/grade not due to mining** (e.g., changes due to re-estimation and reinterpretation).
- 2.2.8.1. **Reason for the Change** – Select the appropriate reason from the dropdown list to explain the cause of changes in resources and reserves other than mining extraction. The available options are:
- 2.2.8.1.1. **Discoveries** – Refers to the identification of new mineral deposits or ore bodies not previously reported. This includes extensions of known deposits confirmed through additional exploration (e.g., drilling, trenching, or geophysical surveys).
- 2.2.8.1.2. **Upward Reappraisal** – An increase in previously reported resources and reserves due to improved geological understanding, new sampling data, or refined estimation methods. This reflects a positive adjustment in tonnage, grade, or confidence level.
- 2.2.8.1.3. **Reclassification** – The transfer of tonnage and grade between categories (e.g., from Indicated to Measured, or from Probable to Proved Reserves) as a result of additional information, improved confidence, or changes in reporting standards.
- 2.2.8.1.4. **Catastrophic Losses** – Refers to a sudden, significant, and non-mining related reduction of resources or reserves caused by events such as landslides, flooding, earthquakes, fire, or other natural/technical disasters that render part of the deposit inaccessible or uneconomic.
- 2.2.8.1.5. **Downward Reappraisal** – A decrease in previously reported resources and reserves due to reinterpretation of geological data, revised economic assumptions (e.g., metal prices, cut-off grades), or the application of more stringent estimation methods.
- 2.2.9. Materials Mined – Provide the **quantity and grade of materials extracted** during the reporting year.
- 2.2.10. Remaining Resources and Reserves – Update the tonnage and grade values after deducting mined quantities and applying any changes. These figures represent the **current Mineral Resources and Reserves as of the reporting year**.

- 2.2.11. Density(ies) – Enter the Density(ies) value(s) used in the estimation.
- 2.2.12. Cut-off Grade(s) – Enter the **minimum grade thresholds** applied in the estimation.
- 2.2.13. Estimation Method – Describe the **estimation method used** for resource/reserve estimation (e.g., Inverse Distance, Ordinary Kriging).
- 2.2.14. Computer Software Used – Specify the **software used** in generating the estimates (e.g., Surpac).
- 2.2.15. Date Reported – Indicate **when the report was finalized**.

2.3. Certification and Endorsement

- 2.3.1. Accredited Competent Person – The **qualified person** responsible for the report must enter their name, position, company, and sign the form.
- 2.3.2. President/Authorized Representative – The **legal representative** must review and sign, confirming the validity of the submission.
- 2.3.3. Acknowledgement Section – Must be **notarized by a Notary Public** to authenticate the declaration.

Inventory (AMRI) Report has been successfully submitted to the MGB system. This confirmation serves as proof of successful submission.

- 3. **Click the Save Form button** to save all accomplished information. *Ensure that all required fields have been completely and correctly filled out before proceeding.*
- 4. **Print** the accomplished form and have it duly **Notarized**.
- 5. **Click the Get Code button** and **Submit the notarized form through the Google Form** that appears. *The system will not allow you to proceed if any required field is incomplete.*
- 6. **Receive an Email** for your **Unique Code**.
- 7. Re-open your filled out MGB Form 29-19 and **Enter the Unique Code**.
- 8. Click on **Submit**.
- 9. Receive an **Email Confirmation** indicating that your Annual Mineral Resource/Reserve

Republic of the Philippines
Department of Environment and Natural Resources
MINES AND GEOSCIENCES BUREAU
North Avenue, Diliman, Quezon City

**ANNUAL MINERAL RESOURCES AND RESERVES
INVENTORY REPORT**

Name of Mining Contractor/Permit Holder/Permittee:

EAST COST MINERAL RESOURCES, INC. (East Coast)

Name of Operator (if any): Cagdianao Mining Corporation

Mining Contract/Permit Number: MPSA No. 078-97-XIII (SMR)

Region: Region XIII

Province: Dinaqat Islands

Status of Operation: Operating

For Year: 2025

Instructions on Reporting:

1. Report Mineral Reserves as part of Mineral Resources, i.e., Resources $\geq$ Reserves; otherwise state the reason in the remarks.
2. Enter 'N/A' for fields that are not applicable

Mineral Type: Metallic

Primary Mineral: Nickel

Secondary Mineral(s): Iron

With Material Classification/Multiple Deposits?: ☒ Yes ☐ No

Material Classification 1/ Deposit Name 1

(i.e., limonite, deposit name): Limonite

Moisture Content 1

(in %, if applicable): 35

Previous Year's Resources (Opening Stock)				Previous Year's Reserves (Opening Stock)			
Category	Tonnage	Grade Primary	Grade Secondary	Category	Tonnage	Grade Primary	Grade Secondary
	WMT	%	%		WMT	%	%
Measured	10,869,977.00	0.86	39.10	Proved	2,333,402.00	1.34	31.42
Indicated	2,111,239.00	0.79	37.04	Probable	280,428.00	1.40	27.80
Inferred	857,872.00	0.81	37.16				
Total (Measured + Indicated)	12,981,216.00	0.85	38.75	Total (Proved + Probable)	2,613,830.00	1.35	31.03
Changes in Resources (Except Mined)				Changes in Reserves (Except Mined)			
Reason for the change (i.e., re-estimation): Reclassification				Reason for the change (i.e., re-estimation): Downward Reappraisal			
Category	Tonnage (Indicate if + or -)	Grade Primary	Grade Secondary	Category	Tonnage	Grade Primary	Grade Secondary
Measured	1,789,902.00	0.86	39.50	Proved	-147,651.00	1.61	26.63
Indicated	-68,290.00	0.78	37.44	Probable	-8,251.00	1.68	26.09
Inferred	1,133,343.00	0.80	37.48				
Total (Measured + Indicated)	1,721,612.00	0.85	39.18	Total (Proved + Probable)	-155,902.00	1.32	32.69
Materials Mined (Production)							
Category		Tonnage		Grade Primary		Grade Secondary	
Proved		1,050,724.00		1.32		32.69	
Probable							
Others (i.e., incidental ores or other non-reserve mined materials)							
TOTAL		1,050,724.00		1.32		32.69	

Remaining Resources (Closing Stock)				Remaining Reserves (Closing Stock)			
Category	Tonnage	Grade Primary	Grade Secondary	Category	Tonnage	Grade Primary	Grade Secondary
Measured	12,655,553.00	0.84	40.56	Proved	1,135,028.00	1.33	30.92
Indicated	2,042,783.00	0.78	38.72	Probable	272,177.00	1.39	27.85
Inferred	1,133,343.00	0.79	38.01				
Total (Measured + Indicated)	14,698,336.00	0.83	40.30	Total (Proved + Probable)	1,407,205.00	1.34	30.34

Material Classification 2 / Deposit Name 2
(i.e., saprolite, deposit name): Saprolite

Moisture Content 2
(in %, if applicable): 35

Previous Year's Resources (Opening Stock)				Previous Year's Reserves (Opening Stock)			
Category	Tonnage	Grade Primary	Grade Secondary	Category	Tonnage	Grade Primary	Grade Secondary
	WMT	%	%		WMT	%	%
Measured	5,937,684.00	1.25	20.50	Proved	1,632,949.00	1.49	15.26
Indicated	1,523,050.00	1.14	19.35	Probable	291,288.00	1.43	15.50
Inferred	1,061,774.00	1.14	20.10				
Total (Measured + Indicated)	7,460,734.00	1.23	20.27	Total (Proved + Probable)	1,924,237.00	1.48	15.29

Changes in Resources (Except Mined)
Reason for the change (i.e., re-estimation): Reclassification

Changes in Reserves (Except Mined)
Reason for the change (i.e., re-estimation): N/A

Category	Tonnage (Indicate if + or -)	Grade Primary	Grade Secondary	Category	Tonnage	Grade Primary	Grade Secondary
Measured	-1,663,573.00	1.25	20.14	Proved	790,900.00	0.65	19.32
Indicated	-673,587.00	1.15	19.47	Probable	-46,141.00	1.47	13.69
Inferred	752,800.00	1.15	19.94				
Total (Measured + Indicated)	-2,337,160.00	1.23	20.00	Total (Proved + Probable)	744,759.00	0.60	19.66

Materials Mined (Production)

Category	Tonnage	Grade Primary	Grade Secondary
Proved	1,178,604.00	1.12	13.04
Probable			
Others (i.e., incidental ores or other non-reserve mined materials)			
TOTAL	1,178,604.00	1.12	13.04

Remaining Resources (Closing Stock)				Remaining Reserves (Closing Stock)			
Category	Tonnage	Grade Primary	Grade Secondary	Category	Tonnage	Grade Primary	Grade Secondary
Measured	4,273,961.00	1.21	19.78	Proved	1,245,245.00	1.30	19.88
Indicated	849,464.00	1.15	20.30	Probable	245,147.00	1.43	15.85
Inferred	752,800.00	1.17	19.49				
Total (Measured + Indicated)	5,123,425.00	1.20	19.86	Total (Proved + Probable)	1,490,392.00	1.32	19.22

Remarks: _____

Density(ies): Saprolite: 1.311, Limonite: 1.064

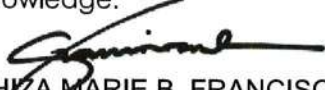
Cut-off Grade(s): Saprolite: $\geq 0.79\%$ Ni; $< 29\%$ Fe, Limonite: $\geq 0.45\%$ Ni, $\geq 29\%$ Fe

Mineral Resource and Reserve Estimation Method: Statistical : Inverse-Distance Weighting

Computer Software Used: SURPAC 2023, SURPAC 2024

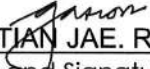
Date Reported: 12/31/2025

I hereby certify that the foregoing information are true and correct to the best of my knowledge.


ANGILHIZA MARIE B. FRANCISCO

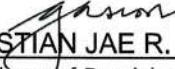
Printed Name and Signature of Accredited
Competent Person (Geologist)

Company: Hinatuan Mining Corporation-MNMP
Position: Geology Manager
Date: 02/24/2026


CHRISTIAN JAE. R GASCON

Printed Name and Signature of Accredited
Competent Person (Mining Engineer)

Company: Cagdianao Mining Corporation
Position: Resident Mine Manager
Date: 02/24/2026


CHRISTIAN JAE R. GASCON

Printed Name and Signature of President/Authorized Representative

NAC-CAGDIANAO MINING CORPORATION
Contractor/Permittee/Permit Holder/Operator

ACKNOWLEDGEMENT

Republic of the Philippines)
) S.S.

At _____ on this day _____ of _____ personally appeared
before me:

Name	ID Number	Date of Issuance
_____	_____	_____
_____	_____	_____

who acknowledged to me that they executed the foregoing Report voluntarily and that the same is of their own free act and deed.

WITNESS MY HAND AND SEAL, on the date and place written above.

Doc. No. 3070
Page No. 227
Book No. 7
Series of KV6


ATTY. MELODIE C. LIANZA
NOTARY PUBLIC
Commission Expires Dec. 31, 2027
Atty's Roll No. 5778 / IBP No. 5513.01 / 07-29-2025
PIB No. 86627017 / 01-5-2026
MCLF Compliance No. VIII-0012878
Valid Until April 14, 2028
0131 Meehleib Bldg. Door 4, Rizal St.
Brgy. Washington, Surigao City, 8400

**LIBJO MINING CORPORATION**

Libjo Nickel Laterite Mining Project
Municipalities of Tubajon and Dinagat Islands
Mine Site Address: Sitio Balite, San Antonio, Libjo, Dinagat Islands
Surigao Liaison Office: 06050 Pagtoo St. Villa Corito Sub., Surigao City
Tel. No. : (086) 231-5131 Email Add: lmcminesite@gmail.com

January 7, 2026

ENGR. MICHAEL V. CABALDA
OIC Director
Mines & Geosciences Bureau
North Avenue
Diliman, Quezon City



Dear **Director**;

Pursuant to DAO 2010-21 Chapter XXIX Section 270.j and DAO 2010-09, we are submitting herewith the **2025 Annual Mineral Reserve Inventory Report** of *Libjo Nickel Laterite Mining Project* under the Mineral Production Sharing Agreement (MPSA) Area of East Coast Mineral Resources Company Inc., (ECMRCI) denominated with MPSA No. 233-2007-XIII (SMR) located in the Municipalities of Libjo and Tubajon, Province of Dinagat Islands.

For your information and acknowledgement.

Very truly yours,


ALFREDO D. CASTRO JR.
OIC-Resident Mine Manager

Copy furnished:

ENGR. LARRY M. HERADEZ
Regional Director
Mines and Geosciences Bureau (MGB) RO-XIII
Km 2, National Highway, Surigao City

Republic of the Philippines
Department of Environment and Natural Resources
MINES AND GEOSCIENCES BUREAU
North Avenue, Diliman, Quezon City

**ANNUAL MINERAL RESOURCE/ORE RESERVE
INVENTORY REPORT
CY 2025**

I. General Information

Name of Mining Contractor/Permit Holder/Permittee : **EAST COAST MINERAL RESOURCES COMPANY INC. (ECMRCI)**

Office Address: : **NO. 17 ROAD 19, COGEO VILLAGE, ANTIPOLO CITY**

Contact Number: :

Type of Mining Contract/Permit : **MINERAL PRODUCTION SHARING AGREEMENT (MPSA)**

Mining Tenement Number/Denomination: : **MPSA No. 233-2007-XIII (SMR)**

Name of Operator: : **LIBJO MINING CORPORATION (LMC)**

Office Address: : **Head Office:**

4th Floor, Low-Rise Bldg. Pacific Star Bldg. Makati Avenue cor. Gil Puyat Avenue, Makati City

Mine Site:

SAN ANTONIO, LIBJO, DINAGAT ISLANDS

Contact Number: : **Tel. Nos:**

+632 856 9517/+632 811 3512/+632 511 3512

Fax No.

+632 550 1468

Location of Contract/Permit Area

San Antonio
(Sitio/Barangay)

Libjo
(Municipality)

Dinagat Island
(Province)

Geographical Coordinates:

Corner	Latitude	Longitude
1	10°14'36.04"N	125°30'58.95"E
2	10°14'35.88"N	125°32'37.78"E
3	10°14'25.73"N	125°32'37.77"E
4	10°14'25.76"N	125°32'17.51"E
5	10°14'08.72"N	125°32'17.48"E
6	10°13'35.39"N	125°32'45.53"E
7	10°13'35.37"N	125°32'54.49"E
8	10°13'24.79"N	125°32'57.92"E
9	10°13'08.47"N	125°32'57.89"E
10	10°13'01.22"N	125°32'53.38"E
11	10°13'01.23"N	125°32'36.12"E
12	10°13'04.06"N	125°32'41.99"E
13	10°13'05.34"N	125°32'36.12"E
14	10°13'08.08"N	125°32'36.12"E
15	10°13'08.12"N	125°32'09.38"E
16	10°14'26.55"N	125°30'58.93"E

Total Area: 4,226.2744 Hectares

II. Status of Operation (Please tick appropriate box/es)

- ☐ Under Exploration
Date Started: _____
- ☐ Under Development
Date Started: _____
- ☒ Production Stage
Authorized Annual Mine Production (as per 3-Year Work Program): 500,000 MT
Actual Annual Mine Production: 1,972,490 MT
- ☐ Stopped Operation
Date Stopped: _____
Reason/s: _____

Mined/Explored Commodity:

☒ **Metallic** ☐ **Non-metallic**
(Please specify) Nickel

Type of Deposit:

- ☒ **Metallic** ☐ **Non-metallic**
- ☐ Vein-type ☐ Marbleized
- ☐ Porphyry ☐ Siliceous
- ☐ Placer ☐ Coralline
- ☒ Others, please specify: Lateritic ☐ Others, please specify: _____

Classification of Commodity: Nickel Ore
Mining Method/s: Surface Mining – Open Pit
Processing: N/A
% Recovery: N/A

III. Mineral Resource/Ore Reserve Inventory

A. Mineral Resource Inventory

1. Previous Year's Mineral Resource Inventory

Category	Tonnage/ Volume	Grade/Assay (%Ni)	Grade/Assay (%Fe)
Measured	23, 286.941	0.90	47.15
	7,286.067	1.50	17.54
Indicated			
Inferred			
TOTAL	30,573,008.00	1.2	32.345

2. Mineral Resource Blocked for the Reporting Period (if any)

Category	Tonnage/ Volume	Grade/Assay (%Ni)	Grade/Assay (%Fe)	Remarks
Measured*				
Indicated**				
Inferred				
TOTAL				

*Indicate in Remarks column if resource is New, or Upgraded from Indicated or Inferred Resource

**Indicate in Remarks column if resource is New, or Upgraded from Inferred Resource

3. Total Mineral Resource Inventory (A1 + A2 - B2)

Category	Tonnage/ Volume	Grade/Assay (%Ni)	Grade/Assay (%Fe)
Measured	23,286,941	0.90	47.15
	7,286,067	1.50	17.54
Indicated			
Inferred			
TOTAL	30,573,008.00	1.2	32.345

B. Ore Reserve Inventory

1. Previous Year (2025) Ore Reserve

Category	Tonnage/ Volume	Grade/Assay (%Ni)	Grade/Assay (%Fe)
Proved	13,182,554	1.2	40.0
	3,534,085	1.5	30.0
Probable	5,591,896	1.2	38.0
	3,809,158	1.5	33.0
TOTAL	26,117,693	1.29	37.13

2. Additional Ore Reserve Converted from Mineral Resource

Category	Tonnage/ Volume	Grade/Assay (%Ni)	Grade/Assay (%Fe)
Proved			
Probable			
TOTAL			

3. Ore Reserve Mined/Extracted this 2024

Category	Tonnage/ Volume	Grade/Assay (%Ni)	Grade/Assay (%Fe)
Proved	1,889,326	0.78	46.26
	83,164	1.21	25.23
Probable			
TOTAL	1,972,490	0.79	45.37

4. Total Remaining Ore Reserve (B1 + B2 - B3)

Category	Tonnage/ Volume	Grade/Assay (%Ni)	Grade/Assay (%Fe)
Proved	11,293,229	1.2	40.0
	3,450,921	1.5	30.0
Probable	5,591,896	1.2	38.0
	3,809,158	1.5	33.0
TOTAL	24,145,203	1.29	37.13

Method of Mineral Resource Estimation/Ore Reserve Computation:

☒ Geometric

☐ Statistical

☐ Triangle

☐ Inverse-Distance

Weighting ☐

☐

Area Averaging

Kriging

☒ Polygon

☐ Others, please specify: _____

☐ Cross-Sectional

☐ Others, please specify: _____

☐ Others, please specify: _____

Computer Software Used (if any): Micro Lynx IDW Method

Reference/s Used in Mineral Resource Estimation/Ore Reserve Computation:
(Provide location map/s showing the exploration site/s)

☐ Geological Inferences	☐ Geophysical
Area Covered:	Type of Geophysical Method:
Spacing:	Area Covered:
No. of Samples Collected:	Spacing:
	Average Depth:
☐ Trenching	☐ Test Pitting
Area Covered:	Area Covered:
Spacing:	Spacing:
Total No. of Trenches Dug:	Average Depth:
Average Length & Width:	Total No. of Test Pits:
No. of Samples Collected:	No. of Samples Collected:
☐ Auger Drilling	☒ Diamond Drilling
Area Covered:	Area Covered: 100.25 ha
Spacing:	Spacing: 50 x 50 m
Average Depth:	Average Depth: 9
Total No. of Drill Holes:	Total No. of Drill Holes: 401
No. of Samples Collected:	No. of Samples Collected: 401
☐ Previous Workings	☐ Others, please specify:
Area Covered:	
Spacing:	
Average Depth:	
No. of Samples Collected:	

Factors/Parameters Used In:

Mineral Resource Estimation

Specific Gravity: _____
Cut-Off Grade: ≤1% Ni and Fe ≥45%
Others, please specify: _____

I hereby certify that the foregoing information are true and correct to the best of my knowledge.

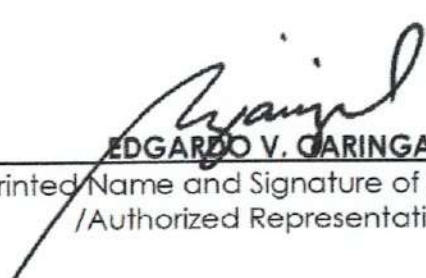

ENGR. ALFREDO D. CASTRO JR.

Printed Name and Signature of Competent Person

Company: Libjo Mining Corporation

Position : OIC Resident Mine Manager

Date : 7 January 2026


EDGARDO V. GARINGAL

Printed Name and Signature of President
/Authorized Representative

EAST COAST MINERAL RESOURCES COMPANY INC
Contractor/Permittee/Permit Holder/Operator

ACKNOWLEDGEMENT

Republic of the Philippines

)
) S.S.

At Surigao City on this day JAN 07 2026 personally
appeared before me:

Name	ID Number	Date of Issuance
—	—	—
—	—	—
—	—	—

who acknowledged to me that they executed the foregoing Report voluntarily and
that the same is of their own free act and deed.

WITNESS MY HAND AND SEAL, on the date and place written above.

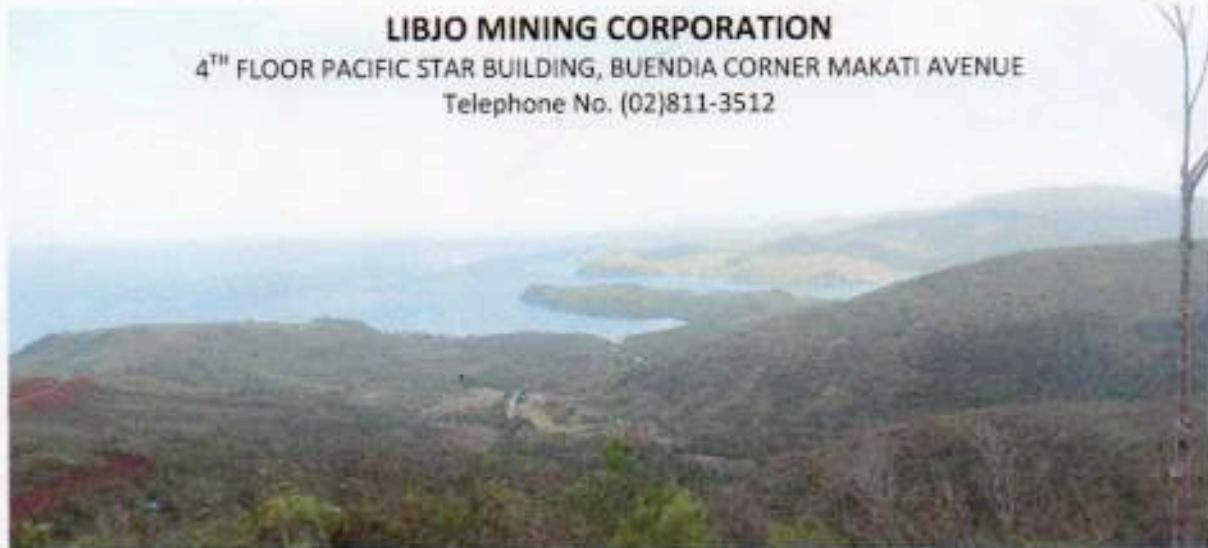
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Book No. 7
Series of 706


ATTY. MELVIN C. LLANZA
NOTARY PUBLIC
Commission Expires Dec. 31, 2027
Attorney's Roll No. 57730
IBP No. 53250/27-29-2025
PTR No. 8662701Z/01-5-2026
MCLE Compliance No. VIII-0012878
Valid Until April 14, 2028
0131 Meehleib Bldg. Door 4, Rizal St.
Brgy. Washington, Surigao City 8400

LIBJO MINING CORPORATION

4TH FLOOR PACIFIC STAR BUILDING, BUENDIA CORNER MAKATI AVENUE

Telephone No. (02)811-3512



EXPLORATION REPORT

FOR

LIBJO LATERITE NICKEL PROJECT

UNDER MPSA NO. 233 – 2007- XIII(SMR)

Municipalities of Libjo and Tubajon

Province of Dinagat Island



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**COMPLIANCE STATEMENT
WITH THE PHILIPPINE MINERAL REPORTING CODE**

The information in this report that relates to Exploration Results and Mineral Resources is based on information compiled by MR. RAFAEL R. LIWANAG, who is a member of the Geological Society of the Philippines.

Mr. Liwanag is an employee of YINYI Philippines Mining, Incorporated and was engaged by Libjo Mining Corporation for a definite period to prepare this report.

Mr. Liwanag has sufficient experience which is relevant to the style of mineralization and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2007 edition of the Philippine Mineral Reporting Code (PMRC) for Reporting Exploration Results, Mineral Resources and Ore Reserves.

Mr. Liwanag consents to the inclusion of the report on matters based on his information in the form and context which it appears.

Executive Summary:

The mineral property of Libjo Mining Corporation is situated in Barangays Imelda and Navarro, Municipality of Tubajon, and Barangays Navarro and Aguinaldo, Municipality of Libjo in the Province of Dinagat Island. This area is well within the central part of the Eastern Bicol-East Mindanao ophiolite belt that favors the formation of nickeliferous deposits. The explored area which is the subject of this report covers a total area of 400 hectares within the 4,226 hectares tenement area covered by an approved Mineral Production Sharing Agreement denominated as MPSA No.2003- 2007- XIII (SMR) issued to East Coast Mineral Resources Inc., by the DENR on June 08, 2007.

The area was explored by Cagdianao Mining Corporation by way of Memorandum of Agreement with East Coast Mineral Resources Inc. in 2006 – 2011. On March 16, 2012, this agreement was terminated with a Mutual Rescission Agreement signed and executed by both parties which was registered with the MGB Caraga Regional Office No. XIII on March 26, 2012.

On June 8, 2012, East Coast Mineral Resources Inc. (ECMRI), entered into an Operating Agreement with LIBJO MINING CORPORATION (LMC). The Agreement is valid during the lifetime of the current MPSA subject to the renewal under such terms and conditions as the parties may stipulate/agree.

*Based on verified and validated drilling data from 2,506 drillholes at 25 x 25 meter grid interval and 241 drillholes at 100 x 100 meter grid interval and 31,690 samples gathered from them, grade modelling was conducted on Microlynx modelling software using Inverse Distance Squared Method, the project area has a measured mineral resource at 1%Ni economic cut-off grade of **30,085,000 million WMT** equivalent to **19,955,250 DMT** with average grades of **1.03 % Ni** and **40.93% Fe** distributed as follows:*

Limonite : 23,768,881 wmt equivalent to 15,449,773 dmt at 0.90% Ni, 47.15% Fe
Saprolite : 6,316,119 wmt equivalent to 4, 105,477 dmt at 1.50% Ni, 17.54% Fe

The Inferred ore resource of 9,549,898 WMT equivalents to 6,204,834 DMT at 0.86% Ni, 35.50% Fe, and 0.093% Co is subject to in-fill drilling at 50m x 50m and 25m x 25m to increase the level of confidence and upgrade them to measured resource classification. With a mine life of 10 years being projected in the Partial Declaration of Mining Project Feasibility considering a projected annual tonnage from 500,000 - 5,000,000 wmt, the computed mineral resources are sufficient to support LMC's Libjo Laterite Nickel Project.

1.0 Introduction

This Report on the Results of Exploration and Mineral Resources was prepared by the undersigned in partial fulfilment of the requirements for the Partial Declaration of Mining Project Feasibility (DMPF) for MPSA No. 233- 2007- XIII(SMR). Libjo Mining Corporation engaged the services of the author as a competent person in exploration results and mineral

resource reporting as required by MGB regulations. The author conducted field inspection of the exploration, sampling, laboratory analysis and resource computation procedures from September 24 to 28, 2013. During the week that followed, data evaluation, processing, orebody modelling, resource computation and validation, and report writing were completed.

The estimated mineral resources declared herein were computed based on the data obtained from the drilling exploration works conducted by Cagdianao Mining Corporation in 2006 to 2011 and Libjo Mining Corporation from October, 2012 up to the present as provided to the author by the Vice-president of Libjo Mining Corporation, Mr. Edgardo Caringal.

The exploration activities of Libjo Mining Corporation are still on-going and there is a great possibility that additional mineral resources would be blocked.

2.0 Location and Accessibility, Project Description and History of Mining Claims

2.1 Location and Accessibility

The project area is located at the northwestern section of Dinagat Island as shown by the regional map in Figure 2.1.1 and the topographic map of NAMRIA in Figure 2.1.2. It is within the administrative jurisdiction of Barangays San Antonio and Gen. Aguinaldo in Libjo and Barangays Imelda and Navarro in Tubajon in the Province of Dinagat. Libjo proper is approximately centered by Geographic Coordinates $10^{\circ}19'50''$ North Latitude and $125^{\circ}33'15''$ East Longitude. It is 58 kilometers 14° Northeast of Surigao City.



Figure 2.1.1: Regional Map of Caraga showing the Location of the Project Area

The area is accessible by boat from Surigao City through the Hinatuan passage. Travel time to the area by a commercial boat is approximately 3 hours. Surigao City can be reached from Manila by means of daily commercial flight or from Cebu City through a three times a week flight or daily scheduled vessel. Another alternative route is a 5 ½ hour drive from Butuan City, which is served by a daily flight from Manila.

2.2 Project Description

The **ECMRI** MPSA area denominated as MPSA No. MPSA No. 233- 2007- XIII(SMR) was issued by the Mines and Geosciences Bureau on June 08, 2007. The **ECMRI** property has a total land area of 4,226.27744 hectares and covers portion of Barangays Navarro and Imelda in the municipality of Tubajon, Barangays Aguinaldo and San Antonio in the municipality of Libjo, Province of Dinagat Islands. The following geographic coordinates bound the corners of the claim boundaries as plotted in the tenement map in Figure 2.2.1:

Table 2.2.1: Geographical Coordinates

Corner	Latitude (N)	Longitude (E)
1	10° 14' 23.50"	125° 30' 51.50"
2	10° 14' 45.00"	125° 31' 14.00"
3	10° 14' 45.00"	125° 31' 14.00"
4	10° 16' 00.00"	125° 35' 30.00"
5	10° 16' 00.00"	125° 35' 30.00"
6	10° 13' 00.00"	125° 35' 30.00"
7	10° 13' 00.00"	125° 32' 48.00"
8	10° 13' 04.00"	125° 32' 42.00"
9	10° 13' 07.00"	125° 32' 28.50"
10	10° 13' 02.50"	125° 32' 23.50"
11	10° 13' 00.00"	125° 32' 23.50"
12	10° 13' 00.00"	125° 32' 06.50"



Figure 2.2.1: Tenement Map

The Libjo Nickel Laterite Mining Project is part of Parcel 3 of the Mineral Reservation declared through Presidential Proclamation No. 391 series of 1939 as shown in Figure 2.2.2. There are no known ancestral domain claims or applications within the MPSA.

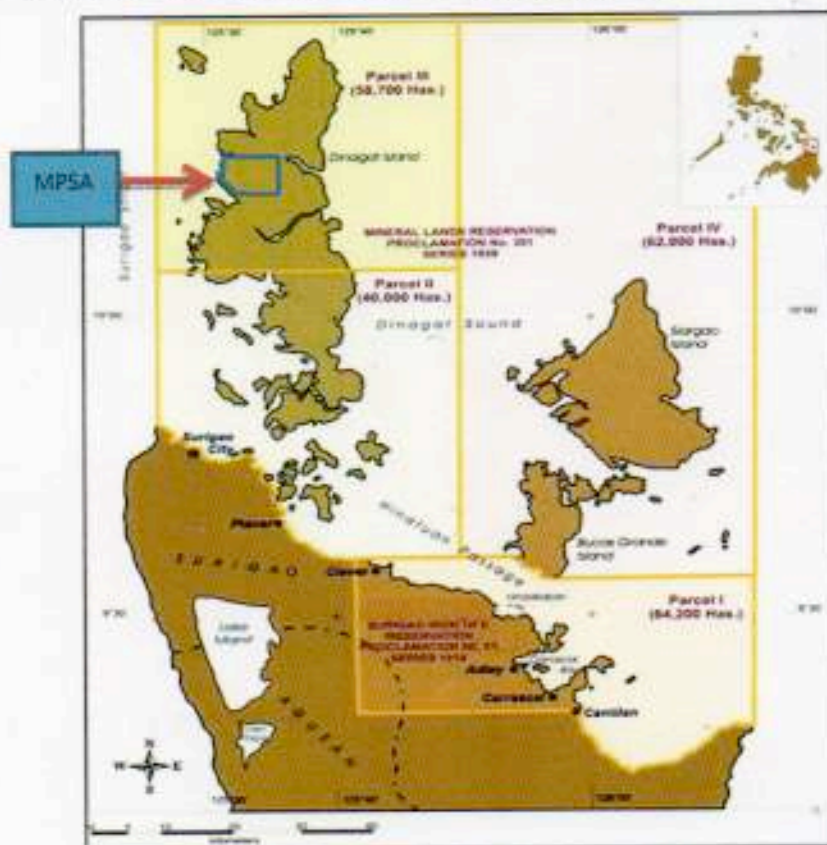


Figure 2.2.2: Map of the Mineral Land Reservation Proclamation No. 391 Series of 1939

2.3 History of Mining Rights

The Mineral Production Sharing Agreement (MPSA) denominated as MPSA No. 233 – 2007 – XIII (SMR) was executed by and between the Philippine Government and East Coast Mineral Resources Inc., on June 08, 2007 for the exploration, sustainable development and commercial utilization of nickel, cobalt, chromite and other related mineral deposits existing within the contract area of 4,226.27744 hectares situated at Barangays Navarro and Imelda, municipality of Tubajon, Barangays Aguinaldo and San Antonio, Municipality of Libjo, Province of Dinagat Islands. The mineral claim is within Parcel 3 of the Mineral Reservation declared through Presidential Proclamation No. 391 series of 1939.

In 2006, East Coast Mineral Resources Inc. entered into a Memorandum of Agreement with Cagdianao Mining Corporation for the exploration, development and commercial utilization of nickel, chromite and other mineral deposits found within the mineral claim.

On March 16, 2012, The Operating Agreement with Cagdianao Mining Corporation was terminated. The Mutual Rescission Agreement which was signed and executed by both parties was registered to the MGB Caraga Regional Office No. XIII on March 26, 2012.

On June 8, 2012, East Coast Mineral Resources Inc. (ECMRI), referred to as "Claimowner" entered into an Operating Agreement with LIBJO MINING CORPORATION (LMC) referred to as "OPERATOR". LIBJO MINING CORPORATION, being financially and technically capable agreed to undertake the exploration, development and utilization of nickel and other mineral deposits found in the mineral property of East Coast covered by MPSA No. 233-2007- XIII (SMR). The Agreement is valid during the lifetime of the current MPSA subject to the renewal under such terms and conditions as parties may stipulate/agree.

The Operating Agreement was submitted to MGB Caraga Regional Office XIII on July 2, 2012 for registration. The approval of the Operating Agreement is still on process at the MGB Central Office.

On September 17, 2012, Libjo Mining Corporation employed the services of GEOCONSULTANT on to prepare the EIS needed for securing the Environmental Compliance Certificate (ECC). The Proponent is committed to implement the measures presented in the submitted Environmental Impact Statement (EIS), which are intended to protect and mitigate the Project's adverse impacts on community health, welfare and the environment.

The ECC that will soon be issued covers the mining and direct shipment of nickel-laterite ore covering the 4,226 hectares of MPSA No. 233- 2007- XIII(SMR) with annual mine production ranging from 500,000 wmt to as high as 5,000,000 wmt (Wet Metric Tons) of ore. The Project includes mining development, operation, maintenance and rehabilitation works, construction and operation of mine structures and support facilities such as haul roads,

stockyards, administration buildings, Staff /Guest House, Warehouse, Mechanical Building, Laboratory Building, Causeway, drainage system, waste dump areas, settling ponds/basins and other silt and erosion control infrastructures.

3.0 Climate, Topography, Drainage and Vegetation and Land Use Capability

3.1 Climate

The Study area falls under the Type II of the modified Coronas Classification of the Philippine Climate (**Figure 3.1.1**). It has no dry season and has a pronounced rain period from October to March, the greatest of which occurs during the month of January. The northeast monsoon prevails during the rainy months while the westerly winds prevail during the months of less rainfall. Heavy precipitation falls during the prevalence of the SE monsoon rain, which usually occurs between the months of January and April. Wettest month is January while driest month is May. The occurrence of El Niño alters this rainfall pattern.

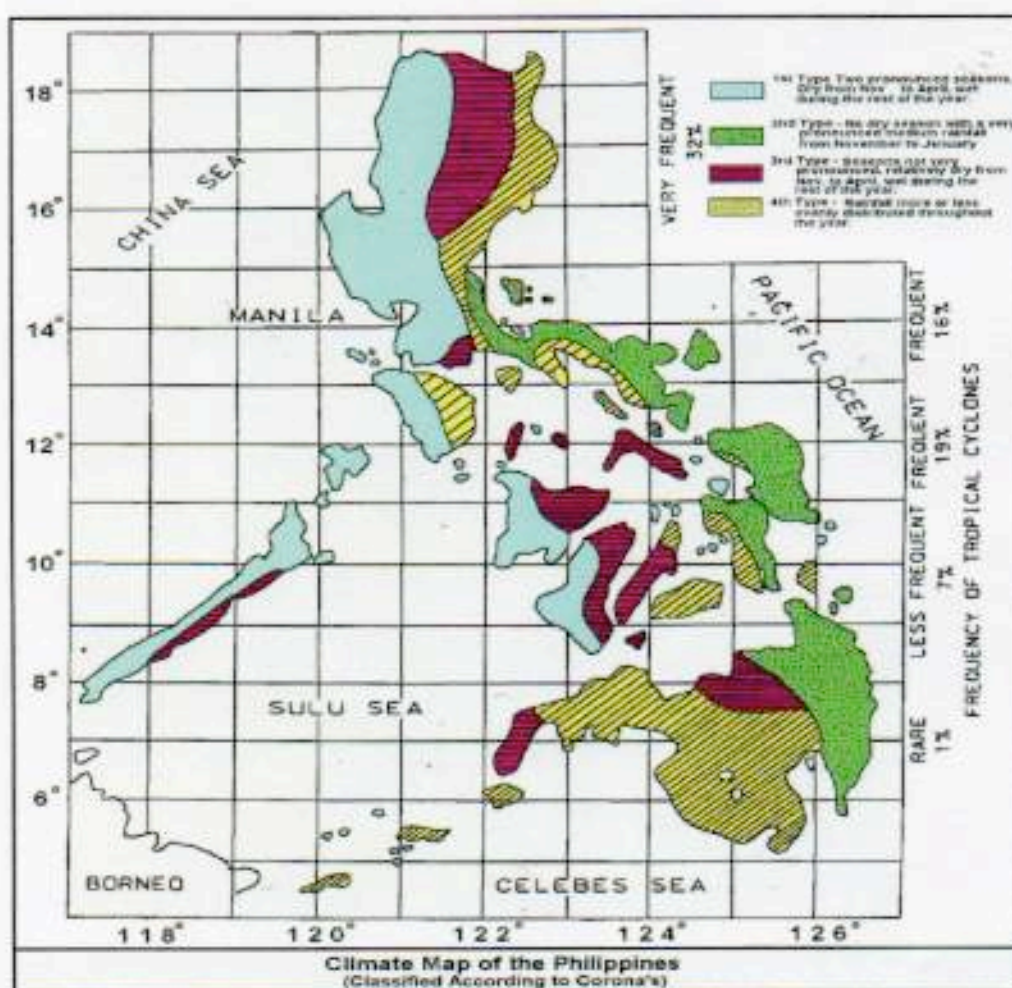


Figure 3.1.1: Climate Map of the Philippines

3.2 Topography, Drainage and Vegetation

The topography is described as slightly steep to almost rolling hills especially on top ridges, where lateritic materials are concentrated. The elevations range from 10 to 400 meters above sea level; portion of the area with steep slopes are mostly on the western side, while the eastern side, terrain is almost gentle.

The mining property is host to multiple watersheds but only one is considered large and this is the Malinao River Watershed. Others are medium-sized such as the Libjo Watershed which hosts the water source of the Libjo municipality, the Mangrove Watershed that includes a mangrove area in San Antonio, the Balete River Watershed which is adjacent to the proposed campsite of the company and the Layawan River Watershed which is located at the northwestern corner of the claim. The rest of the tenement is composed of smaller watersheds and mostly adjacent to the western coastline of the town. Some of the watersheds are discussed below.

The watershed of the river occupies the middle and eastern sections of the claim and has an area of more or less, 2,800 hectares. Characterized by a semi-elongated shape, the watershed is steeply sloping to rugged topography at the headwaters. Vegetation is relatively dense where secondary forest growths thrive. Massive erosion is absent in the entire watershed specifically where ore extraction has not taken place yet. Malinao River is a major drainage system in the municipality and its watershed covers more than one half of the MPSA-permitted area. The main channel emanates from the central portion of the claim, runs eastward and then empties into the Malinao Inlet. The main channel is more or less, 16 kilometres long, has an elevation difference of 366 m from the headwater of the main channel to the mouth, and a gradient of 0.23. The upstream segment of the river is located within the claim area. Three (3) major tributaries feed the mainstream and in turn, these tributaries catch the discharges of multiple smaller tributaries emanating from the proposed extraction areas of the project. The small tributaries belong to 4th order streams.

Along the southeastern part of the municipality of Tubajon is mountainous, which covers almost all parts of Brgy. Imelda except a small portion along the coast. On the north, it is mostly rocky. Going southwest to the barangay Mabini, Navarro, and Diaz, the area is characterized by rolling hills, which gradually descend to level nearly level slope class, marshy and swampy, best suited for lowland rice production. The southern portion on the municipality is mountainous covered with commercial forest. Along the stretch of item coast line are mountains and hills of prominent indentions.

There are remnants of trees left in the area but these are mostly clustered in riparian zones and peaks of high mountains where access for loggers is difficult. Secondary forest growth is however robust. In areas underlain by thin soil cover, growth of plants is stunted probably due to the loss of nutrients when the primary forest growths were logged out or simply the inherent deprivation of the soil fertility.

A large portion of the project area is already denuded. The portions on the ridges have a secondary growth of vegetation, while at lower elevations areas are covered with shrubs, under brushes and cogon grasses.

The project site is a degraded shrubby brush land dominated by an irregular cover of dwarf trees and non-timber products. The vegetation can be classified under the subtype "vegetation on ultramafic rocks", these rocks usually contain high concentrations of magnesium and nickel but deficient in nutrients like potassium, therefore the vegetative quality is poor.

3.3 Land Use Capability

Based on the General Land Use of the province, the municipality is characterized by five (5) land uses namely Forested Area, Agricultural Area, Mining Area, Built Up Area and Others. The entire municipality is however covered by Presidential Proclamation No. 391 Series of 1939 which declared the area a Mineral Land Reservation covering an area of 58,700 has. Land use at the mining claim however only two of these uses are represented, Forestland and Others.

3.3.1 Forestland

This classification describes the area where secondary forest growths exist composed mostly of trees that survive the extreme condition offered by serpentine soil. Many species here have stunted growth which is a normal condition in an ultramafics environment. However, there are also tree species that are thriving well and had already produced lush vegetation especially in the interior where loggers find it difficult to do their illegal activities.

The forestland occupies about 80% of the mining property and Areas 1 and 3 are located within this land use classification. This will mean that some of the vegetative cover will be affected by ore extraction especially in Area 1. Please refer to Figure 7.1.1.

3.3.2 Other Land Uses

This refers to the different uses the land is exposed to. There are most located in the peripheries of forests and used sparingly for grazing, settlement, farming, and other miscellaneous uses. Vegetative cover is largely composed of grasses and shrubs, cash crops, fruit trees, Coconuts and some other trees.

This land use occupies about 20% of the property and is hosting Area 3.

4.0 Exploration History

The area was first explored by Cagdianao Mining Corporation in 2006 up to 2011 through a Memorandum of Agreement with East Coast Mineral Resources, Inc., for the exploration, development and utilization of nickel and other mineral deposit within the mineral property covered by an approved Mineral Production Sharing Agreement denominated as MPSA No. 233- 2007- XIII (SMR).

A total of 2,506 exploratory holes using YBM vibro machines were drilled by Cagdianao Mining Corporation during the period 2006, 2007 and 2011, wherein 2,265 holes were drilled at 25m x 25m grid interval and 241 holes at 100m x 100m grid interval. About 400 hectares of mineralized land was fully explored by Cagdianao Mining Corporation.

In October 2012, the exploration was continued by Libjo Mining Corporation when the Operating Agreement between East Coast Mineral Resources and Cagdianao Mining Corporation was terminated on March 16, 2012.

5.0 Geological Setting

5.1 Regional Geology

Geotectonically, Dinagat Island and Surigao Del Norte, with its offshore islands in general, are located within the area of the Eastern Bicol-East Mindanao ophiolite belt, bounding on the East the NNW-SSE trending mobile (seismic) zone of the Philippine Archipelago (Fernandez, J.C., 1986). The Philippine Archipelago is characterized as an arc aggregate of plate convergence and comprises nine such ophiolite belts. These are spatially related to the principal subduction zones that have played a key role in the formation of the Philippine Islands. The southern part of Eastern Bicol-East Mindanao ophiolite belt coincides with the Eastern Mindanao Ridge, one of the alternating sequences of linear sub-parallel tectonic blocks and ridges characterizing the mobile zone of the Philippine Archipelago. The distribution of the ophiolite belts and some of the principal tectonic features of the country are shown in Figure 5.1.1.

As shown in Figure 5.1.1, the Eastern Mindanao Ridge is located between two major structures that influence the geology of the Philippine Archipelago: NNW-SSE trending Philippine Fault and Philippine Trench. These structures are located respectively west and east of the Eastern Mindanao Ridge. The prominent Philippine Fault, largely left-lateral strike-slip system runs from Northern Luzon to Southeastern Mindanao over a distance of more than 1,200 kilometers. The fault exhibits lateral displacements of from 40 to 100 kilometers and contains channel ways of intrusive with associated porphyry copper and epithermal gold mineralization. Quaternary volcanism associated with the fault is presently manifested as volcanic chains with accompanying geothermal activity. In the central and southern part of the Eastern Mindanao Ridge, the Philippine Fault forms the eastern boundaries of the Agusan-Davao Trough; a NNW-SSE trending basin of Eocene and younger sedimentary rocks about 50 kilometers wide and up to 6 kilometers thick.

The major component of the Philippine Fault in the north lies offshore of Surigao, with the major splay fault extending along Lake Mainit and Mayag River (Allen, 1962). East of the Mindanao Ridge, the Philippine Trench, also locally referred to as the Mindanao Deep (11,518m depth), is a west dipping active but geologically younger subduction zone wherein the southwestern margin of the Philippine Plate is being consumed.

Although no generally accepted synthesis of the region's tectonic evolution has yet been made, the main tectonic processes that led to present configuration of Eastern Mindanao Ridge include east and west opposed, inward-dipping subduction zones with collision of geological terrains, intermittently active in Mesozoic and Cenozoic times. The Eastern Mindanao Ridge has been interpreted by most previous workers as an inactive west-facing arc related to eastward subduction, with the paleo-trench lying west of Agusan-Davao Through (Hamilton, 1979; Moore and Silver, 1983 and Hawkins, et. al., 1985).

Basement rocks in the region are suites of Cretaceous basic metavolcanics and metamorphic rocks. The metavolcanic rocks are exposed locally in the Surigao mainland and the metamorphic rocks are represented mainly in Southern Dinagat Island by Nueva Estrella Schist (Sunga and Palaganas, 1986, JICA-MMAJ, 1990). These rocks probably represent the remnants of a primitive Cretaceous arc which collided with the proto-Philippine arc in early Tertiary times (JICA-MMAJ, 1990).

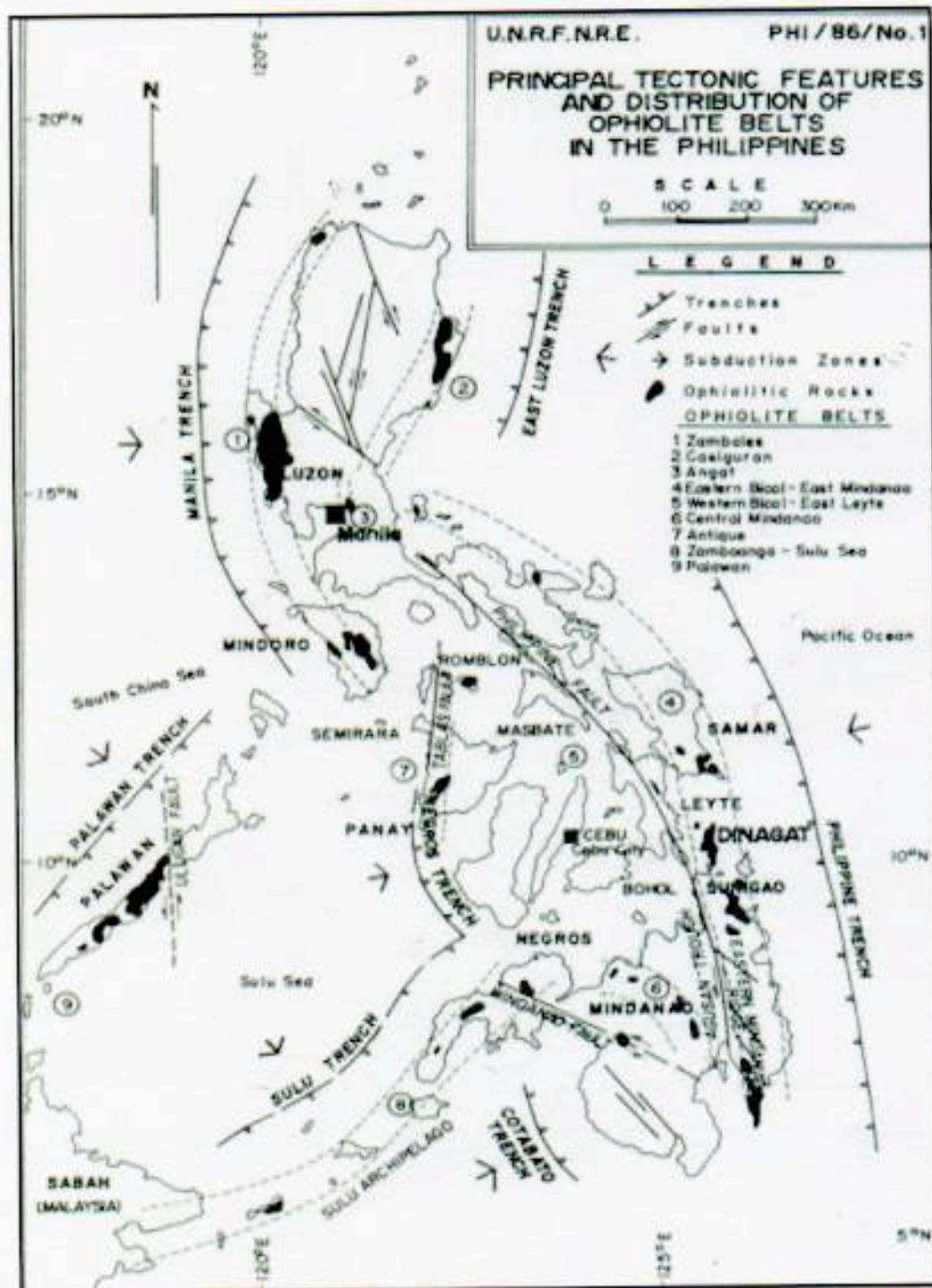


Figure 5.1.1: Principal Tectonic Plates and Distribution of Ophiolite Belts in the Philippines

The oldest post-ophiolite sediments recorded in the Surigao area, as well as in the Eastern Bicol-East Mindanao belt in general, are Eocene, clastic formations. In Surigao mainland, the Upper Eocene Mandalog Formation (Santos, et. al., 1962) consists of conglomerates with serpentinite and diabase detritus overlying unconformably serpentinites and serpentinitized harzburgites. Similar conglomerates of comparable Eocene age lie unconformably on serpentinites in the neighboring province of Agusan del Norte. On Dinagat Island the undated conglomerates (Loreto Clastics) of probably Miocene age, are confined mainly over the ophiolite and partly over the Nueva Estrella Schist with an unconformable relationship. The Eocene conglomerates have a very restricted distribution and suggest prevailing erosional conditions in the region during the lower Tertiary.

Miocene to Pliocene time is characterized by vigorous deposition of clastic sediments, carbonates and volcano-clastics associated with basic to intermediate volcanism. A large portion of the eastern part of Surigao mainland is underlain by the Bacuag Formation (Santos, et al., 1962) of Lower Miocene age (DP)/UN/PHI-85-001). The formation consists of a thick succession of basaltic clastics and basalt flows, with interbedded limestone, mudstone, wackes and carbonaceous mudstones. The Bacuag Formation is unconformably overlain by the Mother lode Turbidites (Middle-Upper Miocene), consisting mainly of mudstones, siltstones and wackes with interbedded marls and limestones. This formation is confined to the northeastern part of Surigao mainland where it might have deposited in an oval-shape basin located between Surigao City and Masapelid Island.

The present complex structural pattern of the region results principally from the effect of compressive and tensional forces, produced by the two major structural features of the Philippines, between which the Eastern Mindanao Ridge and Dinagat Island are located. The north-northwesterly trend dominates in the area and is mainly reflected in the alignment of fold axis, major faults and blocks and partly in the strike of bedding. Severe deformations including tight folding, thrusting and overturning of layers characterize the ophiolite and basement rocks. Persistent subduction in the region generated also a series of thrust planes in these older lithologic units. The Tertiary Formations are gently folded but in close proximity to major faults they are highly deformed and cataclased. Rifting along the Philippine Fault caused block faulting and numerous faults of which the NNW-SSE systems are more common. Block faulting and recurrence along major faults are marked by the development of NNW-SSE trending horst and graben structures.

5.2 Geology of Dinagat Island

In the regional context, Dinagat and its islands are located in the central part of the Eastern Bicol-East Mindanao ophiolite belt and apparently represent the northwestern projection of Eastern Mindanao Ridge. With more than ninety percent of its area underlain by ophiolitic suite rocks the Dinagat Group of Islands constitutes the lowermost section of the eastern Mindanao Tectonic block and form part of a NW-SE trending horst extending from Bucas Grande Island and Carrascal area of Surigao mainland on the south, to Hibuson Island on the north. The Dinagat ophiolite has a K-Ar age of 84 m.y. corresponding to the Upper Cretaceous period. Ultramafic plutonic rocks with small amounts of pillow basalts and

5.2.1).

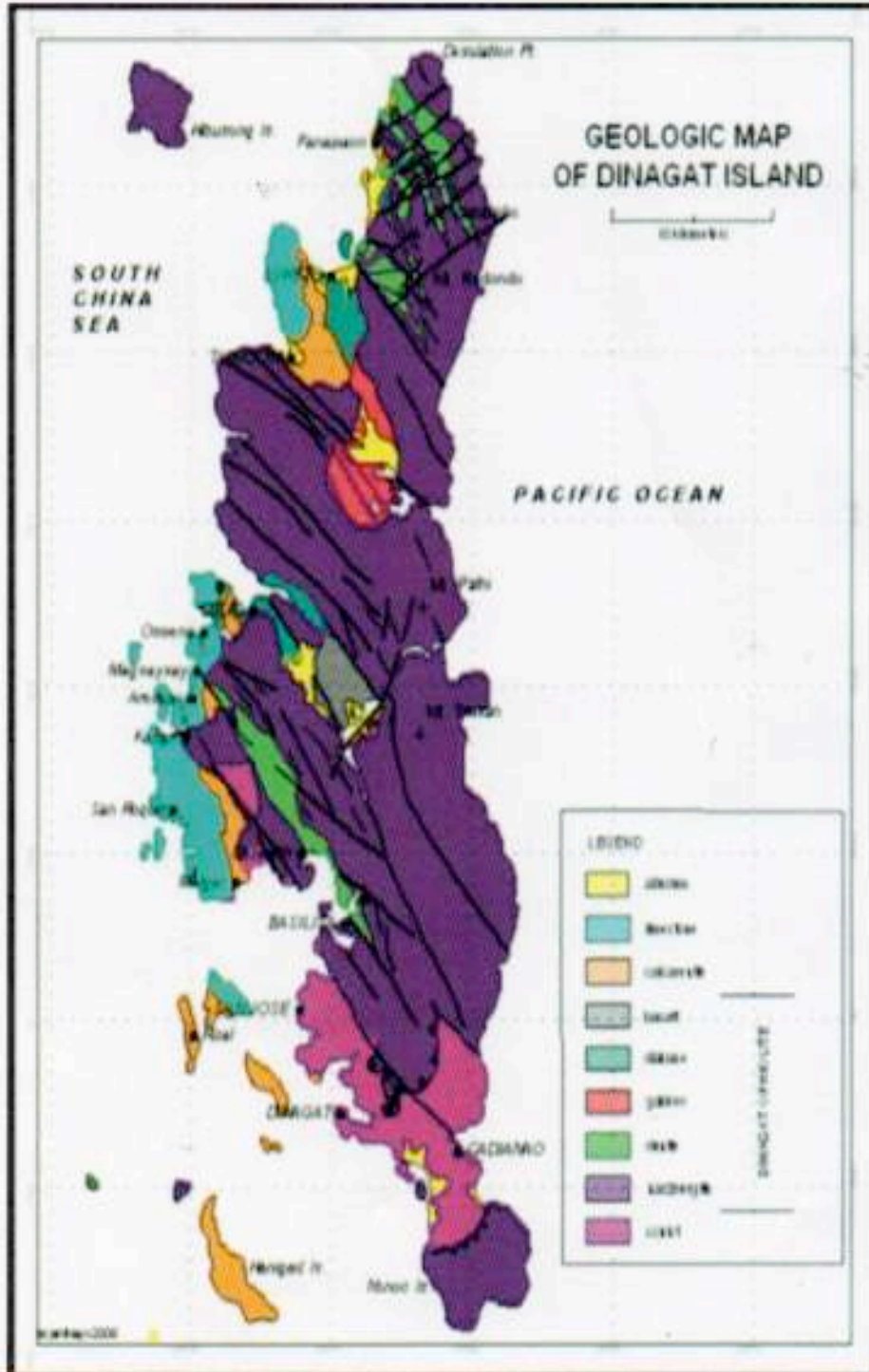


Figure 5.2.1: Geologic Map of Dinagat Island

Mafic cumulate members of the ophiolite are noticeably absent, except for small, local interlayer of pyroxenite, particularly within the Transition Zone and dunite masses. A small body of isotropic gabbro cuts the serpentinized dunite mass in the northern part of the island. A second small body of similar gabbro is associated with the diabase dyke swarms in Malinao valley. The sheeted diabase complex and spilitic pillow lavas occur as underthrust sheets below the ultramafics, forming two prominent tectonic windows in the Loreto-Malinao and Albor-San Jose River valley, respectively. The relationship between these two principal ophiolite components as well as the absence of mafic cumulates suggests an imbricated sequence of slabs for the Dinagat ophiolite.

Although no generally accepted synthesis of the region's tectonic evolution has yet been made, the main tectonic processes that led to present configuration of Eastern Mindanao Ridge include east and west opposed, inward-dipping subduction zones with collision of geological terrains, intermittently active in Mesozoic and Cenozoic times. The Eastern Mindanao Ridge has been interpreted by most previous workers as an inactive west-facing arc related to eastward subduction, with the paleo-trench lying west of Agusan Davao Through (Hamilton, 1979; Moore and Silver, 1983 and Hawkins, et. al., 1985).

Basement rocks in the region are suites of Cretaceous basic metavolcanics and metamorphic rocks (Figure 5). The metavolcanic rocks are exposed locally in the Surigao mainland and the metamorphic rocks are represented mainly in Southern Dinagat Island by Nueva Estrella Schist (Sunga and Palaganas, 1986, JICA-MMAJ, 1990). These rocks probably represent the remnants of a primitive Cretaceous arc which collided with the proto-Philippine arc in early Tertiary times (JICA-MMAJ, 1990).

Overthrusting the basement rocks are Upper Cretaceous ophiolites of the Eastern Bicol-East Mindanao belt. The time of their emplacement was postulated by most previous workers to be Paleocene to Lower Eocene (DP/UN/PHI-85-001, JICA-MMAJ, 1990, Sunga and Palaganas, 1986). The ophiolite belt may be subdivided into three segments, namely the Eastern Bicol, Samar-Surigao and Pujada Peninsula. The Dinagat ophiolite together with the ultramafics in Hibuson, Nonoc, Hinatuan and Bucas Grande Islands and Surigao mainland, falls within Samar-Surigao segment. The ophiolites in the three segments of the Eastern Bicol-East Mindanao belt can be very well correlated on the basis of their age, emplacement time and internal structure. They consist mainly of layered peridotite with minor gabbro, diabase and pillow lavas. (Hawkins, J., et. al., 1985, Garcia M.V. and Mercado J.M.O., 1981). Their present disposition is in the form of imbricated sequence of ophiolite slabs over Cretaceous greenstones, spilitic basalts, amphibolites and garnet-bearing amphibolite schists.

The oldest post-ophiolite sediments recorded in the Surigao area, as well as in the Eastern Bicol-East Mindanao belt in general, are Eocene, clastic formations. In Surigao mainland, the Upper Eocene Mandalog Formation (Santos, et. al., 1962) consists of conglomerates with serpentinite and diabase detritus overlying unconformably serpentinites and serpentinized harzburgites. Similar conglomerates of comparable Eocene age lie unconformably on serpentinites in the neighboring province of Agusan del Norte. On Dinagat Island the undated conglomerates (Loreto Clastics) of probably Miocene age, are

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In the southern part of the island, the ultramafic complex of the Dinagat ophiolite is overthrusting crystalline basement rocks of the Nueva Estrella Schist. On the basis of regional evidence, the emplacement of the Dinagat ophiolite to its present position over the Nueva Estrella Schist is inferred to be the result of an Early Eocene eastward detachment of ophiolite slabs, along the westward subduction zone of West Mindanao. Although no age data are available for Nueva Estrella Schist, it is inferred as an older Cretaceous fragment which collided with the Dinagat ophiolite during Early Tertiary. The schist forms a large tectonic window between San Jose and Cagdianao, in southern Dinagat.

Unlike Surigao Mainland, on Dinagat Island there is a conspicuous absence of thick sediments. Unconformably overlying the Dinagat ophiolite and the crystalline rocks of Nueva Estrella Schist are the Loreto Clastics (Lower Miocene), consisting of polymictic conglomerates and fine clastics, with lithic fragments of various ophiolite lithologies. A thickly bedded reef limestone (Mid. Miocene-Lower Pliocene), probably equivalent to Siargao Formation (JICA-MMAJ, 1990) overlies conformably the Loreto Clastics and marks the end of Tertiary deposition. These post ophiolite sediments fringe in places Dinagat Island along its western coast. Their overall distribution and dips point to deposition in shallow basin or irregular depressions in the ophiolite mass, marginal to a NNW-SSE trending principal basin, now submerged in the Surigao Straits.

The distinct gap in the geological record suggests repeated uplift of the ophiolite ground and prevailing erosional conditions during Lower Tertiary. The number of sedimentary cycles intervened between the emplacement of the ophiolites and deposition of the presently known Tertiary rocks cannot be determined. Loreto Clastics directly overlying the ophiolitic rocks incorporate in some localities water-worn pebbles and cobbles suggesting the reworking of some older conglomerates, also of serpentinite derivation. The discovery of reworked Eocene forams and Eocene limestone boulders in these conglomerates, on Nonoc Island (southernmost island of Dinagat) suggests deposition of Eocene sediments in the area but later removed by erosion (Wright et. al., 1958). Similarly the epithermal gold mineralization of Bale-Bale (Esperanza) hosted by a fault zone in dunite may be associated with eroded andesitic volcanics equivalent to those of Surigao mainland.

Quaternary and recent deposits consist of laterites, alluvium and shallow beach sediments. Thick mantles of ferruginous laterite developed over ultramafic rocks during a period of prolonged and widespread chemical weathering, probably active since Pleistocene. Several of these laterites constitute secondary nickel and chromite deposits. The confinement of these deposits to relatively lower ground suggests the present of distinct erosional levels not recognized by the present study. Alluvial and beach deposits are mostly confined to the principal river valleys and western embayment of the island, respectively. The morphology of the western coast of Dinagat and associations of raised beach deposit may consider as indicative of a relative slower submergence of this side of the island.

Structurally, low-magnitude folding and low-grade regional metamorphism in both ophiolite massive and post-ophiolite sediments characterize the island. High degree metamorphism and tight folding is restricted to the Nueva Estrella Schist. In general, the area is dominated by intense shearing, which resulted in wide breccia and cataclastic zones with local development of semi-schists in serpentinites.

A prominent structural feature in the area, however, is the presence of several NNW-SSE trending faults paralleling the Philippine Fault Zone and a set of thrust faults bringing lower members in juxtaposition with upper members of the ophiolite sequence. These groups of faults are cut by NE-SW trending faults resulting in a complex structural pattern (Figure 5.2.2).

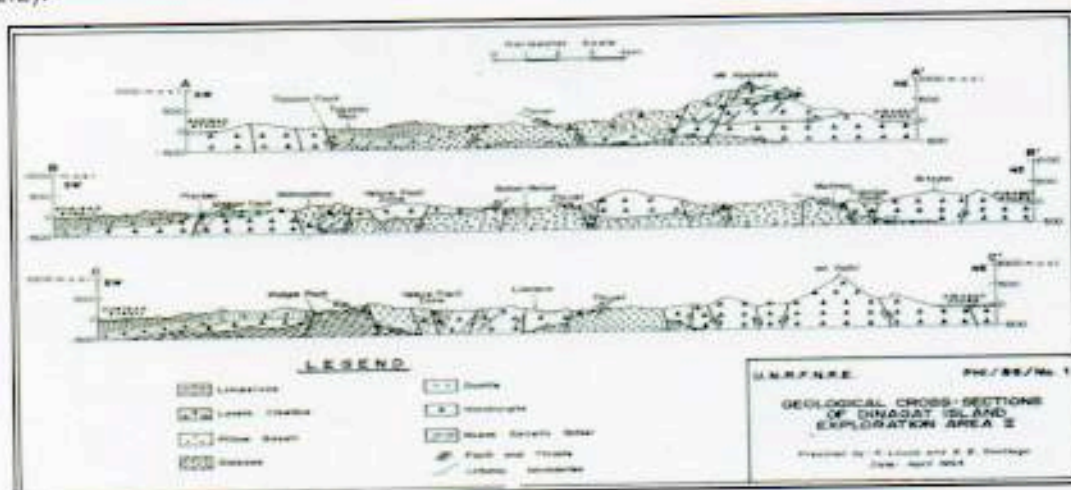


Figure 5.2.2: Geological Cross Section of Dinagat Island Exploration Area 2

5.3 Site Geology

The project the area is covered by residual soil. The soil is composed of the weathering products of different rock units situated in the elevated portions of the study area. Soils here come from ultramafic rocks preferably Serpentinized peridotite. Texture ranges from medium to coarse and generally silty to gravelly.

This area was subjected to folding and uplifting through tectonic movements based in ophiolite series. These kinds of rock are generally beneath the sequence because the minerals they are composed of are the first to crystallize and are stable under high temperature and pressure. These rocks are typically strongly warped and severely fractured.

In previous studies, the nomenclature given to the rock unit within this mining property differs in specificity. Sunga and Palaganas (1986) classified this unit as peridotite which according to the authors is highly serpentinized, coarse-grained and occasionally cut by diabase, micro gabbro, pyroxenite and anorthosite. The unpublished quadrangle map of MGB (General Luna Quadrangle, 1997) adopted this name and characterization. In the work of CP David (1994), he renamed this unit as residual harzburgite describing its mineralogy as composed of olivine, orthopyroxene, and minor clinopyroxene. AB Santiago (1996) again renamed this as harzburgite tectonite whose fabric displays the history of its deformation where tectonic movements might have played important role. Or the fabric may show continuous movement even in its solid state during the rock's formation. CP David's classification is mineralogy-based while AB Santiago's is structure-based.

6.0 Deposit Type and Mineralization

The tenement area is mineralized with nickel, chromite, cobalt and iron as determined by previous studies, prominent of which is the UNRFNRE (1986) report. Only nickel and iron are however the main interests of the company. These minerals are concentrated in considerable amount that may permit economic development. The process of concentration is called laterization, which is the conversion of a rock into soil by chemical weathering and the subsequent leaching out of nickel into the deeper section of the laterite profile. Ultramafics are the parent materials from where nickel laterites are normally produced. Under a tropical climate, at least three (3) layers of laterite are formed namely ferricrete, limonite, and saprolite. A typical section in a laterite deposit is illustrated in Figure 6.0.1

6.1 Nickel Mineralization

The tenement area is positively mineralized with laterite nickel and the mineralization is quite extensive. From the assay results in Table 6.2.1, the grades of nickel vary from 0.60% to 2.2% and averaging at 1.13 %. This range of average value is quite high especially if it will be complemented by high iron and cobalt grades. With high iron content, the cut-off grade of nickel may be lowered to 0.6%.

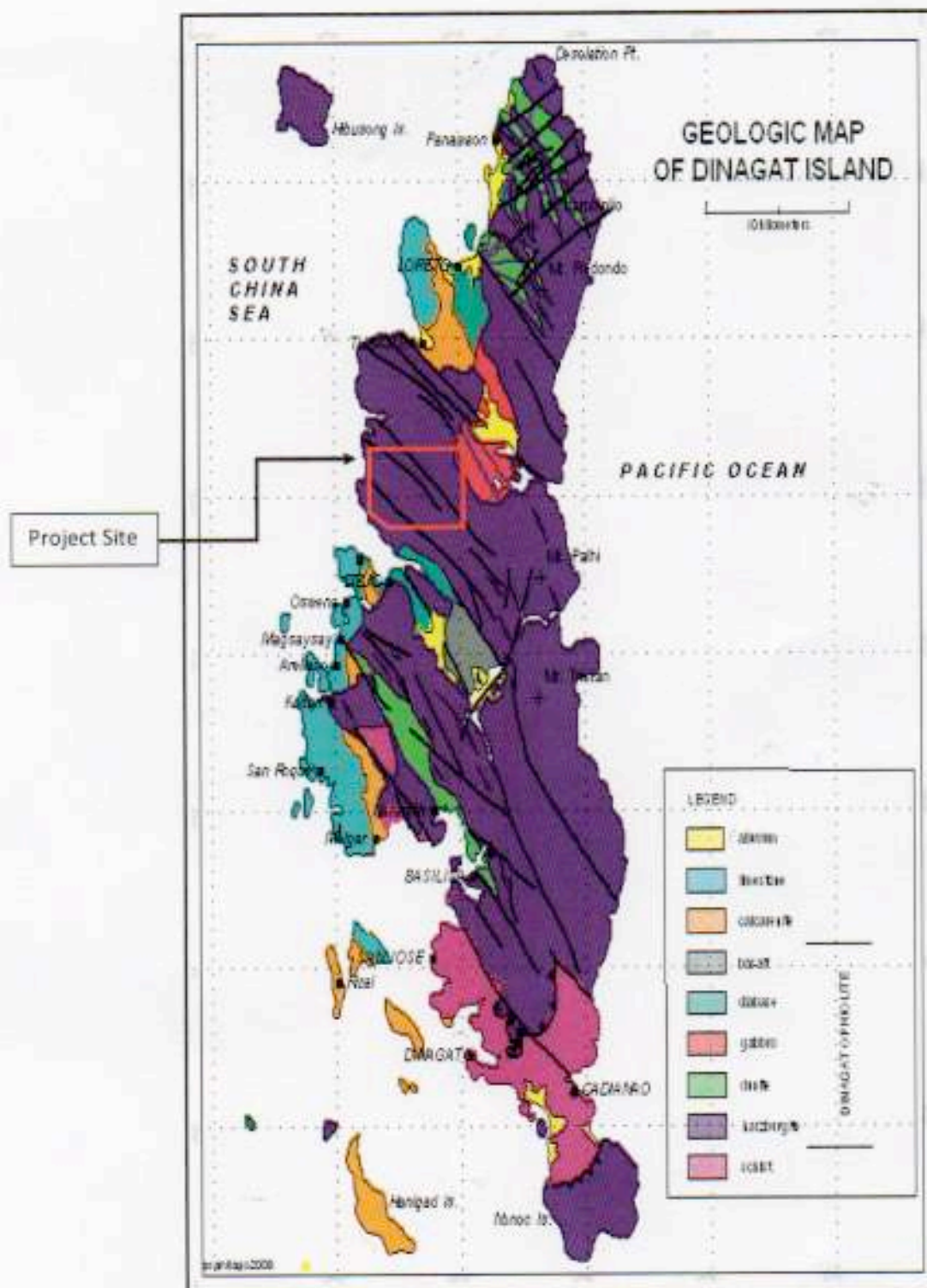


Figure 5.3.1: The Geology of the Dinagat Island showing the MPSA area (David CP, after Sunga and Palaganas, 1986)

6.2 Iron Mineralization

The iron mineralization in the property is also significant where assay values of 40% and above had been delineated. Iron nowadays commands a high price in the international market and one of the most coveted commodities. Thus, in nickel laterite deposits, the mere presence of iron alone may permit mining as long as the iron assay is high. At the mining property, iron is abundant but those areas with high assay values are concentrated in the upper layer of the limonite profile only and the Table 6.2.1 shows selected values ranging from 39.87% to 48.98% and averaging at 45.13%. This value can compensate the low-grade nickel.

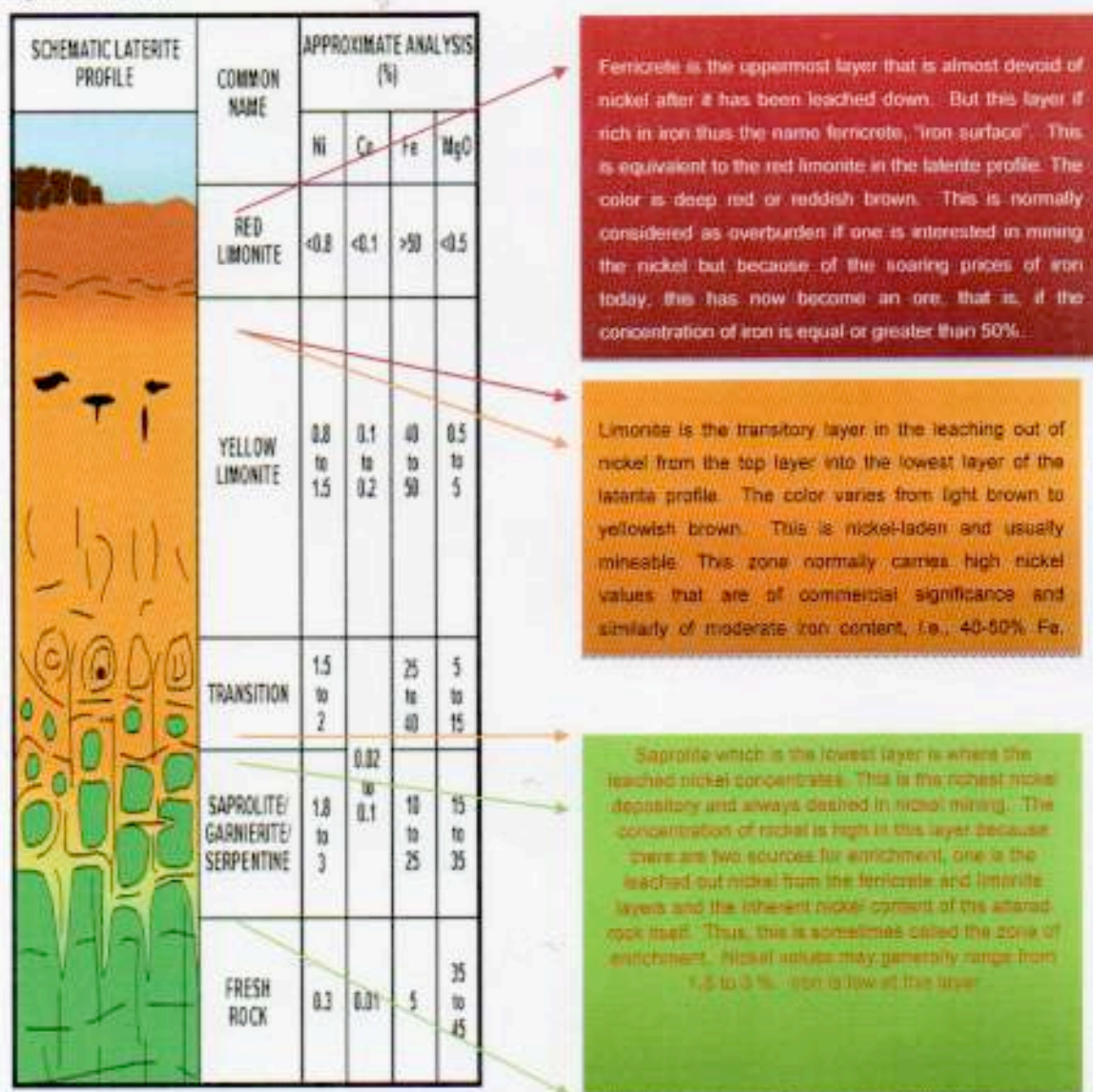


Figure 6.0.1: A typical section showing the different layers in a common nickel laterite soil profile

Table 6.2.1: Examples of Assay results of some samples taken from the northeastern corner of the tenement area

Hole	From	To	Ni	Co	Fe	Hole	From	To	Ni	Co	Fe
1	-	0.90	0.64	0.041	47.02	5	17.24	18.24	1.04		6.14
1	0.90	1.90	0.84	0.067	47.93	5	18.24	19.24	0.94		7.54
1	1.90	2.90	0.60	0.125	48.72	5	19.24	20.24	0.74		7.75
1	2.90	3.90	0.71	0.165	48.54	5	20.24	21.24	2.22		8.75
1	3.90	4.90	0.95	0.115	45.60	5	21.24	22.24	0.76		6.23
1	4.90	5.90	0.44		13.37	5	-	0.61	0.82	0.038	38.85
1	5.90	6.90	0.98		6.99	5	0.61	1.61	0.91	0.062	44.07
1	6.90	7.90	0.47		6.15	5	1.61	2.61	1.07	0.087	45.50
1	7.90	8.90	0.82		8.42	6	2.61	3.61	1.19	0.125	45.72
2	-	1.17	1.20	0.066	42.64	6	3.61	4.61	1.17	0.150	46.48
2	1.17	2.17	1.45	0.103	44.26	6	4.61	5.61	1.12	0.144	45.88
2	2.17	3.17	1.08	0.110	45.79	6	5.61	6.61	1.10	0.097	33.18
2	3.17	4.17	0.97	0.060	26.43	7	-	1.20	0.47	0.024	39.87
2	4.17	5.17	1.50		11.19	7	1.20	2.20	0.66	0.083	44.59
2	5.17	6.17	1.33		10.91	7	2.20	3.20	0.84	0.095	45.19
3	-	0.78	0.96	0.027	43.53	7	3.20	4.20	0.74	0.154	47.05
3	0.78	1.78	1.16	0.050	47.16	7	4.20	5.20	0.86	0.138	47.78
3	1.78	2.78	1.29	0.085	48.98	7	5.20	6.20	0.80	0.159	47.18
3	2.78	3.78	1.22	0.170	48.62	7	6.20	7.20	1.09	0.162	46.03
3	3.78	4.78	1.12	0.177	47.57	7	7.20	8.20	1.29	0.122	44.16
4	-	1.13	0.61	0.031	42.23	7	8.20	9.20	1.58	0.081	31.85
4	1.13	2.13	0.75	0.051	45.64	7	9.20	10.20	1.65		11.35
4	2.13	3.13	0.83	0.061	47.11	7	10.20	11.20	1.61		8.77
4	3.13	4.13	0.87	0.810	47.92	7	11.20	12.20	1.96		12.61
4	4.13	5.13	0.95	0.080	46.37	7	12.20	13.20	0.99		10.17
4	5.13	6.13	1.18	0.120	46.99	7	13.20	14.20	1.05		11.18
4	6.13	7.13	1.24	0.125	46.80	7	14.20	15.20	0.84		8.51
4	7.13	8.13	1.30	0.123	46.20	7	15.20	16.20	1.06		8.16
4	8.13	9.13	1.33	0.185	46.01	7	16.20	17.20	1.30		12.92
4	9.13	10.13	1.34	0.172	46.58	7	17.20	18.20	1.03		10.33
4	10.13	11.13	1.35	0.222	46.38	7	18.20	19.20	0.70		9.26
4	11.13	12.13	1.67	0.247	45.31	8	-	0.95	0.64	0.036	42.00
4	12.13	13.13	1.88	0.277	44.83	8	0.95	1.95	0.64	0.042	47.09
4	13.13	14.13	1.87		19.43	8	1.95	2.95	0.81	0.074	47.33
5	-	1.24	0.66	0.067	43.74	8	2.95	3.95	1.07	0.098	48.11
5	1.24	2.24	0.73	0.041	45.45	8	3.95	4.95	1.13	0.153	48.16
5	2.24	3.24	1.01	0.056	47.21	8	4.95	5.95	1.03	0.157	44.57
5	3.24	4.24	1.13	0.095	47.89	9	-	1.25	0.69	0.066	46.29
5	4.24	5.24	1.32	0.061	48.23	9	1.25	2.25	0.97	0.148	47.32
5	5.24	6.24	1.29	0.098	46.53	9	2.25	3.25	0.78	0.224	47.19
5	6.24	7.24	1.15	0.077	46.02	9	3.25	4.25	0.95	0.153	48.45
5	7.24	8.24	1.30	0.098	47.31	9	4.25	5.25	0.96	0.135	48.77
5	8.24	9.24	1.55	0.169	47.34	9	5.25	6.25	1.41	0.250	47.75
5	9.24	10.24	1.74	0.119	47.88	9	6.25	7.25	1.78	0.176	47.12
5	10.24	11.24	1.65	0.135	37.86	9	7.25	8.25	1.36	0.227	45.74
5	11.24	12.24	1.97		16.83	10	-	0.65	0.44	0.021	44.69
5	12.24	13.24	1.79		14.21	10	0.65	1.65	0.77	0.041	47.24
5	13.24	14.24	1.79		10.09	10	1.65	2.65	0.66	0.057	48.44
5	14.24	15.24	1.84		14.34	10	2.65	3.65	0.98	0.143	47.97
5	15.24	16.24	1.84		12.65	10	3.65	4.65	1.08	0.130	48.94
5	16.24	17.24	1.60		9.73	10	4.65	5.65	1.60	0.125	48.13
						10	5.65	6.65	1.26	0.220	47.62
						10	6.65	7.65	1.09	0.209	47.88
						10	7.65	8.65	1.05		15.07

6.3 Cobalt Mineralization

A complementary commodity, presence of cobalt in the area is also impressive, ranging in values from 0.021% to 0.810% and averaging about 0.12%.

Table 6.2.1: Examples of Assay results of some samples taken from the northeastern corner of the tenement area

Hole	From	To	Ni	Co	Fe	Hole	From	To	Ni	Co	Fe
1	-	0.90	0.64	0.041	47.02	5	17.24	18.24	1.04		8.14
1	0.90	1.90	0.84	0.067	47.93	5	18.24	19.24	0.94		7.54
1	1.90	2.90	0.60	0.125	48.72	5	19.24	20.24	0.74		7.75
1	2.90	3.90	0.71	0.165	48.54	5	20.24	21.24	2.22		8.75
1	3.90	4.90	0.95	0.115	45.60	5	21.24	22.24	0.76		6.23
1	4.90	5.90	0.44		13.37	6	-	0.51	0.82	0.038	38.65
1	5.90	6.90	0.98		6.99	6	0.61	1.61	0.91	0.062	44.07
1	6.90	7.90	0.47		6.15	6	1.61	2.61	1.07	0.087	45.50
1	7.90	8.90	0.82		8.42	6	2.61	3.61	1.19	0.126	45.72
2	-	1.17	1.26	0.066	42.84	6	3.61	4.61	1.17	0.150	45.48
2	1.17	2.17	1.45	0.103	44.26	6	4.61	5.61	1.12	0.144	45.88
2	2.17	3.17	1.08	0.110	46.79	6	5.61	6.61	1.10	0.097	33.18
2	3.17	4.17	0.97	0.060	26.43	7	-	1.20	0.47	0.024	39.87
2	4.17	5.17	1.50		11.19	7	1.20	2.20	0.65	0.083	44.69
2	5.17	6.17	1.33		10.91	7	2.20	3.20	0.84	0.095	46.19
3	-	0.78	0.96	0.027	43.63	7	3.20	4.20	0.74	0.154	47.05
3	0.78	1.78	1.16	0.050	47.16	7	4.20	5.20	0.86	0.136	47.78
3	1.78	2.78	1.29	0.085	48.98	7	5.20	6.20	0.80	0.159	47.18
3	2.78	3.78	1.22	0.170	48.62	7	6.20	7.20	1.09	0.162	46.03
3	3.78	4.78	1.12	0.177	47.57	7	7.20	8.20	1.29	0.122	44.16
4	-	1.13	0.61	0.031	42.23	7	8.20	9.20	1.58	0.081	31.85
4	1.13	2.13	0.75	0.051	45.64	7	9.20	10.20	1.85		11.35
4	2.13	3.13	0.83	0.061	47.11	7	10.20	11.20	1.61		8.77
4	3.13	4.13	0.87	0.810	47.92	7	11.20	12.20	1.96		12.61
4	4.13	5.13	0.95	0.080	46.37	7	12.20	13.20	0.99		10.17
4	5.13	6.13	1.18	0.120	46.99	7	13.20	14.20	1.05		11.18
4	6.13	7.13	1.24	0.125	46.80	7	14.20	15.20	0.84		8.51
4	7.13	8.13	1.30	0.123	46.20	7	15.20	16.20	1.06		8.16
4	8.13	9.13	1.33	0.185	46.01	7	16.20	17.20	1.30		12.92
4	9.13	10.13	1.34	0.172	46.58	7	17.20	18.20	1.03		10.33
4	10.13	11.13	1.35	0.222	46.38	7	18.20	19.20	0.70		9.26
4	11.13	12.13	1.67	0.247	45.31	8	-	0.95	0.54	0.036	42.00
4	12.13	13.13	1.88	0.277	44.83	8	0.95	1.95	0.64	0.042	47.09
4	13.13	14.13	1.87		19.43	8	1.95	2.95	0.81	0.074	47.33
5	-	1.24	0.66	0.067	43.74	8	2.95	3.95	1.07	0.098	48.11
5	1.24	2.24	0.73	0.041	45.45	8	3.95	4.95	1.13	0.153	48.16
5	2.24	3.24	1.01	0.056	47.21	8	4.95	5.95	1.03	0.157	44.57
5	3.24	4.24	1.13	0.096	47.89	9	-	1.25	0.69	0.056	46.29
5	4.24	5.24	1.32	0.081	48.23	9	1.25	2.25	0.97	0.148	47.32
5	5.24	6.24	1.29	0.098	46.53	9	2.25	3.25	0.78	0.224	47.19
5	6.24	7.24	1.15	0.077	48.02	9	3.25	4.25	0.95	0.153	48.45
5	7.24	8.24	1.30	0.098	47.31	9	4.25	5.25	0.96	0.135	48.77
5	8.24	9.24	1.55	0.169	47.34	9	5.25	6.25	1.41	0.250	47.75
5	9.24	10.24	1.74	0.119	47.88	9	6.25	7.25	1.78	0.176	47.12
5	10.24	11.24	1.65	0.135	37.86	9	7.25	8.25	1.36	0.227	45.74
5	11.24	12.24	1.97		15.83	10	-	0.65	0.44	0.021	44.69
5	12.24	13.24	1.79		14.21	10	0.65	1.65	0.77	0.041	47.24
5	13.24	14.24	1.79		10.09	10	1.65	2.65	0.66	0.057	48.44
5	14.24	15.24	1.84		14.34	10	2.65	3.65	0.98	0.143	47.97
5	15.24	16.24	1.84		12.65	10	3.65	4.65	1.08	0.138	48.94
5	16.24	17.24	1.60		9.73	10	4.65	5.65	1.60	0.125	48.13
						10	5.65	6.65	1.26	0.220	47.82
						10	6.65	7.65	1.09	0.209	47.88
						10	7.65	8.65	1.05		15.07

6.3 Cobalt Mineralization

A complementary commodity, presence of cobalt in the area is also impressive, ranging in values from 0.021% to 0.810% and averaging about 0.12%.

7.0 Sampling Methodology and Approach

7.1 Diamond Drilling, Core Logging and Sampling Protocols

Drilling was previously undertaken by Cagdianao Mining Corporation in 2006, 2007 and 2011 using eight (8) YBM drilling machines on different areas shown in Figure 7.1.1 that include : Area 1 (North deposit) and in Area 3 (South deposit) while Libjo Mining Corporation started its exploration in October 2012 up to present in Area 2(West) and continuously exploring Area 3(South deposit) initially using two(2) YBM machines) and additionally acquired eight (8) YHP drilling machines (Photo 1) in December 2012. A total of ten (10) drilling machines are now exploring Area 2 and 3 spaced at 100m x 100m interval. The drill machines use BQ size (36.5mm core) tungsten carbide bits.

Core logging is done only by authorized geologists of the company on-site to make sure proper identification and recording of the important minerals and structures are done following the approved protocols. After core logging and recording, pictures of the samples are taken and the cores are prepared for sampling, based on the sample points marked by the geologist.

To make sure the complete laterite profile is intersected by the hole, It is a policy that the hole penetrates into the hard rock at least two meters before deciding to terminate a hole. The geologist therefore stays in the drill site to give the instruction to terminate the hole at the proper time.

Another standard procedure in drilling is the maintenance of the core recovery at more than 90%. When the average recovery of the core for a single hole does not reach 90%, the hole has to be redrilled until the target recovery is reached; otherwise, the drilling contractor will not be paid for the meterage drilled.

In the field, the whole drill core (BQ size) is taken for analysis and sampling is done at one (1) meter interval down the hole, except at lithological boundaries (limonite and saprolite zone) as marked by the geologist during the logging of the cores. The samples are then placed and sealed in pre-numbered polythelene bags, and brought to the site sample preparation laboratory, properly covered by "Chain of Custody" forms or documents.

At the sample preparation laboratory, the sealed samples are received and checked immediately for any defects in the bags and completion based on the "Chain of Custody" documents. They are then sorted and prepared for drying. Sun drying, or oven drying (during rainy days) is done to remove the moisture. The dried samples are then crushed to about 5 mm size, blended and split using a Jones Splitter. One part of the sample (about 1 kilo) is brought to Surigao Mineral Laboratory Inc. for Ni and Fe analysis, and the duplicate drill core samples are retained in the mine camp as reference and for future analysis.

Duplicate samples are taken every 25 samples by dividing the 1-meter interval sample into two using a sharp knife or painter's stainless palette. Standard samples with known values, on the other hand are inserted every 50 samples. The duplicate and standard samples

Figures 7.1.2 to 7.1.4 show some pictures of the drill machine and the recovery of the drill cores, while Figure 7.1.5 shows the flowsheet of the field sample preparation procedures.

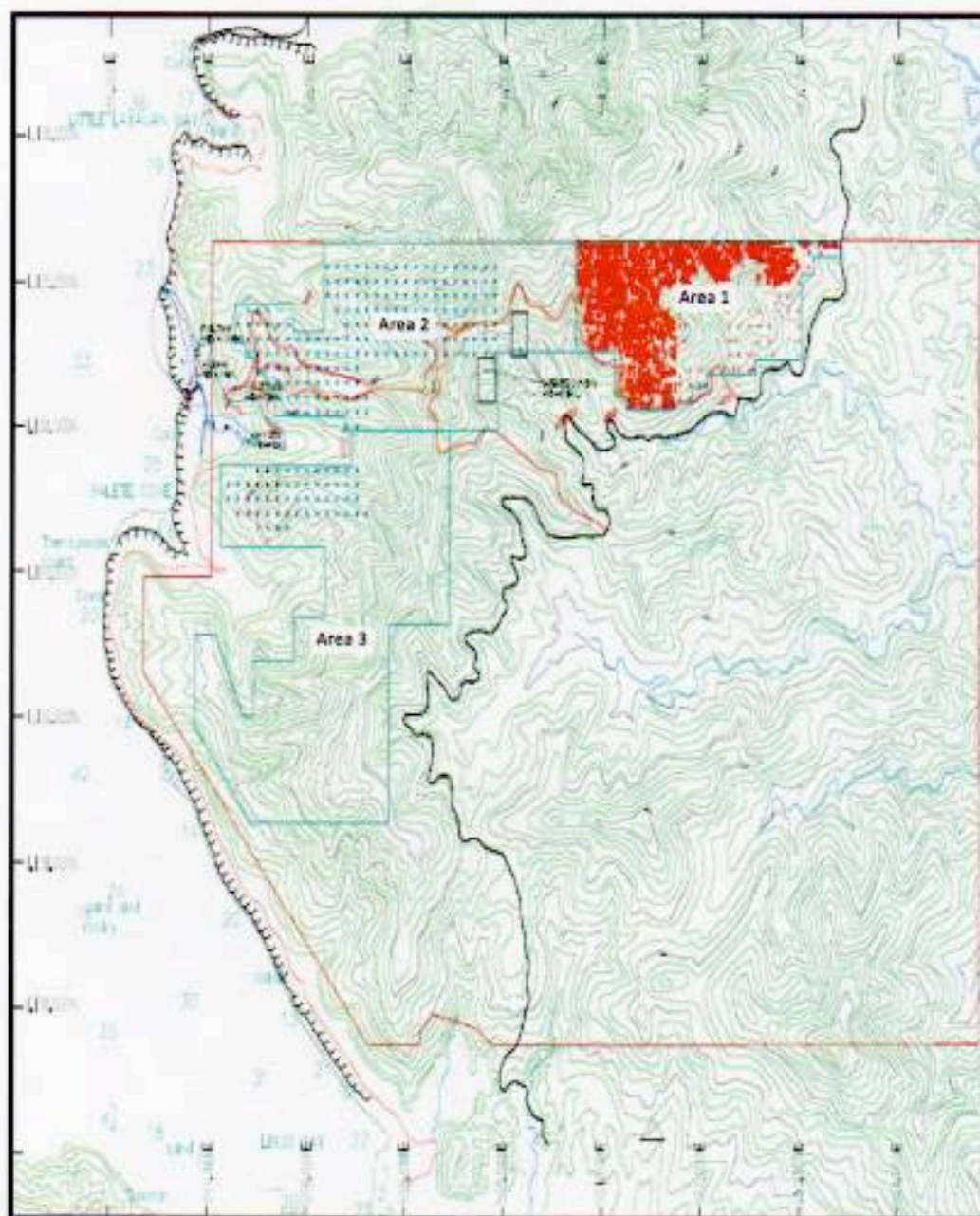


Figure 7.1.1: Location of drillhole clusters identified as Areas 1 to 3



Figure 7.1.2: YHP drill machine in operation



Figure 7.1.3: Recovery of drill core from core barrel



Figure 7.1.4: Close-up view of a filled core box

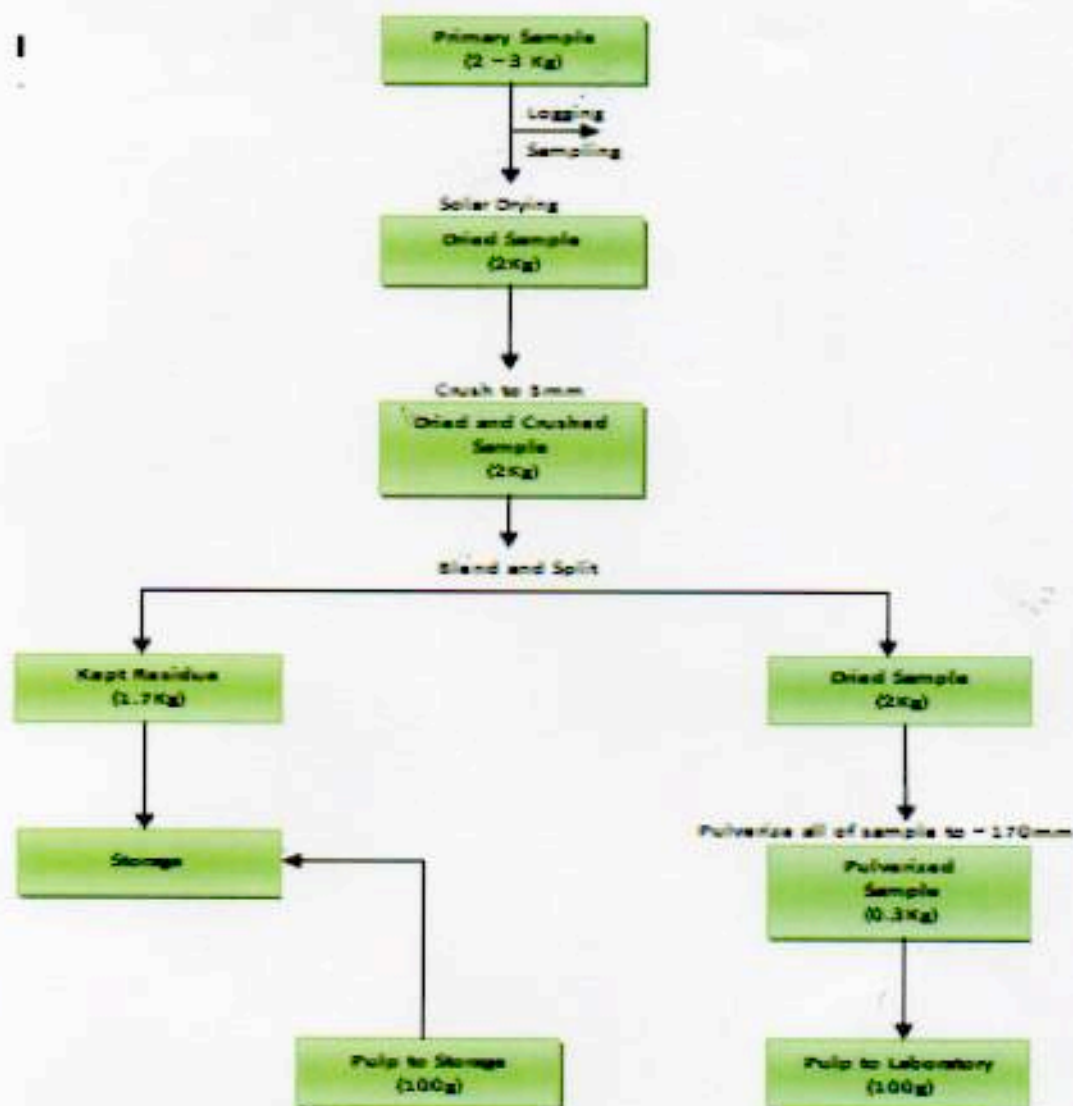


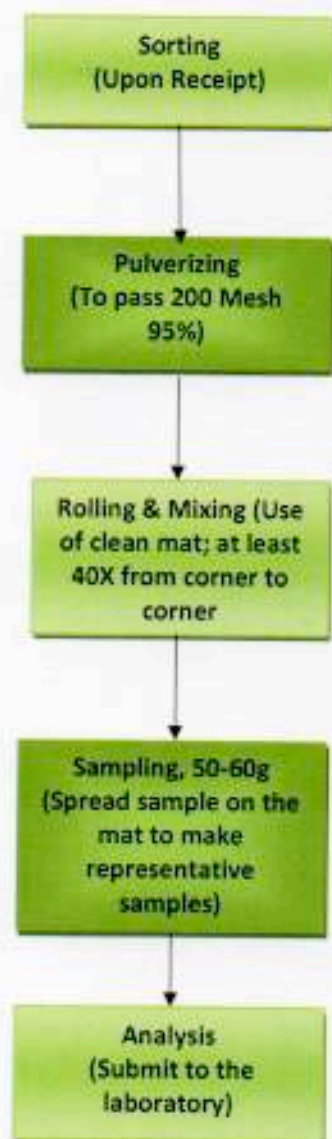
Figure 7.1.5: Sample preparation flowsheet

8.0 Sample Preparation, Analysis and Security

Sample preparation is carried out according to accepted protocols of each of the laboratories involved and as per type of sample and analyses required. The Flow charts/protocols for sample preparation of LMC and Surigao Mineral Laboratory Inc. (SMLI) is shown in Figure 8.0.1. The samples collected are sorted, dried, crushed and then pulverized to about 200 mesh. These are then repeatedly reduced using a stainless Jones Splitter, which is easy to clean to avoid contamination. Pulverized samples are rolled and

mixed using a clean mat until 1 kg. of material is obtained for shipping to Surigao Mineral Laboratory in Surigao City (SMLI) for analysis.

Laboratory Sample Preparation Procedure



Laboratory Analytical Procedure

(Use only analytical grade reagents)

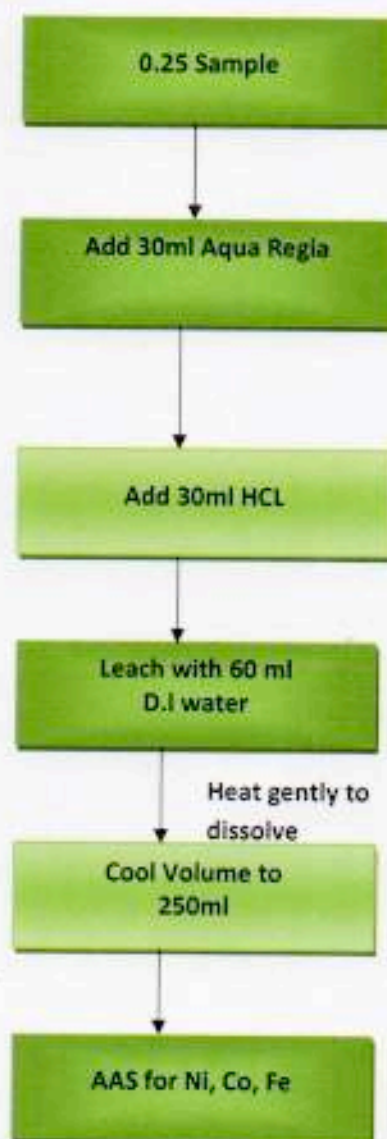


Figure 8.0.1: Flowsheet of Laboratory sample preparation and analytical procedures

The Surigao Minerals Laboratory, Inc. (SMLI) uses the **ATOMIC ABSORPTION Spectrophotometer** method of analysis. Atomic absorption spectrophotometry utilizes the phenomenon that atoms absorb radiation of particular wavelength. By atomic absorption

spectrophotometer, the metals in an ore sample can be analyzed. The basic structure of the machine is shown below:

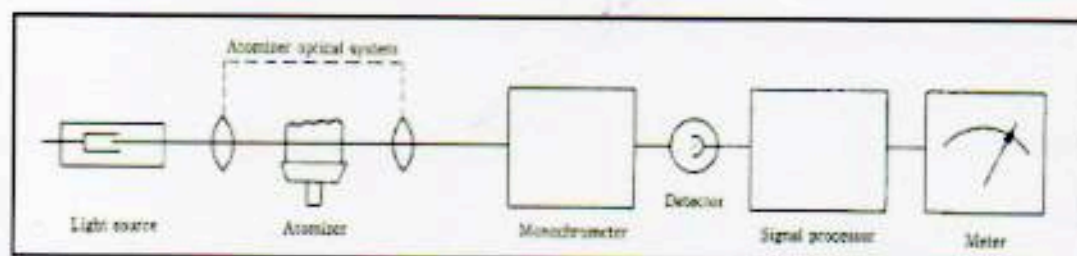


Figure 8.0.2: Basic structure of the Atomic Absorption Spectrometer

It consists of 4 basic structural elements; a light source (hollow cathode lamp), an atomizer section for atomizing the sample (burner for flame, graphite furnace for electrothermal atomization), a monochromator for selecting the analysis wavelength of the target element, and a detector for converting the light into an electrical signal.

The hollow cathode lamp or the light source consists of a hollow cathode and an anode enclosed in a glass (quartz) tube and neon or argon gas is filled at around 10 Torr of pressure in it. The cathode is made of the element to be measured or its alloy, so it emits the light its wavelength is equal to that absorbed by the atoms of the sample.

The principle mentioned above can be applied to light absorption of "Free atoms". A "Free atom" means an atom not combined with other atoms. However, elements in the sample to be analyzed are not in the free state, and are combined with other elements invariably to make a so-called molecule. The combination must be cut off by some means to free the atoms. This is called atomization. The most popular method of atomization is dissociation by heat - samples are heated to a high temperature so that molecules are converted into free atoms. This method is classified into the flame method, in which a chemical flame is used as the heat source; and an electrothermal atomization method, in which a very small electric furnace is used. **SML** is using flame method and so elemental analysis of exploration samples are termed "...by FAAS" (...by Flame Atomic Absorption Method).

In flame atomic absorption spectroscopy (FAAS) a liquid sample is aspirated and mixed as an aerosol with combustible gases (acetylene and air or acetylene and nitrous oxide). The mixture is ignited in a flame of temperature ranging from 2100 to 2800 °C (depending on the fuel gas used). During combustion, atoms of the element of interest in the sample are reduced to the atomic state. A light beam from a lamp whose cathode is made of the element being determined is passed through the flame into a monochromator and detector. Free, unexcited ground state atoms of the element absorb light at characteristic wavelengths; this reduction of the light energy at the analytical wavelength is a measure of the amount of the element in the sample.

8.1 Sample Analysis at SMLI Lab (QA/QC Protocols)

The Surigao Mineral Laboratory, Incorporated (SMLI) is a duly accredited laboratory in Surigao City. Libjo Mining Corporation engaged the services of SMLI to analyze all its samples with strict instructions to follow the QA/QC protocols in the conduct of the analyses to ensure accuracy and credibility of the results (data).

In every analysis, 3 to 5 standard samples are digested by four acids (HCl, HNO₃, HClO₃ & HF) together with the test samples. These standards are used to establish the calibration curve of the unit. Blank samples are also used. During the run of analysis, laboratory control standards (LCS) are also aspirated in every 3 test samples to check if there is a drift of absorbance of the unit.

The detection limits of Atomic Absorption Spectrometer (AAS) analytical method is
AAS Method : Detection Limits : Ni : 0 -3% ; Fe : 0 – 50%.

As a standard procedure for quality assurance, laboratory checks on samples analyzed by SMLI are made on every 25th sample and analyzed at Mc Phar/Intertek Laboratory and comparison of results is made. The objective of this is to check on accuracy and precision of work done by SMLI and identify any bias in grade analyses between the two laboratories.



Figure 8.1.1: Atomic Absorption Spectrometry



Figure 8.1.2: Sample Preparation



Figure 8.1.3: Sieving of Samples



Figure 8.1.4: Fabricated Oven



Figure 8.1.5: Electric Digital Balance



Figure 8.1.6: Electric Drying Oven

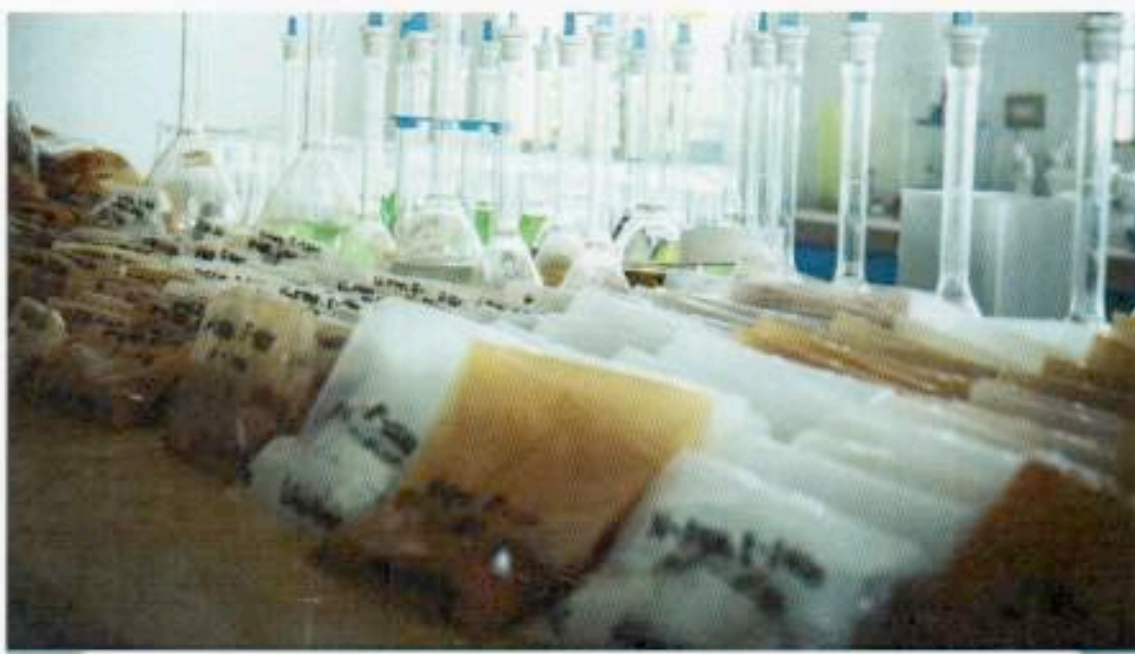


Figure 8.1.7: Pulp samples in labelled plastic bags ready for analysis

9.0 Mineral Resource Estimate

9.1 Area 1-2 - 3 Database

Data entry and database maintenance were undertaken by LMC's Engineering Department in Surigao Office under the supervision of Mr. Edgardo V. Caringal, VP-Operations and licensed geologist and the author as competent person, using MS Access. A database was created in MS Access incorporating all information such as hole ID, coordinates, collar elevation, intervals, depth, lithology, sample analyses, etc. The Database is grouped into three main tables: Collar, Sample and Survey tables. The Collar Table contains HoleID, Coordinates, Elevation, Projection and Total Depth; the Sample Table contains HoleID, SampleID, Lithology, DepthFrom, DepthTo, and Assays of Ni, Co, and Fe, including results of duplicates, check and standard samples; and the Survey Table contains HoleID, Azimuth, Dip and Total Depth. These table structures are necessary in the construction of the orebody model and calculation of mineral resources.

The resulting drillhole database contains 2,506 drill holes: 2,265 drillholes at 25 x 25 m and 241 drillholes at 100x 100 m with a total of 31,690 samples. Maps consisting of drill hole locations, geological field mapping and cross sections were generated using PTM Zone 5 projection. The distribution of drill holes are shown in Figure 9.1.1. The resource estimation was done by Mr. Basyang, Mine Engineering Statistician and assisted by Engr. Jared Johnson, LMC's Mining Engineer and OIC-Resident Manager using Microlynx and under the supervision of the VP- Operations and Geologist of the company and the author as competent person in exploration results and mineral resource reporting.

9.2 Integrity of Database

The drill hole database was constructed from data in Excel format. The engineer and the geologist who were assigned in the exploration of Cagdianao Mining Corporation in 2006, 2007 and 2011 and explored Area 1 and Area 3 are also the same persons who were hired and now under the employees of LMC. The chief chemist who was responsible for the assay of the drillhole samples was also hired by LMC. Mr. Edgardo V. Caringal, who was the Resident Mine Manager of Cagdianao Mining Corporation is now the VP-Operations of Libjo Mining Corporations. It is worthy to mention that the technical people in LMC have a very long experience in laterite deposits and previously connected with the ZAMORA group who was one of the pioneers in the nickel industry.

From October, 2012 up to the present, LMC has been exploring Area 2.

The MSEXcel database is then imported into the MS Access Database within Microlynx Software in preparation for the database validation

9.3 Data Verification and Validation

The Microlynx Sample Manager module was used to verify and validate the sample database. The verification or validation procedures involve detecting the following:

Validating the existence of orphan holes or samples. This problem involves samples with no collar information or collar information without sample data. The validation process limited the dbase to 2,506 drill holes which have complete data after rectifying the following errors:

- ❑ Typographical errors in the drill hole collar and sample tables. One error was detected and corrected involving a Hole Id in the collar table which was different from the Hole Id in the sample table;
- ❑ Different collar depth and sample maximum run of a hole. In a sample database, one criterion that should be met to ensure that the samples will be processed by Microlynx is that the collar depth should be the same as the maximum hole run. This validation procedure is automatically executed by the sample verify data function. No errors were detected in the sample database;
- ❑ Lithological log validation. The lithological log validation ensures that the lithological codes are consistent. Errors of this form arise due to typographical mistakes. The lithological codes of the database are O (Overburden), High Fe Limonite (L1), Low Fe Limonite (L2), Low Grade Saprolite (S1), Medium Grade Saprolite (S3), High Grade Saprolite (S4) and Bedrock (Br). Any deviation from these codes will automatically prompt Microlynx to write the Hole Id into a Log table within its database so that the operator can trace and make corrections within the database easily. The validation results showed no error in this form.

After the corrections on the validation process, the cleaned and validated data was saved into the MS Access database format of Microlynx prior to statistical analysis.

The topographic database was composed of a digitized NAMRIA map where the contours are spaced at 20 meters. The map was scanned and then digitized in GIS software and then imported to Microlynx survey manager. Validation of the data was carried out by detecting duplicate points and cross strings which were removed when detected. Disaggregation then followed by removing regularly closed points to optimize triangulation time during surface generation. A detailed topographic survey was made to guarantee high accuracy.

9.4 Geological Zone and Boundary Delineation

Seven (7) geological zones were delineated using the automatic surface generation function of Microlynx based on the criteria below:

- Ore classification criteria:

Overburden (O)	: (Cut off grade set at <1% Ni and Fe >15% <15%)
High Iron Limonite (L1)	: (Cut off grade set at <1% Ni and Fe >=45%)
Low Iron Limonite (L2)	: (Cut off grade set at >=1% <1.5% Ni and Fe >=25%)
Low Grade Saprolite (S1)	: (Cut off grade set at >= 1% <1.5% Ni and Fe <25%)
Medium Grade Saprolite(S3)	: (Cut off grade set at >=1.5% <2%Ni)
High Grade Saprolite (S4)	: (Cut off grade set at >=2%Ni)
Bedrock (BR)	: (Cut off grade set at <1% Ni and Fe <=15%)

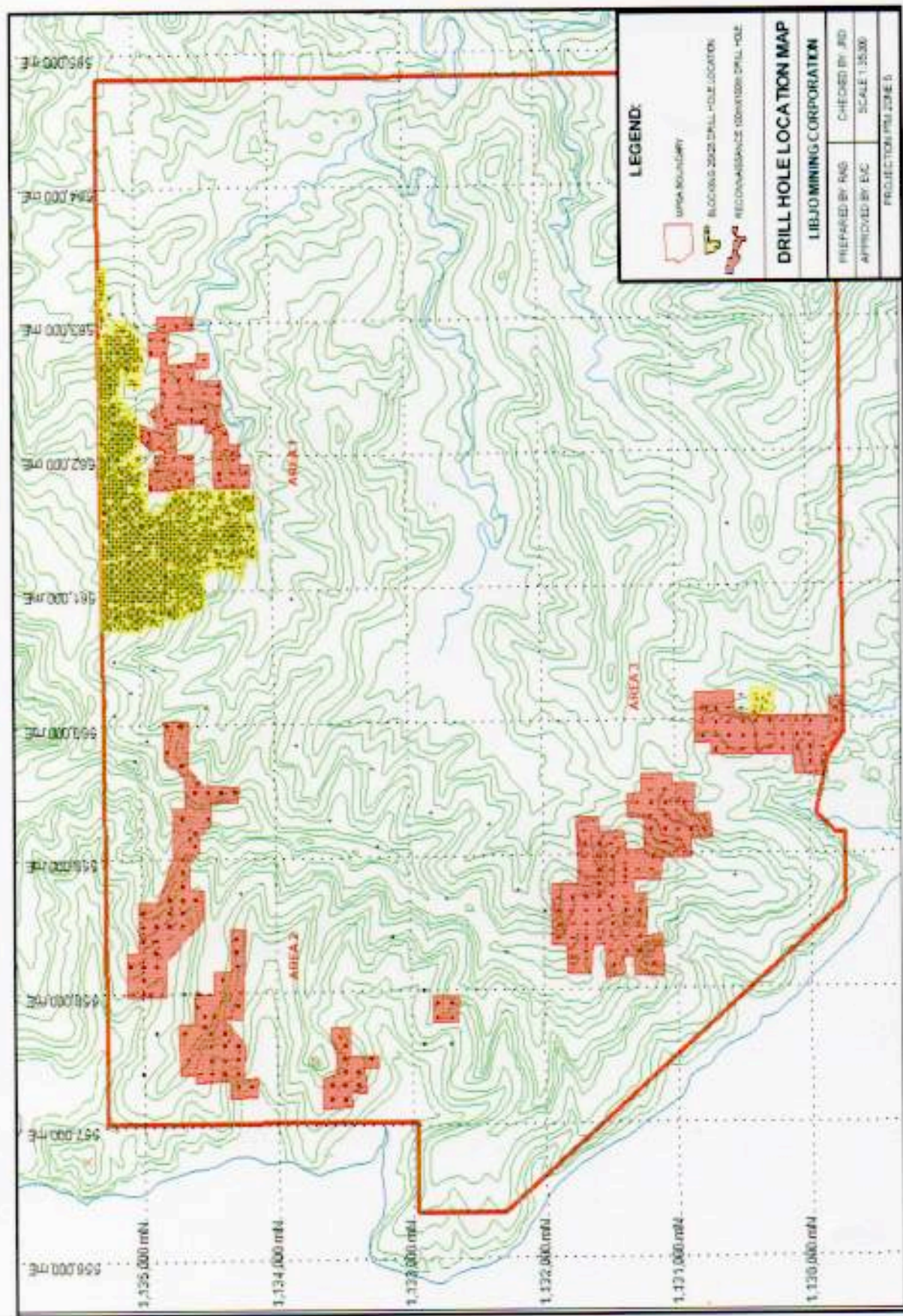


Figure 9.1.1: Distribution of diamond drill holes in the explored areas

The geologic contact at the bottom of each lithology was extracted into collar points and exported into survey manager. This was triangulated to produce a geological surface. Three (3) surfaces were generated namely limonite bottom, saprolite bottom and bedrock bottom. The overburden bottom was incorporated into the limonite zone due to limited thickness. The geological surfaces were then used to delimit the blocks according to lithology.

Geological model boundaries were generated by digitizing a closed string around the periphery of the drilled area and extrapolating by offsetting the string to around 100-meter distance. This became the lateral boundary for the block model.

9.5 Geological Statistics, Compositing and Thickness

After the geological surfaces were generated, samples belonging to their respective lithology were then filtered and a statistical analysis performed.

A geological compositing was executed to determine the thickness of the lithological zones. The tabulation of the statistical analysis of samples per lithology and thickness are as follows:

Table 9.5.1: Samples statistical Analysis

Item/Field	Ni	Fe	Co
source OVERBURDEN SAMPLES			
Data records read: 1279			
Basic Statistics			
Non-nul records	1279	1279	1068
Minimum value	0.1	15.05	0
Maximum value	1	44.97	0.37
Mean	0.63	28.85	0.1
Weighted Mean	0.64	28.5	0.11
Variance	0.04	68.75	0
Standard deviation	0.19	8.29	0.04
Std error of mean	0.01	0.23	0
Item/Field	Ni	Fe	Co
source LIMONITE SAMPLES			
Data records read: 5476			
Basic Statistics			
Non-nul records	5476	5476	5376
Minimum value	0.05	25.02	0
Maximum value	1.5	56.49	0.97
Mean	0.77	46.18	0.09
Weighted Mean	0.83	46	0.1
Variance	0.07	13.69	0
Standard deviation	0.27	3.7	0.05
Std error of mean	0	0.05	0

Item/Field	Ni	Fe	Co
source SAPROLITE SAMPLES			
Data records read: 1083			
Basic Statistics			
Non-nul records	1083	1082	411
Minimum value	1	5.51	0.03
Maximum value	2.99	48.97	0.36
Mean	1.52	18.08	0.1
Weighted Mean	1.52	18.14	0.1
Variance	0.15	81.97	0
Standard deviation	0.39	9.05	0.05
Std error of mean	0.01	0.28	0
Item/Field	Ni	Fe	Co
source BEDROCK COMPOSITE			
Data records read: 4306			
Basic Statistics			
Non-nul records	4306	4306	71
Minimum value	0	0	0.03
Maximum value	1	14.98	0.15
Mean	0.39	6.92	0.07
Weighted Mean	0.41	7.14	0.07
Variance	0.04	4.48	0
Standard deviation	0.2	2.12	0.03
Std error of mean	0	0.03	0

Typically Ni grades are <1% at surface and increase with depth to around 1.2% to 1.4% Ni at the base of the limonite. The saprolite boundary is typically marked by a sharp increase in Ni grade. The highest Ni grade usually occurs at the top of the saprolite and decreases with depth grading down to 1.0 to 0.5% Ni at the base of the saprolite or bedrock. Ni grades are more variable in the saprolite probably due to the occurrence of proportions of less enriched coarse rocks mixed with enriched saprolite fines. The occurrence of enriched stringers or boulder rims is also possible but has not been tested by separate analysis. Below this boundary the Ni decreases toward the bedrock interface. Other elements also display some change in average grade with depth as rocks become more common. Ni and Mg display the strongest vertical grade trend in the saprolite. The change in grade with depth for Mg is more pronounced than other elements. That is, Mg could be used to determine saprolite from bedrock. Bedrock grades are relatively consistent although some grade trend do persist in those samples classified as predominantly bedrock but which still contain some saprolite.

9.6 Cut-off Grades

The cut-off grades used for the limonite and saprolite for mineral estimation purposes are as follows:

- High Iron Limonite (L1) : (Cut off grade set at $<1\%$ Ni and $\geq 45\%$ Fe)
- Low Iron Limonite (L2) : (Cut off grade set at $\geq 1\%$ $<1.5\%$ Ni and $\geq 25\%$ Fe)
- Low Grade Saprolite (S1) : (Cut off grade set at $\geq 1\%$ $<1.5\%$ Ni and $<25\%$ Fe)
- Medium Grade Saprolite(S3): (Cut off grade set at $\geq 1.5\%$ $<2\%$ Ni)
- High Grade Saprolite (S4) : (Cut off grade set at $\geq 2\%$ Ni)

These cut-off grades are based on the ore classification as prepared by the Engineering and Mine Planning of LMC. They are based on the minimum specifications as required by the prevailing market conditions. Generally, the (L1) High Fe Limonite and (L2) Low Fe Limonite when blended will have an average grade of 0.90% Ni and 46% Fe which is the preferred material for the Chinese market. The (S1) low grade saprolite, (S2) medium grade saprolite and (S3) high grade saprolite are of small quantities since these types of grade are approaching the bedrock zone. This material termed as "saprolite" ore can be blended with the higher grade ore to produce a 1.4% minimum grade which is still acceptable in the Chinese market.

9.7 Mineral Resource Estimation – Block Modelling

After completion of data correction and boundary digitization, block modelling was then executed using microlynx functions. The block model parameters are shown below:

Table 9.7.1: Deposit Block model parameters (Area -1)

Item	North	East	Level
Block size	25	25	3
No. Sub-blocks	5	5	3
Origin-centroid	1134114.90	560555.61	48.5
No. Of Blocks	59	114	126

Table 9.7.2: Block model parameters for (Area 3)

Item	North	East	Level
Block size	100	100	3
No. Sub-blocks	20	20	3
Origin-centroid	1130789.90	558180.61	156.5
No. Of Blocks	13	14	56

Table 9.7.3: Block model parameters for Area -2

Item	North	East	Level
Block size	100	100	3
No. Sub-blocks	20	20	3
Origin-centroid	1129789.90	559530.61	30.5
No. Of Blocks	11	7	98

Block model cell generation (Block and Block_ind Tables) was carried out by executing the subdivide cells by surfaces function. This function automatically creates an empty cell based on lithology (Figure 9.7.1). The vertical limits are the lithological surface points corresponding to the bottom breaks or domains that were extracted from the sample database. These points are triangulated to create a lithological surface. The horizontal limits are that model boundaries that were digitized and assigned a corresponding thickness.



Figure 9.7.1: Block model with empty cells

Inverse Distance Weighing (IDW) technique was used for the grade estimation. This method was deemed appropriate owing to the topographical feature within the deposit which will warrant a simple estimation method as against a more robust but more complex estimation such as ordinary or indicator kriging in unfolded samples. The exponential weighing power of 2 and search radii enumerated in Table 9.7.2 as listed were used.

Table 9.7.2: Search Radius for Block Model Grade Interpolation (in meters)

Block					
Pass	North	East	Level	Limonite	Saprolite
1	37.5	37.5	3	Measured	Measured
2	100	100	3	Inferred	Inferred

The minimum and maximum sample points used to interpolate the block grades were 1 and 5, respectively.

A wet density of 1.62 wmt/cubic meter was used for limonite and saprolite, respectively. This was based on LMC's density tests. The said density is slightly below the actual densities observed from existing nickel mines in Dinagat/Surigao. It is anticipated that estimation of tonnage will be slightly under-estimated.

Top cutting was not used in all the variables as the coefficient of variation of nickel laterite deposits are generally less than 1. This indicates that the samples have high spatial correlation which can be easily modeled even by polygonal methods depending on the spacing of the holes.

The topographic map of the area was based on NAMRIA map at 20m interval (Figure 0.7.2). This was gridded to from a surface, and interpolated to produce topography with 3-m contour interval.

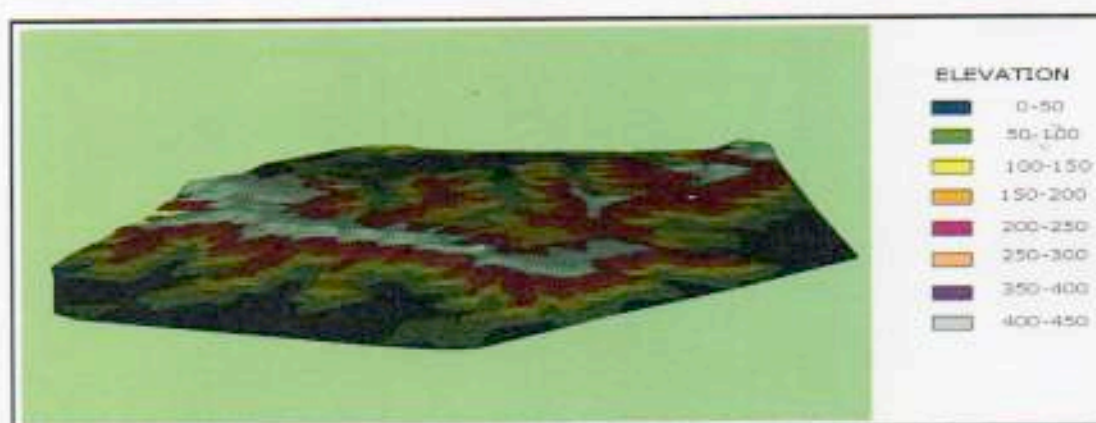


Figure 9.7.2: 3D Topographic surface based on NAMRIA map

9.8 Mineral Resource Classification

The classification of the mineral resources should be based on the degree of confidence on the data used as basis of computation. With this principle in mind, and considering the other criteria listed in the PMRC guidelines, the mineral resources in the property were classified as follows

Measured Mineral Resource: Refers to the nickel laterite resource that has been drilled to an average grid of 25m x 25m.

Indicated Mineral Resource: Refers to the nickel laterite resource that has been drilled to an average grid of 50m x 50m.

Inferred Mineral Resource: Refers to the nickel laterite resource that has been drilled to an average grid of 100m x 100m.

Considering the above-listed criteria, the mineral resources of Areas 1, 2 and 3 were computed and the resulting tonnages and grades are enumerated in the following tables:

Table 9.8.1: Measured Resource

Classification	Measured Resource (25m x 25m)					
	Tonnage (WMT)	%H ₂ O	Tonnage (DMT)	Grade (%Ni)	Grade (%Fe)	Grade (%Co)
Limonite	Area 1 (North Deposit)					
L1	17,572,220	35	11,421,943	0.80	48.08	0.110
L2	6,196,661	35	4,027,830	1.19	44.50	0.120
Sub-total	23,768,881	35	15,449,773	0.90	47.15	0.113
Saprolite						
S1	3,361,946	35	2,185,265	1.22	13.44	0.080
S3	2,342,177	35	1,522,415	1.69	23.09	0.060
S4	611,996	35	397,797	2.31	18.86	0.070
Sub-total	6,316,119	35	4,105,477	1.50	17.54	0.072
Total	30,085,000	35	19,555,250	1.03	40.93	0.104

Table 9.8.2: Inferred Resource

Classification	Inferred Resource (100m x 100m)					
	Tonnage (WMT)	%H ₂ O	Tonnage (DMT)	Grade (%Ni)	Grade (%Fe)	Grade (%Co)
Limonite	Area 3 (South Deposit)					
L1	6,331,487	35	4,115,467	0.64	47.00	0.103
L2	1,212,813	35	788,328	1.14	40.94	0.100
Sub-total	7,544,300	35	4,903,795	0.72	46.03	0.103
Saprolite						
S1	2,350,054	35	1,527,535	1.17	11.18	0.076
S3	524,475	35	340,909	1.70	17.98	0.068
S4	37,584	35	24,430	2.12	13.13	0.061
Sub-total	2,912,113	35	1,892,873	1.28	12.43	0.074
Total	10,456,413	35	6,796,668	0.88	36.67	0.095
Classification	Inferred Resource (100m x 100m)					
	Tonnage (WMT)	%H ₂ O	Tonnage (DMT)	Grade (%Ni)	Grade (%Fe)	Grade (%Co)
Limonite	Area 2 (West Deposit)					
L1	34,323	35	22,310	0.56	47.54	0.100
L2	12,025	35	7,816	1.02	32.19	0.085
Sub-total	46,348	35	30,126	0.68	43.56	0.096
Saprolite						
S1	146,000	35	94,900	1.21	12.21	0.074
S3	103,825	35	67,486	1.52	14.23	0.071
S4	18,150	35	11,798	2.11	13.31	0.070
Sub-total	267,975	35	174,184	1.39	13.07	0.073
Total	314,323	35	204,310	1.29	17.56	0.076
Grand Total	10,770,736	35	7,000,978	0.89	36.11	0.094

As can be noticed, no indicated resource was computed because there were no diamond drill holes drilled at 50 x 50 meter interval grids. Likewise, the Inferred Ore resource will not be included in the Feasibility Study for it needs an in-fill drilling of 50m x 50m to increase the level of confidence. Thus, only the measured resource shall be considered for mining in the partial declaration of mining project feasibility

9.9 Block Model Validation

Upon completion of the grade interpolation, a block model validation was carried out on Area 1 by Trend Analysis to check the block model grades as against the sample grade of the drill holes. The Trend Analysis simply filters out block grades that lies within a particular coordinate (North, East and Level) constrain and compares them to the corresponding sample grade s from the drill holes which are also within the same coordinate constrain.

10.0 Conclusions and Recommendations

Based on accepted exploration protocols, Libjo Mining Corporation conducted a diamond drilling exploration at Areas 1, 2 and 3 of MPSA-233- 2007- XIII(SMR). The resulting measured mineral resource of 30,085,000 wmt with average grades of 1.03% Nickel and 40.93% Fe as validated accordingly, will last for a 10-year mine life considering a programmed 3 million wmt/year production. This calls for the opening of the project since this grade is suitable for the requirement of most Chinese buyers to supply the nickel pig iron processing plants in China. However, the ore resource is too small to put up a nickel smelting plant.

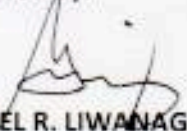
However, the company should continue exploring Area 2, Area 3 to be able to convert the more than 10 million wmt of computed inferred resources here, and other adjacent areas for there is great possibility that additional ore resource would be blocked considering that out of 4,226 hectares total area, only 400 hectares or 9.5% of the area is explored. These inferred resources cannot be included in the Feasibility Study unless they are drilled at closer interval to increase the level of confidence.

This Exploration Report was prepared by the undersigned in partial fulfilment of the requirements for the Partial Declaration of Mining Project Feasibility (DMPF) for MPSA No. 233- 2007- XIII(SMR). The estimated mineral resources declared herein were computed based on the data obtained from the drilling exploration works conducted by Cagdianao Mining Corporation in 2006 to 2011 and Libjo Mining Corporation from October, 2012 up to the present.

11.0 Bibliography

- Geological Map of Dinagat Exploration Area 2 by K. Louca and A.B. Santiago. Revised 1993.
U.N.R.F.N.R.E Phil/86/No.1
- Libjo Mining Corporation, Environmental Impact Statement Report, Main Report Vol. I
(GEOENVIRONMENTAL CONSULTANCY, INC)
- Regional Geology of Dinagat Island, U.N.R.F.N.R.E Phil/86/No.1 Louca and A.B.
Santiago. Revised 1993
- MINES AND GEOSCIENCES BUREAU, 1982. Geology and Mineral Resources. Vol. I
- Fernandez, Juanito C., Geology and Mineral Resources of the Philippines, Volume 1, First
Edition 1981, Bureau of Mines and Geo-Sciences, Manila, 1982
- Environmental Protection Guidelines, United Nations Revolving Fund Natural Resources
Exploration (UNRFNRE), New York, 1993

Prepared by:



RAFAEL R. LIWANAG

Registered Geologist Number 512

Competent Person for Exploration Results and Mineral Resource Reporting

CP Number 11-08-01

CURRICULUM VITAE



PERSONAL DATA

Name : **RAFAEL R. LIWANAG**
Age : 58 years old
Sex : Male
Date of Birth: 24 October 1955
Birthplace: Atlag, Malolos, Bulacan
Civil Status: Married with five (5) children
Name of Spouse: Vilma M. Cajipo-Liwanag
Address: Cattleya St., Blk-17, Lot 25, Phase 2, V and G Subdivision
Tacloban City, Leyte, Tel: (053) 3275196; 09175971476
Languages/Dialects Spoken: Filipino, English, Ilonggo, Waray-Waray, Cebuano

ELIGIBILITY & PROFESSIONAL AFFILIATION

Professional Eligibility: Philippine Registered Geologist
PRC License No. 512, Granted on January, 1978

Competent Person (CP) for Exploration Results and Mineral
Resource Reporting No. 11-08-01 granted by the
Geological Society of the Philippines on August, 2011

Professional Affiliation: Accredited Pollution Control Officer, DENR-EMB, Region VI,
DENR-EMB, Region VIII

Former member, Provincial Mining Regulatory Board
Negros Occidental

Member, Geological Society of the Philippines
Member, Pollution Control Association of the Philippines
Region VIII Chapter, Tacloban City

EDUCATION AND HONORS RECEIVED

Graduate Studies: Master of Science in Rural Development
Aklan State University Regional Graduate Studies Consortium
Negros State College of Agriculture Center
Kabankalan City, Negros Occidental
37 units, thesis preparation in progress

College: Mapua Institute of Technology, Intramuros, Manila
Bachelor of Science in Geology, 1977

High School: Marcelo H. del Pilar High School, Malolos, Bulacan
Graduate, 1972; 11th honors in a class of 1,500

Elementary: Atlag Elementary School, Atlag, Malolos, Bulacan
Graduate, 1968; valedictorian in a class of 250

BRIEF SUMMARY OF FIELDS OF EXPERIENCE

COPPER, Porphyry	Sipalay Mine, Negros Occidental Open Pit Operation and Exploration
	Carmen (Toledo) Mine Open Pit and Underground Mine Operation
COPPER, Massive Sulfide (Kuroko) and Carboniferous	Bagacay Mine, Samar Open Pit and Underground Operations and Exploration
GOLD, Epithermal:	Kibungan, Benguet, Geological Investigation
	Balasan and Sara, Iloilo, Geological Investigation
	Agusan del Norte, Geological Investigation
	Cumbio and Tampakan, South Cotabato Geological Investigation and Exploration
	Sipalay and Cauayan, Negros Occidental, Exploration
CHROMITE, Lens, Vein and Laterite:	Puerto Princesa, Palawan Open pit and Underground Operations and Exploration
	Acoje Mines, Zambales Open Pit and Underground Operations and Exploration
	Pigcawayan, North Cotabato Geological Investigation and Exploration
NICKEL, Nickeliferous Laterite:	Bataraza, Palawan Exploration
	Nonoc Island, Surigao del Norte Open Pit Operation
	Berong, Quezon, Palawan Exploration and Open Pit Operation
IRON, Magnetite Sand	Nicua Corporation MacArthur, Mayorga, Javier, Lapaz, Dagami, Burauen, Tanauan, Palo, Tolosa, Sta. Fe, Leyte Magnetite Sand Exploration, Mining
PYRITE, Massive Sulfide:	Bagacay Mine, Samar, Open Pit Operation and Exploration
MANGANESE, Sedimentary Manganese:	Kabankalan and Cauayan, Negros Occidental Geological Investigation and Exploration
COAL, Lignitic & Sub- Bituminous Coal:	Bagacay Mine, Samar Open Pit and Underground Operations and Exploration
	Giporlos and Llorente, Eastern Samar Open Pit Operation and Exploration
MARBLE & Limestone	Maasin, Sarangani Province Open Pit Operation & Exploration

SILICA, Bull Quartz and Silica Sand:

Balasan and Sara, Iloilo, Geological Investigation
Ayungon, Negros Oriental, Open Pit Operation

Maasin, Sarangani Province, Exploration

**ENGINEERING GEOLOGY
AND ROCK MECHANICS,**
*Slope Stability Analysis,
Design and Monitoring:*

Sipalay, Negros Occidental
Open Pit Mine Slopes, Waste Dumps and Tailings Pond Dikes
Engineering Geological and Geohazard Assessment (EGGA) for the
Commercial Complex of Leadland Corporation at Brgy. Lupo, Altavas,
Aklan and St. Matthew and St. Paul Subdivisions of BAPA Realty
Corporation at Victorias and Talisay Cities, Negros Occidental,
respectively, and Forest Hills Subdivision, Mansilingan, Bacolod City

**ENVIRONMENTAL
MANAGEMENT,**
*Environmental Impact
Assessment and Monitoring:*

Sipalay, Negros Occidental
Open Pit Operation, Copper Beneficiation Plant and Tailings and Solid
Waste Disposal, Environmental Enhancement & Rehabilitation

MacArthur, Leyte
Open Pit magnetite Sand Mining and Processing Plant

COMPUTER APPLICATION:

GEMCOM (GEMS) and WHITTLE-4D Mining Software, Engineering
Geology Software (ROCKWARE, DIPS, SLOPE, etc.), GIS Software
(MAPINFO) MS Office (Word, Excel, Powerpoint) WINDOWS and
other software)

DETAILS OF WORK EXPERIENCE

YINYI Philippines Mining, Inc
19th Floor Picadilly Star Bldg.
4th Ave & 27th St., Bonifacio Global City
Taguig City
July, 2012 to present

Position/Period

Duties/Responsibilities

Assistant Manager,
Project Development and
Exploration

Responsible for the evaluation and acquisition of mining projects.
Heads the team conducting due diligence, validation and verification of
reported mineral resources and assets of prospective projects and
provides intelligent assessment and recommendations for negotiation.

NICUA CORPORATION

Tacloban City, Leyte
Head Office: 3rd floor, Bloomingdale Plaza Building, Capitolgyo, Pasig City
August 2007 to July, 2012

Geology & Exploration
Manager and Pollution Control
Officer

Responsible for the efficient planning and implementation of
exploration programs, ore resource evaluation (GEMS), and assists in
mine planning activities. As Pollution Control Officer, prepares
requirements for environmental and other related permits and regular
in-house reports as well as monitoring and regulatory reports required
by the concerned government agencies.

During the development and operation phases, directly reports to and
assists the Executive Vice President in the mine development planning
and in the implementation of mining, processing and mine
rehabilitation activities.

BERONG NICKEL CORPORATION

Berong, Quezon, Palawan

Head Office: Philam Building, Dela Rosa St., Legaspi Village, Makati City

January to August, 2007

Senior Mine Geologist

Responsible for the efficient supervision of the Geology Department, particularly the mine geology and exploration activities including mine face sampling, grade control, stockpile management and ore reconciliation.

TMM MANAGEMENT, INCORPORATED

Head Office: Philam Building, Dela Rosa St., Legaspi Village, Makati City

November, 2005 to December 31, 2006

Project Geologist

As project Geologist of the Berong Nickel Project in Berong, Quezon, Palawan, was responsible for the efficient management of all exploration and pre-operation activities of the project.

ATLAS CONSOLIDATED MINING AND DEVELOPMENT CORPORATION

(Now Carmen Copper Corporation)

Lutopan, Toledo Copper Project

Head Office: Quad Alpha Centrum Building, Pioneer St., Pasig City

February, 2005 to November, 2005

Resident Geologist

Responsible for the efficient ore resource evaluation during the feasibility stage of the mine rehabilitation of the mine. Activities included the data management of all ACMDC orebodies in Toledo City and the evaluation of the corresponding ore resources.

"G" HOLDINGS, INCORPORATED

Sipalay Mine

Minesite: Sipalay, Negros Occidental

Head Office: 2283 Pasong Tamo Extension, Makati City

2001 to 2005

**Chief Geologist and
Pollution Control Officer**

Minesite Operation

2001 to 2005

Responsible for the efficient rehabilitation of abandoned waste dumps, tailings ponds and mining areas and formulation and implementation of pollution control and slope stability programs. Also responsible for the evaluation of remaining ore reserves and preparation of feasibility studies for the possible resumption of mine operations and the preparation of documents relative to the acquisition and maintenance of mining rights.

MARICALUM MINING CORPORATION

Sipalay Copper Operations

Minesite: Sipalay, Negros Occidental

Head Office: 2283 Pasong Tamo Extension, Makati City

November, 1986 to 2001

**Chief Geologist and
Pollution Control Officer**

Minesite Operation

1987 to present

Responsible for the efficient management of the Geology Department. Work includes planning and implementation of diamond drilling and geological mapping programs for both exploration and development and slope stability analysis; interpretation of data, computation of ore reserves; design of mining slopes; design, implementation and monitoring of slope stability measures; reconciliation of mining tonnage and ore reserves; environmental impact studies, rehabilitation program design and implementation and monitoring and acquisition and maintenance of mining rights.

Staff Geologist
Makati Head Office
1986 to 1987

Responsible to the Senior Vice-President for the efficient monitoring of the exploration, development and mining programs and acquisition and maintenance of mining rights.

NONOC MINING & INDUSTRIAL CORPORATION

2283 Pasong Tamo Extension, Makati City
1984 to 1986

Project In-Charge
Giporios Coal Project
Giporios, Eastern Samar
1985 to 1986

Responsible for the efficient management of the coal exploration and development project. Involved in the detailed geological mapping, diamond drilling, feasibility studies and preparation of development plans for the project.

Staff Geologist
Makati Head Office
1984 to 1985

Responsible for the efficient planning and monitoring of the exploration, development and mining programs and acquisition and maintenance of mining rights and service contracts of the company's operating divisions (Nonoc Nickel Refinery in Surigao del Norte, Bagacay Copper/Pyrite/Coal mines in Western Samar and Giporios Coal Project in Eastern Samar), sister companies (Maricalum Copper Mine in Sipalay, Negros Occidental and Island Cement Operations in Antipolo, Rizal) and other new prospects.

MARINDUQUE MINING & INDUSTRIAL CORPORATION

Bagacay Copper Operations and Coal Exploration Project
Minesite: Bagacay, Hinabangan, Western Samar
Head Office: 2283 Pasong Tamo Extension, Makati City
1979 to 1984

Chief Geologist
Minesite Operations
1979 to 1984

Responsible to the General Manager and Consultant-Geologist for the efficient planning, implementation and management of the exploration and development programs. Involved in the detailed geologic mapping, test pitting, trenching and diamond drilling, geological interpretation and evaluation of ore reserves and reconciliation of mining tonnage against ore reserves. During the period was designated Project-In-Charge of the different copper, pyrite and coal exploration projects:

PALAWAN CONSOLIDATED MINING CO., INC.

Irauan Chromite Project
Minesite: Irauan, Puerto Princesa, Palawan
Head Office: 2283 Pasong Tamo Extension, Makati City
1977 to 1979

Resident Geologist
Minesite Operations
1977 to 1979

Responsible to the Consultant-Geologist for the efficient planning and implementation of exploration programs. Involved in the detailed exploration of lateritic sand chromite and massive chromite lenses and veins by creek and road cut mapping, test pitting, trenching and diamond drilling. Work included detailed sampling and logging of exploration workings, evaluation of reserves and assisting in the preparation of development plans.

Student Trainee
Palawan Chromite Project
March to June, 1976

Field training in detailed geological mapping, test pit, trench and diamond drill core logging and sampling and actual processing of laterite chromite sand and computation of ore reserves.

SPECIAL TRAININGS and SEMINARS ATTENDED

Hands-on Training on GEMS mining software given by GEMS Services, Canada at ACMDC-Lutopan

ACMDC-Lutopan Minesite, 2005

Seminar-Workshop on ISO-14000 for Pollution Control Officers given by PICAPI and DENR-6

Punta Villa, Iloilo City, October 15 - 16, 1999

Seminar-Workshop on Environmental IEC Given by the Mines and Geo-Sciences Bureau
Petrolab, Quezon City, June 22 - 27, 1999

Philippine Mining Centennial Conference and Technical Seminar
Philippine Plaza Hotel and World Trade Center, February 10 - 14, 1999

Orientation Seminar-Workshop for Multi-Partite Monitoring Team
Mambucal Mountain Resort, Murcia, Negros Occidental, February 8 - 10, 1999

Training Course on Best Environmental Practices in Philippine Mining given by URSG Woodward Clyde
Baguio Country Club, Baguio City, July 28 - August 1, 1998

Seminar on Environmental Successes in Philippine Mining
Bureau of Soils and Water Management, Quezon City, June 24 - 25, 1998

Forum on the Environment and the Industry given by the Chamber of Mines and MGB-6
L' Fisher Hotel, Bacolod, November 23, 1997

Forum on Mining, Geology and the Environment given by the Chamber of Mines and MGB-6
Sarabia Manor, Iloilo City, August 4, 1997

Public Consultative Meetings on the Proposed Amendments to the Implementing Rules and Regulations of the Mining Act of 1995

Cebu City - 22 August 1996
Quezon City - 20 September 1996

People's Congress on Environmental Issues
Punta Villa, Iloilo City, April 20 - 21, 1996

In-House Hands-on Training on the Use and Application of GEMCOM Orebody Modeling and Mine Planning Software Including Whittle 4D Given by GEMCOM Services, Inc. of Canada
Sipalay Mine, Negros Occidental, 1994 to 1997 (one to two sessions per year, one week per session)

Training Course on Applied Mining Geostatistics Given by Snowden & Associates and GEMCOM Services, Inc. of Canada
Manila Midtown Hotel, 23 to 27 March 1992

Seminar-Workshop on Safety and Environmental Protection Practices of Operating Mines and 38th Annual National Mine Safety and Accident Prevention Conference
Asian Institute of Tourism Hotel, Quezon City, 20 to 23 November 1991

Hands-on Training on the Use and Application of GEMCOM Software PC-XPLOR and PC-MINE for Geological Modeling and Mine Planning given by GEMCOM Services Inc. of Canada
Computlab, Makati City, 30 April to 11 May 1991

In-house Hands-on Training on the Use and Application of Various Engineering Geology Software (Rockware, SLOPE, DIPS, etc.)
Sipalay Mine, Negros Occidental, 1991 to 2002 (tutorial and self-study)

In-house Hands-on Training on the Use and Application of Various Word Processors, Windows, Spreadsheet, ACAD and other Graphics Software
Sipalay Mine, Negros Occidental, 1991 to 2002 (tutorial and self-study)

Seminar-Workshop and Annual and Semi-Annual Regional Convention of the Pollution Control Association of the Philippines (PICAPI), Region VI Chapter
Iloilo City, every June and December, 1990 to present

Annual Seminar and General Membership Convention of the Geological Society of the Philippines
Quezon City, 1990 to present

Training Course on Slope Stability Problems in Open Cast Mines Given by the European Economic Community (EEC), the Mines & Geo-Sciences Bureau and ASEAN PETROLAB, Mines & Geo-Sciences Bureau, Quezon City, 24 April to 11 May 1989

Seminar-Workshop on Geology and Exploration of Gold Deposits
Intercontinental Hotel, Manila, 22 to 24 February 1989

Lecture-Seminar on Applied Hydrology and Introduction to Groundwater Resources given by DENR, Region VII
Lahug, Cebu City, 01 to 04 December 1988

Hands-on Training on Petrography and Electron Microprobe X-Ray Analysis (EPMA)
PETROLAB, Mines & Geo-Sciences Bureau, Quezon City, 25 April to 06 May 1988

Various In-House Seminars on Management, Safety and Loss Control, First Aid, etc.
Maricalum Mining Corporation, Sipalay Mine, Negros Occidental, 1987 to 2002

Bench Drilling Seminar
Atlas Copco, Philippines, October, 1986

RP-US Coal Symposium
Philippine Plaza Hotel, Manila
February, 1983

REFERENCES

DR. ARTHUR SALDIVAR-SALI
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Loyola Hts., Quezon City
Tel. 02-973547/02-972465

MR. ALEX R. DE LEOZ
Executive Vice President
Nicua Corporation
3rd Floor Bloomingdale Plaza Bldg
Barangay Capitolito, Shaw Blvd.
Pasig City
Tel. 02-63143943

CERTIFIED TRUE AND CORRECT:


RAFAEL R. LIWANAG
03 October 2013
PRC Geologist's License No. 512
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