

SEAFRONT RESOURCES CORPORATION

Minutes of the Board of Directors' Regular Meeting

November 10, 2016, 1:00 p.m.

Conference Room 1, 47TH Floor, Yuchengco Tower RCBC Plaza
6819 Cor. Sen. Gil J. Puyat and Ayala Avenues, Makati City

PRESENT:

Ms. Helen Y. Dee	–	Chairman
Ms. Milagros V. Reyes	–	Director/President
Mr. Perry Y. Uy	–	Director/Treasurer
Mr. Albert S. Yuchengco	–	Director
Mr. Nicasio I. Alcantara	–	Independent Director
Atty. Ernestine Carmen Jo D. Villareal-Fernando	–	Independent Director
Dr. Reynaldo B. Vea	–	Director
Mr. Medel T. Nera	–	Director

ABSENT:

Ms. Yvonne S. Yuchengco	–	Director
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ALSO PRESENT:

Mr. Porfirio S. de Guzman, Jr.		
Atty. Arlan P. Profeta	–	Asst. Corporate Secretary
Ms. Carlota R. Viray		

I. PROCEDURAL

A. Determination of Quorum/Call to Order

The Chairman presided over the meeting and requested Atty. Arlan P. Profeta (who acted as the Secretary of the Meeting in the absence of the Corporate Secretary, Atty. Samuel V. Torres) to certify the existence of a quorum. After confirmation of the presence of a quorum, the Chairman called the meeting to order.



B. Approval of Minutes of the Previous Meeting

The Chairman requested the Board to review the Minutes of the July 26, 2016 meeting. Upon motion duly made and seconded, the Board approved the minutes of the previous meeting.

II. MANAGEMENT REPORT

The President, Ms. Milagros V. Reyes (MVR), updated the Board on the developments in the Hermosa Ecozone Development Corporation (HEDC) HEDC, as follows:

A. HEDC Investment

MVR mentioned that the only investment of the Company is the property development of HEDC, which is divided into the Leisure/Residential Area and the PEZA-registered Industrial Zone.

MVR showed a map of the 476-hectare (has) property of HEDC. She mentioned that only 162 has has been developed. She reported that there have been some good movements in the sale of Industrial lots. Some portions were sold and reserved already.

B. Concreting of Second Path Walk

The access road from the national highway to the main gate needs improvement. Aside from the existing 2-meter wide path walk, an additional 2-meter wide path walk is under construction for more than 9,800 people that are employed at the factories inside HEDC.

C. Phase2 Development

Stage 1

New roads leading to Phase 2 of the Industrial park (which had been graded), underground utilities such as drainage, sewer, and water lines, and the retaining wall with CHB perimeter fence, were completed.



Stage 2

On-going construction of roadways and underground utilities are 70% completed.

Stage 3

The site grading was just recently completed.

E. Marketing Update

MVR enumerated the current locators of HEDC's property, as follows:

- Vignet UPVC Profile, Inc.
- Asian Nickel Research & Technology Corporation
- IWS Realty Corporation
- Bioteque Medical Phils., Inc.
- Biglift Properties and Development Corporation
- Orient Goldcrest Realty, Inc.
- Phil Bright Corporation
- Northern Castle

The following are buyers with down payment already:

- Trident Hydrojetting Philippines Inc.
- Boiler Maintenance Services
- Phil Bright Corporation
- Manufacturer of Baseball Gloves
- Li-Yuan Ventures Mfg. Corp.
- Manufacturer of Tobacco Leaf Fillers



MVR also reported serious prospective clients, as follows:

NATIONALITY	TYPE OF BUSINESS/OPERATION	AREA (SQM)
Filipino	Logistics Services	20,198
Taiwanese	Manufacturing of Polystyrene Sandwich Panel	16,503
Taiwanese	Plastic Recycling	54,471

Other prospective clients are as follows:

NATIONALITY	TYPE OF BUSINESS/OPERATION	AREA (SQM)
Singaporean	Bakery Products	25,317
American	Manufacturing of Electronics	60,000
Filipino	Assembly of Motorcycles	11,420
Japanese	Plastic Injection	16,506
Turkish	Fabrication of Soil Boring Equipment	15,333

MVR added that another solar company would like to lease 120 has and will pay an earnest money in the amount of P1 million to conduct a three-month study. Should this push through, the solar company offered to pay P120 Million upfront and P30 Million/year.

Another interested prospective client would like to convert 70 has into a theme park.

F. Total Area

The total area (Industrial & Leisure) is 476.3 has, covered by 49 titles. All titles have been transferred to HEDC.



G. Leisure Area

The leisure area hosts the Solar farm of YH Green Energy Corporation. This is a 14MW Solar farm which would like to expand. They would like to reserve 50 hectares in the leisure area which they will lease for 25 years. Current lease of the 25 hectares (existing farm) is for P10 Million/year.

III. FINANCIAL REPORT

A. Financial Highlights

Ms. Carlota R. Viray (CRV) presented the Financial Highlights for the month of October 2016 (attached hereto as **Annex "A"**).

B. Approval of the Third Quarter 2016 Financial Statements

The Chairman of the Audit Committee, Mr. Nicasio I. Alcantara, recommended to the Board the approval of the 2016 Third Quarter Financial Report (SEC Form No. 17-Q) to be submitted to the Securities and Exchange Commission. Upon motion duly made and seconded, the Board of Directors approved the same, as follows:

RESOLVED, that the 2016 Third Quarter Financial Report (SEC Form No. 17Q) be approved for submission to the Securities and Exchange Commission.

IV. ADJOURNMENT

There being no other matter to discuss, the meeting was adjourned.



ARLAN P. PROFETA
Assistant Corporate Secretary

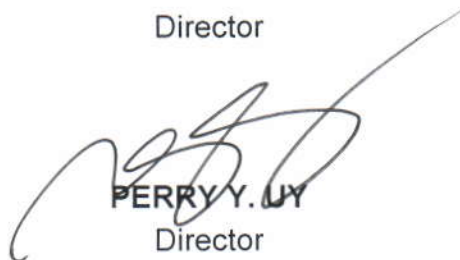
Minutes read and approved:


HELEN Y. DEE
Chairman

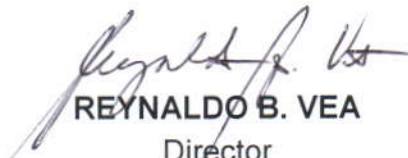

MILAGROS V. REYES
President/Director


ALBERT S. YUCHENGO
Director


NICASIO I. ALCANTARA
Director


PERRY Y. UY
Director


MEDEL T. NERA
Director


REYNALDO B. VEA
Director


ERNESTINE CARMEN JO D. VILLAREAL- FERNANDO
Director

Conforme:


YVONNE S. YUCHENGO
Director

Financial Highlights

(in thousand pesos except book value and earnings/share)

QUARTERLY REPORT
(in thousand pesos)

	Unaudited	
	31-Oct-16	31-Oct-15
Assets	178,454	184,359
Liabilities	127	12,460
Stockholder's Equity	178,327	171,899
Net Income (Loss)	9,216	(660)
Retained Earnings	7,325	6,935
Cash and Cash Equivalents*	11,586	11,132
Outstanding Capital Stock	163,000	163,000
Book Value per Share	1.09	1.05
Earnings (loss) per Share	0.06	N/A
*includes short term investments		

A handwritten signature in blue ink, appearing to be "Alvin M. Santos".