

SEAFRONT RESOURCES CORPORATION

Minutes of the Board of Directors' Regular Meeting

May 19, 2017, 12:00 Noon

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
Ms. Yvonne S. Yuchengco	–	Director
Dr. Reynaldo B. Veal	–	Director
Mr. Medel T. Nera	–	Director
Mr. Nicasio I. Alcantara	–	Independent Director
Atty. Ernestine Carmen Jo D. Villareal–Fernando	–	Independent Director

ABSENT:

Mr. Albert S. Yuchengco	–	Director
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ALSO PRESENT:

Mr. Porfirio S. De Guzman, Jr.		
Atty. Samuel V. Torres	–	Corporate Secretary
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 the Corporate Secretary 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 February 23, 2017 regular meeting and the April 10, 2017 special 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 of Directors on the development in the Hermosa Ecozone Development Corporation (HEDC), as follows:

A. HEDC Investment

MVR reported that Seafront Resources Corporation (the "Company") is now 47 years old. The Company was registered with the Securities and Exchange Commission on April 16, 1970 as an oil exploration and production company.

The oil concessions of the Company were the Reed Bank, West Linapacan, Octon, Southwest Palawan and Sulu Sea. The Company, together with some foreign companies, was the first to drill in Reed Bank and made a discovery. They participated in the various oil exploration companies until the decline in interest in the oil, and that was in the mid-90's.

There was a financial crisis then, so the Company implemented a quasi-reorganization plan whereby its authorized capital stock was decreased and its primary purpose changed to an investment holding company. That time, the Company invested in Benguet Mines, in Crome and in Bukidnon Resources Company.

On January 31, 1997, the Company entered into a Project Shareholders' Agreement with five (5) other companies led by Investment and Capital Corporation of the Philippines and Penta Capital Investment Corporation to develop 500 to 600 hectares of raw land in Bataan into a new township consisting of industrial estates, residential communities, a golf and country club and a commercial center.

The reduction surplus resulting from the quasi-reorganization was used to offset the Company's deficit as of December 31, 1997.

Now, HEDC is the only investment of the Company which is very near Subic and Clark. The Company has 11.33% equity interest in HEDC. The industrial zone is the only moving area and the only one being developed.

B. HEDC Annual Stockholders' Meeting

HEDC held its Annual Stockholders' Meeting in Bataan on May 5, 2017. The Corporate Officers still have the same composition, as follows:

Mr. Saturnino G. Belen, Jr.	–	Chairman/President
Mr. Caesar S. Sylanteng	–	Vice Chairman
Ms. Milagros V. Reyes	–	Treasurer
Mr. William H. Chua	–	Assistant Treasurer
Atty. Gerardo Villaluz	–	Corporate Secretary

C. Operations Update

For better appreciation, a video was shown to the Board, with MVR briefly discussing each phase of the development of HEDC, as well as its locators.

E. Marketing Update

MVR identified some prospective clients (the list is attached as **Annex "A"**). She mentioned that the Company started selling in 2010 at P800/sqm. Now the selling price is P4,500/sqm already.

Total sales from the inception amounts to P762.3 MM. The sales for the first quarter of 2017 amounts to P115.6 MM, while the projected sales for the rest of 2017 is P330.1 MM.

III. FINANCIAL REPORT

A. Financial Highlights

Ms. Carlota R. Viray (CRV) presented the Financial Highlights for the month of April 2017 (attached hereto as **Annex "B"**).

B. Ratification of the First Quarter 2017 Financial Statements

Mr. Nicasio I. Alcantara, Chairman of the Audit Committee, recommended to the Board the confirmation and ratification of the First Quarter 2017 Financial Report (SEC Form No. 17-Q) earlier submitted to the Securities and Exchange Commission. See attached **Annex "C"**. Upon motion duly made and seconded, the Board of Directors hereby confirms and ratifies the same, as follows:

RESOLVED, that the Board of Directors of Seafront Resources Corporation (the "Corporation") hereby confirms and ratifies the First Quarter 2017 Financial Report (SEC Form No. 17Q) earlier submitted to the Securities and Exchange Commission.

IV. CORPORATE MATTERS

A. Manual on Corporate Governance

Atty. Arlan P. Profeta (APP), Assistant Corporate Secretary, reported that the Company is required to submit a new Manual on Corporate Governance, pursuant to the new Code of Corporate Governance for Publicly-Listed Companies (CG for PLC) on or before May 31, 2017.

The required submission of the new Manual on Corporate Governance is in consonance with the Securities and Exchange Commission Memorandum Circular No. 19, Series of 2016. Upon motion duly made and seconded, the Board adopted the following:

RESOLVED, That the Company's new Manual on Corporate Governance, as mandated by the Securities and Exchange Commission (SEC) through SEC Memorandum Circular No. 19, Series of 2016, be adopted and approved for submission to the SEC; and

RESOLVED, FINALLY, That the Chairman of the Board, Ms. Helen Y. Dee, and Compliance Officer, Atty. Arlan P. Profeta, be authorized to sign the new Manual on Corporate Governance for and on behalf of the Company.

B. Annual Corporate Governance Report

APP also mentioned that the Securities and Exchange Commission, pursuant to its regulatory and supervisory power under Section 5 of the Securities Regulation Code, mandates all listed companies to submit an Annual Corporate Governance Report (ACGR) on or before May 31, 2017.

He mentioned that the ACGR will be the last type of this report for this year. Next year, the Company will submit a "comply or explain" report. If the Company does not comply with the CG for PLC, then the Company would have to explain why.

V. OTHER MATTERS

1. Annual Stockholders' Meeting

The Board was reminded that the Annual Stockholders' Meeting follows at 1:30 p.m. at Rooms 527-528 YIAS, Level 5, Podium 4, RCBC Plaza Building, 6819 Ayala corner Sen. Gil J. Puyat Avenues, Makati City.

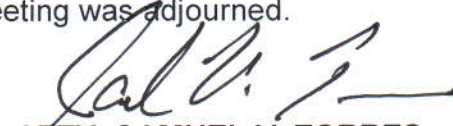
2. Organizational Meeting

The Board was also reminded that the Organizational Meeting follows at 2:00 p.m. at Room 529 YIAS, Level 5, Podium 4, RCBC Plaza Building, 6819 Ayala corner Sen. Gil J. Puyat Avenues, Makati City.



VI. ADJOURNMENT

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

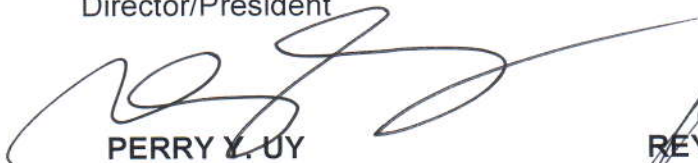

ATTY. SAMUEL V. TORRES
Corporate Secretary *gla*

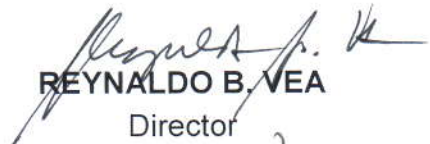
Minutes read and approved:

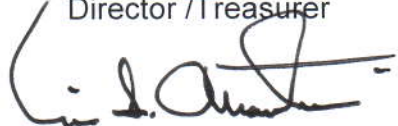

HELEN Y. DEE
Chairman

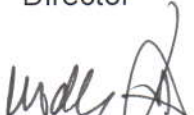

MILAGROS V. REYES
Director/President



YVONNE S. YUCHENGO
Director


PERRY Y. UY
Director /Treasurer



REYNALDO B. VEA
Director


NICASIO I. ALCANTARA
Independent Director


MEDEL T. NERA
Director


ERNESTINE CARMEN JO D. VILLAREAL- FERNANDO
Independent Director

Conforme:


ALBERT S. YUCHENGO
Director

Prospective Clients

NATIONALITY	BUSINESS ACTIVITY	LOT ID	AREA (SQM)	PRICE (P/SQM)	AMOUNT (P '000)
1 TURKISH	FABRICATION OF SOIL BORING EQUIPMENT	LOT 3 BLK 7	15,333	₱4,000	₱61,332
2 FRENCH	CHEESE PRODUCTS	LOT 1-2 BLK 9	16,503	₱4,000	₱66,012
3 SINGAPOREAN	BREAD & PASTRIES	LOT 2 & 4 BLK 8	25,317	₱4,500	₱113,927
4 FILIPINO	ASSEMBLY OF MOTORCYCLES	LOT 4 BLK 7	11,420	₱4,500	₱51,390
5 SINGAPOREAN		LOT 4 BLK 10	12,488	₱3,000	₱37,464

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