

**MINUTES OF THE 2016 ANNUAL STOCKHOLDERS' MEETING
OF BASIC ENERGY CORPORATION
HELD ON , AT THE MANILA GOLF AND COUNTRY CLUB
HARVARD ROAD, FORBES PARK, MAKATI CITY, HELD ON JUNE 29, 2016 AT 2:00 P.M.**

TOTAL NUMBER OF SHARES OUTSTANDING AND ENTITLED TO VOTE	4,404,993,512
TOTAL NUMBER OF SHARES REPRESENTED IN PERSON OR BY PROXY	2,496,332,772
PERCENTAGE OF ATTENDANCE	56.67 %

PROCEEDINGS

I. CALL TO ORDER

The Chairman of the Board of Basic Energy Corporation, Mr. Oscar C. de Venecia., started the proceedings by introducing to the body the members of the Board of Directors and key officers and the member of the Advisory Board of Basic Energy Corporation, present at the meeting. Thereafter, he called the 2016 Annual Stockholder's Meeting of Basic Energy Corporation to order.

II. PROOF OF THE REQUIRED NOTICE OF MEETING

The Chairman then requested the Corporate Secretary, Atty. Corazon M. Bejasa, to certify as to the due notice to all the stockholders of the Annual Stockholders' Meeting and as to the existence of a quorum. The Corporate Secretary certified that notices for the 2016 Annual Stockholders' Meeting of the Corporation were sent to all stockholders of record as of June 17 30, 2016, by mail and personal delivery through a courier, except for some stockholders with no or incomplete addresses and with previously returned mails. In addition, she stated that the notice of the meeting was also published in the Manila Bulletin issue of May 31, 2016. She further certified that out of the 4,404,993,512 outstanding subscribed and issued shares of stock of the Corporation entitled to attend and vote at the meeting, a total of 2,496,332,772 shares are represented in this meeting, either in person or by proxy, and these shares account for 56.67 % of the total outstanding subscribed and issued shares of the Corporation. She then certified that there is a quorum for the transaction of business in the Annual Stockholders' Meeting.

III. APPROVAL OF THE MINUTES OF PREVIOUS MEETING

The Chairman proceeded with the next item in the agenda which is the presentation and approval of the Minutes of the 2015 Annual Stockholders' Meeting held last June 30, 2015. A motion was submitted that since the minutes of the said meeting have been previously given before the meeting to the stockholders present at the meeting, the reading of the said minutes be dispensed with, and that the same, as circularized to the stockholders, be approved. Upon motion, which was duly seconded, and there being no objections to said motion, the Chairman declared that the Minutes of the 2015 Annual Stockholders' Meeting, were deemed approved.

IV. PRESENTATION OF THE 2013 ANNUAL REPORT and 2015 THE ANNUAL AUDITED FINANCIAL STATEMENTS

The President and COO, Mr. Oscar L. de Venecia, Jr., presented the 2015 Annual Report of the Board of Directors and Management to stockholders of the Corporation and the highlights of the 2015 Audited Financial Statements of the corporation.

After the presentation of the aforementioned reports, the table was opened for questions and clarifications on the report presented.

After all questions of the stockholders on the on-going projects of the Corporation were addressed, and after the appropriate motion, which was duly seconded, and there being no objection thereto, the Chairman declared that the 2015 Annual Report to Stockholders and the 2015 Audited Financial Statements, were considered approved.

V. RATIFICATION OF ALL ACTS OF THE BOARD AND MANAGEMENT

The Chairman advised the body that the list of resolutions and actions approved and adopted by the Board of Directors from the last stockholders meeting held in June 30, 2015 to June 28, 2016 was enclosed in the stockholders' kits distributed to the stockholders prior to the meeting. A motion was submitted that with the approval of the 2015 Annual Report on the operations of the Corporation for the term 2015-2016, all acts done by the Board of Directors and Management for the term 2015-2016 be confirmed and ratified. Upon a motion, which was duly seconded and there being no objection thereto, the Chairman declared that all acts done by the Board of Directors and Management for the term 2015-2016 were considered confirmed and ratified.

VI. ELECTION OF DIRECTORS

The Chairman proceeded with the election of the 11 Directors for the ensuing year, 2016-2017. He reported to the body that in compliance with the Corporation's Manual on Corporate Governance, the Nominating Committee composed of Directors Oscar S. Reyes, Ramon L. Mapa, Reynaldo T. Casa, the President & CEO, Oscar L. de Venecia, Jr. and the Chairman, nominated the following nominees as members of the Board of Directors of the Corporation for the term 2016-2017:

1. Oscar C. de Venecia
2. Francis C. Chua
3. Ramon L. Mapa
4. Oscar L. De Venecia, Jr.
5. Ma. Florina M. Chan
6. Jaime J. Martirez
7. Reynaldo T. Casas
8. Isidoro O. Tan
9. Eduardo V. Manalac-Independent Director
10. Harvey L. N. Dychiao as Independent Director
11. Oscar S. Reyes as Independent Director

He also reported that the Nominating Committee has ascertained that these nominees possess all the qualifications and have none of the disqualifications for the position of director, as prescribed in the Corporation's Bylaws, the Manual of Corporate Governance and SEC regulations.

Upon motion, which was duly seconded, and there being no objection thereto, the Chairman dispensed with the balloting of votes for the election of the Directors of the Corporation considering that there are 11 seats in the Board and there were only 11 nominees. As directed by the Chairman, the Corporate Secretary cast all the votes of the stockholders present or represented in this meeting, in favor of the election of the 11 nominees nominated by the Nominating Committee as directors of the Corporation for the term 2016-2017. Thereafter, the Chairman declared all the above-mentioned 11 nominees as elected Directors of the Corporation for the term 2016-2017.

VII. APPOINTMENT OF EXTERNAL AUDITORS

The Chairman reported to the body that the Audit Committee and the Board of Directors of the Corporation re-nominated SGV & Company with Mr. Jaime F. del Rosario as the engagement partner, as External Auditors of the Corporation for 2016. Upon motion, which was duly seconded, and there being no objection thereto, the Chairman considered as approved the nomination of SGV & Company as the External Auditors of the Corporation for the fiscal year ending December 31, 2016, as recommended by the Audit Committee and the Board of Directors of the Corporation.

VII. ADJOURNMENT

There being no other matters in the agenda, before the adjournment of the meeting, the Chairman then expressed his gratitude to all the stockholders present and represented in the meeting for their time and effort in attending the annual stockholders' meeting.

Upon motion to adjourn, which was duly seconded, the Chairman adjourned the Corporation's Annual Stockholders' Meeting for 2016.

CERTIFIED CORRECT:

Corazon M. Bejasa
Corporate secretary

APPROVED:

Oscar C. de Venecia
Chairman