

SEC Registration Number

6 2 3 2 3

Company Name

N I H A O M I N E R A L R E S O U R C E S I N T E R N A T I O N A L , I N C . A N D S U B S I D I A R I E S

Principal Office (No./Street/Barangay/City/Town/Province)

1 5 0 5 P r i n c e t o n S t . , c o r . S h a w B l v d . , B r g y W a c k - W a c k , G r e e n h i l l s E a s t , M a n d a l u y o n g C i t y

Form Type

1 7 A

Department requiring the report

C R M

Secondary License Type, If Applicable

N / A

COMPANY INFORMATION

Company's Email Address

www.nihaominig.com

Company's Telephone Number/s

(632) 823-3158

Mobile Number

N/A

No. of Stockholders

104

Annual Meeting

3rd 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

Delfin S. Castro Jr.

Email Address

castrojun@yahoo.com

Telephone Number/s

(632) 823-3158

Mobile Number

09189084418

Contact Person's Address

1505 Princeton Street corner Shaw Blvd., Brgy Wack-wack, Greenhills East, Mandaluyong City

Note: 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.

SECURITIES AND EXCHANGE COMMISSION
SEC FORM 17-A

**ANNUAL REPORT PURSUANT TO SECTION 17 OF THE SECURITIES
REGULATIONS CODE AND SECTION 141 OF CORPORATION CODE OF THE
PHILIPPINES**

1. For the calendar year ended **December 31, 2017**
2. SEC Identification Number **62323** 3. BIR Tax Identification No. **050-000-889-223**
4. Exact name of issuer as specified in its charter **NIHAO MINERAL RESOURCES
INTERNATIONAL, INC.**
5. **Philippines** 6. (SEC Use Only)
Province, Country or other jurisdiction of Industry Classification Code:
incorporation or organization
7. **1505 Princeton Street corner Shaw Blvd., Brgy. Wack-wack, Greenhills East, Mandaluyong
City**
Address of principal office Postal Code **1552**
8. **(632)-705-71-96**
Issuer's telephone number, including area code
9. Former name, former address, and former fiscal year, if changed since last report.
N/A
10. Securities registered pursuant to Sections 8 and 12 of the SRC, or Sec. 4 and 8 of the RSA

Number of Shares of Common Stock
<u>Title of Each Class</u> <u>Outstanding and Amount of Debt Outstanding</u>
<u>Common Stock</u> <u>1,010,000,000 shares</u>
11. Are any or all of these securities listed on Stock Exchange.
Yes [**X**] No []

If yes, state the name of such stock exchange and the classes of securities listed therein
Philippine Stock Exchange **600,000,000 shares Common stock**
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 thereunder, and Sections 26 and 141 of The Corporation Code of the Philippines during the preceding twelve (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 ninety (90) days.
Yes [**X**] No []
13. Aggregate market value of the voting shares held by non-affiliates: **₱ 457,013,466** as at April 06, 2018. (380,844,555 shares at P 1.20)

DOCUMENTS INCORPORATED BY REFERENCE

A portion of the Company's 2017 Annual Report to Stockholders is hereto attached, incorporated by reference into Part II, Item 6 and item 7 of this report.

PART I - BUSINESS AND GENERAL INFORMATION

Item 1. Business

a. Brief Corporate History

NiHAO MINERAL RESOURCES INTERNATIONAL, INC. (the "Company") was incorporated in the Philippines and registered with the Securities and Exchange Commission on July 9, 1975 as a mining company under the name Summit Minerals, Inc. On October 3, 1990, the Company's shares were offered to the public and listed in the PSE.

On December 10, 1993, the Company changed its primary purpose to that of a holding company. Subsequently, on February 24, 1994, the Company changed its corporate name to "Magnum Holdings, Inc."

On June 28, 2007, the Company changed its corporate name to "NiHAO Mineral Resources International, Inc." and its primary purpose to that of a mining company.

b. Description of Business

The Company is a mining company engaged in exploring, developing, and operating nickel properties. The Company aims to create an integrated mining company using its expertise in nickel exploration, access to processing technology, and the prospectivity of its projects. The Company's vision is to become a leading nickel mining and processing company in the Philippines.

The Company's name, "NiHAO," stands for "Bountiful Nickel," the primary mineral which the Company intends to discover and mine. It derived its name by combining the element symbol for Nickel "Ni," and the Chinese character for noble or bountiful, "HAO."

The Company's previously conducted mining operations in Dinapigue, Isabela. It was then covered by an operating agreement dated June 13, 2012 between NiHAO and Geogen Corporation ("Geogen"), which agreement was pre-terminated on August 4, 2015. As consideration for said termination, Geogen shall issue NiHAO preferred shares that embodies a cumulative dividend computed annually based on 20% of Gross Profits net of income taxes.

As of December 31, 2017, the Company has three (3) mining claims located in the provinces of Zambales, Misamis Oriental and Masbate. The Company's Mining Claims cover a total of approximately 13,962.3808 hectares.

c. Product

In the foreseeable future, the Company plans to ship nickel ore directly to its customers, similar to most nickel mining companies in the Philippines.

Also as mentioned above, the Company on August 2015 has inked an agreement with Nickel Asia Corporation for a share in the profits of its wholly-owned subsidiary Geogen Corporation. Geogen Corporation owns the Isabela mining claim would share with NiHAO 20% of Gross Profits net of income taxes from the operations of this mine.

Also, NiHAO is looking forward to partnerships, joint ventures, and other business combinations with larger local and foreign mining companies to improve its production of ore and increase its exports and revenues from its other mines.

d. Competition

The Company is involved in two separate but related industries. The first is Exploration and Development of mines and mineral resources and the second is mining contracting, which is classified as a service industry.

For mining and minerals business, the main factors for competition are geology and mineral potential, government policy and public attitude towards the industry. Competition for exploration and development capital is tough locally and internationally and depends on the confluence of many factors. Furthermore, Philippine Stock Exchange rules effectively limit and restrict capital raising for mineral exploration projects. Competition is mostly between other local companies in the same industry seeking out capital from foreign sources.

Most, if not all exploration companies locally comply with the minimum authorized capital stock requirement of ₱ 100 million.

e. Sources and availability of raw materials

There is no raw material needed for this line of business.

f. Need for any government approval of principal products or services

Currently the company’s subsidiaries hold an approved Mineral Production and Sharing Agreement (MPSA) and an approved Exploration Permit (EP). To explore and eventually operate its mines, these government licenses are absolute necessities.

One of the Company’s subsidiaries has a pending Exploration Permit Application, which currently is under final review.

g. Effect of existing or probable governmental regulations on the business

Up until a few years ago, there was a moratorium on the issuance and acceptance of new applications for MPSAs and EPs. During this period there have been no new granted permits to mining companies. In February 2013, the moratorium for acceptance was lifted.

h. Exploration and mine development costs and its percentage to revenues during each of the last three (3) fiscal years:

<u>Year</u>		<u>Amount *</u>	<u>% to revenues</u>
2017	₱	-nil-	-nil-
2016		-nil-	-nil-
2015		8,935,000	N/A **

* part of operating expense

** no revenues reported

i. Cost and effects of compliance with environmental laws:

Exploration is minimally invasive and has little environmental effect. The costs of compliance with environmental laws are limited to the commitments of the company on the approved environmental work programs specific to each permit.

The costs of environmental compliance are mostly limited to the budget in the approved 3-year work program that the claim owner has submitted and has had approved by the MGB. This amounts to ₱39.05 million

For the Mining Contracting business, there are numerous outfits that offer similar services to mining companies.

j. Subsidiaries

The following table presents certain information related to these acquisitions.

<u>Name of Acquired Company</u>	<u>Acquisition Date</u>	<u>Name of Acquiring Company</u>	<u>Acquisition Cost (millions)</u>
Mina Tierra Gracia, Inc.	16 October 2007	NiHAO	₱ 61.469
Bountiful Geomines, Inc.	9 January 2008	NiHAO	12.500
Oregalore, Inc.	10 March 2011	NiHAO	3.000
Masbate 13 Philippines, Inc.	25 February 2011	Oregalore, Inc.	108.000
			<u>₱ 184.969</u>

On October 16, 2007, the Company acquired for cash all of the outstanding shares of Mina Tierra Gracia, Inc. (“Mina Tierra”), a mining company, pursuant to Deed of Absolute Sale between the Company and the shareholders of Mina Tierra. The total consideration paid by the Company for the acquisition of said shares amounted to ₱61,469,586.00, representing the valuation of the Botolan Mining Claim made by Minercon International, Inc. On 23 September 2008, the MGB issued an “Order” approving the transfer of the EP for the Botolan Mining Claim from Sapro-lite Mining, Inc. to Mina Tierra. Pursuant to the aforementioned MGB “Order”, Mina Tierra enjoys exploration rights to 5,081 hectares of land in Botolan, Zambales. Mina Tierra acquired the exploration rights over the Botolan Mining Claim through a Deed of Assignment executed with Sapro-lite Mining on 31 July 2007.

On May to June 2016, Mina Tierra together with Magellan Consolidated Mines and Development Corporation holder of EP No. EP-011-2010-V secured an expansion of the area under MPSA No. 315-20-10-III by annexing the 2,799.9862 – hectare area covered by said EP pursuant to the pertinent provisions of Executive Order (EO) No. 792 and DAO No. 2012-078, as amended. Thus, on June 24, 2016, the MGB issued an “Order” approving such annexation under the same terms and conditions provided for under the Mineral Production Sharing Agreement and the existing applicable laws, rules and regulations. MPSA No. 315-2010-III is hereby redenominated as MPSA No. 315-2010-III-Amended I.

On January 9, 2008, the Company acquired all of the outstanding shares of Bountiful Geomines, Inc. (“Bountiful Geomines”), pursuant to Deed of Absolute Sale between the Company and the shareholders of Bountiful Geomines. The Company acquired the shares of Bountiful Geomines at par value amounting to a total consideration of ₱12,500,000.00. Bountiful Geomines has an EP application with the MGB covering the Manticao Mining Claim with an area of 1,944 hectares.

On March 10, 2011, the Company acquired all the outstanding shares of another mining company, OREGALORE, pursuant to Deeds of Absolute Sale between the Company and the previous shareholders of OREGALORE. The Company acquired the shares of OREGALORE at par value for a total consideration of ₱3,000,000. The Company also acquired the stockholder advances of OREGALORE amounting to ₱125,478,304.62 for the discounted price of ₱105,000,000. In August 2012, these advances were converted into equity equivalent to 1,250,000 common shares of OREGALORE.

OREGALORE owns eighty percent (80%) of the outstanding capital stock of another mining company, Masbate 13 Philippines, Inc. (Masbate 13). Masbate 13 is the owner of a gold mining claim described as follows:

- License : Exploration Permit No. V-2008-005 issued on December 2011
- Location : Municipalities of Milagros and Mandaon, Province of Masbate
- Coverage / Area : 4,136.7538 hectares

There is currently no bankruptcy, receivership or any similar proceedings involving the Company or its subsidiaries.

On April 19, 2013, the Securities and Exchange Commission (“SEC”) has approved the application in the increase in authorized capital stock of Bountiful Geomines, Inc. from ₱50 million to ₱100 million where NiHAO paid a total of ₱3.125 million from its subscription of ₱12.5M.

Likewise, on the same date, the SEC has approved the application in the increase in authorized capital stock of Mina Tierra Gracia, Inc. from ₱12 million to ₱100 million. Nihao paid ₱5.5 million of its additional subscription of ₱22 million.

k. Affiliates/Associates

Equity in Oriental Vision Mining Philippines, Inc.

On March 24, 2010, the Company acquired from various stockholders thirty percent (30%) equity interest in the privately-held mining operator Oriental Vision Mining Philippines Corporation (“ORVI”) amounting to Sixty Three Million Pesos (₱63,000,000.00) equivalent to 63,000 shares. Said shares were sold in 2012 and 2014.

l. Mining Claims and Permits

The following table sets forth certain information related to the Company’s Mining Claims and their corresponding permits or permit applications as of December 31, 2017.

<u>Location</u>	<u>Name of Claim</u>	<u>Permit Description</u>	<u>Permittee/Applicant</u>	<u>Area Covered (in hectares)</u>	<u>Status of Work on the Claims</u>
<i>Zambales & Masbate</i>					
Botolan and Iba	Botolan Mining Claim	MPSA No. 315-2010-III	Mina Tierra Gracia, Inc.	5,081.6408	Exploration. Pre development, planning and business development
Aroroy and Baleno, Masbate	Magellan Masbate Mining Claim	EP 011-2010-V	Magellan Consolidated Mines and Development Corporation	2,799.9862	Exploration of gold, copper, manganese and other associated minerals
		MPSA No. 315-2010-III (Amended I)		7,881.627	
<i>Misamis Oriental</i>					
Brgy. Opol, and Malayot, El Salvador and Brgy. Tuod, Upper Malubog, Manticao	Manticao Mining Claim	EPA-000093-X	Bountiful Geomines, Inc.	1,944.0000	Under evaluation by the Mines and Geosciences Bureau, Central Office Q.C
<i>Masbate</i>					
Milagros and Mandaon	Masbate 13 Mining Claim	EP-V2008-5	Masbate 13 Phils., Inc.	4,136.7538	Pre-exploration stage.
				<u>13,962.3808</u>	

Botolan & Masbate Project

The Botolan Mining Claim covers approximately 5,081 hectares located in the town of Botolan, Zambales. The Botolan Mining Claim was originally staked by Saprolite Mining pursuant to an EPA filed on January 10, 2007. On December 26, 2007, the NCIP issued a Certification Precondition in the form of a Certificate of Non-Overlap for the Botolan Mining Claim, attesting to the fact that the area covered by the Botolan Mining Claim does not affect or overlap with any ancestral domain. On February 12, 2008, the Mines and Geosciences Bureau of the Department of Environment and Natural Resources (“MGB”) issued an Exploration Permit in the name of Saprolite Mining for the Botolan Mining Claim.

On July 31, 2007, Saprolite Mining assigned its rights and interests in the Botolan Mining Claim to Mina Tierra pursuant to a Deed of Assignment (the “Deed of Assignment”).

On September 23, 2008, the MGB issued an “Order” approving the assignment of EP-001-2008-III in favor of Mina Tierra. The “Order” further provided that EP-001-2008-III would now be recorded in the name of Mina Tierra as a result of said “Order”.

On October 13, 2008, Mina Tierra applied for the full conversion of the entire 5,081 hectares covered by EP-001-2008-III to MPSA.

On February 10, 2010, the MGB approve the application for MPSA of Mina Tierra and issued MPSA No. 315-2010-111 in the name of Mina Tierra covering the Botolan Mining Claim.

On May to June 2016, Mina Tierra together with Magellan Consolidated Mines and Development Corporation holder of EP No. EP-011-2010-V secured an expansion of the area under MPSA No. 315-20-10-III by annexing the 2,799.9862 – hectare area covered by said EP pursuant to the pertinent provisions of Executive Order (EO) No. 792 and DAO No. 2012-078, as amended. Thus, on June 24, 2016, the MGB issued an “Order” approving such annexation under the same terms and conditions provided for under the Mineral Production Sharing Agreement and the existing applicable laws, rules and regulations. MPSA No. 315-2010-III is hereby redenominated as MPSA No. 315-2010-III-Amended I.

Manticao Project

The Manticao Mining Claim covers a total area of 1,944 hectares and is located in Manticao, Misamis Oriental, a coastal town north of Mindanao Island. .

Masbate Projects

The Masbate Mining Claim covers a total area of 4,136 hectares and is located in Milagros and Mandaon, Masbate.

m. Agreements

Following are the agreements entered into by the Group during the last three (3) years:

1. ***Operating Agreement with Geogen Corporation / General Contractor Agreement with Geogen Corporation (“Geogen”) / Termination of Geogen-NiHAO Operating Agreement and Cancellation of Management Agreement with Option to Buy with Geogen Corporation***

On June 13, 2012, the BOD of the Parent Company approved the execution, delivery and performance of Operating Agreement with Geogen. Under the agreement, the Group shall have the exclusive right to explore, operate, mine, develop and process minerals found within the Geogen’s mineral property consisting of a total area of 2,391.4081 hectares located at Dinapigue, Isabela, which is covered by MPSA No. 258-2007-II dated July 30, 2007 (the “Mineral Property”). Pursuant to the agreement, Geogen shall pay the Group an amount equivalent to 90% of the invoice value of the nickel ore sold by Geogen to third parties in consideration of the services to be performed by the Group. This agreement superseded the General Contractor Agreement (GCA) entered into with Geogen on March

5, 2012. The GCA was executed to appoint the Parent Company as Geogen's general contractor over the Mineral Property.

On August 4, 2015, this operating agreement was pre-terminated. As consideration, Geogen shall issue to NiHAO Ten Million (10,000,000) preferred shares at a par value of One Centavo (₱ 0.01) per share, with the following features:

- a) No voting rights, except with respect to matters where applicable law grants non-voting shareholders the right to vote, provided that the affirmative vote of NiHAO as a preferred shareholder shall be required for the approval of matters affecting NiHAO's economic rights including, among others;
 - a.1 Any reclassification, alteration or amendment of any existing shares or creation of shares which would grant preferential rights of any kind, shape or form or with privileged voting rights;
 - a.2 Any sale, lease, exchange, disposition or encumbrance of all or substantially all of the business or assets of Geogen;
 - a.3 Any merger, demerger or similar re-organization of Geogen;
 - a.4 Any sale of shares of stock whereby a new shareholder or group of shareholders shall attain majority shareholdings in Geogen;
 - a.5 Any change in the dividend policy and/or formula for the determination of dividends due to the preferred shares;
 - a.6 Any sale, assignment, transfer or surrender of rights over the MPSA, the Isabela Nickel Project and/or the Contract Area.
- b) Non-redeemable;
- c) Preference in the declaration and payment of dividends;
- d) Non-participating;
- e) Non-transferrable and non-assignable, except with the prior written consent of the Company;
- f) The dividends shall be cumulative, to be computed annually based on the following formula: Twenty percent (20%) of the Mine Operating Income, less Income Tax using the prevailing income tax prescribed by the BIR, where –
Mine Operating Income is equivalent to:
Revenue from sale of ore
Less the following deductions:
 - Cost of sales
 - Shipping and loading costs
 - Excise Tax
 - Royalty to IPs
 - Management fee which shall not exceed three percent (3%) of the revenue from sale of ore

Geogen likewise committed to cause its shareholders and board of directors to approve, and file with the SEC the amendment of the Articles of Incorporation for the creation of Ten Million (10,000,000) preferred shares with a par value of One Centavo (₱ 0.01) per share, equivalent to One Hundred Thousand Pesos (₱ 100,000.00), out of the existing authorized capital stock of Geogen.

Likewise, the Management Agreement with ABG was terminated with NiHAO paying a termination fee equal to the average of the last three (3) years of operations of the Isabela Property

2. Memorandum of Agreement with Capital Gold Pty Ltd. and Welcome Stranger Mining Ltd. / Memorandum of Understanding with Capital Gold Pty Ltd. ("Capital Gold") and Capital Resources Corporation Plc ("Capital Resources") / Termination of Welcome Stranger Mining Limited Agreement

On September 17, 2012, the Board approved the execution, delivery and performance of Memorandum of Agreement ("MOA") by and among NiHAO, Capital Gold Pty Ltd. ("Capital Gold"), and Welcome Stranger Mining Ltd. ("Welcome Stranger"), for the acquisition by Capital Gold and Welcome Stranger from NiHAO of forty percent (40%) of the issued share capital of

Masbate 13 Philippines, Inc. (“Masbate 13”) a subsidiary of NiHAO’s wholly-owned subsidiary, Oregalore, Inc. (“Oregalore”).

On December 31, 2012, as and by way of partial implementation of the MOA, a Sale Share Agreement was executed by and among Nihao, Oregalore and Welcome Stranger involving 1 million shares of stock (40% ownership) of Masbate 13. Pursuant to the agreement, Oregalore shall sell its 40% ownership in Masbate 13 for a total consideration of 50,000,000 shares in Welcome Stranger at listing value of AUD0.20 per share plus US\$250,000 cash.

The sale shall become effective upon satisfaction of the following contract conditions:

- (a) There shall be a written advice or confirmation from the Treasurer of the Commonwealth of Australia to Oregalore that there is no objection, under the *Foreign Acquisition and Takeovers Act 1975*, to the issuance of shares of Welcome Stranger to all Parties (acting reasonably);
- (b) Where Welcome Stranger is subject to or affected by a foreign policy of the Philippine in connection with the proposed issue of the Sale Shares or this Agreement generally, the Philippine Government, or a duly authorized delegate of the Philippine Government, has provided written advice or confirmation to Welcome Stranger without conditions or on conditions acceptable to the Welcome Stranger acting reasonably that there is no objection under any law or foreign policy of the Philippines to the proposed issue of the Sale Shares or the entering into or completion of this Agreement.

Completion of this agreement is also subject to the following significant conditions precedent:

- (a) Execution of the Royalty Agreement, Shareholders Agreement Restriction Agreement and Operating Agreements by all of the parties of this agreement;
- (b) Completion of the Capital Gold Sale Agreement;
- (c) Completion of the Dizon Agreement.

On October 28, 2015, the Board of Directors approved the termination of the following agreements and the Execution of a Deed of Cancellation:

1. Memorandum of Agreement dated September 17, 2012 with Welcome Stranger and Capital Gold re: the acquisition by Welcome Stranger and Capital Gold of forty percent (40%) of the issued share capital of Masbate 13 for and in consideration of : (i) Fifty Million (50,000,000) shares in Welcome Stranger for the Corporation/Oregalore at an indicative listing market value of twenty Australian cents (AUD 0.20) per share, equivalent to 19.68% of Welcome Stranger, and (ii) cash of Two Hundred Fifty Thousand US Dollars (USD250,000);
2. Sale and Purchase Agreement dated December 31, 2012 with Oregalore and Welcome Stranger re: the sale by Oregalore to Welcome Stranger of a total of One Million (1,000,000) shares in Masbate 13, equivalent to forty percent of the issued share capital of Masbate 13, in consideration of: (a) Fifty Million (50,000,000) shares in Welcome Stranger for the Corporation/Oregalore at a listing value of twenty Australian cents (AUD 0.20) per share; and (b) cash of Two Hundred Fifty Thousand (USD250,000);
3. The Parties mutually agreed to execute a Deed of Cancellation for the termination of these Agreements due to: a) failure to comply with the conditions precedent under the SPA within the periods provided therein, and b) Australian Stock Exchange delisted the Company on 01 January 2016 for continuous suspension for more than three (3) years.

Pursuant to the Deed of Cancellation, the parties agreed to release each other from any liability or obligation under the Welcome Stranger Agreements. However, Capital Gold shall be obliged to pay the Corporation amounting to ₱ 8.2 million as reimbursement for expenses incurred by the Corporation in relation to the SPA.

n. Related Party Transactions

Enterprises and individuals that directly, or indirectly through one or more intermediaries, control or are controlled by or under common control with the Group, including holding companies, subsidiaries and fellow subsidiaries, are related parties of the Group. Associates and individuals owning, directly or indirectly, an interest in the voting power of the Group that gives them significant influence over the enterprise, key management personnel, including directors and officers of the Group and close members of the family of these individuals, and companies associated with these individuals also constitute related parties. In considering each possible related entity relationship, attention is directed to the substance of the relationship and not merely the legal form.

Outstanding balances of transactions with related parties are unsecured, noninterest bearing, payable on demand and settlements are made in cash. There have been no guarantees provided or received for any related party receivables or payables.

In the normal course of business, transactions with related parties include the following:

1. The management and accounting functions of the subsidiaries are being handled by the Parent Company.
2. Pursuant to the Operating Agreement with Geogen, the group shall pay ABG management fee equivalent to 5% of the revenue from shipment of nickel ore. When the Operating Agreement over Isabela was cancelled, the management contract was likewise cancelled and NiHAO agreed to pay ABG a termination fee amounting to ₱3 million which was fully settled on May 17, 2017.

Transactions with Key Management Personnel:

The compensation of the Group's key management personnel consisted mainly of management fees aggregating nil in 2017, 2016 and 2015 and ₱ 1.2 million in 2014.

o. Business Risks

The Company and its subsidiaries are engaged in a very competitive business highly regulated by government. Numerous other factors beyond the Company's control may affect the marketability of any mineral resource discovered. These factors include market fluctuations, the proximity and capacity of natural resource markets and processing equipment, government regulations, including regulations relating to prices, taxes, royalties, land tenure, land use, importing and exporting of minerals and environmental protection. The exact effect of these factors cannot be accurately predicted, but the combination thereof may result in the Company not receiving an adequate return on invested capital.

p. 5:1 Stock Rights Offering

On January 14, 2009, the PSE approved the application of the Company to list up to 500,000,000 common shares to cover its 5:1 Stock Rights Offering ("the Offer") at an offer price of ₱1.00 per share to existing qualified shareholders of record as of October 9, 2009.

The Offer was conducted between October 19-23, 2009, and the Company raised a total of ₱500 million in gross proceeds. The Offer Shares were listed in the PSE on December 15, 2009.

As of December 31, 2015, the Company has made the following disbursements in accordance with use of proceeds, as amended, amounting to ₱ 466.20 million out of the total ₱500 million offer proceeds:

1. ₱ 189.4 million as partial settlement of advances from shareholders;
2. ₱ 150.5 million advances to Oriental Vision Mining Corp. (ORVI);
3. ₱ 63.0 million representing 30% equity in ORVI;
4. ₱ 16.7 million on Botolan project;
5. ₱ 6.0 million on Manticao project
6. ₱ 0.4 million on project due diligence expenses;
7. ₱ 16.2 million on offer-related expenses, and
8. ₱ 24.0 million on operating expenses

On August 4, 2015, the Board approved to utilize the balance of the SRO proceeds amounting to ₱33.80 million to supplement payment of contractual liabilities and additional working capital for its projects. As of December 31, 2017, disbursements made amounted to ₱ 1.53 million leaving a balance of ₱ 32.27 million.

q : Employees

As of December 31, 2017, the Company had two (2) full-time employees handling the bookkeeping and two (2) professionals handling management and finance operations. For year 2018, the Company expects to maintain the same number of manpower.

	<u>2017</u>	<u>Projected 2018</u>
Manager	2	2
Supervisor	1	1
Staff	1	1
Total	4	4

The Company, its subsidiaries and the subsidiary of Oregalore, Inc. have no Collective Bargaining Agreements with their respective employees. The Company believes that it has maintained an amicable relationship with its employees and does not anticipate any labor-management issues to arise in the near future.

Item 2. Properties

The group has no commitments of acquiring real properties for the next twelve months.

The Company has three (3) mining claims- (1) Mineral Production Sharing Agreement (MPSA) No. 315-2010-III-Amended I for the Company’s wholly owned subsidiary, Mina Tierra Gracia, Inc. The MPSA have a term of twenty five (25) years and maybe renewed thereafter for another term not exceeding twenty five (25) years; (2) Exploration Permit issued to Masbate 13 Philippines, Inc. located at Milagros and Mandaon province of Masbate and (3) Exploration Permit Application by Bountiful Geomines, Inc. located at Opol, Manticao province of Misamis Oriental.

The Company and its subsidiaries do not have any mortgage, lien or encumbrance over any of the Mining Claims.

Item 3. Legal Proceedings

The Company and its subsidiaries are not involved as plaintiffs or defendants in any material legal proceedings. There are also no threatened material legal proceedings against the Company and its subsidiaries or involving the properties of the Company.

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

During the annual stockholders’ meeting and organizational meeting of the Board of Directors held on December 18, 2017, the appointment of Mangay-ayam, Lim & Co. as independent auditor to audit NiHAO’s financial statements for the period ended December 31, 2017 was approved.

PART II - OPERATIONAL AND FINANCIAL INFORMATION

(A) Market for Registrant's Common Equity and Related Stockholder Matters

(1) Market Information

The principal market for the shares of stock of the Company is the Philippine Stock Exchange (PSE).

Closing Market price as at 06 April 2018 is ₱ 1.20.

The high and low sales prices of each quarter within the last three years are as follows:

	<u>High</u>	<u>Low</u>
Year 2018		
First Quarter (March 28, 2018)	₱ 1.23	₱ 1.15
Second Quarter (April 6, 2018)	1.23	1.12
Year 2017		
First Quarter	₱ 2.90	₱ 2.05
Second Quarter	2.49	1.98
Third Quarter	2.07	1.62
Fourth Quarter	1.85	1.40
Year 2016		
First Quarter	₱ 2.65	₱ 2.59
Second Quarter	2.71	2.62
Third Quarter	2.95	2.88
Fourth Quarter	2.85	2.73
Year 2015		
First Quarter	₱ 3.90	₱ 3.50
Second Quarter	3.89	3.80
Third Quarter	3.00	2.78
Fourth Quarter	3.42	2.55

Source : Technistock

(2) Holders

The number of shareholders of record as of December 31, 2017 is 104.

As of December 31, 2008, the Company had 100,000,000 Common Shares issued and outstanding, of which 85,000,000 Common Shares were listed. On January 14, 2009, the PSE approved the applications of the Company to list: (a) 15,000,000 Common Shares covering the 14,960,000 Common Shares issued to OYEZ!!! Corporation, Inc. and Mr. Chia Kim Teck by way of conversion of advances into equity and 40,000 Common Shares which represent the previously issued, but unlisted, shares; and (b) the 500,000,000 common shares subject of the 5:1 Stock Rights Offering (“Offer Shares.”) The Offer Shares shall come from the increase in authorized capital stock of the Company from ₱100 million to ₱2 billion.

On December 09, 2009, the SEC approved the increase in authorized capital stock of NiHAO Mineral Resources International, Inc. to PESOS: Two Billion (₱2,000,000,000.00) divided into Two Billion common shares of the same class, all with the par value of One Peso (₱1.00) per share.

On December 15, 2009, the 500,000,000 common shares covering the 5:1 Stock Rights Offering to qualified stockholders on record as of October 9, 2009 were listed in the PSE. This brings the issued and outstanding and listed shares of the Company to 600,000,000 common shares as of December 31, 2009.

After which, the capital stock of the Company expanded to 1,010,000,000 shares via a series of private placements. Said 1,010,000,000 shares is the issued and outstanding capital of the company out of an authorized capital of 2 billion shares. Only 600,000,000 shares are listed as the balance of 410,000,000 shares are subject of various listing applications still pending with the PSE.

The following summarizes and describes the private placements conducted by the Company:

A) Private placements of Mr. Jerry Angping

A.1) Private Placement involving an aggregate of 280 million shares.

On December 29, 2010, the Board of Directors approved the issuance of Eighty Million (80,000,000) shares via private placements at an issue price of One Peso and Thirty Five Centavos (₱ 1.35) per share for a total consideration of One Hundred Eight Million Pesos (₱108,000,000.00). On March 10, 2011, proceeds of the issuance of shares was used to acquire from the existing stockholders of OREGALORE, Inc. (“OREGALORE”) Thirty Thousand (30,000) shares, with a par value of One Hundred Pesos (₱100.00) per share, equivalent to one hundred percent (100%) of the outstanding capital stock thereof, for the purchase price of Three Million Pesos (₱ 3,000,000.00) and the acquisition of all shareholder advances in OREGALORE amounting to One Hundred Twenty Five Million Four Hundred Seventy Eight Thousand Three Hundred Four and 62/100 Pesos (₱ 125,478,304.62), for the discounted price of One Hundred Five Million Pesos (₱ 105,000,000.00) resulting to a net gain of ₱ 20,478,305. OREGALORE is a corporation duly organized and existing under Philippine laws. OREGALORE owns eighty percent (80%) of the outstanding capital stock of Masbate 13 Philippines, Inc. (Masbate 13). Masbate 13 is the owner of a gold mining claim described as follows:

- License : Exploration Permit No. V-2008-005 issued on December 2011
- Location : Municipalities of Milagros and Mandaon, Province of Masbate
- Coverage / Area : 4,136.7538 hectares

On August 16, 2011, the Board of Directors approved the issuance of One Hundred Million (100,000,000) shares via private placements at an issue price of Two Pesos (₱ 2.00) per share for a total consideration of Two Hundred Million Pesos (₱200,000,000.00). The proceeds were used initially to purchase Oriental Peninsula Resources Group, Inc (“ORE”) shares.

On September 21, 2011, the Board of Directors approved the issuance of One Hundred Million (100,000,000) shares via private placements at an issue price of Two Pesos and Twenty Five Centavos (₱ 2.25) per share for a total consideration of Two Hundred Twenty Five Million Pesos (₱225,000,000.00). Out of the total proceeds, One Hundred Forty Five Million Pesos (₱145,000,000.00) were allocated initially for purchase of additional shares of ORE and the Eighty Million Pesos were allocated for acquisition of mining equipment. All of the remaining shares of ORE were sold in 2013.

On December 09, 2011, the stockholders approved the private placements of Mr. Jerry C. Angping involving an aggregate of 280 million shares with a par value of ₱1 per share at various price issuances described above and the listing with the PSE of the shares issued pursuant thereto. The majority of the minority shareholders likewise waived the conduct of a rights or public offering with respect to the 280 million shares private placements in favor of Mr. Jerry C. Angping.

A.2) Private Placement involving 42 million shares.

On August 4, 2015, the Board of Directors approved the subscription from the Company’s authorized but unissued capital stock, additional private placement of 42,000,000 shares with a par value of ₱1.00 and a subscription price of ₱4.00 per share amounting to ₱168,000,000.00. The issuance of the Private Placement Shares was entered into for purposes of providing funding for the settlement of contractual obligations, and working capital for the Company’s

projects. On December 11, 2015, during the annual stockholders' meeting, this private placement transaction was approved by the shareholders.

B) Private Placements of Macquarie Bank Limited

On February 11, 2012, the Board of Directors approved the execution, delivery and performance of an Investment Agreement (the "Agreement") by and among Macquarie, NiHAO and one of its major shareholders, embodying a Multi-tranche Average Price Issuance Program ("Issuance Program") resulting in Macquarie Bank's subscription to newly-issued common shares of stock in NiHAO on a private placement basis ("Transaction").

On April 12, 2012, the stockholders approved the private placements of Macquarie Bank Limited of up to One Hundred Fifty Million (150,000,000) shares. The Majority of the minority shareholders waived the conduct of a rights or public offering with respect to the Private Placement Shares of Macquarie Bank. The stockholders likewise approved the Use of Proceeds of the private placement of Macquarie Bank which was presented by the Corporation's Management during the Special Stockholders' Meeting. In the period covered by the program from March 2, 2012 to March 2013, actual value transmitted was at ₱312,180,000. All funds raised with respect to the private placement was used for its erstwhile Isabela operations.

To date, even the listing of Macquarie Bank shares have been pending with the PSE despite completion of all requirements for the listing applications of these shares.

C) Private placements of Mr. San-ho Cheng involving 55 million shares

On August 4, 2015, the Board of Directors approved the subscription from the Company's authorized but unissued capital stock, additional private placement of 55,000,000 shares with a par value of ₱1.00 and a subscription price of ₱4.00 per share aggregating a total amount of ₱220,000,000.00. The issuance of the Private Placement Shares was entered into for purposes of providing funding for the settlement of contractual obligations, and working capital for the Company's projects. On December 11, 2015, during the annual stockholders' meeting, this private placement transaction was approved by the shareholders.

Top 20 Stockholders as of December 31, 2017:

	<u>Name</u>	<u>No of Shares Held</u>	<u>% of Total</u>
1.	PCD Nominee Corp. (Filipino)	547,049,078	54.163%
2	Angping, Jerry C.	327,100,000	32.386%
3	San-Ho Cheng	55,000,000	5.446%
4	PCD Nominee Corp. (Non-Filipino)	40,222,087	3.982%
5	Macquarie Bank Limited	33,000,000	3.267%
6	Chia Kim Teck	2,349,732	0.233%
7	Angping, Diana Kaye	1,000,000	0.099%
8	Angping, Jerry ITF John Isaac Angping	1,000,000	0.099%
9	Angping, Jerry ITF Christian Daniel Angping	1,000,000	0.099%
10	Angping, Ma. Rhodora	1,000,000	0.099%
11	Defensor, Michael	160,000	0.016%
12	Crisostomo, Jose Mariano	100,000	0.010%
13	Evangelista, Loeben Luis	100,000	0.010%
14	Fong, Fe G.	100,000	0.010%
15	Miranda, Ma. Carla Remedios	100,000	0.010%
16	Saavedra, Howard	100,000	0.010%
17	Jorge, Nicanor S.	80,000	0.008%
18	Go, Daniel C.	50,000	0.005%
19	Gonzales, Bobby S.	50,000	0.005%
20	Lee, Roxanne	50,000	0.005%

No. of shareholders on record as of December 31, 2017 is 104.

Shares owned by foreigners:

December 31, 2017 : 12.928% or 130,577,819 common shares

Source: Transfer agent monthly report on foreign ownership

(3) Dividends

There were no dividends declared in the previous and current years.

(4) Recent Sales of Unregistered Securities

For the period 2010 to 2017, the company has no sale of any unregistered securities.

PART III – FINANCIAL INFORMATION

(A) Management's Discussion and Analysis or Plan of Operation.

Financial Performance

In Thousand Pesos

Key Financial Indicator	Year 2017	Year 2016
Revenues	-	-
Other Income (Charge)	(21,852)	(61,442)
Cost and Expenses	(5,021)	(13,980)
Net Income (Loss)	(26,873)	(75,422)
Current Assets	130,942	138,808
Current Liabilities	26,372	30,101
Total Assets	965,092	995,702
Total Liabilities	26,376	30,113
Stockholders' Equity	938,715	965,589
Current Ratio	4.97	4.61
Current Assets / Current Liabilities	130,942 / 26,372	138,808 / 30,101
Debt to Equity Ratio	0.03	0.03
Total Liabilities/Stockholders' Equity	26,376 / 938,715	30,113 / 965,589
Return on assets		
Net Income / Total Assets	NA	NA
Asset to Equity	1.03	1.03
Total Assets/Stockholders' Equity	965,092 / 938,715	995,702 / 965,589
Total Asset to Total Liabilities	36.59	33.07
Total Assets/Total Liabilities	965,092 / 26,376	995,702 / 30,113
Earnings (Loss) Per Share	NA	NA
Net Income (Loss) /Weighted ave. no. of shares	NA	NA

Full Fiscal Years

Calendar Year 2017

Income Statements – December 31, 2017 versus December 31, 2016

The Company is currently looking for opportunities in other mining companies that it can tap for joint venture or new business opportunities.

During the year, the group generated an interest income and foreign exchange gain aggregating ₱ 1.04 million. This is 40.55% or ₱0.71 million lower as compared to ₱ 1.75 million generated in 2016.

Additional impairment losses were provided posting a 63.77% or ₱40.30 million decrease from ₱63.19 million in 2016 to ₱22.89 million in 2017.

General and Administrative Expenses: 64.60% or ₱8.80 million lower from ₱ 13.62 million in 2016 to ₱ 4.82 million in 2016 brought about by lower expenses incurred during the period.

Statements of Financial Position – December 31, 2017 versus December 31, 2016

Total assets as of December 31, 2017 amounting to ₱ 965.09 million was 3.07% or ₱ 30.61 million lower from ₱ 995.70 million during the same period in 2016. The decrease in assets was due to the following:

6.22% or ₱7.77 million decrease in cash brought about by settlement of unpaid accounts.

1.10% or ₱ 91.67 thousand decrease in receivables due to collection of interest receivable.

44.01% or ₱22.73 million decrease in other non-current assets mainly due to additional provision of allowance for impairment losses of input vat.

12.39% or ₱3.73 million decrease in payables due mainly to settlement of various payables.

3.61% or ₱26.86 million increase in deficit due to losses incurred during the year.

Plan of Operations

Proceeds of 2009 Stock Rights Offering

On August 4, 2015, the Board approved to utilize the balance of the 2009 stock rights offering proceeds amounting to ₱33.80 million to supplement payment of contractual liabilities and additional working capital for its projects.

Proceeds of 2011 Private Placements

Balance of the proceeds from the ₱225 million private placement concluded in September 2011 were initially used to purchase additional ORE shares from the PSE open market and for acquisition of mining equipment. The Group has liquidated its shares to lock-in its net gain of ₱20.14 million. Proceeds of the sale was primarily used to fund its erstwhile Isabela operations.

Proceeds of 2015 Private Placements

On August 4, 2015, Jerry Angping and San-Ho Cheng agreed to subscribe to 97 million shares of stock in the Company with a par value of ₱1.00 and subscription price of ₱4.00 per share or an aggregate amount of ₱ 388 million. The issuance of the Private Placement Shares was entered into for purposes of providing funding for the settlement of contractual obligations, and working capital for the Company's projects.

Botolan Mining Claim

The Company is continuously implementing its Community Development Program (CDP) for its MPSA located in Botolan and Iba, Zambales to create a strong symbiotic relationship between the Company and the community. As nickel prices continue to improve, the Company may implement additional exploration on the property to determine the additional commercial viability of developing the Botolan Mining Claim as a Direct Shipping Ore (DSO) nickel mine with possible processing facility. The Company believes that its investment in the implementation of a CDP will be easier for the transition of the Botolan Mining Claim from exploration into development and full scale operation. Plans for development of a loading facility as well as the options to its possible location are being studied to minimize hauling and transport costs of ore from the mine. The Company likewise continues to study prospects for mineral processing which will leave higher value products that will also improve livelihood of the Community while maximizing the resources in the area.

Manticao Mining Claim

NiHAO's subsidiary, Bountiful Geomines, Inc. has an Exploration Permit Application ("EPAs") in Manticao. NiHAO will evaluate their respective mineral potentials through its technical team and/or third party geological services companies as soon as the approval of its Exploration Permit has been issued.

After awarding of the Exploration Permit ("EP"), NiHAO shall implement exploration works according to the approved Exploration Work Program and Environmental Work Program attached to the EP.

Both Botolan and Manticao Mining claims were covered by the subsisting agreement with NAC, that it has a priority option to explore and develop the Group's properties under the same or similar arrangements in the Isabela transaction, if NAC desires to do so.

- a) There is no known trend, event or uncertainty that has or is reasonably likely to have a negative impact on the Company's short-term or long-term liquidity. The Company is not in default or breach of any note, loan, lease or other indebtedness or financing arrangement requiring the Company to make payments.
- b) The liquidity of the Company was generated from the Company's financial resources as well as from the proceeds of the private placements and the 2009 Stock Rights Offering.
- c) 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.
- c) There are no material commitments for capital expenditures except for those provided for in the use of proceeds from private placements and from the 2009 Stock Rights Offering.
- e) There are no known trends, events or uncertainties that have had or that are reasonably expected to have a material favorable or unfavorable impact on the Company's financial statements.
- f) There are no significant elements of income or loss that did not arise from the Company's continuing operations.

Calendar Year 2016

Income Statements – December 31, 2016 versus December 31, 2015

For 2016, the Group did not generate any revenues due to unfavorable market conditions, but, was able to finalize the deal with NAC. The Isabela operation covered by an Operating Agreement with Geogen Corporation signed in June 2012, covering a majority portion of the Dinapigue Nickel Project located in Dinapigue, Isabela with 2,314.2018 hectares. The project with an approved Mineral Purchase and Sharing Agreement (“MPSA”) is already in the development and operating stage. In 2014, the Company generated an income of ₱ 15.331 million from sale of ore. On 04 August 2015, this operating agreement was pre-terminated. As consideration, Geogen shall issue to NiHAO 10 million preferred shares at a par value of One Centavo (₱0.01) per share. Likewise, the management agreement with ABG was terminated with NiHAO paying ABG a termination fee equal to the average of the last three (3) years of operations of the Isabela property.

During the year, the group generated an interest income and foreign exchange gain aggregating ₱ 1.75 million. This is 118.41% or ₱0.95 million higher as compared to ₱ 0.8 million generated in 2015.

Additional impairment losses were provided posting a 647.33% or ₱54.74 million increase from ₱8.46 million in 2015 to ₱63.04 million in 2016.

General and Administrative Expenses: 81.00% or ₱58.10 million lower from ₱ 71.73 million in 2015 to ₱ 13.63 million in 2015 brought about by lower expenses incurred during the period.

Statements of Financial Position – December 31, 2016 versus December 31, 2015

Total assets as of December 31, 2016 amounting to ₱ 995.70 million was 8.28% or ₱ 89.94 million lower from ₱ 1,085.64 million during the same period in 2015. The decrease in assets was due to the following:

5.83% or ₱7.73 million decrease in cash brought about by settlement of unpaid accounts.

67.37% or ₱ 17.25 million decrease in receivables due to collection of trade receivable and liquidation of employees’ advances.

100% or ₱ 46 thousand decrease in due from related party due to provision of impairment allowance.

55.68% or ₱64.89 million decrease in other non-current assets mainly due to additional input credits derived from mine development costs incurred in its Isabela project net of additional provision of allowance for impairment losses of input vat.

32.52% or ₱14.51 million decrease in payables due mainly to settlement of various payables.

11.24% or ₱75.13 million increase in deficit due to losses incurred during the year.

Plan of Operations

Proceeds of 2009 Stock Rights Offering

On August 4, 2015, the Board approved to utilize the balance of the 2009 stock rights offering proceeds amounting to ₱33.80 million to supplement payment of contractual liabilities and additional working capital for its projects.

Proceeds of 2011 Private Placements

Balance of the proceeds from the ₱225 million private placement concluded in September 2011 were initially used to purchase additional ORE shares from the PSE open market and for acquisition of mining equipment. The Group has liquidated its shares to lock-in its net gain of ₱20.14 million. Proceeds of the sale was primarily used to fund its Isabela operations.

Proceeds of 2015 Private Placements

On August 4, 2015, Jerry Angping and San-Ho Cheng agreed to subscribe to 97 million shares of stock in the Company with a par value of ₱1.00 and subscription price of ₱4.00 per share or an aggregate amount of ₱ 388 million. The issuance of the Private Placement Shares was entered into for purposes of providing funding for the settlement of contractual obligations, and working capital for the Company's projects.

Botolan Mining Claim

The Company is continuously implementing its Community Development Program (CDP) for its MPSA located in Botolan and Iba, Zambales to create a strong symbiotic relationship between the Company and the community. As nickel prices continue to improve, the Company may implement additional exploration on the property to determine the additional commercial viability of developing the Botolan Mining Claim as a Direct Shipping Ore (DSO) nickel mine with possible processing facility. The Company believes that its investment in the implementation of a CDP will be easier for the transition of the Botolan Mining Claim from exploration into development and full scale operation. Plans for development of a loading facility as well as the options to its possible location are being studied to minimize hauling and transport costs of ore from the mine. The Company likewise continues to study prospects for mineral processing which will leave higher value products that will also improve livelihood of the Community while maximizing the resources in the area.

Manticao Mining Claim

NiHAO's subsidiary, Bountiful Geomines, Inc. has an Exploration Permit Application ("EPAs") in Manticao. NiHAO will evaluate their respective mineral potentials through its technical team and/or third party geological services companies as soon as the approval of its Exploration Permit has been issued.

After awarding of the Exploration Permit ("EP"), NiHAO shall implement exploration works according to the approved Exploration Work Program and Environmental Work Program attached to the EP.

Both Botolan and Manticao Mining claims were covered by the subsisting agreement with NAC, that it has a priority option to explore and develop the Group's properties under the same or similar arrangements in the Isabela transaction, if NAC desires to do so.

Calendar Year 2015

Income Statements – December 31, 2015 versus December 31, 2014

Revenues: 100% decrease

For 2015, the Group did not generate any revenues from its Isabela operations due to market conditions and pending negotiations to finalize the deal with NAC. The Isabela operation covered by an Operating Agreement with Geogen Corporation signed in June 2012, covering a majority portion of the Dinapigue Nickel Project located in Dinapigue, Isabela with 2,314.2018 hectares. The project with an approved Mineral Purchase and Sharing Agreement ("MPSA") is already in the development and operating stage. In 2014, the Company generated an income of ₱ 15.331 million from sale of ore. On 04 August 2015, this operating agreement was pre-terminated. As consideration, Geogen shall issue to NiHAO 10 million preferred shares at a par value of One Centavo (₱0.01) per share. Likewise, the management agreement with ABG was terminated with NiHAO paying ABG a termination fee equal to the average of the last three (3) years of operations of the Isabela property.

Other charges (income): 278% or ₱68.71 million increase from ₱24.72 million in 2014 to ₱93.42 million charges in 2015, brought about by the following:

- A. Agreement with Welcome Stranger

The Group together with its partners, Capital Gold and Welcome Strangers agreed to terminate their agreements by executing a Deed of Cancellation due to: a) failure to comply with the conditions precedent under the SPA within the periods provided therein, and b) Australian Stock Exchange delisted Welcome Stranger on 01 January 2016 for continuously suspended for more than three (3) years.

Pursuant to the Deed of Cancellation, the parties agreed to release each other from any liability or obligation under the Welcome Stranger Agreements. However, Capital Gold shall be obliged to pay the Corporation as reimbursement for expenses incurred by the Corporation in relation to the SPA. The Company posted miscellaneous income of ₱ 7.32 million, ₱7.23 million or 8896.71% higher as compared with 2014 of only ₱ 81 thousand.

- B. Sale of Asset Held for sale
NiHAO's wholly owned subsidiary, Mina Tierra Gracia, Inc. sold its pre-fabricated collapsible building resulting to a loss of ₱ 326 thousand.
- C. Casualty losses
During 2015, the Parent Company recognized casualty losses amounting to ₱92.756 million due to an unexpected burning incident that transpired at Isabela last October 28, 2015 during the process of turning over the Isabela mine to NAC.
- D. Interest income and foreign exchange gain
During the year, the group generated an interest income and foreign exchange gain aggregating ₱ 801 thousand. This is 56.48% or ₱1.04 million lower compared to ₱ 1.84 million generated in 2014.
- E. Sale of AFS Financial Assets
In 2014, the group disposed all of its investment in unquoted securities resulting in losses amounting to ₱ 2.11 million.
- F. Provision for impairment losses on noncurrent assets
In 2014, the group provided an impairment losses of ₱ 24.53 million, a 65.52% or ₱ 16.07 million higher than provisions made in 2015 of ₱ 8.46 million

Cost and Expenses: 93.74% or ₱34.71 million higher from ₱ 37.02 million in 2014 to ₱ 71.73 million in 2015.

1. 100% decrease in cost of sales. There were no costs incurred directly attributable to the Isabela operations.
2. 176.66% or ₱ 45.80 million increase in operating expenses from ₱ 25.93 million to ₱71.73 million in 2015 due to higher management fees, professional fees, rent expense, taxes, depreciation, repairs and maintenance, utilities, listing and filing fees and representation expenses plus exploration cost incurred in Zambales relative to the Group's wholly owned subsidiary, Mina Tierra Gracia, Inc.'s MPSA offset by decrease in salaries and wages, outside services, bad debts, transportation and permitting fees reported during the period.

Statements of Financial Position – December 31, 2015 versus December 31, 2014

Total assets as of December 31, 2015 amounting to ₱ 1.086 billion was 25.34% or ₱219.45 million higher from ₱ 866.18 million during the same period in 2014. The increase in assets was due to the following:

9.33% or ₱13.64 million decrease in cash brought about by cash inputs from additional private placements offset by mine development and operating costs of its Isabela project.

31.65% or ₱ 24.9 million decrease in receivables due to collection of shares sold in 2014 and set up of collectibles from Capital Gold for cancellation of contracts.

100% or ₱ 3.04 million decrease in asset held for sale due to its disposal in 2015.

2.58% or ₱ 146 thousand decrease in other non-current due to application of creditable taxes.

59.50% or ₱ 225.18 million additional property and equipment due to increase in mine development cost from its Isabela operations net of casualty losses due to burning incident at Isabela.

69.06% or ₱36.10 million increase in other non-current assets brought about by increase in input taxes.

6.49% or ₱3.10 million decrease in payables due mainly to settlement of various payables.

10.62% or ₱97 million increase in subscribed capital stock and 79.10% or ₱ 291 million increase in additional paid-in capital. The increase of both accounts is the result of additional subscription via private placements of 97 million shares with a par value of ₱1 and a subscription price of ₱4 per share.

32.88% or ₱165.36 million decrease in retained earnings due to losses incurred during the year.

Plan of Operations

Proceeds of 2009 Stock Rights Offering

On August 4, 2015, the Board approved to utilize the balance of the 2009 stock rights offering proceeds amounting to ₱33.80 million to supplement payment of contractual liabilities and additional working capital for its projects.

Proceeds of 2011 Private Placements

Balance of the proceeds from the ₱225 million private placement concluded in September 2011 were initially used to purchase additional ORE shares from the PSE open market and for acquisition of mining equipment. The Group has liquidated its shares to lock-in its net gain of ₱20.14 million. Proceeds of the sale was primarily used to fund its Isabela operations.

Proceeds of 2015 Private Placements

On August 4, 2015, Jerry Angping and San-Ho Cheng agreed to subscribed to 97 million shares of stock in the Company with a par value of ₱1.00 and subscription price of ₱4.00 per share or an aggregate amount of ₱ 388 million. The issuance of the Private Placement Shares was entered into for purposes of providing funding for the settlement of contractual obligations, and working capital for the Company's projects.

Botolan Mining Claim

The Company is continuously implementing its Community Development Program (CDP) for its MPSA located in Botolan and Iba, Zambales to create a strong symbiotic relationship between the Company and the community. As nickel prices continue to improve, the Company may implement additional exploration on the property to determine the additional commercial viability of developing the Botolan Mining Claim as a Direct Shipping Ore (DSO) nickel mine with possible processing facility. The Company believes that its investment in the implementation of a CDP will be easier for the transition of the Botolan Mining Claim from exploration into development and full scale operation. Plans for development of a loading facility as well as the options to its possible location are being studied to minimize hauling and transport costs of ore from the mine. The Company likewise continues to study prospects for mineral processing which will leave higher value products that will also improve livelihood of the Community while maximizing the resources in the area.

Manticao Mining Claim

NiHAO's subsidiary, Bountiful Geomines, Inc. has an Exploration Permit Application ("EPAs") in Manticao. NiHAO will evaluate their respective mineral potentials through its technical team and/or third party geological services companies as soon as the approval of its Exploration Permit has been issued.

After awarding of the Exploration Permit ("EP"), NiHAO shall implement exploration works according to the approved Exploration Work Program and Environmental Work Program attached to the EP.

Both Botolan and Manticao Mining claims were covered by the subsisting agreement with NAC, that it has a priority option to explore and develop the Group's properties under the same or similar arrangements in the Isabela transaction, if NAC desires to do so.

- a) There is no known trend, event or uncertainty that has or is reasonably likely to have a negative impact on the Company's short-term or long-term liquidity. The Company is not in default or breach of any note, loan, lease or other indebtedness or financing arrangement requiring the Company to make payments.
- b) The liquidity of the Company was generated from the Company's financial resources as well as from the proceeds of the private placements and the 2009 Stock Rights Offering.
- c) 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.
- d) There are no material commitments for capital expenditures except for those provided for in the use of proceeds from private placements and from the 2009 Stock Rights Offering and those needed by its Isabela operations.
- e) There are no known trends, events or uncertainties that have had or that are reasonably expected to have a material favorable or unfavorable impact on the Company's financial statements.
- f) There are no significant elements of income or loss that did not arise from the Company's continuing operations.

Financial Statements

Audit report enclosed

INFORMATION ON INDEPENDENT ACCOUNTANT

Audit Fees

Mangay-ayam, Lim & Co. will audit the Group's 2017 financial statements. Sycip Gorres Velayo & Co. ("SGV") has been the group's independent auditor since 2010 up to 2016. Audit fees for the group covering year 2017 amounted to ₱ 1,500,000, ₱ 1,250,000 for 2016 and ₱1,800,000 for 2015.

Audit Committee's Approval Policies and Procedures

The Audit Committee and Mangay-ayam, Lim & Co. (MLCPA) meet to discuss its audit plan, new accounting standards for adoption by the group, timetable, professional staff assigned to perform the engagement and service fees to be charged by the auditor, among others. Before the audit report is finalized, the MLCPA will present with the Audit Committee and secure its approval for release of the audited financial statements of the parent, its subsidiaries and consolidated reports.

Changes in and Disagreements with Accountants on Accounting and Financial Disclosures

There were no disagreements with former accountants on any matter of accounting principles or practices, financial statements disclosures or auditing scope of procedure which, if not received to the satisfaction of the former accountants, would have caused it to make reference to the subject matter of the disagreements in connection with its report.

Pursuant to the General Requirements of SRC Rule 68, Section 3.b.iv (Qualifications of Independent Auditors), the external auditors shall be rotated every after five (5) years of engagement. In case of a firm, the signing partner shall be rotated every after said period. The Company is in compliance with SRC Rule 68, Section 3.b.iv.

PART IV - CONTROL AND COMPENSATION INFORMATION

(A) (1) Directors and Executive Officers of the Registrant

The following persons are nominated to serve as directors and officers until the next annual meeting of stockholders or until their successors, if any, are elected.

<u>Office</u>	<u>Name</u>	<u>Citizenship</u>	<u>Age</u>
Director/Chairman/President	Antonio Victoriano Gregorio III	Filipino	45
Director	Job Adrian M. Ambrosio	Filipino	44
Director	David O. Chua	Filipino	49
Director	Michael T. Defensor	Filipino	48
Independent Director	Manuel G. Ong	Filipino	59
Independent Director	Leonardo B. Cua	Filipino	63
Director	Martin Antonio G. Zamora	Filipino	45

ANTONIO VICTORIANO GREGORIO III, President, Filipino

Atty. Antonio Gregorio III, 45 years old, was elected as President of the Company on 21 December 2011, and became Chairman of the Board, member of the Compensation Committee, Risk Management, Audit and Nomination Committees. Atty. Antonio Gregorio III graduated Second Honors, with a Juris Doctor from the Ateneo de Manila University in 1998 and passed the bar examinations of 1999. He also has a Bachelor of Science Major in Management Engineering and a Bachelor of Arts, Major in Economics-Honors, both from the Ateneo de Manila University, Magna Cum Laude. He was valedictorian of his high school class in the Ateneo. Atty. Gregorio sits as director and officer of various public and private companies, including Lodestar Investment Holdings Corporation (Chairman from 2009 to present), Dizon Copper-Silver Mines (Treasurer/Director from 2012 to present), Abacore Capital Holdings, Inc. (Vice Chairman and Director, 2009 to present), Philippine Regional Investment Development Corporation (President and Director 2016 to present), Philstar Development Bank (Director, 2008-2012, 2016 to present), Cuervo Far East, Inc. (Corporate Secretary/Director 2005 to present), Alta Minera, Inc., Breccia Resources, Inc., and Millionaire's Offices and properties, Inc. (Chairman, 2011 to present), Beaver Q Corporation and Barnyard Realty Corporation (Corporate Secretary, 2002 to present) and 4A9T Scholarship Foundation, Inc. (Corporate Secretary/Trustee from 1999 to present). He was formerly the Corporate Secretary/ Director of the following companies: GNA Resources International Limited (2011 to 2015), World Wide Manpower Overseas, Inc. (2007 to 2014) and Big Herald Link International Corporation (Corporate Secretary/Treasurer/Director, 2004 to 2016), and Asiabest Group International (Chairman / President, 2011 to 2017)

JOB ADRIAN M. AMBROSIO, Director, Filipino

Mr. Ambrosio, 44 years old, was elected Director of the Company on 14 December 2012 and a member of Governance Committee. He is a member of both the Philippine Bar and State Bar of

California. He is a Cochran Fellow on Biofuels sponsored by the United States Department of Agriculture; a graduate of the College of Law of England and Wales/International Bar Association with a Practice Diploma on International Capital Markets and Loans, and the University of California, Berkeley Extension, Berkeley, CA, on International Diploma in Computer Information Systems (with distinction). He obtained his Juris Doctor Degree, and likewise holds an AB Economics degree from the Ateneo de Manila University. He is currently the Chief Executive Officer Bioeq Energy. From June 2006 to May 2014, he is a partner at Puyat Jacinto & Santos Law and became a President of Penwood Corporation from April 2010 to Jan 2014.

DAVID O. CHUA, Director, Filipino

Mr. Chua, 49 years old, was elected Director of the Company on 20 February 2008. He graduated from St. Mary's College of California with a Bachelors of Science in Financial Services Management Honors Program and received his Master of Business Administration from J.L. Kellogg School of Management (Northwestern University) and the Hong Kong University of Science & Technology (HKUST) Graduate School of Management. Mr. Chua is President of both Cathay Pacific Steel Corporation (CAPASCO) and Asia Pacific Capital Equities and Securities Corporation. He currently serves as a director on the board of the Philippine Stock Exchange, Philippine Savings Bank and Crown Equities Inc. He is also a trustee of the University of the East and the University of the East Ramon Magsaysay Medical Center. Mr. Chua is a director and Chairman of the Trade Committee of the Federation of Filipino-Chinese Chambers of Commerce and Industry as well as Chairman of the 2008 National Employer's Conference of the Employers Confederation of the Philippines (ECOP), He also serves as a director of the Galleria Corporate Center Condominium Corporation and as director and Treasurer of the Heavenly Garden Memorial Park Development Corporation. Mr. Chua currently serves as President of the Kellogg/Northwestern University Alumni Association of the Philippines as well as the President of the Philippine Steelmakers Association and director of the Hardware Foundation of the Philippines. He is also a member of the Makati Business Club, Financial Executives Institute of the Philippines (FINEX), ECOP, Rotary Club of Makati West and the Young Presidents Organization. He was previously a director for First Metro Investment Corporation, The Philippine Banking Corporation, PBC Capital and Investments Corporation and Philippine Internet Service Organization

MICHAEL T. DEFENSOR, Director, Filipino

Mr. Defensor, 48 years old, was elected Director of the Company and Member of the Nomination Committee. He has previously served as the Company's Director from April 2008 to August 2012. He was also the Chairman and managing Director of Geograce Resources Philippines, Inc., the Chairman of National Railways, Minerales Industrias Corporation, GEO Management (Hong Kong) Ltd., Natural Resources Development Corporation and National Mining Development Corporation. He served as a Director of Petron Corporation and National Power Corporation. He has been a consultant adviser to the Board of Directors of First Metro Investment Corporation since 2007. He also served as a Cabinet Member under President Gloria Macapagal Arroyo.

Mr. Defensor holds a Master's Degree in Public Administration and a Bachelor of Arts in History degree from the University of the Philippines. He is currently the Chairman and President of Pax Libera Mining Corporation, President of Magnus Metallurgical Corporation and Chairman of Consphil Mining Corp and Manila Integrated Cargo Terminal.

MANUEL G. ONG, Independent Director, Filipino

Mr. Ong, 59 years old, was elected Director of the Company and Chairman of the Nomination, Compensation, Risk Management and Governance Committees and a member of Audit Committee of the Company. He is currently the Vice President and Technical Director of Industrial Welding Corporation.

LEONARDO B. CUA, Independent Director, Filipino

Mr. Cua, 63 years old, was elected Director of the Company and Chairman of the Audit Committee. He is also a director of Dizon Copper-Silver Mines, Inc. since 2012, and the Vice President for Operations of BCHT Enterprises from 1990 to present. A physician by profession, Dr. Cua is currently a member of the Philippine Medical Association and the Philippine Society of Anaesthesiologists. He is currently a visiting Anaesthesia Consultant at the University of the East Ramon Magsaysay Memorial Medical Center and the Medical Center Manila.

Dr. Cua graduated from the University of the Philippines, Diliman, with a degree in Bachelor of Science in Biology. He is a Doctor of medicine from the University of the East Ramon Magsaysay Memorial Medical Center. He completed his post graduate internship from the Manila Doctor's Hospital (0980-1981) and residency training, specializing in anaesthesia at University of the East Ramon Magsaysay Memorial Medical Center.

MARTIN ANTONIO G. ZAMORA, Director, Filipino

Mr. Zamora, 45 years old, was elected Director and member of Compensation, Risk Management and Governance Committees of the Company on 11 December 2015. He is currently the Executive Vice President of Nickel Asia Corporation (NAC) and also serves as Director of all its subsidiaries. He is the President of Geogen Corporation and Senior Vice President of Rio Tuba Nickel Mining Corp. and Hinatuan Mining Corp., subsidiaries engaged in nickel mining.

Before joining NAC in 2007, Mr. Zamora was the Philippine Country Manager and a Director of UPC Renewables, a global developer, owner and operator of wind farms and solar facilities. Prior to that, he worked for 10 years for finance and investment banking firms such as CLSA, Robert Fleming & Co.(UK), Jardine Fleming, and SGV and Co.

He received his BSc in Management from Ateneo de Manila University and his MBA from London Business School (UK), and his Masters in Organizational Psychology from INSEAD.

(2) Identify Significant Employee

No person, who is not a director or an executive officer, is expected to make a significant contribution to the business of the Company. Neither is the business highly dependent on the services of certain key personnel.

(c) Family Relationships

No family relationships up to the fourth civil degree either by consanguinity or affinity exist among the directors, executive officers or persons nominated or chosen by the Company to become directors or executive officers.

(d) Involvement in Certain Legal Proceedings

To the knowledge and/or information of the Company, the above named directors and executive officers of the Company are not, presently or during the last five (5) years up to the present date, involved or have been involved in:

(a) any bankruptcy petition filed by or against any business of which such person was a general partner or executive officer;

(b) 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;

(c) 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

(d) 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 a securities or commodities law or regulation, and the judgment has not been reversed, suspended, or vacated.

Disagreement with a Director

No director has declined to stand for re-election to the Board of Directors since the date of the last annual stockholders' meeting because of a disagreement with the Company on any matter relating to the Company's operations, policies or practices.

(B) Executive Compensation

SUMMARY COMPENSATION TABLE

Name and Principal Position	Year	Amount of Compensation
	2018 (projected)	120,000
Antonio V. F Gregorio III, Chairman and President (*)		sum of the aggregate
Delfin S. Castro, Jr., CFO / Treasurer (*)		annual cash compensation of the
Paolo Alonso - Permitting Manager (**)		named executives
No other officers receiving compensation as a group		
	2017	120,000
Antonio V. F Gregorio III, Chairman and President (*)		sum of the aggregate
Delfin S. Castro, Jr., CFO / Treasurer (*)		annual cash compensation of the
Paolo Alonso - Permitting Manager		named executives
No other officers receiving compensation as a group		
	2016	300,000
Antonio V. F Gregorio III, Chairman and President (*)		sum of the aggregate
Delfin S. Castro, Jr., CFO / Treasurer (*)		annual cash compensation of the
Paolo Alonso - Permitting Manager		named executives
No other officers receiving compensation as a group		
(*) No compensation for services rendered		

- **Compensation of Directors and Chairman**

Other than per diems in the amount of ₱5,000.00 for each Board meeting attended, the Directors of the Company are not compensated, directly or indirectly, for any services provided as such including committee participation or any special assignments. There are no other arrangements pursuant to which any director of the Company was compensated, or is to be compensated, directly or indirectly, for any services provided as a director.

The By-Laws of the Company provide that the officers of the Company shall be paid such salaries as the Board of Directors may determine.

- **Employment Contracts and Termination of Employment and Change-in-control Arrangement**

There are no special arrangements as to the employment contract of any executive officer such that said officer will be compensated upon his resignation, retirement or other termination from the Company or its subsidiaries, or as may result from a change-in-control except as provided by law.

- **Warrants and Options Outstanding**

There are no outstanding warrants and options outstanding held by the Company's President, the named executive officers and all officers and directors as a group.

(C) Security Ownership of Certain Beneficial Owners and Management as of December 31, 2017:

Type of Class	and relationship with owner	and relationship with Record owner	Citizenship	Shares Held	Percent
Common	PCD Nominee Corp		Filipino	547,049,078	54.16%
Common	Jerry C. Angping		Filipino	327,100,000	32.39%
Common	San-Ho Cheng		Taiwanese	55,000,000	5.45%
	The Enterprise, Makati City				
	Name of PCD participant owning more than 5%				
	AP Securities, Incorporated 20/F The Peak, 107 LP Liveste St. Salcedo Village, Makati City			299,965,201	29.70%
	Premium Securities Unit 1415, Tower 1 & Exchange Plaza Ayala Ave corner Paseo De Roxas, Makati City			73,802,900	7.31%

Note 1 PCD Nominee Corporation is a wholly owned subsidiary of Philippine Central Depository, Inc. (PCD) and is the registered owner of the shares in the book of the Company's transfer agent. The participants of the PCD are the beneficial owner of such shares. PCD holds the shares on behalf of their clients.

**(2) Security Ownership of Management
Dec. 31, 2017**

Type of Class	Name of Beneficial Owner		Amount & nature of beneficial ownership	Citizenship	Percent of class
Common shares	Antonio V. F. Gregorio III	D	10,000	Filipino	0.0010%
	Michael T. Defensor	D/I	160,000	Filipino	0.0158%
	David Chua	D/I	600	Filipino	0.0001%
	Manuel Ong	D	1,000	Filipino	0.0001%
	Job Adrian M. Ambrosio	D	1,000	Filipino	0.0001%
	Leonardo Cua	D	1,000	Filipino	0.0001%
	Martin Antonio Zamora	D	1,000	Filipino	0.0001%
	All Directors and executive officers as a group		174,600		0.0173%

(D) Certain Relationships and Related Transactions

No family relationships up to the fourth civil degree either by consanguinity or affinity exist among the directors, executive officers or persons nominated or chosen by the Company to become directors or executive officers.

NiHAO and its subsidiaries in the regular conduct of its operations have intercompany transactions with each other, principally consisting of advances. These advances are unsecured, noninterest bearing, payable on demand and settlements are made in cash. There have been no guarantees provided or received for any related party receivables or payables.

PART V – CORPORATE GOVERNANCE

As indicated in SEC Memorandum Circular No. 20 dated 08 December 2016, the 2017 Annual Corporate Governance Report will be submitted in a separate report on or before 30 May 2018.

PART VII - EXHIBITS AND SCHEDULES

(A) Exhibits and Reports on SEC Form 17-C

(a) Exhibits - See accompanying index to Exhibits

- The other exhibits, as indicated in the Index to Exhibits are either not applicable to the Company or require no answer.

(b) Reports on SEC Form 17-C

1. Filed on February 15, 2017 – Clarification of news report (Manila Bulletin Feb. 14, 2017) DENR cancels 75 mining contracts.

NiHAO has not received any official notification from the DENR about the cancellation of MPSA of its wholly-owned subsidiary, Mina Tierra Gracia, Inc.

2. Filed on February 22, 2017 – Receipt of DENR Show Cause Letter Re: Cancellation of MPSA of NiHAO Subsidiary, Mina Tierra Gracia, Inc.
3. Filed on May 4, 2017 – Resignation of Investor Relations Officer and Assistant Compliance Officer.
4. Filed on October 12, 2017 – Notice of Annual Stockholders' Meeting scheduled on 18 December 2017 at 2:30 PM at the 7/F, Peaksun Bldg., 1505 Princeton Street corner Shaw Blvd., Brgy. Wack-wack, Greenhills East, Mandaluyong City, M.M.
5. Filed on October 27, 2017 – Meeting of the Company's Corporate Governance Committee, the following individuals are pre-screened and determined to possess the qualifications provided for by law, relevant rules and regulations and the disqualifications provided for by law, relevant rules and regulations and the Company's Manual on Corporate Governance to become members of the Company's Board of Directors:
 1. Antonio Victoriano F. Gregorio III
 2. Martin Antonio G. Zamora
 3. Michael T. Defensor
 4. David O. Chua
 5. Job Adrian M. Ambrosio
Independent Directors
 6. Manuel G. Ong
 7. Dr. Leonardo B. Cua

6. Filed on December 19, 2017 – Following matters were transpired during the Annual

Stockholders' Meeting of NiHAO.

1. The stockholders elected the following Directors of NiHAO to serve as such for the ensuing year and until the election and qualification of their successors:
 1. Antonio Victoriano F. Gregorio III
 2. David O. Chua
 3. Michael T. Defensor
 4. Martin Antonio G. Zamora
 5. Job Adrian M. AmbrosioIndependent Directors
 6. Manuel G. Ong
 7. Leonardo B. Cua
2. The stockholders appointed Mangay-ayam, Lim & co., as independent auditor to audit NiHAO's financial statements for the period ended 31 December 2017.
7. In the organizational Meeting of the Board of Director immediately succeeding the shareholders' meeting, the following were elected officers of NiHAO to serve as such for the ensuing year and until the election and qualification of their successors:

Chairman & President	- Antonio Victoriano Gregorio III
Treasurer/ CFO	
Compliance Officer	- Delfin S. Castro, Jr.
Corporate Secretary/ Corporate Information Officer	- Atty. Arsenio Cabrera, Jr.
Assistant Corporate Secretary	- Atty. Cesar Domini C. Garcia

Audit Committee:

Chairman	- Leonardo B. Cua
Members	- Atty. Antonio V.F. Gregorio II Manuel G. Ong

Nomination Committee:

Chairman	- Manuel G. Ong
Members	- Atty. Antonio V. F. Gregorio III Michael T. Defensor

Compensation Committee

Chairman	- Manuel G. Ong
Members	- Atty. Antonio Victoriano F. Gregorio III Martin Antonio G. Zamora

Risk Management Committee

Chairman	- Manuel G. Ong
Members	- Atty. Antonio V.F. Gregorio III Martin Antonio G. Zamora

Governance Committee

Chairman	- Manuel G. Ong
Members	- Job Adrian M. Ambrosio Martin Antonio G. Zamora

SIGNATURES

Pursuant to the requirements of Section 17 of the Code and Section 141 of the Corporation Code, this report is signed on behalf of the issuer, thereunto duly authorized, in the City of Mandaluyong on April 5, 2018.

NIHAO MINERAL RESOURCES INTERNATIONAL, INC.

Issuer

By:



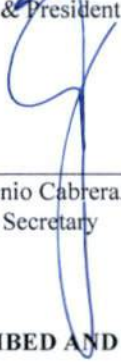
Antonio Victoriano Gregorio III
Chairman & President

Date 04/05/18



Delfin S. Castro, Jr.
Chief Financial Officer/Compliance Officer

Date 04/05/18



Atty. Arsenio Cabrera, Jr.
Corporate Secretary

Date 04/05/18



Gina C. Pasion
Comptroller

Date 04/05/18

SUBSCRIBED AND SWORN to before me this 12 APR 2018 day of _____ 2018

NAMES

Atty. Antonio V. F. Gregorio III
Delfin S. Castro, Jr.
Atty. Arsenio Cabrera, Jr.
Gina C. Pasion

TIN 138-556-435
TIN 164-381-790
TIN 105-821-570
TIN 165-705-315

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ATTY. JUAN JAIME D. MOLASCO
NOTARY PUBLIC UNTIL DEC. 31, 2019
ISP NO. 022803 - 1/3/18 - RSM
PTR NO. 3387649 - 1/3/18 - MAND. CITY
ROLL NO. 60888 / MCLE NO. V-0017188 / 3/21/16
UNIT 3F CSV BLDG. MAYSILO CIRCLE
ERGY PLAINVIEW MAND. CITY