

COVER SHEET

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S.E.C. Registration Number

A T L A S C O N S O L I D A T E D M I N I N G A N D

D E V E L O P M E N T C O R P O R A T I O N

(Company's Full Name)

F I V E E - C O M C E N T E R P A L M C O A S T

A V E N U E C O R N E R P A C I F I C D R I V E

M A L L O F A S I A C O M P L E X P A S A Y

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

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

MARIA ELEONOR A. SANTIAGO

Contact Person

(632)831-8000 local 25007

Company Telephone Number

1 2 3 1

Month Day
Fiscal Year

1 7 - C

FORM TYPE

Last Wednesday of April

Month Day
Annual Meeting

N/A

Secondary License Type, If Applicable

Dept. Requiring this Doc.

Amended Articles Number/Section

Total Amount of Borrowings

Total No. of Stockholders

Domestic

Foreign

To be accomplished by SEC Personnel concerned

File Number

_____ LCU

Document I.D.

_____ Cashier

Remarks = pls. use black ink for scanning purposes

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-C

CURRENT REPORT UNDER SECTION 17 OF THE SECURITIES
REGULATION CODE AND SRC RULE 17.2(c) THEREUNDER

1. 16 November 2016
Date of Report
2. SEC Identification Number PW0000115A 3. BIR Tax Identification No. 000-154-572
4. ATLAS CONSOLIDATED MINING AND DEVELOPMENT CORPORATION
Exact name of issuer as specified in its charter
5. Philippines 6. (SEC Use Only)
Province, country or other jurisdiction of Industry Classification Code.
incorporation or organization
7. 503-P 5F FiveE-Com Center, Palm Coast cor. Pacific Drive, Mall Of Asia, Pasay City 1300
Address of principal office Postal Code
8. (632) 83180000 local 25001
Issuer's telephone number, including area code
9. Not applicable
Former name, former address, and former fiscal year, if changed since last report.
10. Securities registered pursuant to Sections 8 and 12 of the SRC or Sections 4 and 8 of the RSA
- | Title of Each Class | Number of Shares of Common Stock
Outstanding and Amount of Debt Outstanding |
|--|--|
| <u>Common Stock, Php1.00 par value</u> | <u>2,087,032,774</u> |
11. Indicate the item numbers reported herein: 9

Item 9.

In its regular meeting held today, the Board of Directors ("BOD") of Atlas Consolidated Mining and Development Corporation ("AT" or the "Corporation") approved the refinancing plan of the shareholders' advances and the US\$300M existing bond of its wholly owned subsidiary, Carmen Copper Corporation, into subordinated loan with Warrants. Pursuant to the agreed restructuring plan, the BOD approved and authorized the following:

- (i) Issuance of Warrants and the underlying common shares (subject to Shareholders' and regulatory approval if required, and compliance with all applicable laws, rules and regulations), please see appended Annex A hereof;
- (ii) Increase in the Authorized Capital Stock (ACS) of the Corporation by Php2B, from Php6B to Php8B divided into 8B common shares;
- (iii) Amendment to the Articles of Incorporation of the Corporation: Article VII

The above BOD approved resolutions will be presented to the Shareholders.

In addition, the BOD unanimously passed and approved the following corporate governance documents: Compensation & Remuneration Committee Charter, Nomination Committee Charter, Code of Business Conduct and Ethics, Conflict of Interest Policy and Whistleblowing Policy.


SIGNATURE

Pursuant to the requirements of the Securities Regulation Code, the issuer has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

**ATLAS CONSOLIDATED MINING
AND DEVELOPMENT CORPORATION**

Issuer

By:


Maria Eleonor A. Santiago
Compliance Officer

16 November 2016

Date

Annex "A" Issuance of Warrants:

I. Number of warrants to be issued:

Approximately 5.1 Billion warrants subject to the exchange rate on 21 March 2017 or the date all regulatory approval for the issuance of warrants are obtained whichever is later.

II. Entitlement ratio:

1:1

III. Corresponding number of underlying securities:

Approximately 5.1 Billion common shares of AT subject to the same condition stated in Clause I above

IV. Exercise period:

The period from and including the date of issue of the Warrants up to 5:00 p.m. on the day immediately preceding the date of the seventh (7th) anniversary of the date of issue of the Warrants or the maximum period allowed by applicable laws, rules and regulations.

V. Exercise price:

Php4.3842

VI. Expiry date:

The seventh (7th) anniversary of the date of the issue of the Warrants or up to the maximum period allowed by applicable laws, rules and regulations.

VII. Timetable for issuance and the related regulatory approvals if any :

Upon obtaining the following: (i) Shareholders' approval of the increase in the authorized capital stock (ACS) and amendments of Article VII of AT's Articles of Incorporation (AOI), (ii) SEC approval of the increase in ACS and amendments to AOI and other regulatory approvals

VIII. Basis upon which the exercise price is determined:

Exercise price set at preceding 90-day Volume Weighted Average Price (VWAP) on date of BOD approval, 16 November 2016.

IX. Other salient feature of the warrants:

The warrants constitute direct, unsecured and unsubordinated obligations of AT and will at all times rank pari passu without preference among themselves and with all other outstanding unsecured and unsubordinated obligations of AT, past and future.

Exercise of the Warrants is subject to all applicable laws, regulations and practices in force on the relevant exercise date.

X. The arrangements for transfer of the warrants :

All transactions (including transfers of Warrants) must be effected through an account at a Clearing System subject to the rules and procedures of such Clearing System. Title will pass upon registration in the books of such Clearing System, as the case may be. Transfers of Warrants may not be effected after the exercise of such Warrants.

XI. The rights of the holders on the liquidation of the issuer, if any :

In case of insolvency, the right of holders is only to the extent permitted by applicable laws relating to creditors' rights.

XII. The arrangement/s or adjustment/s resulting from changes in the subscription, purchase or exercise price or the number of securities to take account alterations to share capital of the Issuer

Possible adjustments on account of these events are currently being reviewed for finalization.

XIII. The rights of the holders to participate in any distribution and/or offer of further securities made by the issuer if any

Still being reviewed.

XIV. Other relevant information

None

COMPENSATION AND REMUNERATION COMMITTEE CHARTER

This Charter establishes the purpose, composition, authority, responsibilities and operations of the Compensation and Remuneration Committee (the "Committee").

1. *Purpose*

The Committee is appointed by the Board of Directors (the "BOD") of Atlas Consolidated Mining and Development Corporation/Carmen Copper Corporation (the "Corporation") to discharge the BOD's duties and responsibilities relating to the compensation of the Corporation's directors and executive officers and to oversee and advise the BOD on the adoption of policies that govern the Corporation's compensation and benefit programs, including the management of the various pension, long term incentive, savings and benefit plans for the Corporation's employees.

2. *Composition and qualification of members.*

Membership of the Committee consists of at least three (3) members, one (1) of whom shall be an Independent Director. Each Committee member shall meet the independence and expertise requirements established by the BOD and applicable laws and regulations.

3. *Term of Office.*

Committee members and the Chairperson shall be appointed for a one (1) year term. Any member may be removed or replaced and any vacancies on the Committee shall be filled by the BOD.

4. *Meetings*

The Committee shall meet at least twice a year or as often as it considers necessary. It shall be governed by the same rules regarding meetings (including meetings by telephone conference, videoconference or other similar communication equipment), notice, waiver of notice, quorum and voting requirements as are applicable to the BOD.

The Corporate Secretary or Asst. Corp. Sec. shall be the Committee Secretary unless otherwise determined by the Committee. Adequate minutes of the Committee proceedings will be kept and the Committee will report on its actions and activities at the board meeting of the BOD.

5. *Authority*

The Committee shall have the resources and power necessary to discharge its duties and responsibilities as enumerated herein. It may form and delegate authority to subcommittees or to one or more designated members of the Committee or to one or more executive officers to perform specific duties on its behalf.

The Committee shall administer equity-based and employee benefit plans, and as such will discharge any responsibilities imposed on the Committee, including making and authorizing grants, in accordance with the terms of those plans.

6. *Specific Responsibilities and Duties.*

In carrying out its responsibilities, the Committee shall perform the following, subject to the provisions of the Corporation's Manual/Code of Corporate Governance:

- 6.1 Establish a formal and transparent procedure for developing a policy on executive remuneration and for fixing the remuneration packages of corporate officers, directors and consultants and provide oversight over remuneration of senior management and other key personnel ensuring that compensation is consistent with the Corporation's culture, strategy and control environment;
- 6.2 Designate amount of remuneration which shall be in a sufficient level gauged by the principle of "**quantum meruit**" to attract and retain directors and officers who are needed to run the company successfully;
- 6.3 Establish a formal and transparent procedure for developing a policy on executive remuneration and for fixing the remuneration packages of individual directors, if any, and officers;
- 6.4 Develop a form on Full Business Interest Disclosure as part of the pre-employment requirements for all incoming officers, which among others compel all officers to declare under the penalty of perjury all their existing business interests or shareholdings that may directly or indirectly conflict in their performance of duties once hired;
- 6.5 Disallow any director to decide his or her own remuneration;
- 6.6 Provide in the Corporation's annual reports, information and proxy statements a clear, concise and understandable disclosure of compensation of its directors and executive officers for the previous fiscal year and the ensuing year;
- 6.7 Review (if any) the existing Human Resources Development or Personnel Handbook and strengthen provisions on conflict of interest, salaries and benefits, policies, promotion and career advancement directives and compliance of personnel concerned with all statutory requirements that must be periodically met at their respective posts;
- 6.8 Or, in the absence of such Personnel Handbook, cause the development of such, covering the same parameters of governance stated above;
- 6.9 It is understood that the acts and deeds discharged by the Committee on all the foregoing shall be recommendatory in its nature, the final decision on its adoption and implementation being the prerogative of the Board;

7. *Proposed Changes.*

The Committee shall review the Committee's Charter annually and recommend any proposed amendments or changes to the Board for approval.

NOMINATION COMMITTEE CHARTER

This Charter establishes the purpose, composition, authority, responsibilities and operations of the Nomination Committee (the "Committee").

1. Purpose

The Nomination Committee (the "Committee") shall assist the Board of Directors (the "BOD") of Atlas Consolidated Mining and Development Corporation/Carmen Corporation (the "Corporation") to screen, review and evaluate the qualifications of individuals nominated for membership to the BOD and those nominated to other positions requiring BOD approval and provide assessment on the BOD's effectiveness in directing the process of renewing and replacing BOD members.

2. Composition

Membership of the Committee consists of at least three (3) Directors in good standing, one of whom shall be an Independent Director. Each member of the Committee shall meet the independence and expertise requirements established by the BOD and the applicable laws and regulations.

3. Term of Office

Committee members and the Chairperson shall be appointed by the BOD for a one (1) year term. Any member may be removed or replaced and vacancies shall be filled by the BOD.

4. Meetings.

The Committee shall meet at least twice a year or as often as it considers necessary. It shall be governed by the same rules regarding meetings (including meetings by telephone conference, videoconference or other similar communication equipment), notice, waiver of notice, quorum and voting requirements as are applicable to the BOD.

The Corporate or Asst. Corporate Secretary shall be the Committee Secretary unless otherwise determined by the Committee. Adequate minutes of the Committee proceedings shall be kept and the Committee will report on its actions and activities at the board meeting of the BOD.

5. Authority.

The Committee has the authority to engage and retain any professional search firm to assist in identifying director candidates and to retain outside advisors or consultants when deemed necessary. The Committee may form and delegate authority to subcommittees and to one or

more designated members of the Committee or executive officers to perform specific duties on its behalf.

6. *Specific Responsibilities and Duties*

The Committee shall have the following functions and responsibilities:

6.1 *Pre-screening.* It shall pre-screen and shortlist all candidates nominated to become a member of the BOD. For this purpose, nominations for the election of members of the BOD shall be submitted to the BOD at least one (1) month prior to the election or up to such time as the BOD may determine.

6.2 *Criteria for Nomination to the BOD.* The Committee shall assess the candidates based on qualifications and disqualifications provided herein and under the Corporation's Manual of Corporate Governance. It may consider the following guidelines in the determination of the number of directorships that a member of the BOD may hold:

- The nature of the business of the Corporations where he is a director;
- Age of the director;
- Number of directorships/ active memberships in other corporations or organizations; and
- Possible conflict of interest.

The optimum number of directorship shall be measured by the capacity of a director to perform his duties diligently in general.

Qualifications; Disqualifications and Temporary Disqualifications. In reviewing and evaluating the nominees for the Board, the following minimum qualifications and disqualifications of nominees shall be considered:

(a) *Qualifications:*

- Holder of at least one (1) share of stock of the Corporation;
- At least a college graduate or have sufficient experience in managing the business to substitute for such formal education;
- At least 21 years of age;
- Proven to possess integrity and probity; and
- Assiduous and objective in the discharge of the functions of his office.

(b) *Disqualifications:* The following shall be permanently disqualified from election to the Corporation's BOD:

- Any person convicted by final judgment or order by a court or administrative body of an offense involving moral turpitude, embezzlement, theft, estafa, counterfeiting, misappropriation, forgery, bribery, false affirmation, perjury or other fraudulent act or transgressions;
- Any person finally found by the Securities and Exchange Commission (the "SEC") or a court or other administrative body to have willfully violated, or willfully aided, abetted, counseled, induced or procured the violation of, any provision of the Securities and Regulation Code ("SRC"), Corporation Code, or any other law administered by the SEC or Banko Sentral ng Pilipinas ("BSP") or any of its rule, regulation or order;

- Any person who, after being elected as an Independent Director becomes an officer, employee or consultant of the Corporation.
- Any person judicially declared to be insolvent;
- Any person finally found guilty by a foreign court or equivalent financial regulatory authority of acts, violations or misconduct similar to any of the acts, violations or misconduct similar to any of the acts, violations or misconduct listed in the foregoing paragraph; and
- Conviction by final judgment of an offense punishable by imprisonment for a period exceeding six (6) years, or a violation of the Corporation Code, committed within five (5) years prior to the date of his election or appointment.

(c) *Grounds for Temporary Disqualifications of a Director:*

- Refusal to fully disclose the extent of his business interest as required under the SRC and its Implementing Rules and Regulations. This disqualification shall be in effect as long as his refusal persists;
- Absence or non-participation for whatever reason/s for more than fifty percent (50%) of all meetings, both regular and special, of the BOD during his incumbency, or any twelve (12) month period during said incumbency. This disqualification applies for purposes of the succeeding election;
- Dismissal/termination from directorship in another listed corporation for cause. This disqualification shall be in effect until he has cleared himself of any involvement in the alleged irregularity;
- Being under preventive suspension by the Corporation;
- If the Independent Director ("ID") becomes an officer or employee of the same corporation he shall be automatically disqualified from being an ID;
- Conviction that has not yet become final referred to in the grounds for the disqualification of directors.

A director subject of temporary disqualification shall, within 60 business days from such disqualification, take the appropriate action to remedy the cause of the disqualification. If he fails or refuses to do so for any reason, the disqualification shall become permanent.

6.3 *Committees of the BOD:* The Committee shall review annually the purpose of the Committees of the BOD and recommend any changes deemed necessary or desirable to the purpose, and whether any Committees should be created or discontinued.

6.4 *Evaluation Process.* The Committee shall develop, recommend, facilitate and oversee the annual performance evaluation process for the BOD, its Committees and the individual Directors.

6.5 *Conflicts of Interest.* The Committee shall consider questions of possible conflicts of interest of the BOD members, as such questions arise.

6.6 *Director Orientation.* The Committee shall review and recommend, as appropriate, director orientation and continuing orientation programs for members of the Board.

7. Proposed Changes

The Committee shall review annually the adequacy of this charter and recommend any proposed changes or modifications for approval by the Board.

ATLAS CONSOLIDATED MINING AND DEVELOPMENT CORPORATION
CARMEN COPPER CORPORATION
AND THEIR SUBSIDIARIES AND AFFILIATES

CODE OF BUSINESS CONDUCT AND ETHICS

INTRODUCTION

The Board of Directors and Management of Atlas Consolidated Mining and Development Corporation ("AT")/Carmen Copper Corporation ("CCC"), its subsidiaries and affiliates (individually referred to as the "Company") commit to act and do business in conformity with ethical practices and standards. Adherence to the standards contained in this Code ensures that decisions reflect care for all of our stakeholders.

POLICY

This Code provides the standards for professional and ethical conduct, behavior and practices to guide the directors, officers and employees (the "Personnel") in their dealings. This Code is aligned with the Company's long held values of integrity, honesty, fairness, professionalism, innovation, team orientation, concern for the Company, environment, safety, social development and sustainability.

COVERAGE

Ethical business behavior is the responsibility of every personnel of the Company. Each one is expected to act ethically internally and externally in a manner that will enhance the Company's reputation for honesty, integrity, fairness and the faithful performance of its undertakings and obligations.

Vendors, suppliers, contractors, business partners, customers, and shareholders should align their transactions with the Company's Code of Ethics.

This Code is not intended to and does not in any way constitute an employment contract or assurance of continued employment, and does not create any rights in any employee, client, supplier, competitor, shareholder or any other person or entity.

RULES OF CONDUCT

1. Public Disclosure

The complete and correct records of all financial and business transactions of the Company shall be maintained which shall be the basis for the public disclosure regarding the Company's operations. Material information (anything that could potentially affect share price and the decision to trade in the Company's securities) shall be disclosed in a timely, complete and accurate manner and each Personnel who is aware of any material information regarding the Company must treat the information in strict confidence.

2. Legal Compliance

- (i) All Personnel and the Company shall carry on the business in compliance with all applicable laws, rules and regulations.

- (ii) All Personnel are prohibited from trading shares of stock of publicly listed AT using material information that has not been disclosed to the public. They are also prohibited from passing on such information to someone else who then buys or sells AT's stock.

3. Ethical Practices

In addition to compliance to laws, rules and regulations, the Company believes adherence to higher ethical standards and values in conducting its business is in the best interest of the Company and all its stakeholders:

- (a) *Environmental, Health and Safety Practices.* The Company commits to conduct its business responsibly and is fully committed to comply with all health, safety and environmental rules and regulations. All Personnel are expected to conduct operations with the highest regard for the environment and sustainable development.
- (b) *Non-discrimination.* Consistent with our core values, all individuals are treated with dignity and respect. Each individual should have the ability to work in an environment that promotes equal employment opportunities and prohibits discriminatory practices, including harassment. The Company expects that all relationships among persons in the workplace will be professional and free of bias or violence.

Misconduct, including discrimination, harassment, retaliation or other forms of unprofessional behavior, even if not unlawful, may subject one to disciplinary action, up to and including termination. Conduct that is unlawful may subject the Personnel to civil, and in some cases criminal, liability.

- (c) *Confidentiality, Privacy and Company Property.* Maintain and safeguard the confidentiality of information of the Company, both business information or otherwise, except when disclosure is authorized or legally mandated. Confidential information includes any non-public information relating to the Company or that might be of use to competitors, or harmful to the Company, its customers, business partners, or such other parties with whom the Company relates, if disclosed.

Company property and resources, including Company time, supplies and software, shall be used efficiently, responsibly and only for legitimate business purposes. Safeguarding Company assets is the responsibility of all Personnel, and personal use of Company assets without permission is prohibited.

- (d) *Conflicts of interest and Corporate Opportunities.* Avoid any actual or apparent conflicts of interest between private or personal interest and the interest of the Company. Any actual or apparent conflict of interest, and any material transaction or relationship that could reasonably be expected to give rise to a conflict of interest, should be disclosed to the Company. Personnel's activities must be in the best interest of the Company.

A Conflict of Interest exists when an individual's interest conflicts with the interests of the Company or when a Personnel's own interest influences the way he handles Company business. When an individual's loyalty to the Company is prejudiced by actual or potential benefit from an outside source a conflict of interest arises.

Avoid activities and interest that could affect the objective or effective performance of duties in the Company, including but not limited to (i) business interests, or (ii) unauthorized employment outside the Company, or (iii) the receipt from and giving of

gifts to persons or entities with whom the Company relates, as well as (iv) insider dealing. Activities of a Personnel's relatives are deemed to be the actions of the Personnel for the purposes of conflict of interest.

Personnel may not make payments or give gifts (other than gifts of nominal value that are generally considered as common business or social courtesies such as lunches, dinners, attendance at sporting events) to government workers or outside suppliers in order to influence regulatory or business decisions. The Company has established internal control procedures to ensure that assets are protected and properly used, and employees and supervisors share the responsibility for maintaining and complying with required internal controls.

- (e) *Fair Dealing.* Each Personnel shall endeavor to deal fairly and in good faith with Company customers, shareholders, employees, suppliers, regulators, business partners, competitors and others. No Personnel shall take unfair advantage of anyone through manipulation, concealment, abuse of privileged or confidential information, misrepresentation, fraudulent behavior or any other unfair dealing.
- (f) *Anti-retaliation.* The Company prohibits any retaliation against an employee who makes a good-faith report of perceived violations of this Code, the rules, regulations and policies of the Company or anyone who assists in a Company investigation.

If you believe that you have been subjected to any form of retaliation you should report the matter immediately. However, any person making a report in bad faith will be subject to disciplinary action up to and including discharge.

IMPLEMENTATION

Accountability for Ethics Code implementation. The Human Resources Department ("HRD") shall be accountable for the publication, communication, dissemination and promotion of this Code. The HRD shall ensure that it is readily available to everybody and that it is properly disseminated to all Personnel.

For reports on violations, the HRD or Internal Audit and/or Compliance Officer shall ensure a confidential investigation is immediately undertaken to determine the veracity of the report, gather pertinent data and recommend appropriate sanctions.

Disciplinary actions against violators of this Code include measures such as dismissal and/or filing of appropriate administrative, civil and criminal actions. For purposes of this Code, "violators" are defined as (a) person who commit prohibited acts or who fail to implement prescribed acts when there is an obvious opportunity to do so; (b) employees who knowingly abet such acts of commission or omission or who fail to report such acts that violate the Code; (c) persons of authority who fail to impose the necessary disciplinary measures against violators.

All policies, systems, practice, orders and similar official corporate issuances, whether existing or to be issued shall be revisited and revised as soon as practicable in order to be consistent with the letter and spirit of this Code. Pending the finalization of such amendments, the provisions of this Code shall prevail over any policies, systems in practice, orders, and similar corporate issuances inconsistent with this Code.