

MASAN RESOURCES CORPORATION

*Suite 802, Central Plaza, 17 Le Duan, Ben Nghe Ward, District 1,
Ho Chi Minh City, Vietnam*



ENGLISH TRANSLATION

**REPORT OF THE BOARD OF DIRECTORS
AT THE 2019 ANNUAL GENERAL MEETING OF SHAREHOLDERS**

Dear Shareholders,

The Board of Directors (the “**BOD**”) of Masan Resources is honored to submit the BOD’s performance assessment report of the Company in 2018.

BOD Assessment of the Company performance

2018 marked a significant milestone in the ongoing transformation for Masan Resources from a mining and processing company to a significant influencer in the global materials industry. The two largest revenue contributors to the company performance - Tungsten and Fluorspar – are deemed strategic resources by many governments globally due to their unique properties and the high tech materials that are derived from downstream processing of them. In 2018, MSR successfully consolidated ownership of the Tungsten Chemicals Processing facility (“**APT Plant**”) of Nui Phao – H.C.Starck Tungsten Manufacturing LLC and rebranded the company as Masan Tungsten LLC. Our Tungsten Chemicals products are now exported with this branding on the packaging, finally getting Masan full recognition for the quality of the products developed here in Vietnam. With this achievement it is time to move our aspirations and outlook beyond seeking to influence the global market to becoming a central or core element of the global high tech materials industry. This is an audacious goal, but it is one which will inspire the leadership of the business to continue to seek to build and transform the company to be a leading global materials company. This will create value for you, the shareholders.

MSR continues to employ best-in-class standards on all issues related to the community, environment and safety. With regards to the environment, the Company implemented a number of significant environment improvements which enable clear transparency with communities and regulators. It is no longer acceptable to simply say “believe us”, companies must demonstrate continuously their environmental credibility and the real time online analysis for water discharge and air quality are a large leap forward in this area of transparency. The company also shared its best practice with many other global companies and renowned learners in particular the “Investigation, Monitoring And Management of Downstream Groundwater in the Tailings Storage Facilities of Nui Phao Mine”. This was published in press released of Wessex Institute of UK.

In recognition of our relentless efforts, Nui Phao Mining Company Ltd – a wholly owned subsidiary of Masan Resources has been recently recognized as one of the Top 100 Most Sustainable Businesses in Viet Nam and one of the Top 100 Viet Nam Gold Star, being the most reputable Brands and Rewards for companies in Vietnam.

In Thai Nguyen province, together with Samsung, Masan Resources become the biggest exporter with 256 million USD of net export revenue. In 2018, the Company paid 1086 billion VND to the stage budget by paying taxes & fees.

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In 2018 the MSR has contributed VND 5,545 billion towards community development initiatives and the CSR activities in Thai Nguyen Province, our crucial contribution has been recognized in the fields of sustainable agriculture, household's economic development, the community sanitation, health-care and, children's well-being.

According to the statistics of the Thai Nguyen Centre for Agriculture Commodity Quality Inspections, MSR contributed 21% of Viet GAP tea area in Dai Tu district and 10% in Thai Nguyen province. The micro-finance fund continues to be an effective and innovative economic restoration model. In 2018, the fund provided favorable loans for 26 additional households. Currently, 256 households are utilizing the fund for a great variety of income generation activities. To date, the total accumulated funds amounts to 9,358,000,000 VND.

Significant price increase across all commodities coupled with increased operational efficiency allowed the Company to achieve a record financial result despite lower tungsten feed grades coming from the Nui Phao mine resulting in lower Nui Phao Tungsten Concentrate production. With the acquisition of the APT Plant and the debottlenecking that has been undertaken at the APT Plant through 2018 this reduced production from Nui Phao was offset by increased processing of third-party tungsten raw materials. As a result of the ongoing research and development undertaken at Masan Resources a variety of improvements had been identified at the APT Plant enabling increased throughput with minimal additional investment. With the High Tech status of the Masan Tungsten APT plant Masan Resources is committed to continuing to spend 1% of revenue at the Masan Tungsten in ongoing research and Development to further enhance the technological advantage of the business. This High Tech status also provides tax incentives which offset the investment in R&D aside from the benefits that are derived.

The BOD has accomplished its duties in reviewing and approving the resolutions on the operation of the Company and its subsidiaries. In 2018, no members of the BOD received any remuneration for their duties as BOD's members, nor have they incurred any expenses.

BOD assessment of the Company Management Team performance

The Management Team continues to manage the Company in a manner deserving the BOD's and shareholders on-going trust and support. The Chief Executive Officer and other managers fulfilled their duties and functions in 2018, and properly implemented all resolutions from the General Meetings of Shareholders.

The appropriate sub-committees that were established in 2016, including the Sustainability Committee and the Risk Committee, have continued to fulfill their obligations in advising and assisting the BOD on matters having remarkable impacts on the Company's operation and reputation. In 2018, the Management Team also implemented a CHES (Community, Health, Environment, Safety and Sustainability) committee at the Masan Resources operations. This committee draws members from all areas of the Masan Resources business and has representatives from all onsite contractors. This is a significant initiative by the Management Team which further entrenches ownership of CHES with the workforce. The initiative has been well received by employees and contractors.

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BOD Plans and directions

Strategically, Masan Resources will continue to explore opportunities and aims to become a further-integrated downstream tungsten business of a global scale. This will enable the Company to deliver a consistent and strong financial profile across the commodity cycles. We will also establish a master plan targeting the development of a unique, technical knowledge elite across the mining, metal and chemical industries.

With the consolidation of ownership of the Tungsten Chemicals factory under Masan Tungsten, the Company has successfully entrenched its position as a leading producer in the Tungsten Chemicals industry. The direction set for 2019 and beyond with the newly announced Vision to take the Company “From Vietnam Resources to Global High Tech Materials” is a natural progression of an ambitious and realizable plan for sustainable growth and for an increased worldwide recognition.

Given the foregoing, the BOD fully supports the Management Team’s efforts to continue to grow the company and deliver on the newly announced Vision.

Yours faithfully,

Ho Chi Minh City, April 09, 2018

ON BEHALF OF THE BOARD OF DIRECTORS

/signed and sealed/

CHETAN PRAKASH BAXI
Chairman of the Board of Directors