



22 May 2008

Philippine Stock Exchange, Inc.
Phil. Stock Exchange Centre
Exchange Road, Pasig

Attention: Atty. Pete M. Malabanan
Head, Disclosure Department

Gentlemen:

Please be informed that at the annual meeting of the shareholders of Bacnotan Consolidated Industries, Inc. held today, May 22, 2008, the following were elected directors for the ensuing year:

Amb. Ramon V. del Rosario
Mr. Oscar J. Hilado
Dr. Magdaleno B. Albarracin, Jr.
Mr. Ramon R. del Rosario, Jr.
Mr. Jose L. Cuisia, Jr.
Mr. Victor J. del Rosario
Mr. Roberto M. Laviña
Mr. Rizalino S. Navarro - Independent
Fr. Noel D. Vasquez, SJ - Independent
Mr. Felipe B. Alfonso - Independent
Mr. Guillermo D. Luchangco - Independent

At the same meeting, the shareholders approved the payment of stock dividends as declared by the Board of Directors as follows:

“RESOLVED, to declare a Ten Percent (10%) stock dividend payable on July 8, 2008 to all shareholders of record as of June 13, 2008, subject to approval by the shareholders.”

Lastly, the shareholders approved the renewal of the company's Management Contract with Phinma, Inc. under the following resolution:

“RESOLVED that the Management Contract with Phinma, Inc. which is due to expire in June 30, 2008 be renewed effective July 1, 2008 for a period of five years with a monthly fee of P500,000 under the same terms and conditions.”

Very truly yours,


JUAN J. DIAZ
Corporate Secretary