

ANNEX "A"

BOARD RESOLUTION
AND
SECRETARY'S CERTIFICATE

**MINUTES OF THE SPECIAL MEETING
OF THE BOARD OF DIRECTORS OF
JOHSON GOLD MINING CORPORATION**

A special meeting of the Board of Directors of JOHSON GOLD MINING CORPORATION, a corporation duly registered under the laws of the Republic of the Philippines at its main office at Unit # 12 Ameriza Complex, No. 37 President Avenue, BF Homes, Parañaque City on May 28, 1999 at 10:00 o'clock in the morning.

All members of the Board of Directors being present, the President, MR. ERNESTO C. GALILO, legally convened the meeting and declared the table opened and ready to transact business.

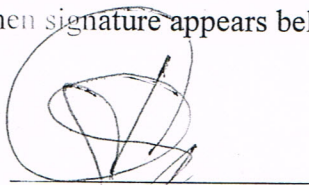
Upon motion duly made and seconded, the following resolution were unanimously approved and carried to with:

"WHEREAS, JOHSON GOLD MINING CORPORATION, will enter a contract known as Mineral Production Sharing Agreement with the Government, represented by Secretary of Department of Environment and Natural Resources with office address at DENR Bldg; Visayas Avenue, Diliman Quezon City."

NOW THEREFORE, it is hereby resolved.

"RESOLVED, as it is hereby resolved that the PRESIDENT, MR. ERNESTO C. GALILO, whose specimen signature appears below

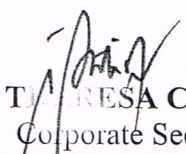
ERNESTO C. GALILO -



is designated as the authorized signatory to sign all papers and documents in behalf of JOHSON GOLD MINING CORPORATION in connection with the aforesaid Mineral Production Sharing Agreement.

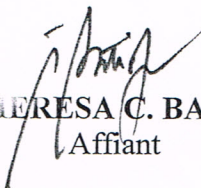
"RESOLVED finally that the Board's Corporate Secretary is authorized to furnish the Secretary of Department of Environment and Natural Resources a copy of this resolution."

There being no further business to be taken, upon motion duly made and seconded, the meeting was adjourned at 11:00 o'clock in the morning.


MA. THERESA C. BAUTISTA
Corporate Secretary


C E R T I F I C A T I O N

That I, Ma. Theresa C. Bautista, of legal age, residing at 132 A. Chioco St., Phase II, BF Homes, Parañaque City and presently the Corporate Secretary of JOHSON GOLD MINING CORPORATION duly certify that the foregoing are the Minutes of the Special Meeting of the Board of Directors of aforesaid corporation, and are true and correct of my own knowledge.


MA. THERESA C. BAUTISTA
Affiant

REPUBLIC OF THE PHILIPPINES)
CITY OF PARAÑAQUE) S.S.

SUBSCRIBED AND SWORN to before me this JUN (day of ~~10~~ June 1999 at Parañaque City, affiant exhibiting to me her Community Tax Certificate No. 15411942 at Parañaque City on January 7, 1999.


ORLYNDA ANGELA A. CASTRO
NOTARY PUBLIC
NOTARY PUBLIC'S
PTR NO. 6506988 1/4/88/PQUE
IRP LIFETIME BILL NO. 012376 1/08/96 ML&A

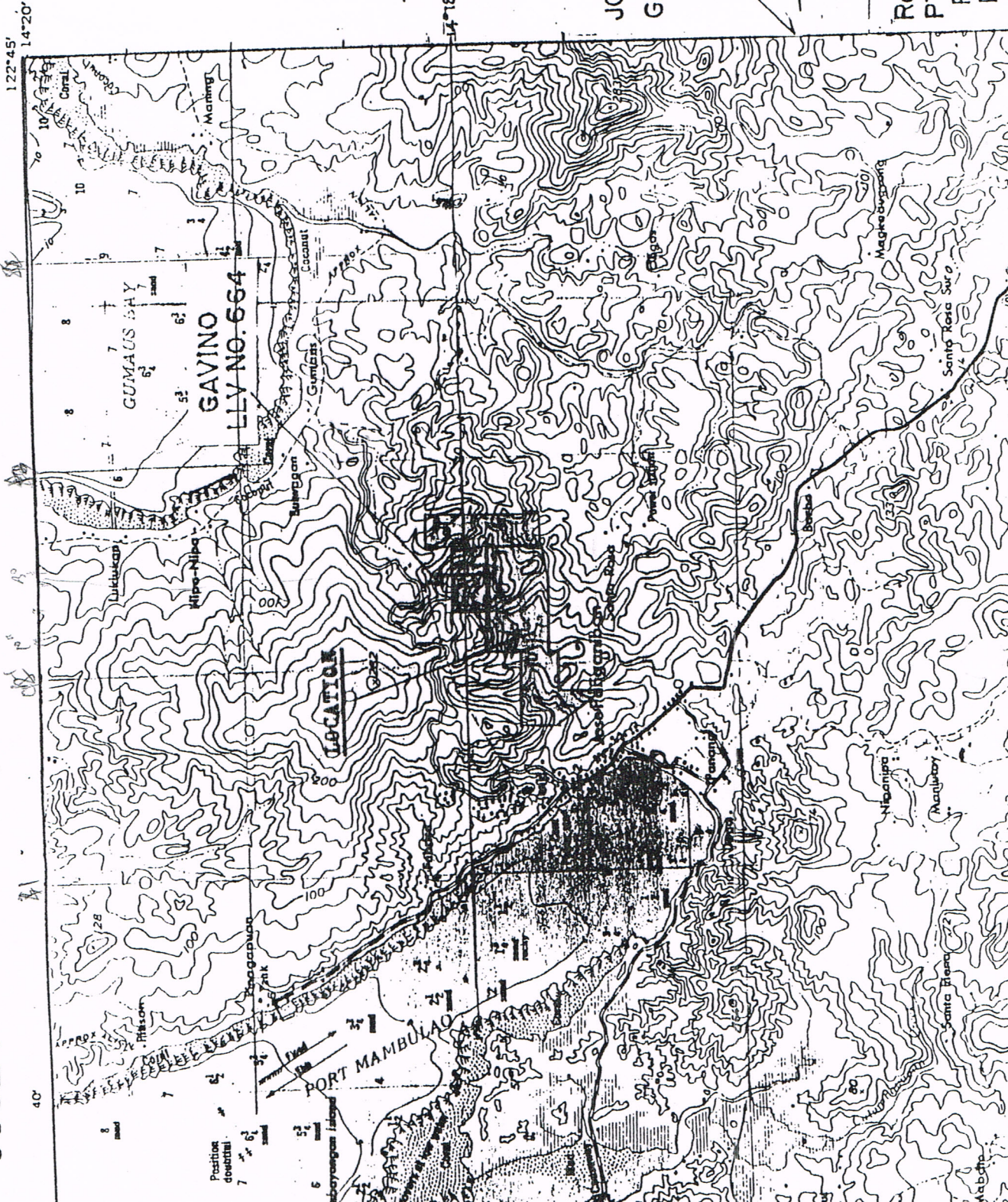
Doc. No. 226
Page No. 57
Book No. 44
Series of 1999.

ANNEX "B"

LOCATION MAP

SHEET 3562 IV

JOSE PANGANIBAN, CAMARINES NORTE



SCALE 1:50,000

JOHNSON GOLD MINING CORP.
 GAVINO LLV-NO. 664

[Signature]
 ERNESTO L. ESPINOSA

Geodetic Engineer

Reg. No. 0002475
 PTR No. 2229698 X
 Place issued 118198
 Date issued PARACALE, CN

ANNEX "C"

THREE-YEAR WORK PROGRAM

THREE-YEAR WORK PROGRAM

1.0 CORPORATE DATA

1.1 PROJECT NAME

1.2 JOHNSON GOLD MINING CORPORATION

Unit 12 Ameriza Complex, # 37 President Ave.
BF Homes, Parañaque City
Tel.no. 820-0527 / 825-8842
Fax no. 820-0539

1.3 CONTACT PERSON / DESIGNATION

MR. ERNESTO C. GALILO - President

2.0 PROJECT DESCRIPTION

2.1 PROJECT DETAILS

- 2.1.1 Location: Sitio San Antonio, Luklukan Norte, Jose Panganiban, Camarines Norte
- 2.1.2 Estimated Capital Cost: ₱23.0M
- 2.1.3 Commodity: Gold, Copper, Silver, Pb, Zn.
- 2.1.4 Present Status: Development
- 2.1.5 Description of Mining Method: Filled stepped-Face Overhand

2.1.5.1 Preparation - starting at farthest end of drift at the farthest vein from shaft, two (2) compartment raises are prepared for the initial cut in the stope. Subsequent raises are advanced towards the x-cut at intervals of 9 m or a total of 6 raises each heading. Ideally, these raises are cribbed with ladder provision at the manway side for access of mines to the stope. As both vein (generally siliceous) and country rock (granodiorite) are generally strong separated by distinct walls, the vein section is blasted/extracted first and followed by the waste portion. The ore is mucked into the chute and subsequently broken waste is used to fill the open stope. The faces are maintained in stepped pattern for effective blasting of the ore and waste. In most instances, broken ore can be immediately shoveled into chute as the waste material next broken is just enough to fill the stope and serves as platform for miners to drill the next round. Raises are built up periodically to maintain their tops at level with the filling. Stoping is carried out close to the next level above leaving only a thin pillar below the upper timbered level. Mining progress upward to the next level after the 3-veins in the lower most level are extracted. A 5-m wide shaft pillar on both sides will be left behind.

2.1.7 Process Plant: CIL, 50 TPD

2.2 MINERAL RESERVES

2.2.1 & 2.2.2 Reserves Summary & Grade

SUMMARY OF ORE RESERVE/REGIONAL GEOLOGY:

The Sta. Ana and San Antonio area vein system lies at the western of the Paracale Granodiorite intrusive emplaced upon an undifferentiated Jurassic metamorphic sequence. For all practical purposes these two (2) lithologies are the only important rock units in the district.

This sequence occurs all around the Paracale, Jose Panganiban peninsula and consist mostly of serpentized periodotities and some minor talc and chlorite schists. The ultramafic accounts for about 60% of the complex, and has been completely altered into serpentinites. There has yet been no study done to determine if this ultramafic body represent an ophiolite series or not.

The talc and chlorite schists are believed to have been derived from the diabasic components of the Early Miocene Universal Shale Formation, which outcrops to the south of the granodiorite.

The Paracale granodiorite is an ovoid intrusive measuring some 12 kilometers by 4 kilometers, it is emplaced in a west north west orientation with the western end at the town of Jose Panganiban. It is composed mainly K-feldspar, quartz and biotite. It has a generally uniform composition all throughout.

The presence of a core and marginal phase, the elongation in a west-north west direction together with the development of fractures perpendicular to this axis of elongation has implied a certain mode of emplacement for the Paracale granodiorite.

To account for the observed features of the stock, Gardner (1941) proposes a mode of emplacement involving intrusion of the stock under an active northeast trending major stress axis. This will cause the stock to flow and be elongated in response to this stress axis, and that is to flow in a west - north west direction. Wisser (1939) opines that the presence of the northeast trending major stress axis is not necessary. He appeals to a passive influence for the emplacement by suggesting that the stock flowed in the west-north west direction because that is the path of least resistance - the schistosity of the metamorphic complex being in that orientation.

The main vein systems:

The Sta. Ana and Sta. Ana East vein are gold bearing cross joints located near the western contact of the stock. The major vein systems are:

1. Sta. Ana Main Vein
2. Sta. Ana East
3. Tacoma 3

In addition to the above three main veins, two secondary veins system were also worked and these are:

1. Spokane vein
2. Turayog 4

Of these two secondary vein systems, Spokane vein was the most developed. This vein system can be traced on strike for 600.0 m most of which is under the metamorphic complex.

STA. ANA VEIN

	Area(m ²)	Width(m)	Sp.Gr.(t/m ³)	Tons	Au g/t	% factor
Drill Ind.	9600	0.85	2.67	21,787	7.4	100
Area-1	41,144	0.85	2.67	28,013	7.4	30
Total				49,790	7.4	

STA. ANA EAST SPLIT VEIN

	Area(m ²)	Width(m)	Sp.Gr.(t/m ³)	Tons	G/t	% factor
Drill Ind.	17,596	0.77	2.67	36,176	7.11	100
Area 1	98,676	0.77	2.67	60,859	7.11	30
Total				97,035	7.11	

- 2.2.2 Cut-off Grade, Gold: 5.00gm Au / mt
- 2.2.3 Estimated Mine Life: 4-5 years @ 28,080 TPY
- 2.2.4 Potential for Additional Reserves: 96,000 mt.

2.3 ACCESS / TRANSPORTATION

- 2.3.1 Road - Panganiban is accessible from Manila via the Maharlika Highway (South Road). Travel time is 8 hrs. by bus.
- 2.3.2 Air Access - Daet, Southeast of Panganiban is served by thrice weekly PAL flights from Manila.
- 2.3.3 Shipping - ROM ore will be milled at minesite for gold recovery. If necessary, copper and other metal by-products can be shipped through the Fabrica pier near the town.

2.4 UTILITIES

- 2.4.1 Power Supply Requirements and Alternatives. Power will be supplied by company-owned generating units. Alternate supply if needed can be tapped from the Canoreco grid.
- 2.4.2 Water Supply Requirement and Alternatives. Water impoundment will be constructed above the mine area while a pipe line will be installed or possible buried going to working area.

2.5 MINING AND MILLING EQUIPMENT

- 2.5.1 - 2.5.2 List of Mobile and Fixed Equipment for Development Mining and Construction, Purchased.

- 2.5.1.3 (1) Unit Electric Hoist, 3.0 ton cap.
- (1) Unit Engine Hoist, 2-ton cap.
- 2.5.1.4 (1) Unit Electric Welding Machine
- 2.5.1.5 (3) Units Electric Pumps, centrifugal, 35 m TDH, 30 gpm capacity.
- 2.5.1.6 (2) Units pneumatic pumps (welden, M₄) 30 gpm capacity.
- (2) Units air pump, submersible (W-M₈) 60gpm capacity.
- 2.5.1.7 (6) Units jack hammers, Toyo, SIG PBL-24-K Brand

2.5.3 List of Mobile and Fixed Equipment for Mineral Processing

- 2.5.3.1 Two (2) Units Ball Mills
- Two (2) Units Agitation Tanks
- Two (2) Units GenSet, 200 KVA combined power
- One (1) Unit Dual Crusher, 5 t/h capacity
- One (1) Lot Conveyors/Fine Ore Bin
- Four (4) Units Leaching Tanks, 8.0 m³ cap. each
- Three (3) Units Air Compressors, 100 CFM each
- One (1) Unit Carbon Stripping & Electrowinning Cell

2.6 WORKFORCE INFORMATION

- 2.6.1 Total Operational Workforce : 60 - 90 men, 16 support group
- 2.6.2 Staff Organization Workforce: 12
- 2.6.3 Housing Options : 7

2.7 DEVELOPMENT PROGRAM

- 2.7.1 State of Development: A shaft (#1) to date had attained about depth 30 m where the Sta. Ana East Split vein had been intercepted. The second shaft site was selected and about to be started.
- 2.7.2 Description of Planned Activities: The shaft locations were selected 50 meters apart. They are more or less along the direction of the Sta. Ana vein's strike. Portal of shaft-1 is at 160 m while shaft-2 collar is at 150 m. The former shaft is collared at the hanging wall side of Sta. Ana vein, the latter is at the immediate foot wall of the same vein. Both shafts will be driven vertically to L-100 and consequently openings will attain total depths of 94 m and 84 m respectively, normal depth of sumps included. Subsequent cross-cuts will be driven easterly and westerly emanating from the shafts and will be driven to cut the closely-lying 3 parallel veins. Drift driving along these veins follows northward and southward reckoned from the x-cuts of the two shafts. Maximum drift length will be at 60 m measured from the x-cuts or a combined length of 120 m. per drift or 360 m per level. Upon completion of the uppermost set of x-cuts and levels, main openings (shafts) will be deepened to the second level at "0" level. Same

will be undertaken. The deepest level thus attained (L-100) will be prepared for stoping by laying-out development raises centered 9 meters apart. A total of 13 raises are envisioned for each drift (3) at this level. Levels will be 30 m apart.

2.7.3 Targeted Sites/Areas (Refer to Map)

2.7.4 Schedule of Activities and Cost Estimates:

2.7.4.1 Details of Planned Openings:

2.7.4.1.1 Vertical Shafts (entries) will be 2-compartment measuring 6'x4' (1.83 x 1.23 m) with chute and manway compartment.

2.7.4.1.2 Mode of Advance

After the initial cut, 2 sequence drilling and blasting will be followed such that a provision for sump water is maintained at all times. A combination of 14 slabbing and trimming holes is envisioned for each round of blasting. After mucking and hoisting of the blasted material, shaft timbering follows and carried out close to near bottom, only leaving the sump portion untimbered temporarily.

2.7.4.1.3 Estimated rate of advance

With the above advancing sequence, it is estimated to attain a 2 m advance per day, fully timbered section, with shaft lining, air and water pipes. Tons waste / meter advanced is $1.23 \times 1.83 \times 1 \times 2.50 = 5.63$ mt/m.

2.7.4.1.4 Cost Estimates.

2.7.4.1.4.1 1.Labor (Direct) - A hoistman, (1) topman (dumper), 1 lead miner (driller), 2 helpers (mucker), or a total of 10-man crew per shift complimented by a compressor operator, a hoistman, a topman, a framer and a pumpman. Sixty men in 2 shafts, 3 shift a day. Labor cost is P358.5 / day or P982 per meter, assuming shafts will be advanced 3.65m per day with 3-blasting cycles.

2.7.4.1.4.2

Timber Supports:

Wall plates - (2) x 5" x 5" x 6', 25 Bd.Ft. or P312.50

Linning - (30) x 1" x 6" x 3.28, 49 Bd.Ft. or 612.50
FACTOR /m: 102bd.ft.
P1,275.00/m

2.7.4.1.4.3

Explosives - 3 rounds of 14-15 holes per blast,
holes depth ranging 3-6', advance of 3.65 m/day.

Dynamite : 114 sticks @ 6.60/pc or P752.40

Anfo : 105 pcs. @ 2.11/pc or 221.55

O.B.C : 45 pcs. @ 7.00/pc or 315.00

Safety Fuse: 87 m @ 7.50/m or 654.00

P1,942.95

FACTOR/m: P1942.95/3.65 or P 532.30/m

2.7.4.1.4.4

FOL •

Compressor and Genset fuel consumption is
estimated @ 400 liter /day @ P8.75/l. If 2 shafts
are simultaneously driven then cost per meter on
fuel is P 479.45/m.

2.7.4.1.4.5

Aggregate total cost per meter in shaft sinking:

a. Labor - P 982.00/m

b. Lumber - 1,275/m

c. Explo - 532.3/m

d. FOL - 479.45/m

P3,268.75/m

2.7.4.2 Crosscuts and Levels (Drifts)

2.7.4.2.1 Dimensions: Crosscuts emanating from
shafts to serve as access to drifts will be 5 x
7' opening (1.52 x 2.13 m). Levels or Drifts
will also be of the above dimensions.

2.7.4.2.2 Mode of Advance: The vein at end of x-cut
farthest from shaft will be developed first,
throughout its entire length or 66 m each
reckoned southwards and northwards from
both crosscuts of each shaft. In as much as
veins (.3) ranging in thickness from 0.77 to
0.85 m will be drifted, the ore section will
be blasted separately from the country rock
to avoid dilution of the ore. Fig. 5 & 6.

2.7.4.2.3 Estimated Rate of Advance: Crosscuts
maybe advanced faster say at 3 m/day as
these headings will be mostly in country
rock except in horizons where it intercepts
the veins. A minimum of twenty (20) - 6 ft
holes is planned for each round of blasting.
The diameter of the cross section will

waste which is to be blasted after extracting the ore portion. Rate of advance in drifting due to 2 alternate blasting sequences will be at 2 m/day.

2.7.4.2.4 Computation of incidental production and waste tonnages development- Per round of blasting, with holes depth of 5'11", effective advance will be 4.5' or 1.37 m. Ore tonnage will thus be:

$1.37 (l.) \times 1.83 (h) \times 0.85$ (ore thickness) $\times 2.67 = 6.0$ mt or 4.15 mt/meter.

Waste tonnage per blast: $\frac{0.65 + 0.15 (2.13) \times 1.37 \times 25}{2} = 3.0$ mt or 2.2 mt/meter.

$1.37 \times 25 = 3.0$ mt or 2.2 mt/meter.

Drifts and / or x-cuts -

2.7.4.2.5 Cost Estimates

a. Labor cost computed @ P558/m assuming 2 drift headings are worked simultaneously at any given time during development.

b. Timber support - Considering that headings will be supported, per meter advance on heading requires; 4 pcs. 5" θ x 7' round timber for side and top logs, to wit:

Posts: 2 pcs. 5" θ x 7.5' x P25 or P56

Cap: 1 pc. 5" θ x 4.5' or P16.50

Girts: 2 pcs. 5" θ x 3.28' or P29.00

Laggings: 26 pcs. 1"x6"x3.28 or 43

bd.ft.: @ 12.50/bd.ft. P537.50

Factor/m: 4 pcs 5" θ x 7' & 43 bd.ft.of

Lumber amounting to P639.00/m.

c. Explosives - 2 rounds of 21 blast holes per day to be able to advance a minimum of 3 m/day.

Dyn: 84 sticks @ 6.60 or P554.40

Anfo: 168 pcs. @ 2.11 or 354.50

OBC: 42 pcs. @ 7.00 or 294

S.F: 51 m @ 7.50 or 382.5

P1,585.4/3

Factor: P528.45/m

d. FOL: 400 l/day x 8.50/l or P3500/day

FACTOR: P3500/ 6m advance in 2 drifts or

P583.35/m

2.7.4.2.6 Aggregate Cost per meter in Drifts or x-cuts:

Labor: P558/m

P2,308.8/meter

2.8 PRODUCTION PROGRAM AND COST ESTIMATES

2.8.1 Stope raises with chute and manway - The first 2 meters of each raise adjacent to the back of the drift will be advanced in preparation to stoping. During actual production, each stope raise will have an influence width of 9 meters along plane of vein. As earlier mentioned under mining method, faces of stope will be stepped-back for effective ore and waste breaking. To establish this pattern, the farthest raise (# 1) is initially advanced for 6 m ht., (# 2) for 4.5 m, (# 3) for 3 m and (# 4) for 1.5 m. The intervening ore between these raises is consequently drilled and blasted to form the initial cut stoping is likewise carried out in the adjoining shaft, same vein extension of the same level. This will result to 4 stope raises per shaft or 8 stope raises in 2 shafts being worked simultaneously per day.

Ore ranging in thickness from 0.77 - .85 m will be blasted ahead of the country rock to avoid dilution and sorting. Broken ore is shoveled unto chutes before blasting the waste portion. Muck or waste will be used for filling mined-out sections and will serve as platform for miners.

In ore zone, interval of holes is 0.45 m. In a 9 m wide section, 60 holes per round is required. In rock, 20 holes.

Estimated advance of stope face is 1.52 m. Tonnage ore per round is $0.60 \times 9 \times 1.52 \times 2.67$ (thick x length x depth x sp. gr.) or 20 mt/blast. To attain a minimum stope width of 1.52 m, after ore extraction, it is necessary to blast 0.67 m of rock. Tonnage of waste is $0.67 \times 9 \times 1.52 \times 2.5$ or 22 mt per round.

Conservatively, a round in ore per day per shaft with 4 stope raises each will produce 60 mt, in 2 shafts. One hundred twenty (120) mt per day production is attainable.

2.8.2 Estimated period of extraction per vein (drift) per level: At L-100 N & L-100 S, Sta. Ana vein, total tonnes ore is: $2 \times 60 \times 30 \times 0.85 \times 2.67$ or 8170 mt. Period of extraction is $8170/120$ or 3 months. At Sta. Ana East Split, tonnage is: $2 \times 60 \times 30 \times 0.77 \times 2.67$ or 7,400mt. Period of extraction is $7400/112$ or 3 months. At Sta. Ana West Split, same level total tons is same as Sta. Ana East split, life of 3.0 months.

2.8.2.1 Details of lumber requirement per meter of cribbed raise.

Wall plates: (2) x (5) x 5" x 5" x 5' or 104 bd.ft.

End plates/Driders: (4) x (3) x 5" x 5" x 3.5' or 77.5 bd.ft.

@ 112 m/month advance (13 Raises x 26 m / 3 mos.)

FACTOR: 20,304 bd. ft./mo. 6.50 bd.ft. /mt. or P12.50

2.8.2.2 Required Manpower and labor cost during regular mining, working 8 stope raises in 2 shafts, daily basis, 3 shifts:

3 shift bosses	@ P160 or P480
3 hoistmen	@ 135 or 405
3 topmen	@ 130 or 390
3 compressor optrs.	@ 135 or 405
2 pump tenders	@ 135 or 405
2 framers	@ 135 or 270
2 tractorman/pipemen	@ 135 or 270
24 lead miners	@ 145 or 3480
24 muckers	@ 130 or 3120
24 trammers	@ 130 or 3120
Total 91 men	P 12,345/day, P320,970/mo.

2.8.2.2.1 Direct Labor Cost: P320,970/mo. or P102.85/mt.

2.8.2.2.2 Explosives:
Forty holes per round in both. Ore and waste section per raise x 8 raises or 320 holes.

Dyn: $320 \times 2 = 640$ sticks/ or 3. cases x P1550 = P4650
 Anfo: $320 \times 4 = 1280$ pcs./ or 6.4 sacks x P422.5 = 2704
 OBC : $320 \times 1 = 320$ pcs./ or 3 boxes x P700 = 2100
 SF : $320 \times 2.44 \text{ m} = 780$ / or 1.5 rolls x 3750 = 5625
 Total P15,079
 Cost: $P15,079 / 120 = P 125.65 / \text{mt.}$

2.8.2.2.3 FOL: $400 \text{ l/day} \times 8.75/\text{l}$ or P3500/day
 $P3500 / 120 = P29.15 / \text{mt}$

2.8.2.2.4 Lumber for cribbed raises computed at P81.35/mt (see details, 2.8.2.1)

2.8.2.2.5 Drill steel computed @ P14.50/mt
 Total Mining Cost Per Ton (Ex-portal):

2.8.3 Labor Cost + Explosives + FOL + Timbers/Lumbers and Others.

$P102.85 + 125.65 + 29.15 + 81.35 + 14.50$
 or P353.50 /mt.

Add: Development Cost:

• 182 m. of shaft @ 3,268.75 /m = P594,910
 • 1840 m. of x-cuts & drifts @ P2,308.8 = P4,248,190
 • P 4,843, 100 / 57,425 mt = P 84.35
 60.17 /mt

Aggregate Mining Cost: $P353.50 + 84.35$ or P437.85 /mt

Mining (19-36th mo.) : 15, 526,252
 This program, 3 yrs. : P23,723,300

Capital Equipment and Cost.

Factors and Costs used in this program

Phase: I Development

Shaft	Unit/Quantity	Cost/Unit	Cost/Meter
Lumber	102 bd.ft	12.50	P1,275
Explosives			
a. dynamite	31 pcs	6.60	-
b. Anfo	28 pcs	2.11	-
c. OBC	12 pcs	7.00	-
d. SF	24 m	7.50	532.30
e. FOL	57 l	8.75	479.45

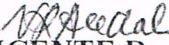
Drift X-cut			Cost/Meter
Lumber	4 pcs.5 ft θ x 7ft	12.50	101.50
	43 bd.ft	12.50	537.50
Explosives			
a. dynamite	28	6.60	-
b. Anfo	56	2.11	-
c. OBC	14	7.00	-
d. SF	17	7.50	528.45
FOL	67	8.75	583.35

II Mining

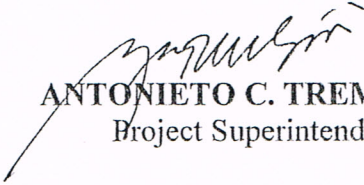
Stope Raise (cribbed)			Cost/mt
Lumber	6.50	12.50	81.35
Explosives			125.65
FOL	-	-	29.15
Direct Labor	-	-	102.85
Others	-	-	14.50
Total			₱353.50

		Unit Cost
ITEM: FOL	ADO (1750/drum)	8.75/mt
Rd. Timber	5" 0 x 7.5	25 / pc
Lumber	bd.ft	12.50/bd.ft.
Explosives:		
Power Gel	(25kg/cs) 235 P1550/cs	6.60/bd.ft.
Anfo	(25kg/bag) 125gm/pc P422.50/bag	2.11/pc
OBC	(100pcs./box) 7.00/pc P700/box	7.00/pc
SF	(500 m/roll) 7.50/m P3750/roll	7.50/m


Prepared by:

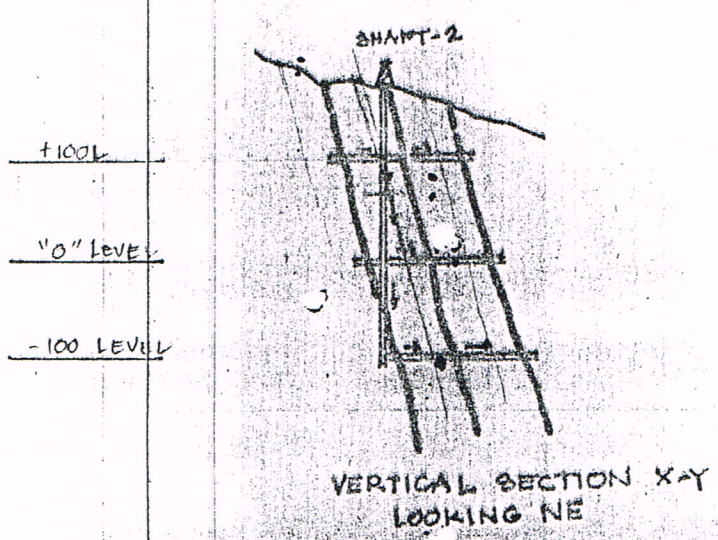
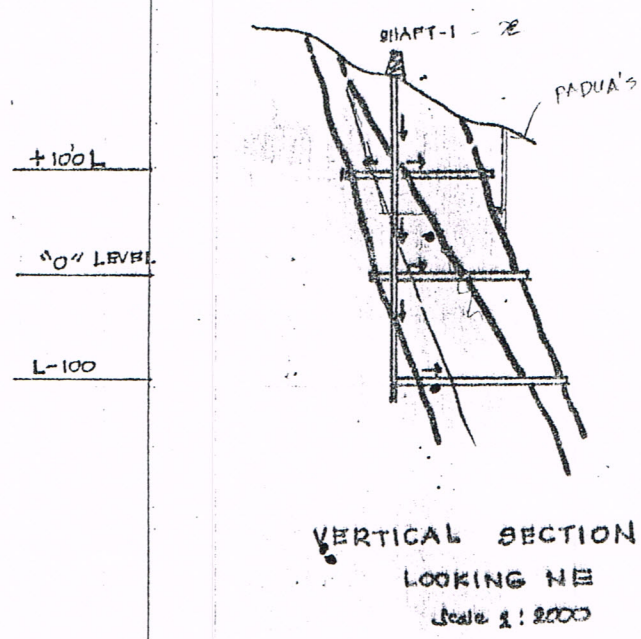
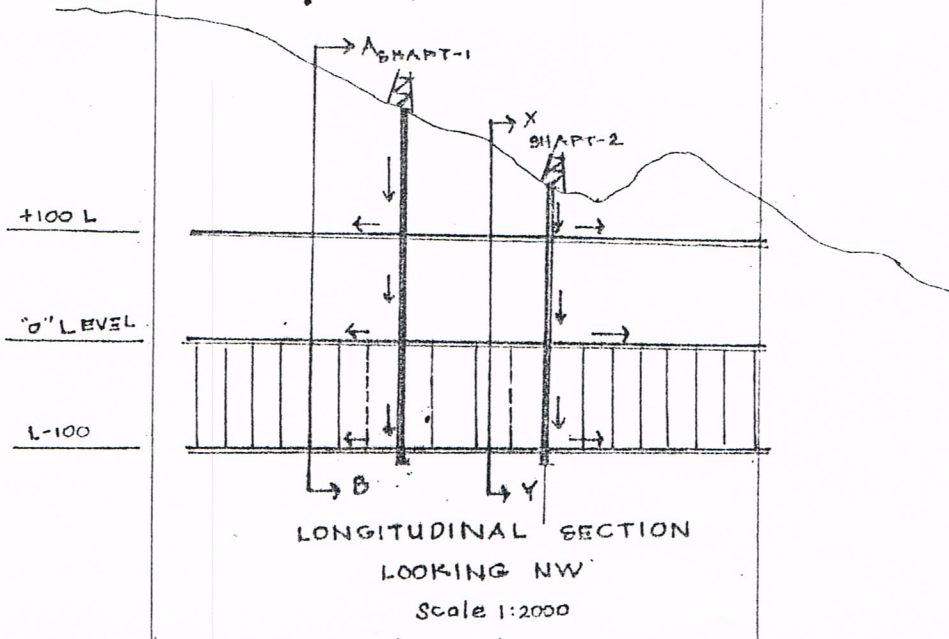

VICENTE R. ANDAL
Reg. Mining Engineer
PRC Lic. # 000840

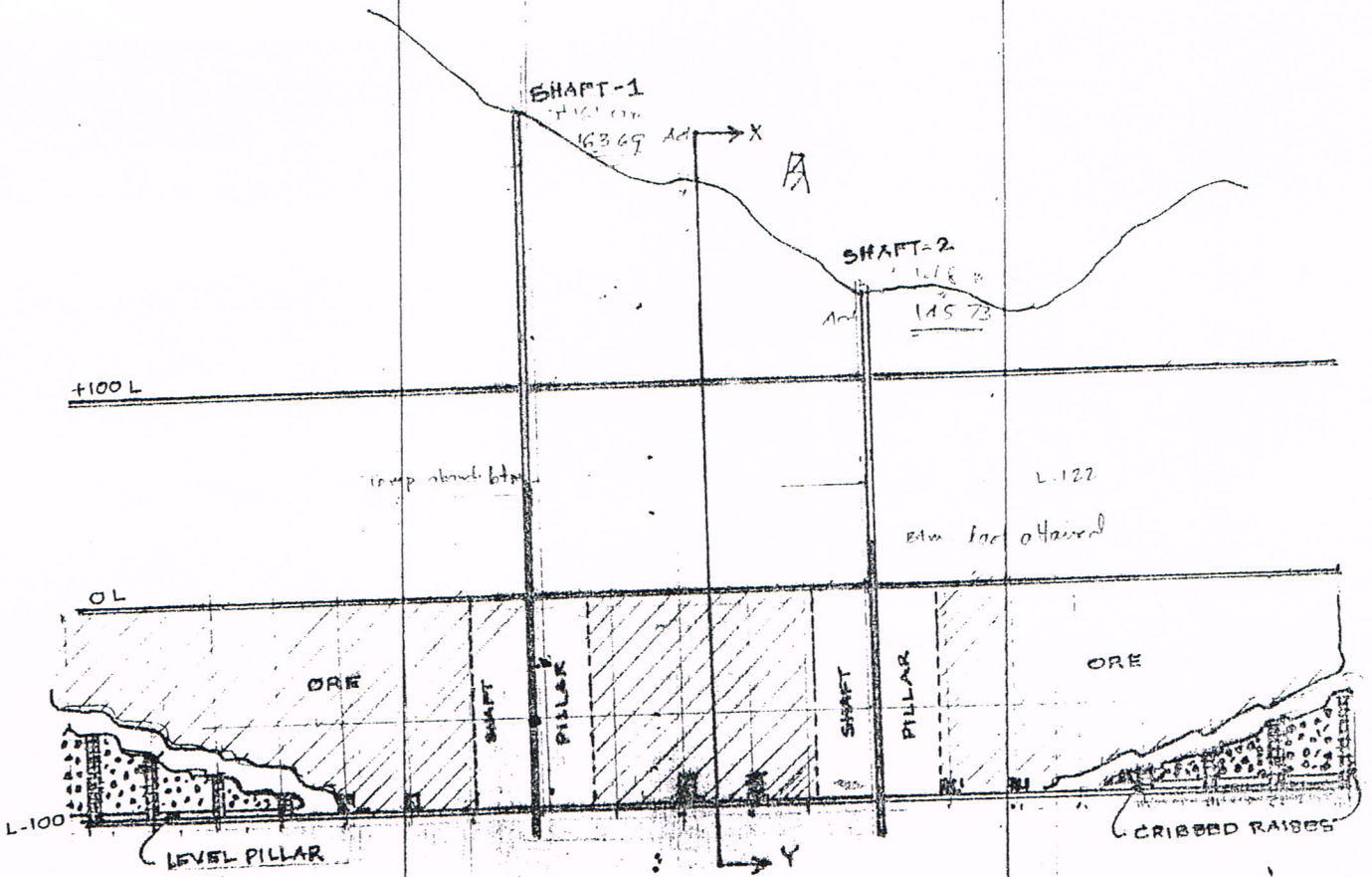
Certified by:


ANTONIETO C. TREMEDAL
Project Superintendent

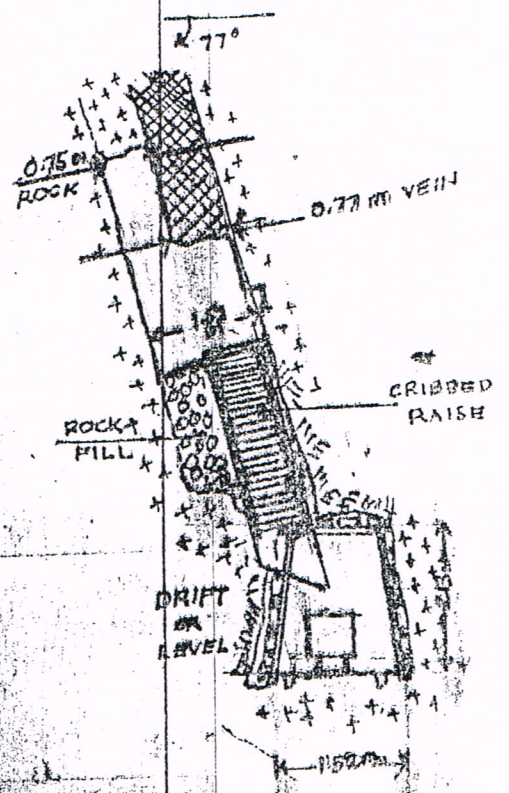
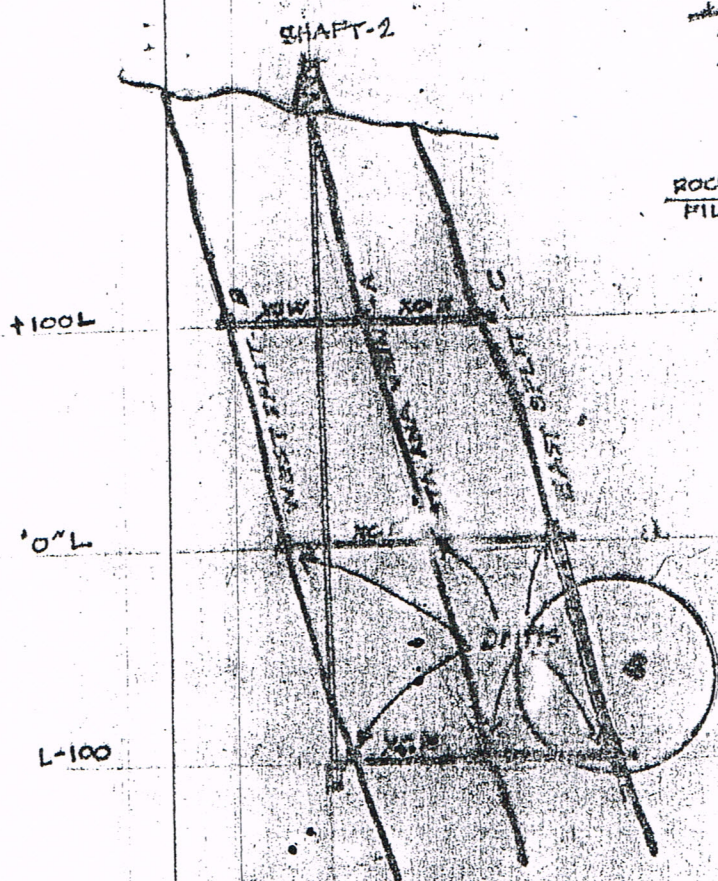
Endorsed by:


ERNESTO C. GALILO
President





LONGITUDINAL SECTION - PLAN OF VEIN
 SHOWING INITIAL STOPING
 Scale 1:1000



DETAIL OF S
 Scale 1:100

ANNEX "D"

ENVIRONMENTAL COMPLIANCE
CERTIFICATE (ECC)

Attn: Dir. A. Ramos



Republic of the Philippines
 DEPARTMENT OF ENVIRONMENT
 AND NATURAL RESOURCES
 Region V
 Rawis, Legazpi City

ENVIRONMENTAL COMPLIANCE CERTIFICATE
(9908-045-2110)

The Environmental Management & Protected Areas Services (EMPAS) of the Department of Environment and Natural Resources (DENR), Region V hereby grants this Environmental Compliance Certificate (ECC) to the Proposed Initial Mining Development Project of Johnson Gold Mining Corporation located at Barangay, Luklukan Norte, Jose Panganiban, Camarines Norte after complying with EIA requirements as prescribed in the promulgated guidelines implementing Presidential Decree No. 1588.

This Certificate is being issued subject to the following conditions:

1. That this Certificate is valid only for the Proposed Initial Mining Development Project covering an area of 9.0 hectares located at Barangay Luklukan Norte, Jose Panganiban, Camarines Norte;
2. That fast-growing tree species shall be planted in appropriate vacant spaces within the project area;
3. That an effective appropriate garbage/solid waste management system shall be effected within the project area;
4. That an adequate drainage system shall be provided along the perimeter of the project area in order to prevent flow of sediments to nearby water systems;
5. That appropriate slope stabilization measures/rip-rapping shall be instituted to prevent soil erosion along the sloppy areas;
6. That a contingency plan shall be submitted to this Office within sixty (60) days upon issuance of this Certificate;
7. That an abandonment and rehabilitation plan of mined-out areas in the project area shall be submitted to this Office within sixty (60) days upon issuance of this Certificate;
8. That no existing vegetation shall be removed from the project area without the necessary permits/clearances secured from concerned government agencies;
9. That all mitigating measures described in the Initial Environmental Examination shall be strictly effected and implemented;
10. That should any damage to life or property resulting from the project extraction, the proponent shall pay just and reasonable compensation to aggrieved parties;
11. That an ECC Billboard, with dimensions of at least 2 feet x 4 feet, shall be installed at all entry/exit points and at all perimeters of the project site facing public thoroughfares and proof of compliance shall be submitted to DENR-EMPAS V within ninety (90) days from receipt of

Approved

- 13. That clearances/permits/licenses expressly required by other government agencies/instrumentalities must be secured/complied with before the implementation of the project;
- 14. That transfer of ownership of this project carries the same conditions in this ECC for which written notification shall be made by herein granted to this Office within fifteen (15) days from such transfer,

Non compliance with any of the above stipulations will be sufficient cause for the suspension or cancellation of this ECC and or a fine in the amount not to exceed Fifty Thousand Pesos (P 50,000.00) for every violation thereof, at the discretion of this Office (Section 9 of P.D. No. 1586)

Given this 25th day of August 1999.

THIS CERTIFICATE SHALL NOT BE CONSTRUED AS A PERMIT

CONFORME:

[Signature]
ERNESTO C. GALILO
 Proponent

RECOMMENDING APPROVAL

[Signature]
POULEO M. I LORECE
 Regional Technical Director

APPROVED BY:

[Signature]
OSCAR M. YAMADA
 Regional Executive Director

Filing Fee : P 310.00
 Processing Fee : 1,750.00
 Legal & Research Fee : 70.00
 O.R. No. /Date : 9369/7945-20-99

Cc : EMD Manila
 DENRO C.A.M. Norte
 DENRO Dael
 File

Celestion gold mining corporation/ed/99