ANNEX – A

CORPORATE SECRETARY'S CERTIFICATE

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

SECRETARY'S CERTIFICATE

I, the undersigned, being the duly elected Corporate Secretary of **BENGUET CORPORATION**, a corporation duly organized and existing under and by virtue of the laws of the Philippines, with principal office at 3/F One Corporate Plaza, 845 Arnaiz Avenue, Makati City, DO HEREBY CERTIFY:

(1) That the following resolutions appear on record as having been approved and adopted by the Board of Directors during its regular meeting held on August 12, 1997, to wit:

> "**RESOLVED**, That the Board of Directors of Benguet Corporation, authorize and designate the President/CEO, Mr. Dennis R. Belmonte, as it hereby authorizes and designates said officer to sign and execute proposals for Mineral Production Sharing Agreement (MPSA) covering any and all mineral claims owned and/or controlled by Benguet Corporation and its subsidiaries;
>
> **RESOLVED, FURTHER,** That the President is hereby authorized to designate Company officer(s)/managers to act for and in behalf of the Corporation as its duly authorized representative to deal with the Department of Environment and Natural Resources and other government agencies, with authority to sign, execute, deliver and receive any and all papers and documents relating to the MPSA proposals as may be necessary and proper for its approval by the proper government agencies.
>
> **RESOLVED, FINALLY**, That the President be authorized, as he is hereby authorized, to execute and issue a Special Power of Attorney in favor of duly designated company officers or managers, if required in the implementation of this resolution.

(2) During the organizational meeting of the Board of Directors held on June 25, 1998, the Board appointed Mr. Benjamin Philip G. Romualdez as new President/CEO in lieu of Mr. Dennis R. Belmonte who retired on June 25, 1998;

(3) During the organizational meeting of the Board of Directors held on January 19, 2004, the Board re-appointed/re-elected Mr. Benjamin Philip G. Romualdez as President/CEO of the Company. Todate, Mr. B.P.G. Romualdez continues to hold the position of President/CEO.

IN WITNESS WHEREOF, I have hereunto subscribed my name this 26th day of April, 2005 at Makati City.

REYNALDO P. MENDOZA
Asst. Corporate Secretary

SUBSCRIBED AND SWORN TO BEFORE ME this 26 APR 2005 day of April, 2005 at Makati City, affiant exhibited to me his Community Tax Certificate No. 12659133 issued on Jan. 14, 2004 at Manila.

MANUEL I. SABADO
NOTARY PUBLIC
NOTARY PUBLIC UNTIL DEC 31, 2006
PTR NO. 2154488
ISSUED JAN 13, 2005

Doc. No. 19;
Page No. 35;

ANNEX– C

EXPLORATION WORK PROGRAM

Republic of the Philippines
Department of Environment and Natural Resources
MINES AND GEOSCIENCES BUREAU
Regional Office No. III

EXPLORATION WORK PROGRAM

BENGUET CORPORATION
ZAMBALES MINERAL CHROMITE RESERVATION No. 3
STA. CRUZ NICKEL LATERITE PROJECT
MPSA No. P-III-42

1.0 Name and Address of Company/Proponent

BENGUET CORPORATION
One Corporate Plaza,
No. 845 Arnaiz Avenue, Makati City, 1223
P.O. Box 14211 OCP
Tel. No.: (02) 812-1380 or 7527632
Fax No. : (02) (632) 813-6663

Contact Person: Marcelo A. Bolaño
Senior Vice President-Mining & Services
And / or
Edgar C. Tabanda
Asst. Vice-President Exploration

2.0 Location of Project (specify geographic coordinates)

The proposed project is located within the barangays of Guisguis and Binagbag in the Municipality of Sta. Cruz, Province of Zambales in western central Luzon Island, Philippines. The property is bounded by the following geographical coordinates:

Lot 1 (Entire Parcel No. III of Zambales Mineral Chromite Reservation)
Area = 1, 317.7653 Hectares

CORNER	LATITUDE	LONGITUDE
1	15°46' 30"	120°00' 30"
2	15°44' 30"	120°00' 30"
3	15°44' 30"	119°58' 30"
4	15°46' 30"	119°58' 30"

Lot 2 (Outside Zambales Mineral Chromite Reservation)
Area = 88.9709 Hectares

CORNER	LATITUDE	LONGITUDE
5	15°46" 30"	119°58'53.76"
6	15°46' 49.30"	119°58' 53.76"
7	15°46' 49.30"	119°59' 44.15"
8	15°46' 30"	119°59' 44.15"

Total Area = 1,406.7362 hectares

3.0 Area or size of coverage (hectares)

The Zambales Mineral Chromite Reservation No. 3 (ZMCR-3) covers an aggregate area of 1, 407.7362 hectares. In previous exploration works done in the prospect area which include auger drilling and test pitting activities, about 347.5 hectares have been identified to be economically interesting with significant nickel laterite deposits delimited totalling 11, 937,000 metric tonnes @ 1.68% Ni average grade. The proposed additional works calls for 20 more test pits combined with geological mapping and channel cut and rock chip sampling to confirm the geology and the average Ni and other element contents within the delimited mineralized areas (please refer to the attached location map, annexes 4, 5 and 6).

4.0 Project Area Description

4.1 Terrain/Physiography

The prospect area is generally characterized by gently rolling or subdued topography with low-rounded hills that rise gradually towards the east of the 7-km wide strip that comprises the Sta. Cruz–coastal plain. This coastal plain lies between the laterite-covered foothills of the Zambales Ophiolite Belt and the South China Sea. The topography of the laterite area ranges in elevations from 300 meters to 700 meters above sea level. At the southeastern part of the prospect towards the Acoje Mine area, topography is generally more rugged with narrow, steep ridges, with some peaks rising more than 800 meters above sea level.

The major, steep-sided east-west trending river valley of the Cabatuan River system bisects the laterite prospect area into the northern and southern parts, with the northern portion collectively referred to as the Filipinas prospect that includes the ZMCR-3 area; the southern portion is known as the Mapalad Prospect.

4.2 Accessibility

The Sta. Cruz Nickel Laterite Prospect is located in the Municipality of Sta. Cruz, Province of Zambales in western central Luzon Island, Philippines. Sta. Cruz is about 268 km by road from Manila via the Pampanga-Olongapo-Zambales National Highway, negotiable in approximately six hours by car. The prospect could also be reached by light plane in about 40 minutes from Manila. The Naulo public airfield is just eight km south of Sta. Cruz town proper and between 10 and 20 km west of most of the nickel laterite prospects identified in Sta, Cruz. The ZMCR-3 prospect could also be accessed from the north passing through the western Pangasinan province highway networks that also connect to the Zambales Highway.

The ZMCR-3 property is partly accessible from Sta. Cruz thru two main roads. The northern part is accessible thru the Guisguis barangay road which is connected to the now largely abandoned Mose logging road. An alternative access is via the Acoje Mine Road which is connected to the the southern portion of the property. These two access roads, however, are already in the various state of disrepair having been un-maintained since commercial logging operation ceased years ago with numerous sections now badly needing major rehabilitation to make them passable to motor vehicles.

4.3 Drainage System/s

The area is drained by three EW- trending major rivers, namely; the Sta. Cruz River on the northern area; the Cabatuan River draining the central area, and; the Lucapon River located on the southern area. These rivers could provide abundant water supply for various requirements if the project if it will push through.

4.4 Vegetation

The northern part and the western half of the southern part of the prospect are covered by a sparse or generally widely-spaced secondary pine trees (Mindoro pines variety) and Agoho, with a variety of 'cogon' grass and minor short growths covering the forest floors. The eastern half of the southern part of the prospect is covered with a relatively denser secondary growth forest with thicker undergrowths comprising of isolated bamboo clumps, 'cogon' grasses and a variety of vines and shrubberies.

4.5 Land Use

Most of the primary forest have already been commercially logged when commercial logging was still allowed in the area with the logged over areas now mostly covered by 'cogon' grasses. There are widely-spaced secondary growths trees, mostly Mindoro pines and Agoho trees, that were planted as part of the reforestation projects of the forestry department and the former logging companies that operated in the area. A few isolated patches are planted to root crops usually cassavas cultivated by some farmers from nearby barangays. The lateritic soil, however, is considered not too suitable to agriculture and few crops or vegetables could adopt and thrive in its environment.

5.0 Description of Exploration Program

5.0.1 Research Work

The Exploration group will conduct a literature research work for a 2-week period utilizing all available files kept in the company archive in Balatoc from all past geological and geochemical exploration survey conducted in the prospect area. This activity will give the exploration staff involved in the project additional knowledge on the character, geometry and grades of the nickel laterite deposits and any useful metals that may be associated with it. This activity will also determine the appropriate exploration approach that would suit the proposed work program.

The estimated cost of data compilation is PhP 30, 000.00.

5.0.2 Data compilation/collation

This activity will be closely tied and even dependent in the results of the literature research that will be undertaken on the prospect. This will also be initiated by the exploration group and will require a minimum of two weeks using computer technology to compile a geological, geochemical, geophysical data base that can be readily accessible to those involved in the project. This

previous resource estimates made on nickel and cobalt contents of the laterite deposits. Results obtained from this activity could provide a more accurate estimate cost in executing the work program and defining the most viable exploration targets.

The estimated cost of data compilation is PhP30, 000.00.

5.0.3 Reconnaissance/Regional Survey or Studies (Not Applicable)

5.2.1 Remote sensing studies (Not Applicable)
5.2.2 Regional Geological Survey (Not Applicable)
5.2.3 Regional Geochemical Survey (Not Applicable)
5.2.4 Geophysical Survey (Not Applicable)

5.1 Mobilization and Camp Construction

The exploration team will mobilized from the Benguet District Operation (BDO) Balatoc Exploration Office and proceed to the project site to prepare the project base camp at the most convenient location in the project area. The field activity will also require setting up several fly camps around the target area for several test pitting crews that will be organized.

The cost of this activity is estimated at PhP 75, 000.00.

5.2 Test Pit Location Transit Survey

A systematic transit survey will be conducted in areas that have been programmed for test pitting works (approx. 347 hectares) to establish more accurately the locations of the proposed test pits. The locations shall be checked also by GPS. The survey work will be conducted by an experienced and licensed surveyor. Work is expected to be completed in four to five months.

The transit survey is estimated to cost PhP150, 000.00 and should produce 1:1,000 and 1:5,000 scale maps for the project. The maps should be adequate for the details required for the results expected from the project.

5.3 Test Pitting

The 20 test pits programmed in this project will be located over the prospect area where economic concentration of nickel laterite deposits have been identified during the previous exploration activities conducted by Benguet in the area. This comprises around 347 hectares out of the 1,406.7362 hectares covered by the ZMCR-3 Claim (Annex 4).

Field work is scheduled to take 10 months at an estimated cost of PhP 1,143,757.00. The work program will be executed by a crew consisting of one(1) geologist, one(1) mining engineer, one(1) geologic aide, one(1) head sampler, one(1) draftsman, two(2) field service drivers and at least 28 spot-hired labourers recruited among the barangay residents who will be working on rotation basis. The rotation of field laborers may be required to give the most numbers of qualified and willing residents the opportunity to work even for limited periods.

Exploration outputs shall include a standard geologic report with interpretations and recommendations for subsequent works if necessary. The detailed geologic and assay maps (1:5,000 and 1:10,000 scales) shall be appended in the report.

ESTIMATE OF TEST PITTING COST					
Particulars					**Cost (PhP)**
a. SALARIES & WAGES					523,600
Personnel	Basic Pay (PhP/mo)	No. of Men	No. of Months	Total Pay (PhP)	
Local Labour	5,236	10	10	523,600	
c. MATERIAL& SUPPLIES					475,157
d. MEALS					145,000
TOTAL					**1,143,757**

5.4 Detailed Test Pit Geological Mapping

Detailed geologic mapping will be conducted on all test pits as they advance to document all the laterite zones encountered along with the lithology exposed. This will be done simultaneous with the channel sampling of the test pit walls. The main objective is to document the test pits' vertical geologic sections and acquire quality channel samples for quality assay acquisitions especially for magnesium oxide (MgO) which is considered important in the laterite's economic viability for the newly developed metallurgical process contemplated to be applied for the nickel laterite ore that will be blocked in this project. In previous exploration works conducted by Benguet, very few samples were analyzed for MgO as it was not considered important during those times.

The size of the previously delimited potential nickel laterite resource area is approximately 347 hectares. The defined resource is situated on the east and south section of the property. (Annex 5).

Utilizing the same crew, work is projected to be completed in 10 months at an estimated cost of PhP 808, 000.00.

A standard geologic report will be prepared at the end of this exploration period. Data will be presented in 1:1000 and 1:5,000 scale geologic and assay plans and in detailed geological cross and longitudinal sections. Other data to be presented in the maps shall include lithological contacts, major structure, other geological features, sampling points, etc.

DETAILED GEOLOGICAL SURVEY COST					
Particulars					**Cost (PhP)**
a. SALARIES & WAGES					470,000
Personnel	Basic Pay (P/mo)	No. of Men	No. of Months	Total Pay (P)	
Senior Geologist	25,000	1	10	250,000	

Geologic Aide	9,000	1	10	90,000	
Draftsman	5,000	1	10	50,000	
Driver	4,000	2	10	80,000	
	Sub-total			470,000	
d. FOOD & LODGING					288,000
e. TRANSPORTATION/ FOL					50,000
f. **TOTAL**					**808,000**

5.5 Geochemical Survey (Sampling)

Channel cut samples for assaying shall be collected from the test pits on both north and south walls. Samples shall be collected using geologist sample picks, small sledgehammer and moils. Each rock sample shall be collected in a bag and should weigh between three(3) and five(5) kg. The samples shall be analyzed for: total Ni, Co, MgO, Fe, Al_2O_3, moisture contents, etc.

About 200 channel cut samples, will be collected during the detailed geological sampling and mapping activity. The same group that will do the detailed geological mapping will also conduct the test pit sampling. The activity will be conducted simultaneously with any other geological survey.

Output from this activity will be presented in 1:1,000 and 1: 5000 scale maps together with the geological report.

GEOCHEMICAL SURVEY (SAMPLING) COST	
Particulars	**Cost (PhP)**
DETAILED TEST PIT CHANNEL SAMPLING 200 samples X P1,000/ sample (analysis)	200,000
TOOLS AND SUPPLIES	106,000
Total Cost	**306,000**

5.6 Data Compilation

All data gathered from the various exploration activities shall be compiled and plotted into various scale geological, geochemical plan maps and cross-sections. All of the information will be used for review and analyses of geological results and will serve as the basis for resource estimations and pre-feasibility studies.

The estimated cost of data compilation is PhP 150, 000.

Particulars	**Cost (PhP)**
a. Computer–aided Drafting and Reproduction Supplies	50,000
e. Labour Cost	100,000

Total Cost	**150,000**

5.7 Reviews and Analyses of Geologic Results

Geological results compiled will be continuously examined, reviewed and analyzed during the duration of the fieldwork. A geological report shall be prepared based on all field-generated geological and geochemical data. This report shall discuss, among others things, the qualities and the resource estimates of the nickel laterite deposits that will be delimited in the prospect. This shall serve as the basis for pre-feasibility and engineering studies.

At least two (2) senior geologists shall be employed for this activity, which is estimated to cost about PhP 200, 000.00. Work is estimated to last to a maximum of two (2) months.

5.8 Pre-feasibility and Engineering Studies

Pre-feasibility and engineering studies will start as soon as all geological data become available. The study will be contracted out to a reputable consultant and is expected to be completed in two (2) months.

The results of the pre-feasibility study shall determine whether more work (i.e. more test pitting, sampling, etc.) will be necessary to firm up the economic viability of the project.

The estimated cost for this activity is PhP 300, 000.00.

6.0 ESTIMATED EXPLORATION COST

6.1 Year One (1)

For the first year, the estimated exploration cost is PhP 2,040,206.00

6.2 Year Two (2)

For the second year, the estimated exploration cost is PhP 1,152,551.00

6.3 Total for Year One (1) and Year Two (2):

For the first and second years, the estimated exploration cost is

PhP 3, 192,757.00

Exploration Activity	Estimated Cost (PhP)		
	Year 1	Year 2	Total Year 1 and 2
Research and Data compilation	60,000		60,000
Mobilization and Camp Construction	75,000		75,000
Test Pits Location by Transit Survey	150,000		150,000
Test Pitting (Minimum 20 Test Pits)	914,986	22,8751	1,143,757

Sampling/Assaying	214,200	91,800	306,000
Geological Mapping	566,000	242,000	808,000
Data Compilation	60,000	90,000	150,000
Review and Analyses of Results		200,000	200,000
Pre-feasibility and Engineering Studies		300,000	300,000
Total Estimated Cost (PhP)	2,040,206	1,152,551	3,192,757

7.0 Schedule of Activities (Gantt chart)

See Attached Gantt Chart (Annex 7)

8.0 Map Attachments - Geological or topographic maps of 1:50,000 scale

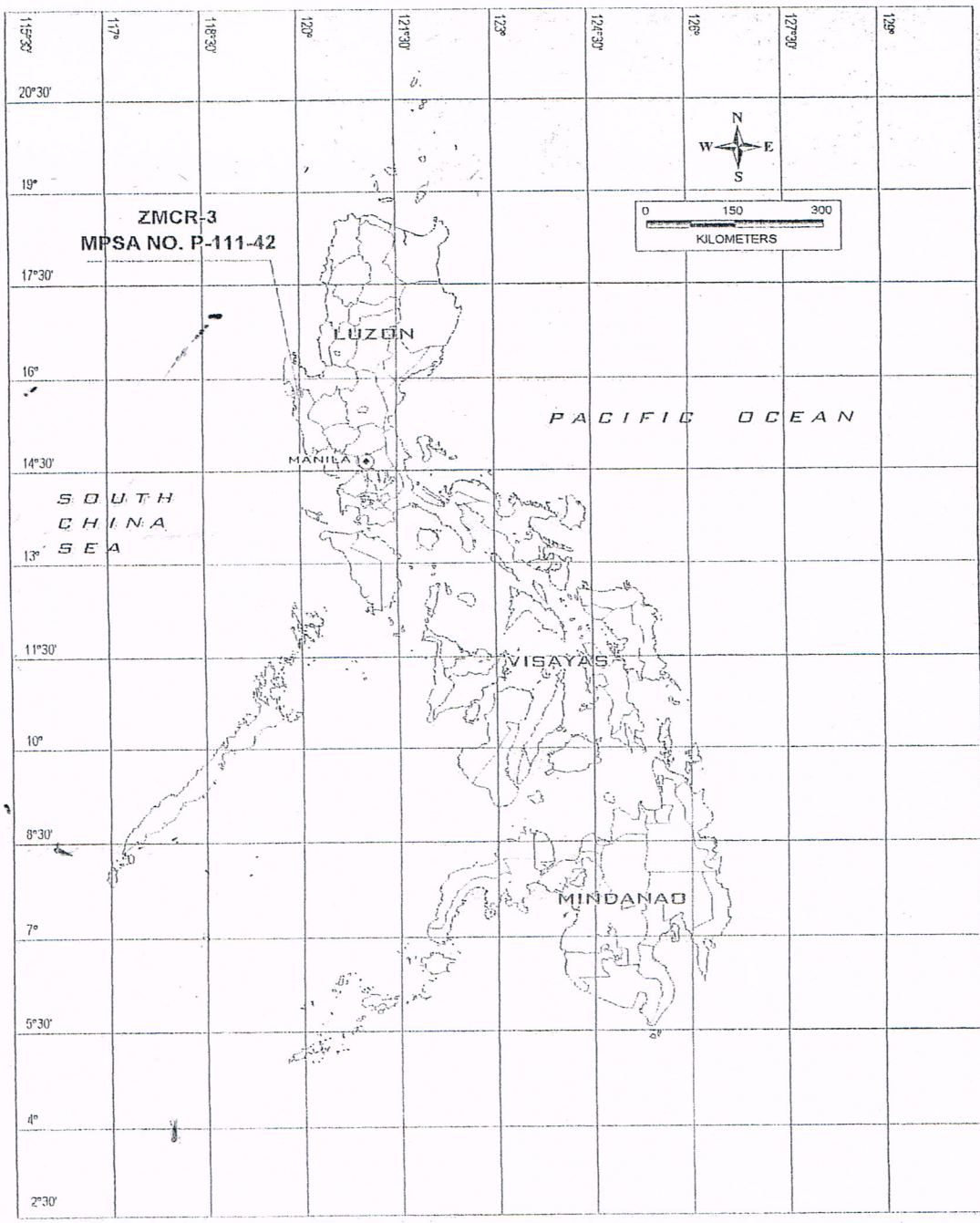
Annex 1	-	Index Map
Annex 2	-	Regional Location Map
Annex 3	-	Tenement Map, Zambales Mineral Chromite Reservation 3
Annex 4	-	Geological Map of ZMCR-3
Annex 5A	-	Test Pit Geochemistry Map (Level 2)
Annex 5B	-	Test Pit Geochemistry Map (Level 5)
Annex 5C	-	Test Pit Geochemistry Map (Level 7)
Annex 6	-	Proposed Test Pit Location Map
Annex 7	-	Schedule of Activities, Gantt Chart
Annex 8	-	Recent Photographs of the Area

9.0 Signature of proponent or person preparing the exploration work program (please specify PRC License and PTR numbers).

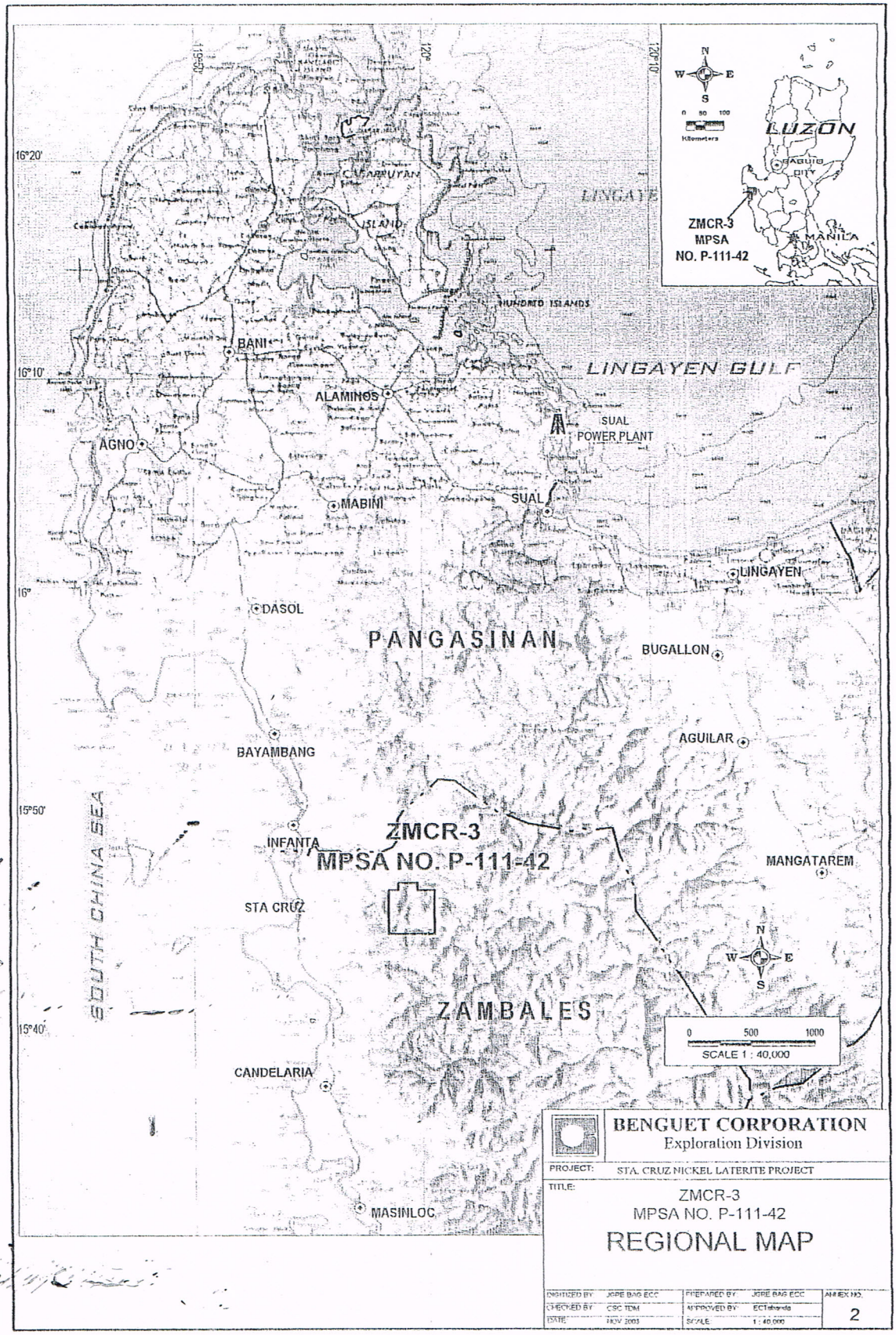
Prepared By:

EDGAR C. TABANDA
Asst. Vice-President – Exploration, Research & Development
Registered Geologist, License No. 0744
Issued 04/08/08 and Expires 10/15/2006
PTR No. BGO1390369, Issued at Baguio City on January 12, 2005

INDEX MAP



ANNEX 1



BENGUET CORPORATION
Exploration Division

PROJECT: STA. CRUZ NICKEL LATERITE PROJECT

TITLE:

ZMCR-3
MPSA NO. P-111-42

REGIONAL MAP

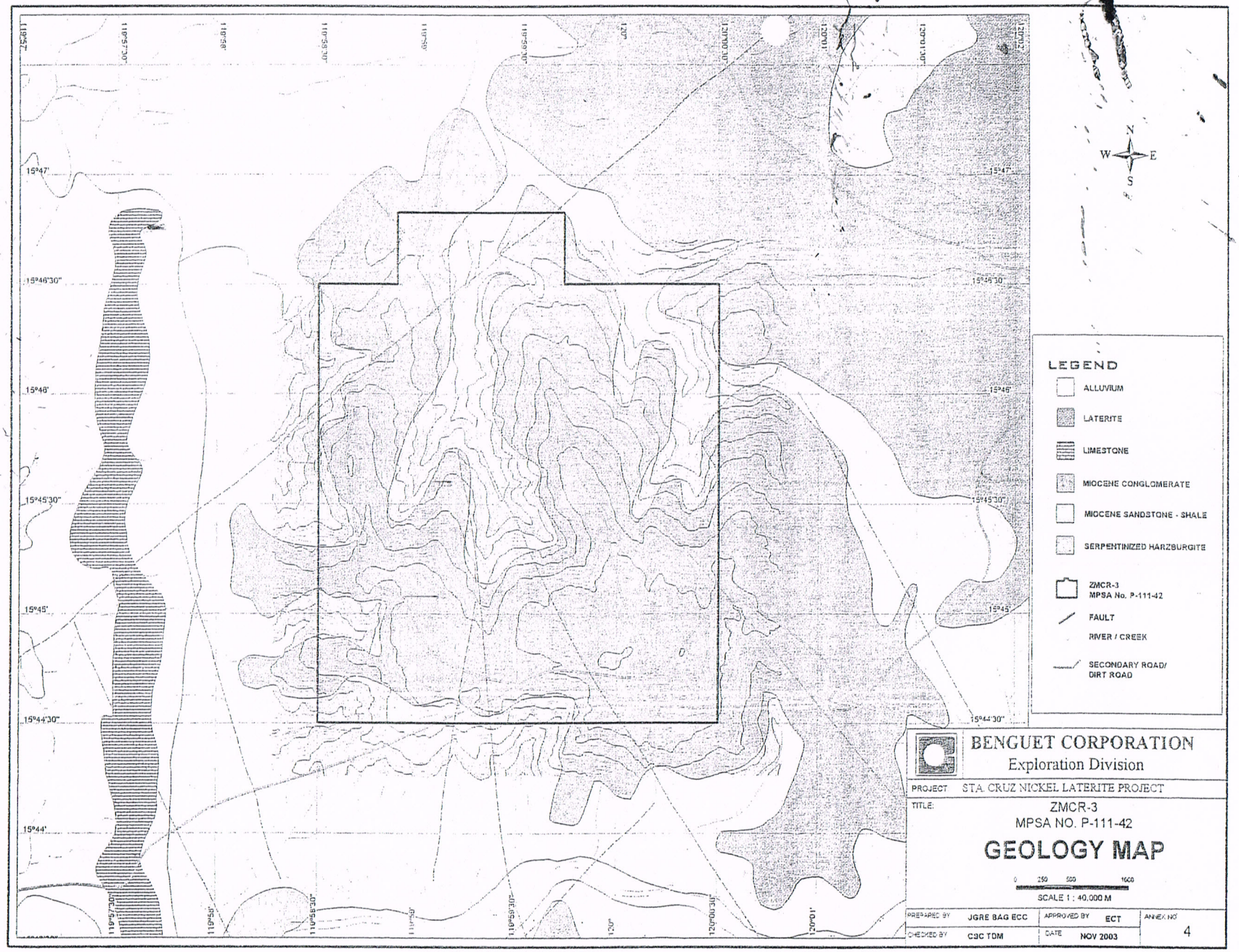
DIGITIZED BY	JGRE BAG ECC	PREPARED BY	JGRE BAG ECC	ANNEX NO.
CHECKED BY	CSC TDM	APPROVED BY	ECTabanda	2
DATE	NOV 2003	SCALE	1 : 40,000	

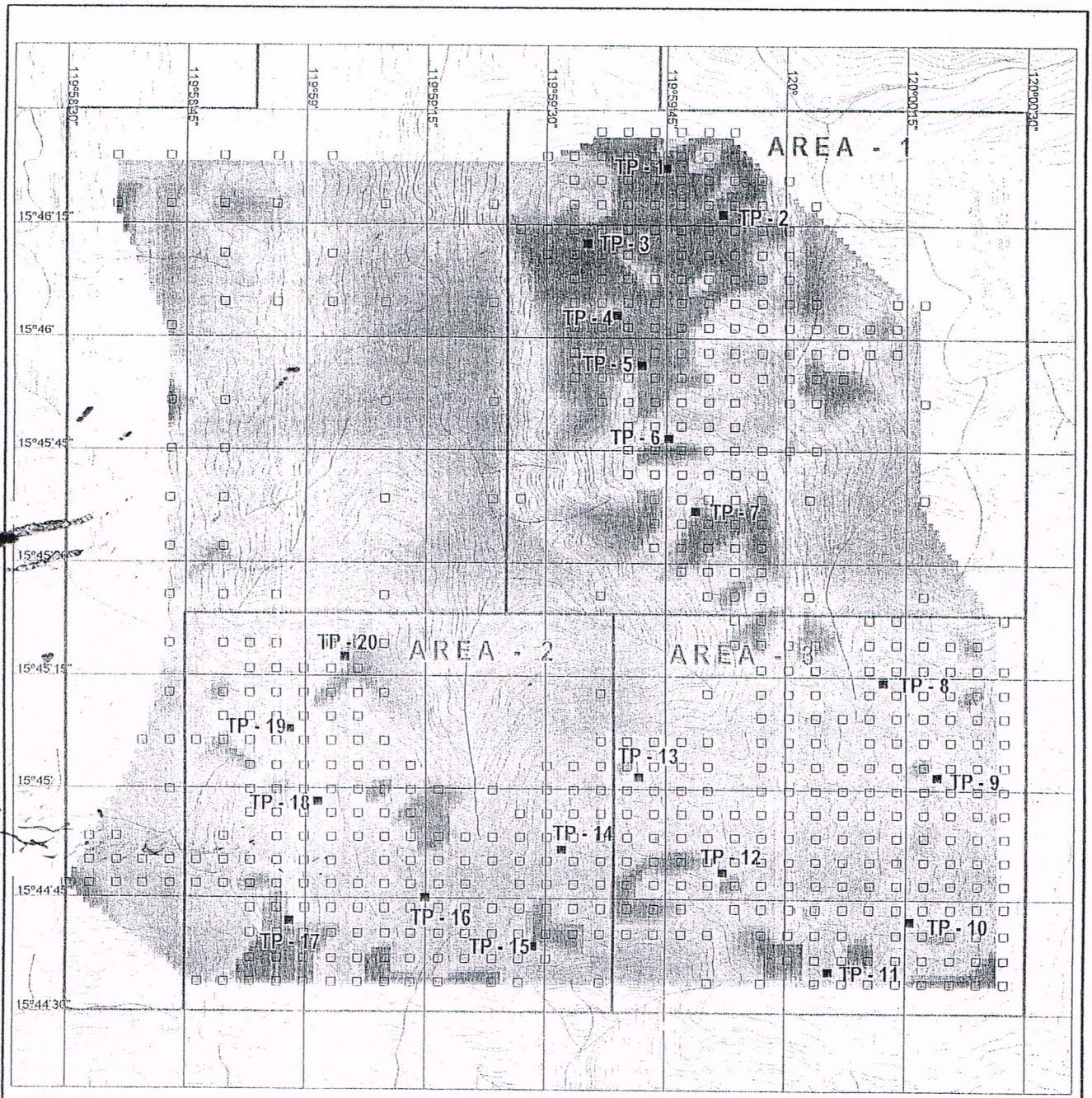
ANNEX No. 3

TECHNICAL DESCRIPTION
MPSA NO. P-III-42

CORNER	LATITUDE			LONGITUDE		
1	15 Degs.	46 Mins.	30.00 Secs	120 Degs	00 Mins.	30.00 Secs.
2	15 Degs.	44 Mins.	30.00 Secs	120 Degs	00 Mins	30.00 Secs.
3	15 Degs.	44 Mins.	30.00 Secs	119 Degs	58 Mins	30.00 Secs.
4	15 Degs.	46 Mins.	30.00 Secs	119 Degs	58 Mins	30.00 Secs.
5	15 Degs.	46 Mins.	30.00 Secs	119 Degs	58 Mins	53.76 Secs.
6	15 Degs.	46 Mins.	49.30 Secs	119 Degs	58 Mins	53.76 Secs.
7	15 Degs.	46 Mins.	49.30 Secs	119 Degs	59 Mins	44.15 Secs.
8	15 Degs.	46 Mins.	30.00 Secs	119 Degs	59 Mins	44.15 Secs.

TOTAL AREA : 1,406.7362 Has.


N
W
E
S
15°47'
15°46'30"
15°46'
15°45'30"
15°45'
15°44'30"
15°44'
LEGEND
ALLUVIUM
LATERITE
LIMESTONE
MIOCENE CONGLOMERATE
MIOCENE SANDSTONE - SHALE
SERPENTINIZED HARZBURGITE
ZMCR-3
MPSA No. P-111-42
FAULT
RIVER / CREEK
SECONDARY ROAD/
DIRT ROAD
BENGUET CORPORATION
Exploration Division
PROJECT STA. CRUZ NICKEL LATERITE PROJECT
TITLE:
ZMCR-3
MPSA NO. P-111-42
GEOLOGY MAP
0 250 500 1000
SCALE 1 : 40,000 M
PREPARED BY JGRE BAG ECC
APPROVED BY ECT
ANNEX NO 4
CHECKED BY CSC TDM
DATE NOV 2003



zmcr_lev_2a by Ni_%

- 2.1-2.42
- 1.5-2.0
- 1.0-1.49
- 0.5-0.99
- 0.025-0.49

0 250 500

SCALE 1: 20,000

N W E S

- Old Test Pits
- Proposed Test Pits

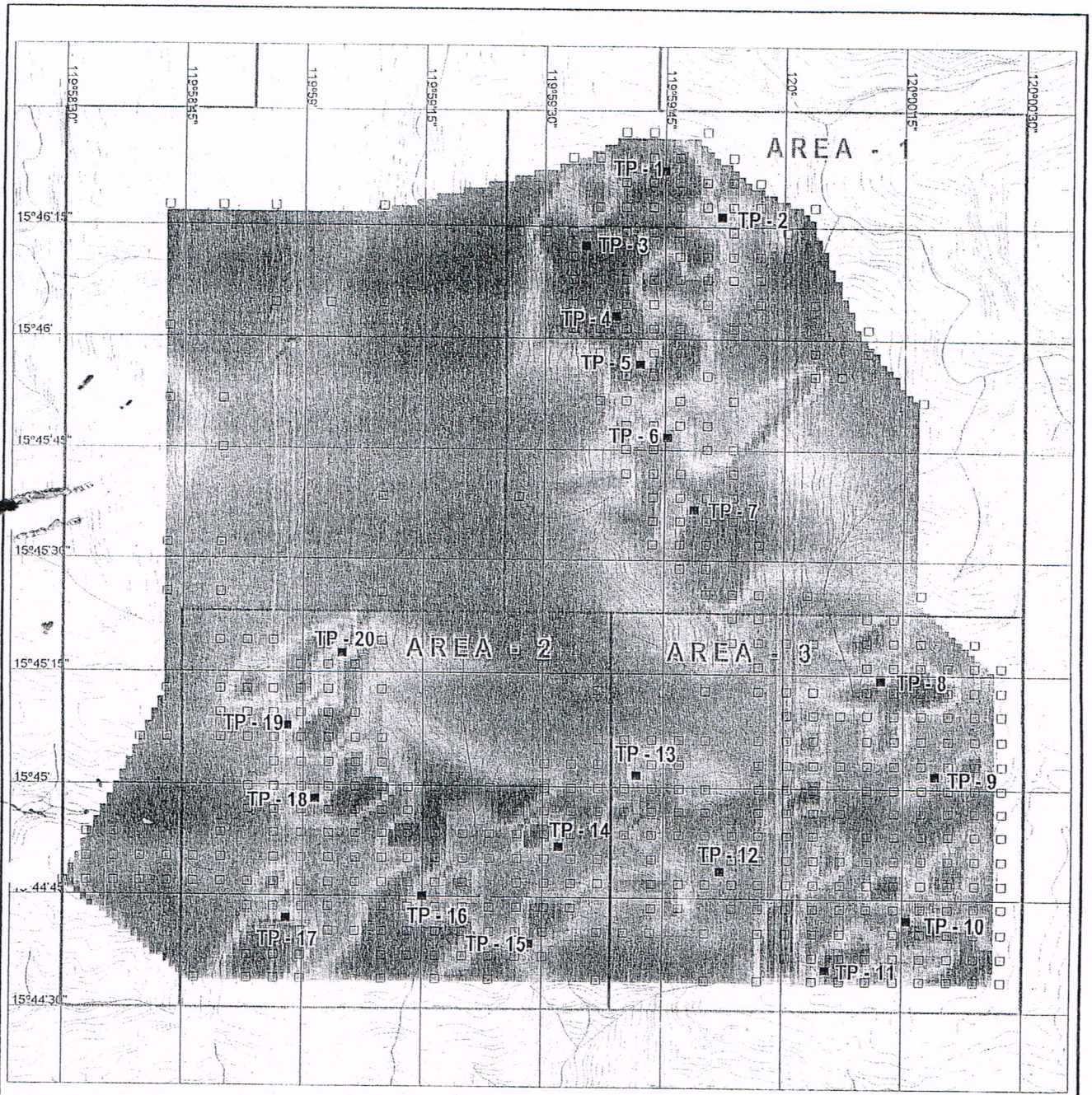
BENGUET CORPORATION
Exploration Division

PROJECT: STA. CRUZ NICKEL LATERITE PROJECT

TITLE: ZMCR-3
MPSA NO. P-111-42

TEST PIT GEOCHEMISTRY MAP AT 2.0m BELOW SURFACE (Level-2)

PREPARED BY : JGRE BAG	APPROVED BY: ECT	ANNEX NO.
CHECKED BY: CSC TDM	DATE: NOV 2003	5A



zmcr_lev_5a by Ni_%

- 2.1-2.42
- 1.5-2.0
- 1.0-1.49
- 0.5-0.99
- 0.025-0.49

0 250 500
SCALE 1: 20,000

N
W E
S

- Old Test Pits
- Proposed Test Pits

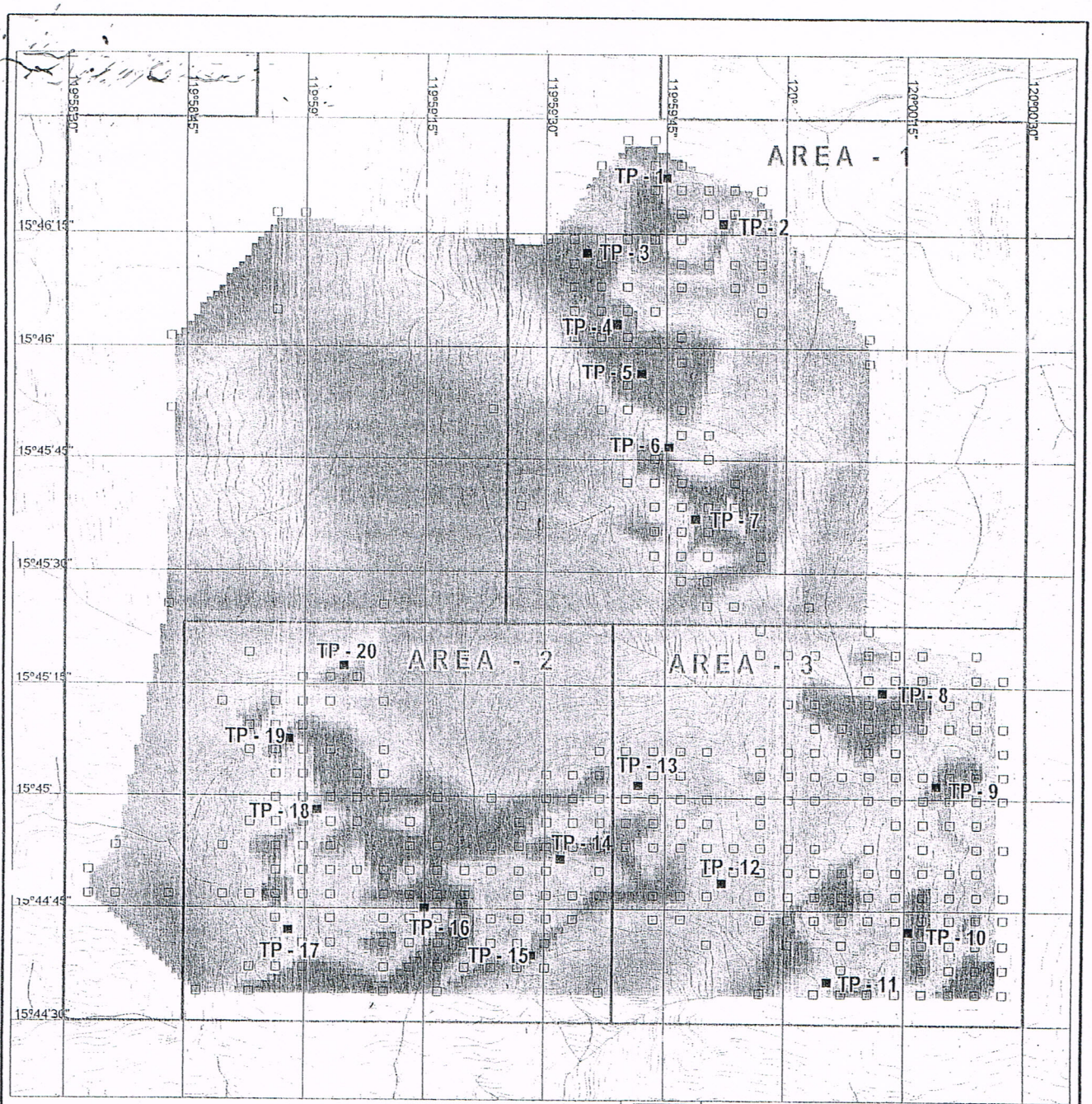
BENGUET CORPORATION
Exploration Division

PROJECT: STA. CRUZ NICKEL LATERITE PROJECT

TITLE: ZMCR-3
MPSA NO. P-111-42

TEST PIT GEOCHEMISTRY MAP AT 5.0m BELOW SURFACE (Level-5)

PREPARED BY JGRE BAG	APPROVED BY: ECT	ANNEX NO.
CHECKED BY: CSC TDM	DATE: NOV 2003	5B



zmcr_lev_7a by Ni_%

- 2.1-2.42
- 1.5-2.0
- 1.0-1.49
- 0.5-0.99
- 0.025-0.49

Old Test Pits

Proposed Test Pits

0 250 500

SCALE 1: 20,000

N

W E

S

BENGUET CORPORATION

Exploration Division

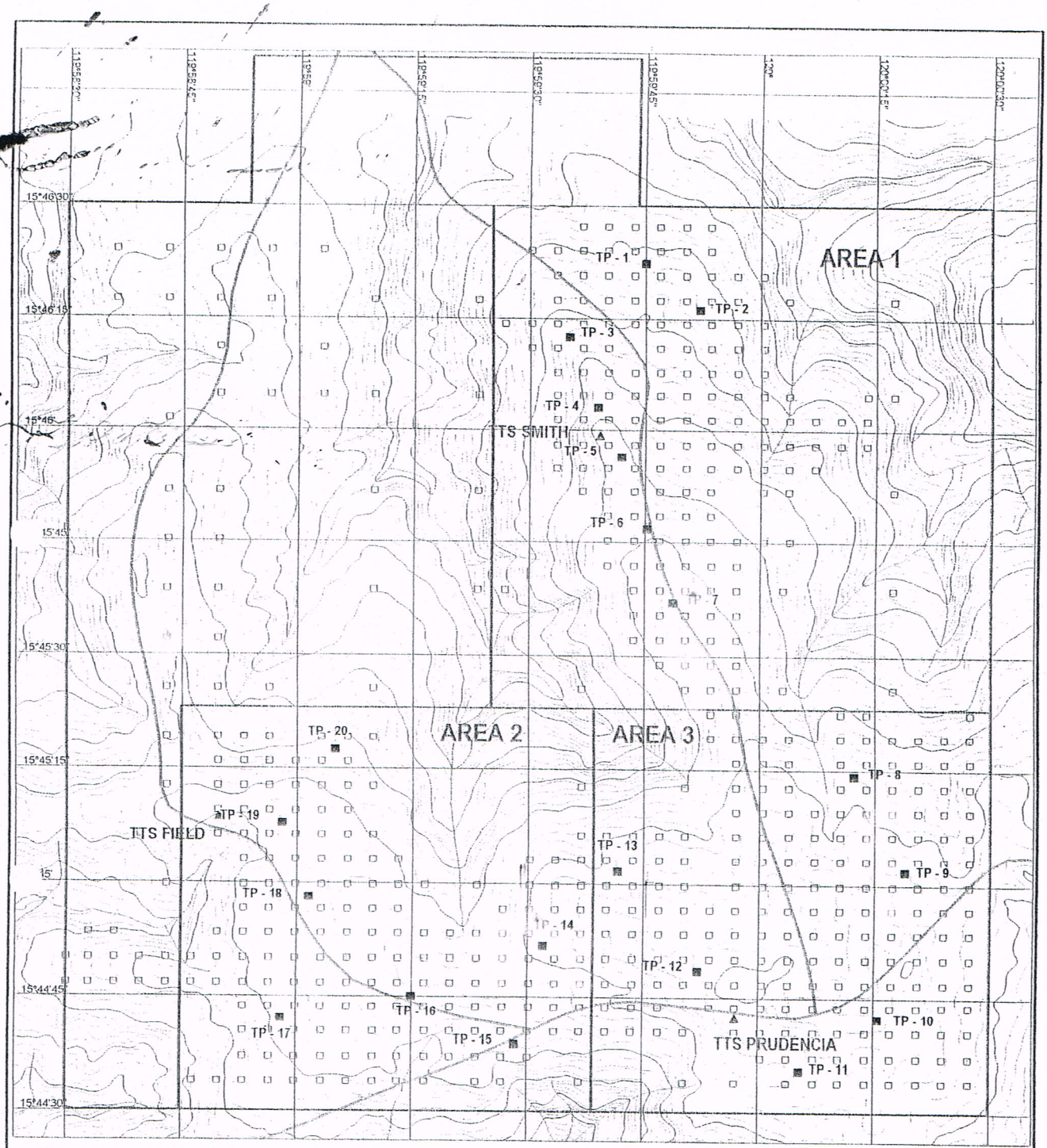
PROJECT: STA. CRUZ NICKEL LATERITE PROJECT

TITLE: ZMCR-3

MPSA NO. P-111-42

TEST PIT GEOCHEMISTRY MAP
AT 7.0m BELOW SURFACE
(Level-7)

PREPARED BY : JGRE BAG	APPROVED BY: ECT	ANNEX NO.
CHECKED BY: CSC TDM	DATE: NOV 2003	5C



LEGEND

- PROPOSED TEST PIT
- OLD TEST PIT
- ROAD / ACCESS
- TRIANGULATION POINTS
- CREEKS
- ZMCR-3 MPSA NO. P-111-42

N
W E
S

0 250 500
SCALE 1: 20,000

BENGUET CORPORATION
Exploration Division

PROJECT: STA. CRUZ NICKEL LATERITE PROSPECT

TITLE:

ZMCR-3
MPSA NO. P-111-42

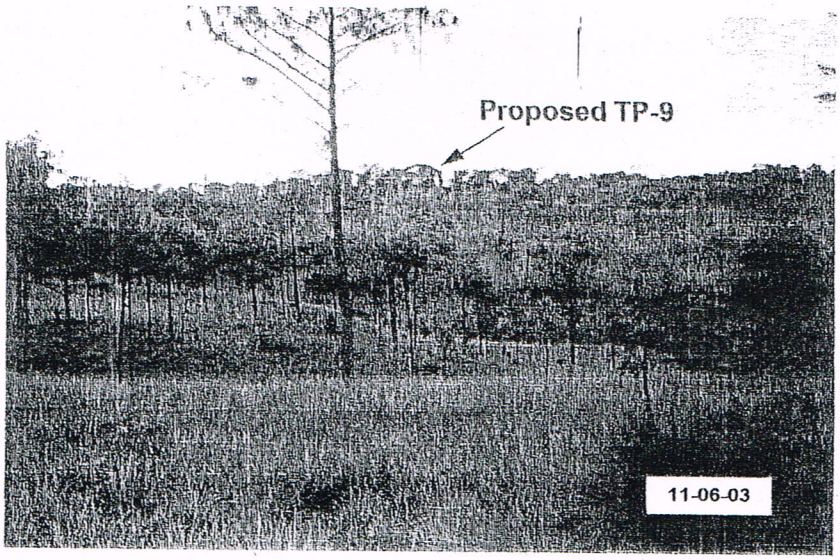
PROPOSED TEST PIT LOCATION MAP

DIGITIZED BY: JGRE BAG ECC	PREPARED BY: JGRE BAG ECC	ANNEX NO.
CHECKED BY: CSC TDM	APPROVED BY: ECTabanda	6
DATE: NOV 2003	SCALE:	

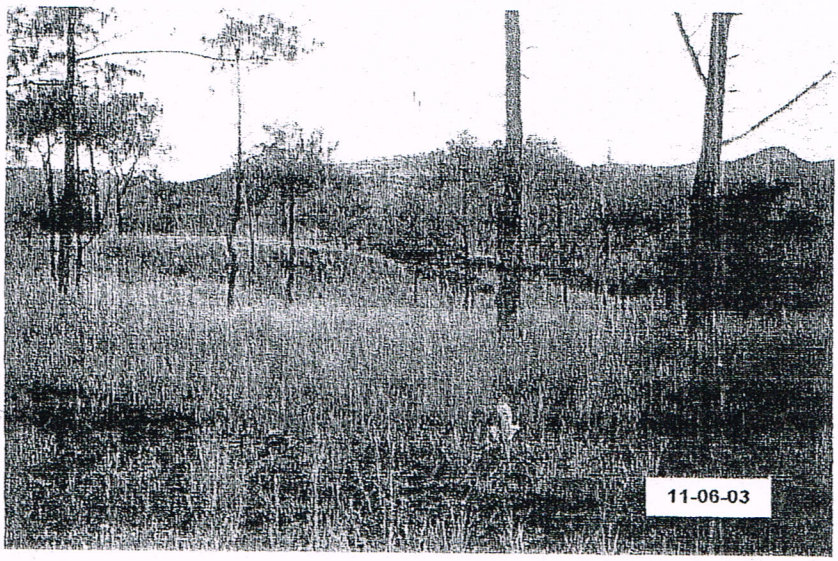
STA. CRUZ NICKEL LATERITE PROJECT
GANTT CHART

EXPLORATION ACTIVITY	PERIOD																								Estimated cost
	FIRST YEAR												SECOND YEAR												
	1	2	3	4	5	6	7	8	9	10	11	12	1	2	3	4	5	6	7	8	9	10	11	12	
Research work / Data compilation	→																								60,000
Mobilization & Field Camp construction		→	→																						75,000
Proposed Test Pit Survey				→	→	→	→	→	→																150,000
Test Pitting (20 test pits)					→	→	→	→	→	→	→	→	→	→	→										1,143,757
Geochemical sampling/assaying						→	→	→	→	→	→	→	→	→	→	→									306,000
Geological Detailed Mapping						→	→	→	→	→	→	→	→	→	→	→									808,000
Data Compilation									→	→	→	→	→	→	→	→	→	→	→						150,000
Review and Analysis of results																			→	→	→				200,000
Pre-Feasibility and Engineering Studies																					→	→	→	→	300,000
TOTAL ESTIMATE COST	2,040,206												1,152,551												3,192,757

ANNEX 7



Panoramic view of the southeast section of ZMCR-3 tenement (MPSA No. P-111-42) where the proposed test pit # 9 is located.



South-central section of ZMCR-3 Tenement (MPSA No. P-111-42)

Photo showing southwest section of ZMCR-3 Tenement (MPSA No. P-111-42) and panoramic view of Masinloc-Candelaria coastal area at the background.

Photograph of thickly cogon grassed central section of the claim and at the background is a ridge that straddles the northwest portion of ZMCR-3 tenement (MPSA No. P-111-42).

ANNEX – D

ENVIRONMENTAL WORK PROGRAM

Republic of the Philippines
Department of Environment and Natural Resources
MINES AND GEOSCIENCES BUREAU
North Avenue, Diliman, Quezon City

ENVIRONMENTAL WORK PROGRAM

BENGUET CORPORATION
ZAMBALES MINERAL CHROMITE RESERVATION No. 3
STA. CRUZ NICKEL LATERITE PROJECT
MPSA No. P-III-42

1.0 NAME AND ADDRESS OF APPLICANT/PERMITTEE/CONTRACTOR

Benguet Corporation
One Corporate Plaza
No. 845 Arnaiz Avenue
1223 Makati City
P. O. Box 14211 OCP
Tel. No. 812-1380 or 7527632
Fax No. 812-5168, (632) 813-6663
Contact Person: Mr. Marcelo A. Bolaño
Senior Vice President – Mining & Services
And / Or
Mr. Edgar C. Tabanda
Asst. Vice President Exploration

2.0 TYPE AND NATURE OF PROJECT

2.1 Project Description (Objectives, Schedule and Cost)

The objective of the proposed exploration program in this project is to confirm through limited in-fill test pitting the existence of commercial concentration of nickel-bearing lateritic materials in the ZMCR-3 Mineral Claim, a part of the Sta. Cruz Nickel Laterite Prospect controlled by Benguet Corporation located within the barangays of. Binagbag and Guisguis in Sta.Cruz, Zambales in western central Luzon Island. Records from previous exploration works done by Benguet are kept by the company and are now part of the voluminous data file on the property.

The proposed work program calls for the sinking of an additional 20 test pits distributed over the ZMCR-3 claim block which comprises 1,407.7362 hectares. Out of this total area, Benguet has outlined 347.5 hectares of ground as 'ore-bearing', based from extensive test pitting work, meaning, the lateritic horizon contains potentially economic concentration of lateritic nickel deposits including by-product cobalt and possibly other valuable minerals. Part of the objective is also to determine the average MgO content of the delimited nickel-rich lateritic weathering material which, for some reasons, was not systematically and adequately documented in previous works. The MgO content is considered important in the new metallurgical process planned to recover economically the nickel and cobalt metals present in the laterite if the project will eventually push through.

The 20 pre-located test pits will have a target depth of 10 meter each for an aggregate depth of 200m. In case a test pit hit bedrock before the minimum required depth or thickness of laterite horizon is reached or the test pit sinking has to be aborted or abandoned for various reasons, e.g., the test pit hit big boulders, etc., that would hamper significantly the test pit completion, the resulting lack in meterage shall be compensated in the other test pits found to exceed the 10-m required depth or thickness of the laterite. The attainment of the 200m required total depth might necessitate sinking more than 20 test pits or deepening other test pits found to have laterite horizons exceeding 10 meters to make up for lack of meterage in other shallower test pits where the lateric layers are thinner.

The test pits will be sunk manually using locally-hired laborers under the supervision of 'regular' Benguet field staff. The samples will be cut as regular continuous channels at one-meter intervals (1-sample/meter) on opposite sides of the test pit (usually on the north and the south walls); the 2-samples will then be composited. The composited samples will be sent periodically, as the fieldwork progress, to McPhar Laboratory in Manila for analyses for nickel, cobalt, iron oxide, aluminum oxide, magnesium oxide, etc. The walls of the test pits will be logged and mapped as they are exposed and sampled. Rock chip samples for petrological and geo-chemical studies will be collected from the test pits as part of documentation of the test pits.

The project is expected to be completed in two years (see attached Projected Schedule of Activities).

The estimated total cost of the project is :		**PhP 3,512,033**
Exploration Cost	**:**	**PhP 3,192,757**
Environmental Cost	**:**	**PhP 319,276**

2.2 Type and Nature of Mineral Deposit(s) to be Explored and Mineral(s) to be Derived.

The prospect will be explored for nickel laterite deposits (with possibly recoverable by-product cobalt and other valuable metals). The nickel-bearing laterite is a product of the natural decay or weathering of ultramafic rocks (dunite and peridotite), a near surface geological process that normally results in the liberation and concentration of the more valuable metals like chromite, nickel and cobalt or, in some cases, the platinum group metals sometimes found in ultramafic rocks in varying quantities. The weathering process can sometimes produce economic deposits of the above-mentioned minerals from an, otherwise, barren or sub-economic primary rocks.

3.0 GENERAL LOCATION AND AREA TO BE COVERED BY THE PROPOSED PERMIT/ CONTRACT AREA

3.1 Location and Accessibility

The Sta. Cruz nickel laterite prospect, in which the ZMCR-3 claim block is but a part, is located at Brgys Guiguis and Binagbag, Municipality of Sta. Cruz, in northern Zambales province in western central Luzon. The ZMCR-3 Block, the target of this exploration work program, is bounded by the following coordinates:

Lot 1 (Entire Parcel No. III of Zambales Chromite Mineral Reservation)
Area = 1, 317.7653 Hectares

CORNER	LATITUDE	LONGITUDE
1	15°46' 30"	120°00' 30"
2	15°44' 30"	120°00' 30"
3	15°44' 30"	119°58' 30"
4	15°46' 30"	119°58' 30"

Lot 2 (Outside Zambales Chromite Mineral Reservation
Area = 88.9709 Hectares

CORNER	LATITUDE	LONGITUDE
5	15°46" 30"	119°58'53.76"
6	15°46' 49.30"	119°58' 53.76"
7	15°46' 49.30"	119°59' 44.15"
8	15°46' 30"	119°59' 44.15"

Total Area = 1,406.7362 hectares

The prospect area is located some 15 km, east of Barangay Lipay from the Zambales National Highway and partly accessible through a network of barangay and abandoned logging roads (via the Mose logging road from the north and the Zambales Chromite Road from the south). Access from the north takes off from the Brgy .Bonog road junction with the National Highway (passing alongside the town's cemetery). The feeder road extends for more than 25 km looping around up to the ZMCR-3 area.. Most of the roads, however, are now in various state of disrepair after the cessation of commercial logging operations years ago requiring major rehabilitation to make them passable to motor vehicles.

Total Area Covered by the Project

The prospect area covers an aggregate of 1,406.7362 hectares, more or less.

4.0 DESCRIPTION OF THE EXISTING ENVIRONMENT WHERE WORK IS PROPOSED TO BE UNDERTAKEN

4.1 Land Environment

4.1.1 Terrain/Physiography

The nickel-rich laterite area that defines the prospect is characterized by gently rolling topography with low rounded hills rising immediately east of the 7-km wide Zambales coastal plain. Elevations generally range from 300 to 700m above sea level. Towards the Acoje Mine area on the southeastern side of the prospect, the topography is more rugged with narrow steep ridges some rising more than 800m above sea level.

Land use/capability

The prospect is typical of lateritic areas overlying ultramafic rocks where the weathering of the iron-rich rock materials produced the dark to bright reddish to maroon-colored soil. This lateritic soil development is usually best developed where the terrain is more subdued or gently rolling which is just what characterizes the ZMCR-3 area.

use and capability is limited to the hosting of sparse (generally widely-spaced) trees consisting predominantly of Mindoro pines and Agoho trees. These are second to third generation growth forest from reforestation projects undertaken by previous commercial logging operators. Logging operations ceased years ago when it was banned by the government. The inside galleries of the forested areas are relatively clean with only short cogon grasses and other tropical shrubberies thriving . Cogon grasses also cover the less forested slopes and ridges while a few bamboo clumps are found along creeks and gullies. Isolated patches are planted to root crops, commonly cassavas, cultivated by some subsistence farmers from the nearby barangays. But other than root crops, the area has very limited agricultural capability as lateritic soil is considered not suited to most crops and vegetable varieties.

Pedology

The claim area is part of the Zambales ophiolite complex with the dominant lithology comprising of ultramafic rocks dunite, saxonite-harzburgite and lherzolite locally cut by narrow dikes of gabbro, anorthosite and diabase Weathering of these ultramafic rocks normally results in the development of lateritic materials that through the geologic ages, result in the concentration of the more valuable minerals like chromite, nickel, cobalt, the platinum group metals and even gold, produced from the decayed (weathered) rocks that could be of commercial value. The development of lateritic material with possible commercial concentration of more valuable minerals is greatly aided by the more subdued topography as the water table takes more time in the rock before draining out to enhance the weathering process. This type of topography is usually an important ingredient in the development of a good laterite deposits as what exist in the Sta. Cruz prospects of Benguet.

4.2 Water Environment

4.2.1 Hydrology

The area is drained by three east-west- trending main rivers, the Sta. Cruz River on the northern area; the Cabatuan River draining the central area, and; the Lucapon River on the southern area. These rivers could provide abundant water supply for exploration and other purposes that would be required if the project will push through.

4.3 Climatology/meteorology, rainfall intensity, temperature, humidity, tropical cyclones, wind pattern and strength and ambient air quality to include levels of particulates, odor, gases, (e.g., sulfur dioxide and nitrogen oxides, etc.)

The prospect area is within the Type I classification of the Philippine climate. There are two pronounced seasons: dry from November to May and wet from June to October. Average annual rainfall is +3,000 mm. Maximum rainfall occurs in July and August sometimes reaching 540 mm/month. The relative humidity varies from 77 % in April to 91% in August. The mean temperature ranges from 26° Celsius in January to 29° in June.

4.4 Biological Environment

4.4.1 Terrestrial Plants and Animals

The approach to the mineral prospect manifest a large area of grassland with common grass species such as samon, cogon, talahib, carabao grass and other commonly found grass species in the lowlands. It is also observed that the areas along the approach to the project site are irrigated rice lands and vegetable farmland.

Except for bamboo species like kawayan kiling, kawayan tinik and bikal, no other plant or tree species of commercial value exist at the prospect site. The vegetative cover at the site consists mostly of diverse plant species of shrubs, vines and herbs.

Other than rats and insects, no other wild animals thrive at the site. Wild birds abound the site but they just come and go. No migratory birds and breeding grounds observed at the site.

4.5 Socio-economic Environment

(Demographic characteristic features; economic activities in the area including those adjacent to the site and those located downstream that will be affected by the exploration activities, and existing infrastructure and facilities on education, health, social services, water supply, telephone, electricity, etc. within the site)

4.5.1 Demographic Characteristic/Economic Survey

Zambales, with vast productive development opportunity lands, is envisioned to be an industrialized province through the establishments of economic zones and development of tourist spots with peaceful sustainable economy and politically stable environment. It is located at the western coast of Southern Luzon at coordinates 15° latitude and 12° longitude. It covers total land area of 371,440 hectares.

As of 2000 census, the population of Zambales province was recorded at 627,807 with annual growth rate of 1.09 and population density of 174 per sq. kilometer.

Available labor force of the province as of calendar year 2000 is 402,000. Of this figure employment rate in the province is 348,000 or 86.6% of the total available labor force. Only 54,000 or 13.4 % are unemployed.

Zambales is basically an agricultural province. Rice production in year 2000 totaled to 103,155.50 tons majority of which were produced on 18,553 hectares of irrigated lands or 66% of the classified rice land of the province with an average rice production yield of 3.66 tons per hectare. There are 23,443 numbers of farmers as of year 2000 census.

Sta. Cruz has a total population of 43,587 in 1995 census, comprising of 23.95% urban residents and 76.05 percent rural residents. Average population density is 1.053 persons per hectare. Barangay Lipay is the densest population with 60.77 per hectare and the least populated is Barangay Babuyan with 0.42 person per hectare.

Mango plantation area in the province totaled to 4,870 hectares with an average annual production of 15 crates per tree at 24 kgm. per crate. Total mango fruit production during the year under report is 42,933,960 kgms.

Annual consumption in the province is only 11.7% or 5,028,576 kgms. with the balance being exported abroad or sold outside of the province.

National Power Corporation provides electricity service to the different electric cooperatives as conduit in the distribution to customers in the province.

The different municipalities have their own water districts to address the water needs of their constituents. In the far-flung barangays, community residents get their water supply from individual deep wells and artesian wells.

Other services and facilities are also available like health centers, recreational facilities, beach resorts, schools (elementary/high school and college), day care centers, public markets, communication facilities, transportation, roads/bridges, lodging facilities, etc.

5.0 DESCRIPTION OF EXPLORATION WORK

5.1 Literature Research, Data Compilation and Mobilization cost

These activities will require a total of three months: two weeks for literature research: two weeks for establishing the project data base , and : two months for mobilization from Balatoc to the project site and preparing the field camps. Estimated cost totals these three activities is Php 135,000.00

5.2 In-fill Test Pitting

A total of 20 test pits have been programmed over areas within the prospect where economic concentration of nickel laterite deposits have been identified during the previous exploration activities by Benguet. This comprises around 347 hectares out of the 1,159.18 hectares covered by the ZMCR-3 Claim (Annex 4).

Field work is scheduled to take 10 months at an estimated cost of PhP1,143,757. Work will be conducted by a crew consisting of one(1) geologist, one(1) mining engineer, one(1) geologic aides, one(1) head sampler, one(1) draftsman, two(2) field drivers and at least 28 spot-hired laborers working on rotation basis.

Exploration outputs shall include a standard geologic report and interpretations along with the usual appended detailed geologic and assay maps (1:5,000 and 1:10,000 scales).

ESTIMATE OF TEST PITTING COST

Particulars					Cost (PhP)
a. SALARIES & WAGES					523,600
Personnel	Basic Pay (PhP/mo)	No. of Men	No. of Months	Total Pay (PhP)	
Local Labor	5,236	10	10	523,600	
c. MATERIAL& SUPPLIES					475,157
d. MEALS					145,000
TOTAL					**1,143,757**

5.3 Detailed Test Pit Geological Mapping

Detailed geologic mapping will be conducted on all test pits as they advance to document all the laterite zones encountered along with the lithology exposed. This will be done simultaneous with the channel sampling of the test pit walls. The main objective is to document the test pits' vertical geologic sections and acquire quality channel samples for quality assay acquisitions especially for magnesium oxide (MgO) which is considered important in the laterite's economic viability for the newly developed metallurgical process contemplated to be applied for the nickel laterite ore for this project. In previous exploration works conducted by Benguet, very few samples were analyzed for MgO as it was not considered important during those times. The size of the previously delimited potential nickel laterite resource area is approximately 347 hectares. The defined resource is situated on the east and south section of the property. (Annex 4).

Utilizing the same crew, work is projected to be completed in 10 months at an estimated cost of PhP808, 000.

A standard geologic report will be prepared at the end of this exploration period. Data will be presented in 1:1000 and 1:5,000 scale geologic and assay plans and in detailed geological cross and longitudinal sections. Other data to be presented in the maps will include lithological contacts, major structure other geological features, sampling points, etc.

DETAILED GEOLOGICAL SURVEY COST

Particulars					Cost (Php)
a. SALARIES & WAGES					470,000
Personnel	Basic Pay (P/mo)	No. of Men	No. of Months	Total Pay (P)	
Senior Geologist	25,000	1	10	250,000	
Geologic Aide	9,000	1	10	90,000	
Draftsman	5,000	1	10	50,000	
Driver	4,000	2	10	80,000	
	Sub-total			470,000	
d. FOOD & LODGING					288,000
e. TRANSPORTATION/ FOL					50,000
f. **TOTAL**					**808,000**

5.4 Geochemical Survey (Test Pit Sampling)

Test Pit Samples Assaying

The channel cut samples collected from the test pits will analyzed for : Total Ni, Co, MgO, Fe, Al_2O_3, , moisture content , etc. A Mminimum of 200 samples are expected to be collected for assaying for these elements and compounds at a cost of Php 306,000.00.

Test Pit mapping outputs shall be presented in 1:500 scale map which shall be appended with the final geological report the project.

GEOCHEMICAL SURVEY (SAMPLING) COST	
Particulars	**Cost (PhP)**
DETAILED TEST PIT CHANNEL SAMPLING 200 samples X P1,000/ sample (analysis)	200,000
TOOLS AND SUPPLIES	106,000
Total Cost	**306,000**

5.5 Topographic Survey

No topographic survey will be required as a detailed topo map has already been produced from the previous exploration works by Benguet. However, an experienced and licensed surveyor (on contract) will be retained to spot the test pit locations and other structures in the prospect area. Work is expected to be done in five(5) months at a total cost of Php 150,000.

5.6 Data Compilation

All data gathered from the exploration activities will be compiled and plotted into a various scale geological, geochemical plan maps and cross-sections. All of these data will be used for review and analysis of geological results and will serve as basis for resource calculations and pre-feasibility studies.

The activity is going to be a continuous process and will start simultaneously with the test pitting activity. Total cost for this activity is Php 200,000.00.

5.7 Reviews and Analysis of Geologic Results

Geological results compiled will be continuously examined, reviewed and analyzed. A geological report will be prepared based on all field results. This report will discuss among other things, the data qualities and the resource estimates. This will serve as the basis to pre-feasibility and engineering studies.

At least one (1) senior geologist will be employed for this activity, which is estimated to cost about PhP 200,000. Work will require a maximum of two(2) months.

5.8 Pre-feasibility Studies

Pre-feasibility and engineering studies not required for now.

5.9 Drilling

No drilling is planned in the project.

6.0 ESTIMATED EXPLORATION COST

			Cost
Year 1	**:**	**PhP**	**2,040,206**
Year 2	**:**	**PhP**	**1,152,551**
Total	**:**	**Php**	**3,192,757**

7.0 IDENTIFICATION OF POTENTIAL EFFECTS ON THE ENVIRONMENT

7.1 Surface Disturbance of the Mineral Property Subject of Exploration.

The potential environmental disturbance outside of the proposed exploration area will be mainly due to the planned road rehabilitation/surfacing of some portions of the access roads and construction of new access roads if necessary. Potential adverse effects are siltation of creeks, however, this could be insignificant and temporary. As the road rehabilitation is planned to be done manually or without the use of heavy equipment like bulldozers. Beside, there are no land occupants in the immediate surroundings that could be affected by any road construction activity.

7.2 Surface Disturbance on the Mineral Property Subject of Exploration such as, but not limited to, the following:

7.2.1 Geological Survey

The main activity in this project is test pitting. Although a considerable number of test pits have already been sunk in the prospect area to be able to estimate the grade and tonnage of the laterite deposit, the additional test pits programmed should further raise the level of confidence on the resource estimates. Moreover, the data on magnesium oxide (MgO) content of the nickel –bearing laterite deposit was not systematically recorded in previous exploration works and will be one of the primary objective of this new endeavor. The MgO content is considered important in the new metallurgical process envisaged for this type of deposit. The MgO assays, along with the Ni and other assays that would be obtained from the test pit samples when completed is believed sufficient to gage the average MgO content of the whole ZMCR-3 deposit.

Surface disturbance from the test pitting activity is expected to be localized and minimal. After the completion and documentation of each test pit, the muck will be returned and the place restored as much as possible to its former condition.

7.2.2 Geochemical Method

As the prospect area has been fairly well prospected from previous works, the geochemical characteristic of the prospect is considered more or less well documented and understood. No soil or stream sediment samples will be collected.

7.2.3 Trenching and Test Pitting

There will be no trenching planned in the proposed work program, only test pitting. The surface disturbance will be only temporary which will be only during the test pitting activity, which is the main thrust of this exploration work. After a test pit is completed, sampled and geologically documented, the muck will be put back in the test pit and the ground restored as much as possible, to its former condition.

7.2.4 Aditing

There will be no aditing / tunneling work planned..

7.2.5 Drilling

No drilling activity included.

7.3 Potential Positive Effects

Economic benefits are expected to be derived from the exploration activity. These are:

Employment	:	- Provide employment to local residents; - There will be 12 local residents who will be hired and employed during the two-year period the project is on-going. The job positions, however, will be rotated among the qualified residents to give the most number of people the opportunity to get employed in the project. This may have to be arranged with the local barangay officials who should explain it to their constituents.
Business Opportunity	:	- Local business, like suppliers of foodstuffs and stores owners will be benefited with the enhanced buying capability of the employed residents. Local businesses could also profit supplying the needs of the exploration team.
Mobility Convenience	:	- The opportunity for the residents to use the rehabilitated access road in going to their farms and transporting their farm produce to the market.
Government Revenues	:	- Payment of taxes and permit fees by the company.
Land Development	:	- Improvement of aesthetic value/ landscape of the area. - Increase in the value of the land due to improved road conditions making easier access to the various sites.

8.0 ENVIRONMENTAL MANAGEMENT PLAN (Mitigating Measures and Estimated Cost)

Activity/ Structure	Potential Adverse Effects	Mitigating/ Rehabilitation Measures (Commitment)	Estimated Cost for 1 year (PhP)
1. Manual rehabilitation of access roads (regrading and surfacing of old and existing roads).	- Siltation and turbidity of creeks water. - Erosion and scouring if no appropriate drainage system is provided. - Dust generation during dry season.	- Utilize available road side materials to fill-up scoured portions of the road. - Install cross drain s/culverts where necessary. - Provide roadside drainage. - Assign maintenance crew.	Road Rehab 170,000.00 Road Maint. 50,000.00 Reforestation 5,000.00 **Sub-total 225,000.00**
2. Construction and maintenance of campsite area.	- Loss of vegetative cover. - Siltation. - Contamination of river creek due to human waste. - Health problems. - Eye sore from disturbed land surface area. - -Rubbish disposal	- Cut trees/plants only if necessary. - Select a camp site where excavation could be minimal or not necessary. - Excavate pits for garbage disposal and washings effluents. - Maintain proper housekeeping and sanitation in camp. - Enclose main camp with screens as protection from flies and mosquitoes. - Arrange structures in main camp area to improve aesthetic view. - Excavated materials from pits and during construction must be properly stockpiled and protected from being washed away during heavy downpours. - Provide septic tank.	Pit Excavation. 5,000.00 Pit Back-filling 2,500.00 Refo. 5,000.00 Maint. 80,000.00 **Sub-Total 92,500.00**

3. Transit survey location of test pits and other structures in the prospect area.	- Brushing and possible cutting of trees.	- Reforest area where vegetation are removed. - Avoid as much as possible the cutting of trees.	Reforestation. 5,000.00 Sub-total 5,000.00
		Total	**Php 322,500.00**

9.0 Map Attachments

Annex 1	-	Index Map
Annex 2	-	Regional Location Map
Annex 3	-	Tenement Map, Zambales Mineral Chromite Reservation 3
Annex 4	-	Geological Map of ZMCR – 3
Annex 5	-	Proposed Test Pit Location Map
Annex 6	-	Schedule of Activities , Gantt Chart
Annex 7	-	Recent Photographs of the area

PREPARED BY:

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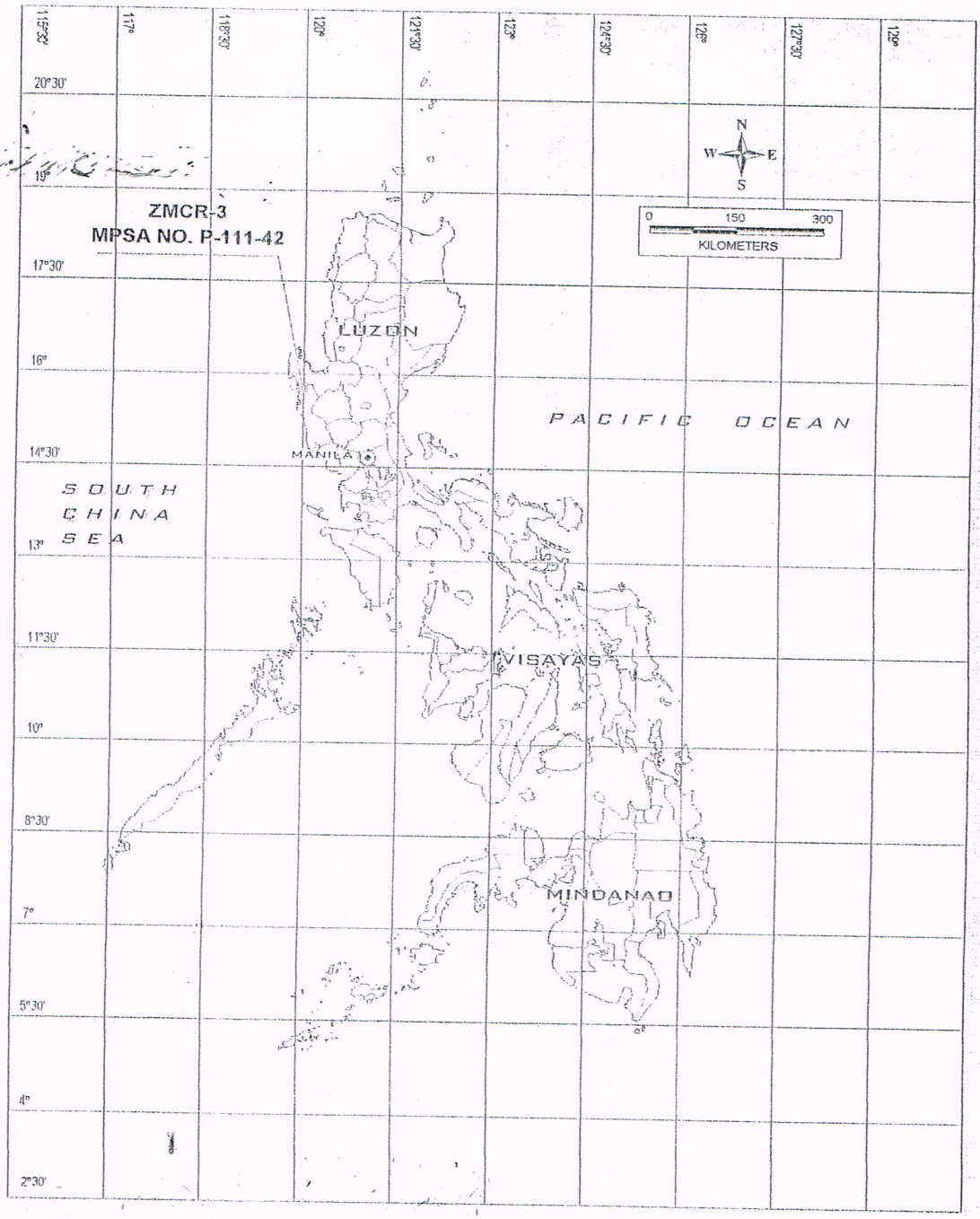
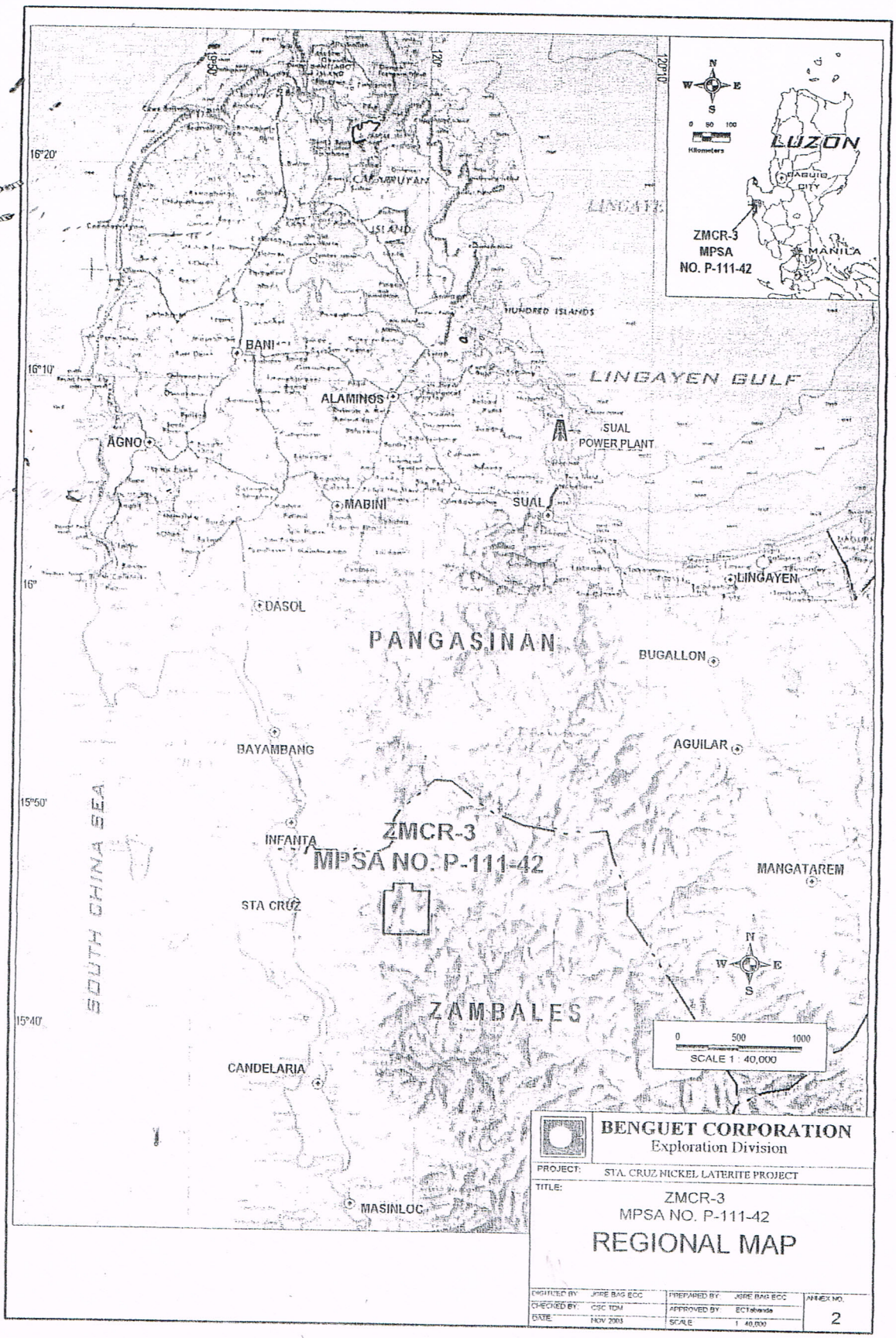
Date Registered : March 17, 1981 and Expires 11/23/2006
PTR No. 9488378 C, Issued at Makati City on January 31, 2005

INDEX MAP



ANNEX 1



BENGUET CORPORATION
Exploration Division

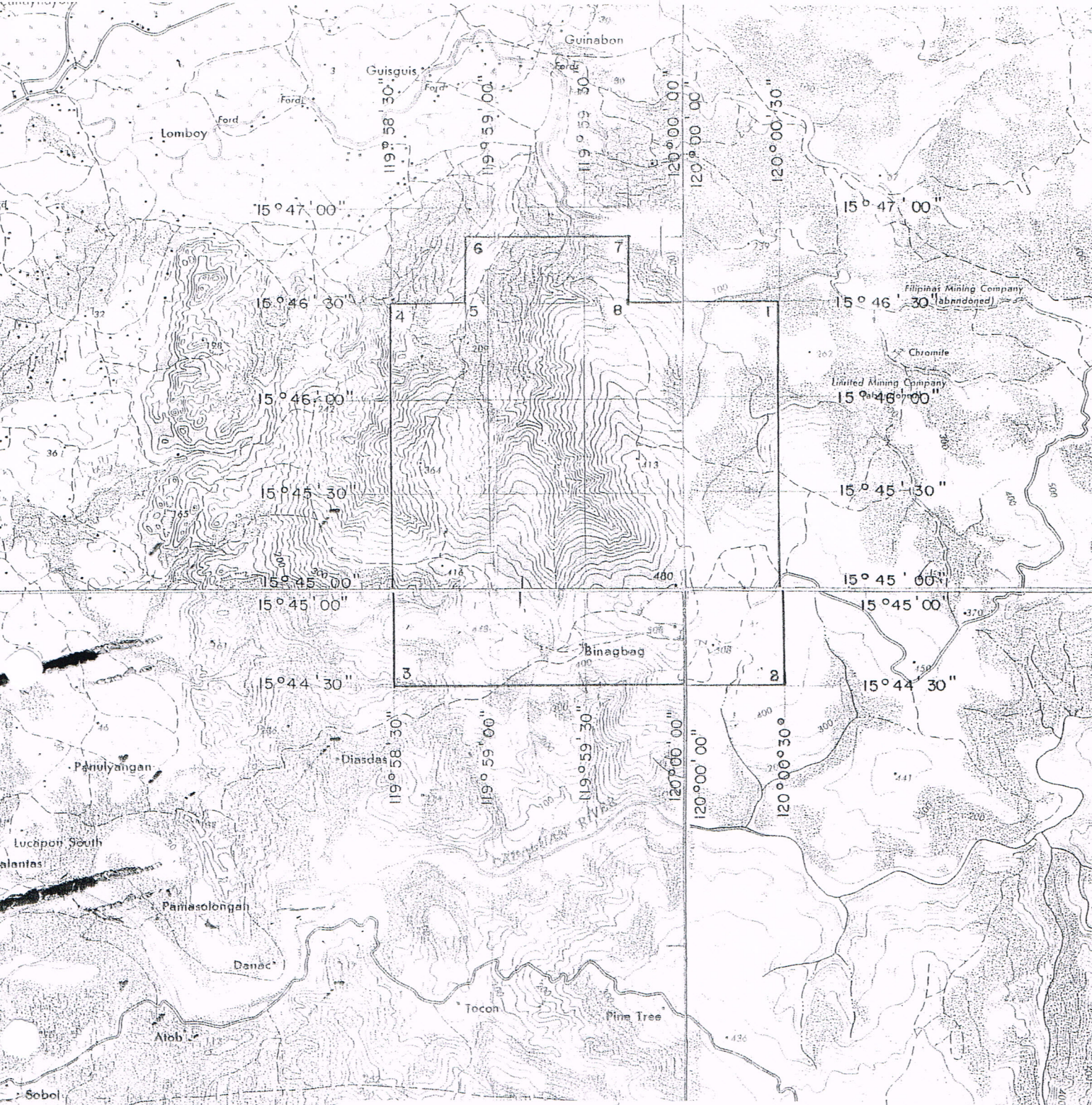
PROJECT: STA. CRUZ NICKEL LATERITE PROJECT

TITLE:

ZMCR-3
MPSA NO. P-111-42

REGIONAL MAP

DIGITIZED BY:	JERE BAG ECC	PREPARED BY:	JERE BAG ECC	ANNEX NO.
CHECKED BY:	CSC TDM	APPROVED BY:	ECTalvanda	2
DATE:	NOV 2003	SCALE	1 : 40,000	

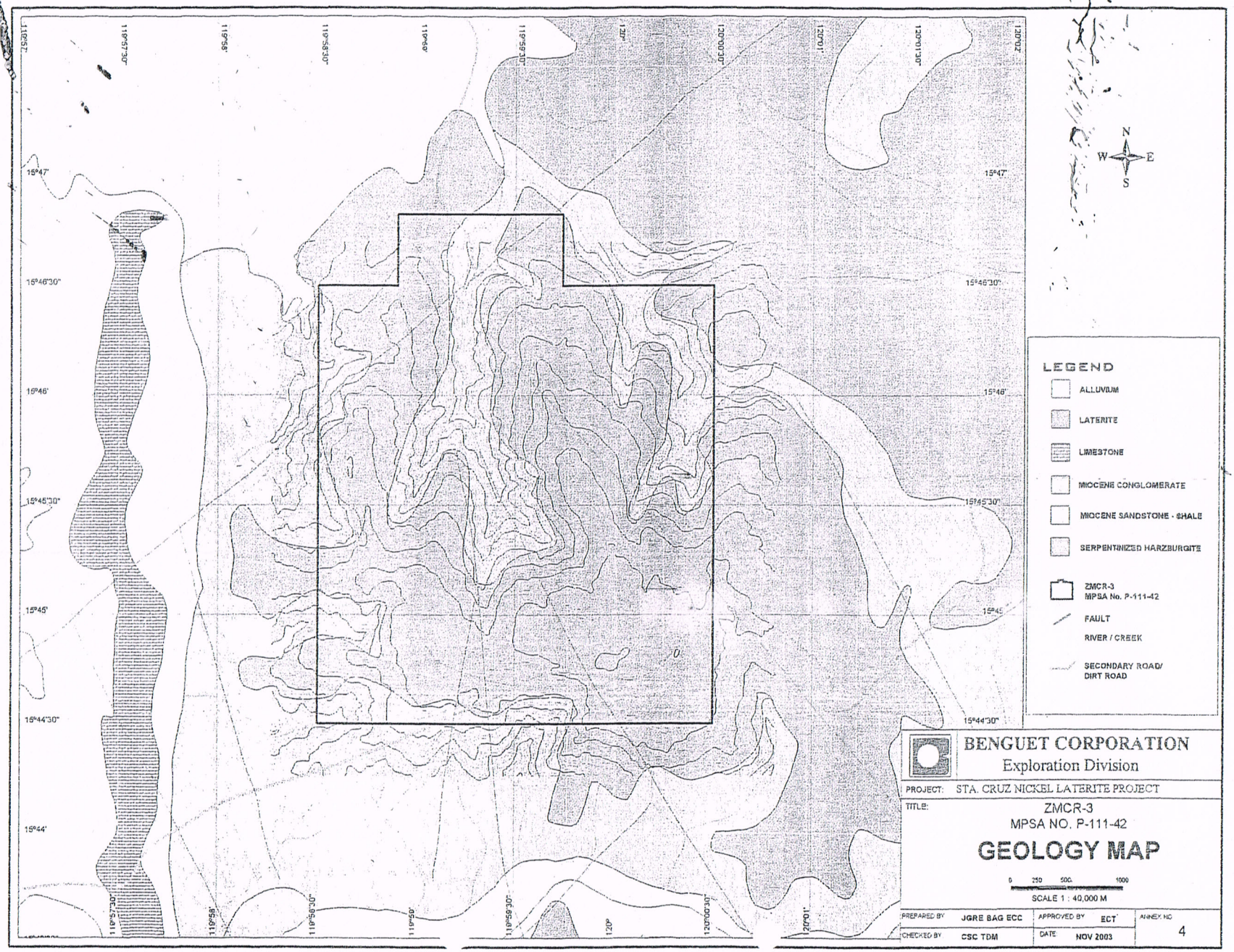


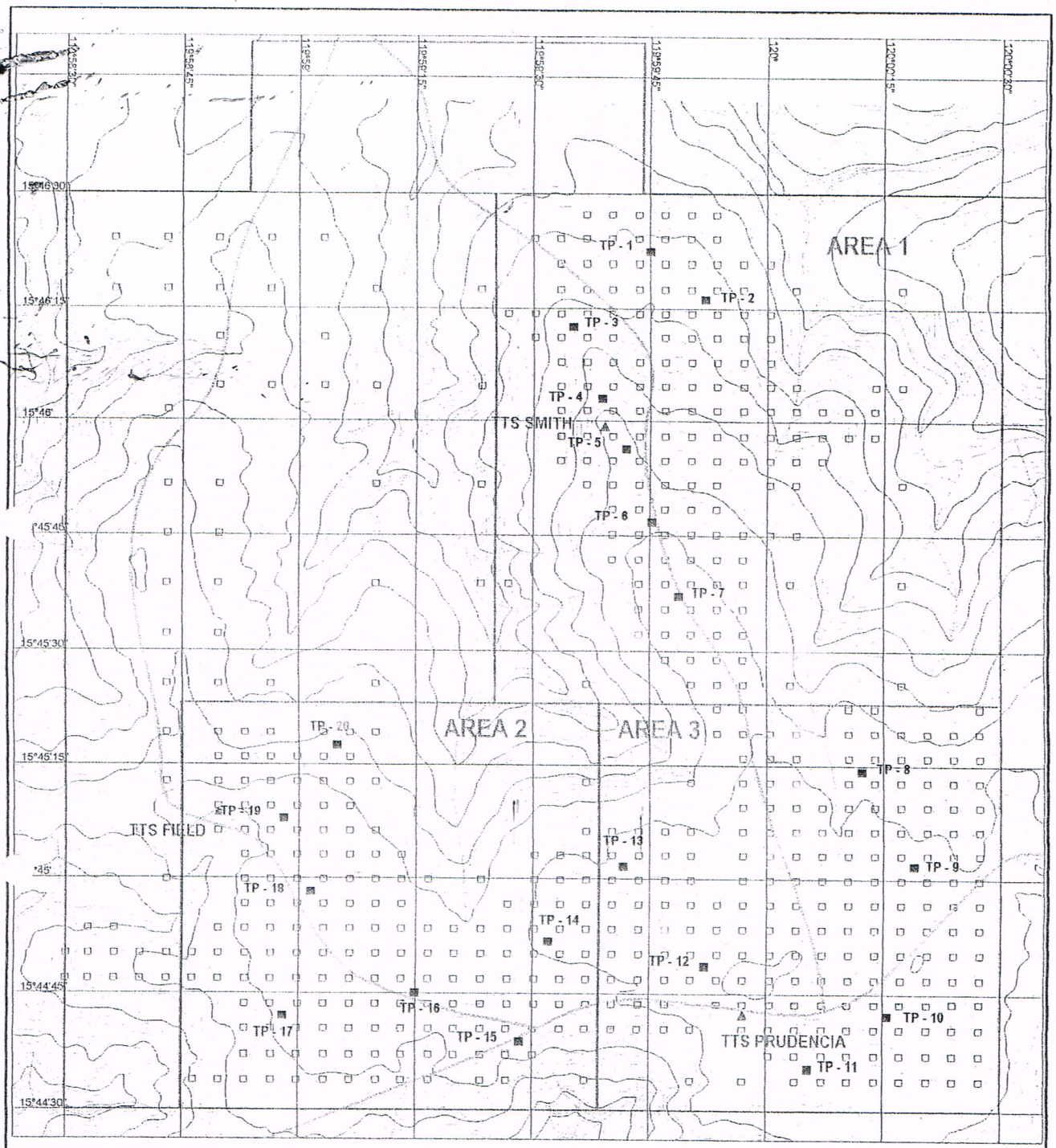
ANNEX No. 3

TECHNICAL DESCRIPTION
MPSA NO. P-III-42

CORNER	LATITUDE			LONGITUDE		
1	15 Degs.	46 Mins.	30.00 Secs	120 Degs	00 Mins.	30.00 Secs.
2	15 Degs.	44 Mins.	30.00 Secs	120 Degs	00 Mins	30.00 Secs.
3	15 Degs.	44 Mins.	30.00 Secs	119 Degs	58 Mins	30.00 Secs.
4	15 Degs.	46 Mins.	30.00 Secs	119 Degs	58 Mins	30.00 Secs
5	15 Degs.	46 Mins.	30.00 Secs	119 Degs	58 Mins	53.76 Secs.
6	15 Degs.	46 Mins.	49.30 Secs	119 Degs	58 Mins	53.76 Secs.
7	15 Degs.	46 Mins.	49.30 Secs	119 Degs	59 Mins	44.15 Secs.
8	15 Degs.	46 Mins.	30.00 Secs	119 Degs	59 Mins	44.15 Secs.

TOTAL AREA : 1,406.7362 Has.


N
W
E
S
15°47'
15°46'30"
15°46'
15°45'30"
15°45'
15°44'30"
15°44'
119°57'30"
119°58'
119°58'30"
119°59'
119°59'30"
120°
120°00'30"
120°01'
120°01'30"
120°02'
LEGEND
ALLUVIUM
LATERITE
LIMESTONE
MIOCENE CONGLOMERATE
MIOCENE SANDSTONE - SHALE
SERPENTINIZED HARZBURGITE
ZMCR-3
MPSA No. P-111-42
FAULT
RIVER / CREEK
SECONDARY ROAD/
DIRT ROAD
BENGUET CORPORATION
Exploration Division
PROJECT: STA. CRUZ NICKEL LATERITE PROJECT
TITLE:
ZMCR-3
MPSA NO. P-111-42
GEOLOGY MAP
0 250 500 1000
SCALE 1 : 40,000 M
PREPARED BY JGRE BAG ECC
APPROVED BY ECT
ANNEX NO 4
CHECKED BY CSC TDM
DATE NOV 2003



LEGEND

- PROPOSED TEST PIT
- OLD TEST PIT
- ROAD / ACCESS
- TRIANGULATION POINTS
- CREEKS
- ZMCR-3 MPSA NO. P-111-42

N
W E
S

0 250 500
SCALE 1: 20,000

BENGUET CORPORATION
Exploration Division

PROJECT: STA. CRUZ NICKEL LATERITE PROSPECT

TITLE:

ZMCR-3
MPSA NO. P-111-42

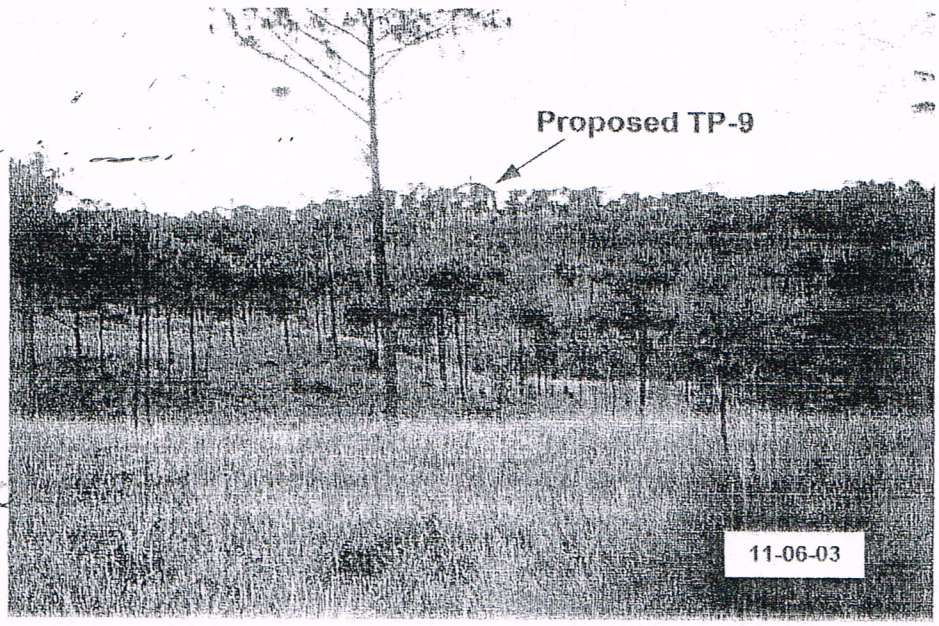
PROPOSED TEST PIT LOCATION MAP

DIGITIZED BY: JGRE BAG ECC	PREPARED BY: JGRE BAG ECC	ANNEX NO.
CHECKED BY: CSC TDM	APPROVED BY: ECTabanda	5
DATE: NOV 2003	SCALE:	

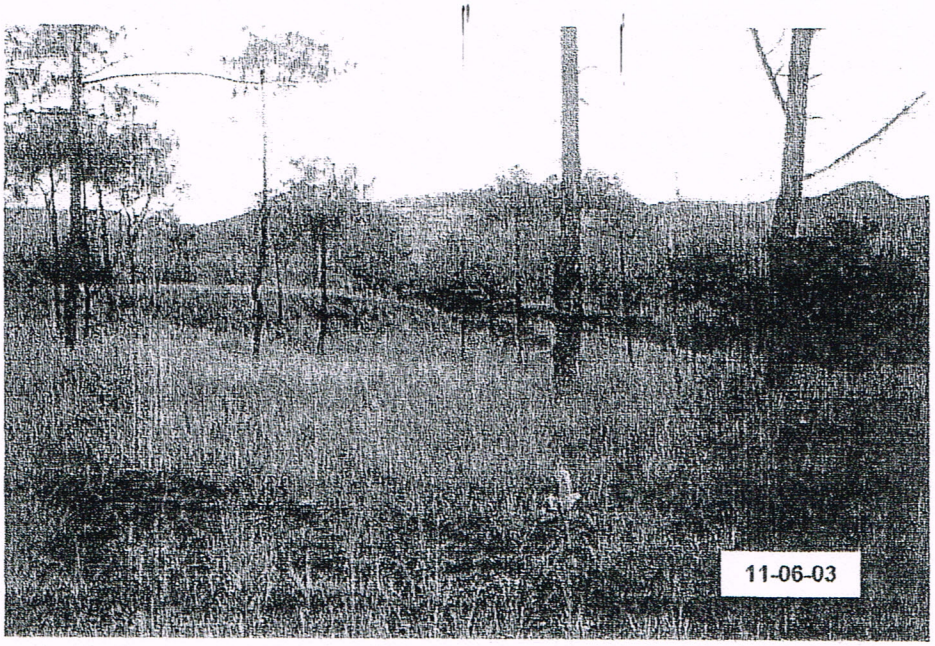
STA. CRUZ NICKEL LATERITE PROJECT
GANTT CHART

EXPLORATION ACTIVITY	PERIOD																								Estimated cost (Php)
	FIRST YEAR												SECOND YEAR												
	1	2	3	4	5	6	7	8	9	10	11	12	1	2	3	4	5	6	7	8	9	10	11	12	
Research work / Data compilation	→																								60,000
Mobilization & Field Camp construction		→	→																						75,000
Proposed Test Pit Survey				→	→	→	→	→	→																150,000
Test Pitting (20 test pits)					→	→	→	→	→	→	→	→	→	→	→										1,143,757
Geochemical sampling/assaying						→	→	→	→	→	→	→	→	→	→	→									306,000
Geological Detailed Mapping						→	→	→	→	→	→	→	→	→	→	→									808,000
Data Compilation										→	→	→	→	→	→	→	→	→	→						150,000
Review and Analysis of results																			→	→	→	→			200,000
Pre-Feasibility and Engineering Studies																						→	→	→	300,000
TOTAL ESTIMATE COST (Php)	2,040,206												1,152,551												3,192,757

ANNEX 6

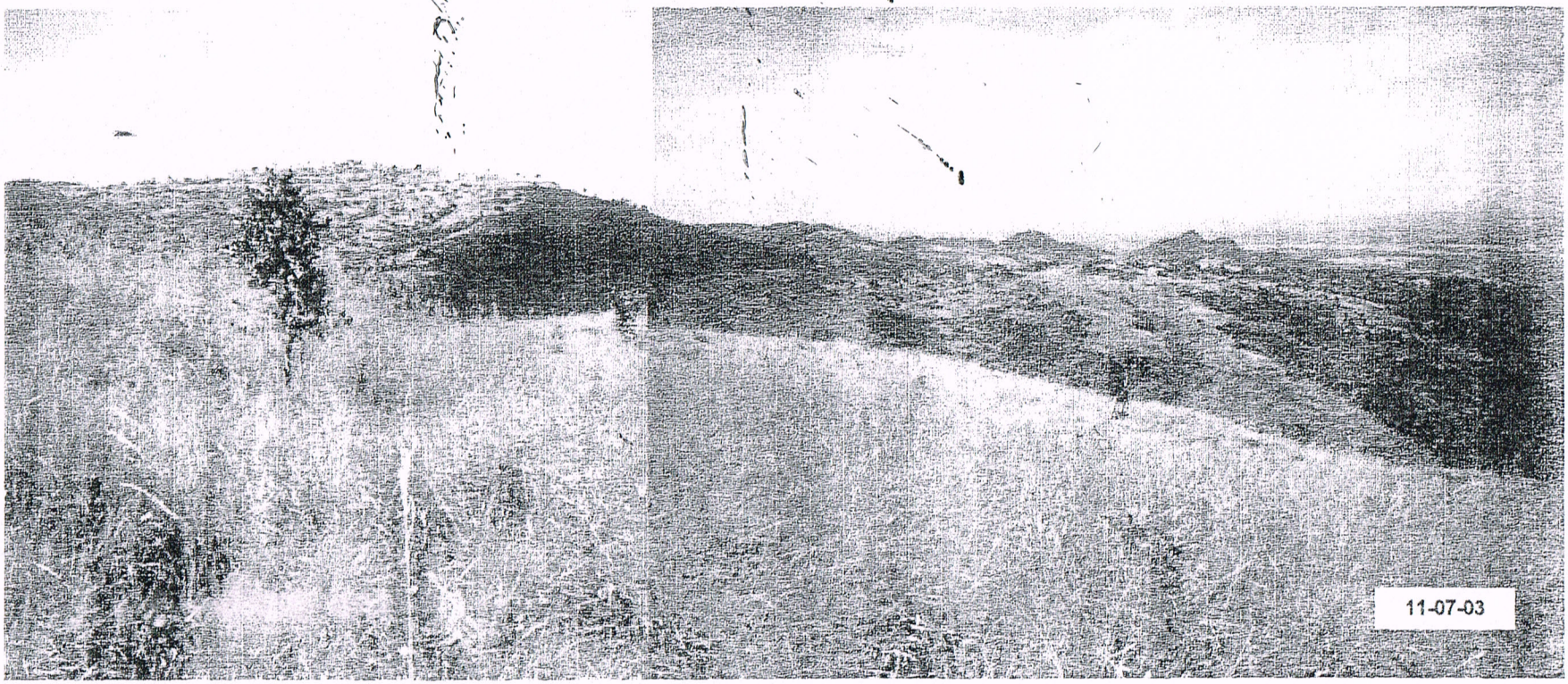


Panoramic view of the southeast section of ZMCR-3 tenement (MPSA No. P-111-42) where the proposed test pit # 9 is located.



South-central section of ZMCR-3 Tenement (MPSA No. P-111-42)

Photo showing southwest section of ZMCR-3 Tenement (MPSA No. P-111-42) and panoramic view of Masinloc-Candelari coastal area at the background.



Photograph of thickly cogon grassed central section of the claim and at the background is a ridge that straddles the northwest portion of ZMCR-3 tenement (MPSA No. P-111-42).

Northern section of ZMCR-3 tenement (MPSA No. P-111-42) overlooking Barangays Guis-guis and Ginabon.