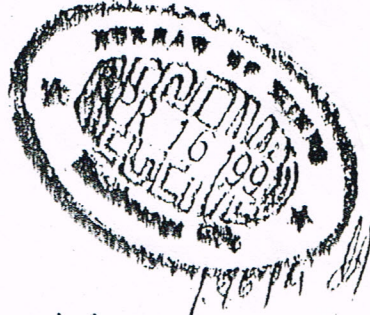


REPUBLIC OF THE PHILIPPINES)
MANDALUYONG, METRO MANILA) S.S.



SECRETARY'S CERTIFICATE

I, SOLIDAD M. CAGANPANG-DE CASTRO, being the duly elected Corporate Secretary of BENGUET CORPORATION, a corporation duly organized and existing in accordance with Philippine laws, with principal office at Benguet Centre, No. 12 San Miguel Avenue, Mandaluyong, Metro Manila, DO HEREBY CERTIFY: That the Board of Directors, in its regular meeting held on March 12, 1991, approved and adopted the following resolution granting the following SPECIAL POWER OF ATTORNEY, to wit:

"RESOLVED, That the President of the Company, the Executive Vice President, the Senior Vice President/Vice President for Exploration and Development and/or the General Manager of BOLCO PROJECT and/or any such manager as may be designated in writing by the foregoing officers, be, as they hereby are, authorized to execute, sign and file for and in behalf of Benguet Corp., the Mineral Production Sharing Agreements (MPSA), as well as all other documents required in connection therewith such as: declarations of location; applications for order of survey and lease or assignments; applications for prospecting/exploration/mines temporary permits and other permits for the said claims or any other document or documents that may be necessary or required in connection with such applications; to prospect for, locate, stake and register mineral claims; to perform annual assessment work over the mineral claims owned by the Company and those mineral claims held by the Company under operating or royalty agreements and do any such acts as may be required to perfect the Company's rights over mining claims located anywhere in the provinces under the jurisdiction of Mines and Geo-Sciences Bureau Region No. IX and its respective Mineral District Offices particularly in the Provinces of BASILAN, SULU, TAWI-TAWI, ZAMBOANGA DEL SUR and ZAMBOANGA DEL NORTE".

GIVING AND GRANTING unto the said attorneys full power and authority to do and perform all and every act and thing whatsoever requisite and necessary to be done and about the premises, as fully to all intents and purposes, as it might or could do if personally represented by its officers thereunto duly authorized to act, hereby ratifying and confirming all that the said attorneys shall lawfully do or cause to be done by virtue of these presents.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Corporation on this 15th day of March 1991 at Mandaluyong, Metro Manila.

[Signature]
SOLEDAD M. CAGAMPANG-DR-CASTRO
Corporate Secretary

SUBSCRIBED AND SWORN TO BEFORE ME on this 15th day of March 1991 at Mandaluyong, Metro Manila, affiant exhibited to me her Residence Certificate No. 18408650K issued on January 17, 1991 at Makati, Metro Manila.

Doc. No. 133;
Page No. 20;
Book No. 1;
Series of 1991.

[Signature]
MICHAEL C. CHAVEZ
NOTARY PUBLIC
UNTIL DECEMBER 31, 1992
PTR # 830163
ISSUED ON JAN. 10, 1991

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CERTIFICATE OF REGISTRATION

Mining Region No. IX

The filing fee therefor having been paid, the foregoing instruments was filed for record in this Office at 1 o'clock and 40 minutes P. on the 16th day of APRIL A.D. 19 91 and has been recorded in Book No. 01 of the Records of MOC DOCUMENTS of this Region, on pages 59 as Document No. 07.

Filing fee paid under Official Receipt No. 2894274 dated APRIL 16, 19 91 in the amount of ₱ 85.00

[Signature]
DARIO DELA CRUZ
CIC, RTD-MCDS

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Annex C

BENGUET CORPORATION
CANATUAN GOLD PROJECT
Siocon, Zamboanga del Norte

PROPOSED TWO-YEAR EXPLORATION WORK PROGRAM

NAME AND ADDRESS OF COMPANY/PROPONENT:

- * *Benguet Corporation* with postal address at #12 San Miguel Avenue, Mandaluyong City, Metro Manila as **OPERATOR** for and on behalf of **Ramon V. Bosque**, Claimowner.

LOCATION OF PROJECT:

- * The Canatuan Gold Project is located close to the western coast of Mindanao more specifically situated in Sitio Canatuan. Barangay Tabayo, Municipality of Siocon, Province of Zamboanga del Norte, Philippines. It is bounded by Latitudes 7° 43' 30" to 7° 44' 30" N and Longitude 122° 16' 00" to 122° 18' 00" E, more or less.

AREA OR SIZE OF COVERAGE:

- * The Project is composed of six (6) contiguous meridional block applied for MPSA by Ramon V. Bosque with a total land area of 508.3396 hectares as per actual transit survey.

DESCRIPTION OF PROJECT AREA:

- * The topography of the project area is characterized by steep-crested hills and deeply incised valleys. It is accessible from Zamboanga City to R.T. Lim which is about 120 road kilometres via Highway 14, thence through 45 km long old logging road leading to the project site. The tributaries form dendritic pattern which largely flows south to southeasterly to the main Litoban River which flows westerly to Siocon Bay. The area was previously logged-over both by commercial logging and local residents. In addition to sparse second growth trees, patches of kaingin farms with upland rice,



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rootcrops and bananas cover the rolling terrains and flat areas.

DESCRIPTION OF EXPLORATION PROGRAM:

A. Research Work

- * Between May and September 1991, Benguet Corporation conducted preliminary field verification, followed by mapping and sampling of some of the excavations of small scale miners. Results indicated favorable gold mineralization which suggested further systematic geological investigation.

B. Reconnaissance/Regional Survey/Studies

- * The initial information gathered from the excavations done by the small scale miners will be a good background. As such, reconnaissance or regional survey/studies will not be necessary. Thus, fieldwork will be initiated immediately with semi-detailed survey or follow-up studies then subsequently followed by detailed survey or studies.

C. Semi-detailed Survey/Follow-Up Studies

- * Semi-detailed mapping/alteration studies will be conducted over the entire 508.3369 hectares for a period of three (3) months covering the tributaries, road cuts, trails, stream sediment, pan- con and rock sampling involving 18 men and staff with an estimated cost of P198,150.00. The information gathered will be consolidated into a 1:10,000 scale map showing lithology, structural controls, alterations and mineralization which will be utilized to plan targets for detailed geological mapping and sub-surface programs.
- * Geophysical Survey will be undertaken by utilizing the Time Domain Electro-Magnetic (TDEM) and Magnetometer applications along 4000 lineal meters. This activity will be contracted by McPhar/other Laboratories with a budget of P500,000.00. The resulting data will produce maps/graphs showing the conductivity, resistivity, magnetic susceptibility of the available metals and/or elements, contour and profile

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maps, which will be used in planning programs for sub-surface investigations.

- * Sub-surface Investigation will initially involve the mapping and sampling of shafts and adits excavated by the small scale miners numbering to about 50 openings with about 300 meters aggregate length/depth. Approximate channel samples to be collected will be about 600 bags which will be assayed for Gold by fire assay and Ag, Cu, Pb, Zn, As by AAS method. This undertaking will be done by the same manpower (9 men) as earlier established in Geological Mapping for an approximate duration of three (3) months with a cost of about P198,150.00.

D. Topographic Survey

- * Topographic Survey will be initially undertaken over an area of 1.5 km by 1.0 km or 150 hectares and establish a base map of scale 1:2000 with 5 meter contour intervals. This activity will involve 6 men with an estimated budget of P230,000.00 for a seven (7) month period.

DETAILED SURVEY STUDIES

- * Detailed Geological Mapping will be conducted with Compass-tape traverses over the identified "economic zone" area encompassing the tributaries, road cuts/access trails, with emphasis on the structural controls, lithology, alterations and mineralization utilizing 1:500 scale field maps and transposed into 1:2000 base maps. Based on the small scale miners operations the "economic" zone is about 150 hectares where activities will last for about 12 months supported by 9 men with an estimated budget of P792,600.00. Maps to be produced will show lithology, alterations mineralized and ore zones.
- * Detailed Geochemical survey will be applied over an approximate area of 1.5 km X 1.0 km or 150 hectares at 50 m X 100 m grid where some 300 soil samples will be collected. Gold and silver assays will be by fire assay and Cu, Pb, Zn, As, Sb and Hg will be analyzed by AAS. This activity will be complemented by 5 men over a period of two (2) months

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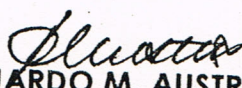
with an estimated cost of P75,000.00. The results will be translated into 1:2000 scale maps showing anomalous zones and isograd maps per element.

Sub-surface investigation will utilize diamond drilling (coring) initially with 18 holes with a total length of 750 meters and completed in two (2) months period. Some 150 sludge samples and about 100 core samples is expected to be collected. Estimated cost is about P1,875,000.00. In addition, about 50 test pits has been programmed to test certain anomalous zones with an aggregate depth of 300 meters which is projected to be completed in about 3.5 months with an estimated cost of P140,000.00

Total Estimated Exploration Cost:

Year 1	P2,755,620.00
Year 2	<u>3,560,430.00</u>
GRAND TOTAL	P6,316,050.00

Schedule of Activities (Gantt Chart) is herewith enclosed. Map attachments include topographic map scale 1:10,000 showing proposed grid geochem soil sample location, test pit location and diamond drill holes location maps.


EDUARDO M. AUSTRIA
Geologist Lic. 205
PTR No. 439871
Dated: 02-27-96



CANATUAN GOLD PROJECT
SUMMARY OF COST ESTIMATES

MOBILIZATION			P100,000.00
CAMP CONSTRUCTION			200,000.00
REPAIR/MAINTENANCE OF ROADWAYS/BRIDGES			150,000.00
GEOLOGICAL MAPPING			1,188,900.00
	* SEMI-DETAILED	3 months	P 198,150.00
	* SUB-SURFACE	3 months	198,150.00
	* DETAILED	12 mons.	792,600.00
SURVEY WORKS			230,000.00
GEOCHEMICAL SURVEY			75,000.00
GEOPHYSICAL SURVEY			500,000.00
TEST PITTING			140,000.00
SAMPLING/TEST PIT LOGGING			445,850.00
DIAMOND DRILLING			1,875,000.00
SAMPLE PREP/ASSAYING			315,300.00
METALLURGICAL TESTING			150,000.00
REPORT WRITING/ DATA EVALUATION			96,000.00
FEASIBILITY STUDY			250,000.00
EVALUATION			100,000.00
OTHERS			500,000.00
	FOOD ALLOWANCE		P 500,000.00
	TOOLS & IMPLEMENTS		150,000.00
	GRAND TOTAL		P6,316,050.00

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**TWO-YEAR EXPLORATION WORK PROGRAM
CANATUAN GOLD PROJECT
SIOCON, ZAMBOANGA DEL NORTE, MINDANAO**

ACTIVITY	MONTHS																								BUDGET (P 000)		
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24			
MOBILIZATION	100,000																									P 100.00	
CAMP CONSTRUCTION	200,000																									200.00	
REPAIR/MAINTENANCE OF ROADWAYS, BRIDGES	150,000																									150.00	
GEOLOGICAL MAPPING	198,150				198,150					330,250						462,350									1,188.90		
SURVEY WORKS							131,430					98,570													230.00		
GEOCHEMICAL SURVEY							75,000																		75.00		
GEOPHYSICAL SURVEY									500,000																	500.00	
TEST PITTING									80,000				60,000													140.00	
SAMPLING / TEST PIT LOGGING								253,050									192,800									445.85	
AMOND DRILLING													1,875,000													1,875.00	
SAMPLE PREP / ASSAYING																	149,710									315.30	
METALLURGICAL TESTING																									150.00		
REPORT WRITING / DATA EVALUATION								24,000									72,000									96.00	
FEASIBILITY STUDY																									250.00		
EVALUATION																									100.00		
OTHERS								350,000.00								150,000.00										500.00	
	YEAR I - P 2,755,620.0																								P 3,560,430.0	GRAND TOTAL	P 6,316.05

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**TWO-YEAR EXPLORATION WORK PROGRAM
CANATUAN GOLD PROJECT
SIOCON, ZAMBOANGA DEL NORTE, MINDANAO**

ACTIVITY	MONTHS																								BUDGET (P 000)	
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24		
MOBILIZATION	—																									P 100.00
CAMP CONSTRUCTION	—																									200.00
REPAIR/MAINTENANCE OF ROADWAYS, BRIDGES				—																						150.00
GEOLOGICAL MAPPING				—																						1,188.90
SURVEY WORKS							—																			230.00
GEOCHEMICAL SURVEY							—																			75.00
GEOPHYSICAL SURVEY												—														500.00
TEST PITTING												—														140.00
SAMPLING / TEST PIT LOGGING												—														445.85
DIAMOND DRILLING													—													1,875.00
SAMPLE PREP / ASSAYING													—													315.30
METALLURGICAL TESTING													—													150.00
REPORT WRITING / DATA EVALUATION														—												96.00
FEASIBILITY STUDY																										250.00
EVALUATION																										100.00
OTHERS																										500.00
GRAND TOTAL																								P 6,316.05		

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I. Environmental Aspect

A. Review of Proposed Exploration Program (Two Years)

1. Phase 1 - Geological Mapping along roads and trails and Test Pitting (400 pits - 1 m x 1 m x 6 m, at 200 m interval) within an area of 1,695 ha.
2. Phase 2 - Continue Test Pitting (1,500 pits at 50 m interval) with closer interval within an area of 400 ha. (25% of exploration area).

Note: Other activities for Phases 1 and 2 include traverse surveying, brush cutting and putting up temporary camp to accommodate about ten (10) people.

3. Phase 3 - Metallurgical Testing and Feasibility Study

B. Project Outputs Due to Exploration Activities

1. Test Pitting - Each test pit that will be excavated down to 6 m deep will loosen about 6 m³ of soil. This excavated soil will be piled-up just beside the test pit.
2. Geological Mapping, traverse survey and brush cutting will not in anyway involve significant/substantial environmental adverse effect.

C. Waste Disposal

1. Excavated six (6) m³ soil from test pit. This amount of soil will be backfilled in each pit after soil examination/field analysis and sampling.

D. Environmental Protection and Rehabilitation Cost

1. Backfilling Activities

a. Phase 1 - P 16,500.00

b. Phase 2 - P 55,200.00

Total P 71,700.00

Prepared by:

R. Requero
 RAUL D. REQUERO
 Environmental Manager
 CHQ - Benguet Corporation