

MINUTES OF THE 2nd QUARTER 2022
MINE REHABILITATION FUND COMMITTEE MEETING
Citinickel Mines and Development Corporation
Hybrid Meeting
15 July 2022 | 9:00 a.m.

ATTENDANCE:

MRFC Members:

1. Engr. Glenn Marcelo C. Noble	Chairperson and Regional Director MGB MIMAROPA Region
2. Ms. Lormelyn E. Claudio, CESO IV	Co-chairperson and Regional Executive Director DENR MIMAROPA Region
3. Engr. Nunilon R. Tanguilig	Representing Mr. Joe Amil M. Salino Regional Director, EMB MIMAROPA Region
4. Mr. Niño Rey C. Estoya	Representing Atty. Teodoro Jose S. Matta Executive Director, PCSDS
5. Atty. Noel E. Aquino	Representing Hon. Victorino Dennis M. Socrates Provincial Governor, LGU – Palawan
6. Hon. Abner Rafael N. Tesorio	Mayor, LGU – S. Española, Palawan
7. Mr. Neil V. Vargas	Representing Hon. Gerandy B. Danao Mayor, LGU – Narra, Palawan
8. Mr. Teofilo T. Tredez	Representing Atty. Nesarío G. Awat NGO – PANLIPI
9. Fr. Jasper A. Tabangay	Social Action Director, AVPP
10. Mr. Ferdinand M. Pallera	President, CMDC

Not Present:

1. Dr. Marie Grace T. Pascua	Regional Director, NCIP IV
------------------------------	----------------------------

Guest and Other Participants:

1. Engr. Jainal M. Uy, Jr.	Resident Mine Manager, CMDC
2. Ms. Pamela P. Miguel	Administrative Manager, CMDC
3. Mr. Mark A. Alvarez	MEPEO, CMDC
4. Mr. Carl Jay C. Tan	PCO, CMDC - PNMP
5. Ms. Monica A. Alaska	PCO, CMDC - TNMP
6. Engr. Nick Japhers G. Gabinete	Mining Engineer, CMDC
7. Ms. Arlyn Joy A. Bagnate	Community Relations Officer, CMDC – TNMP
8. Mr. Armando T. Tuling	Community Relations Officer, CMDC – PNMP
9. Engr. Paula B. Millena	Safety Engineer, CMDC – TNMP

MMT

1. Engr. Venus V. Jesoro	MGB MIMAROPA
2. Engr. Lister C. Sianen	MGB MIMAROPA
3. Ms. Aira Mae A. Perez	MGB MIMAROPA

Secretariat (MGB MIMAROPA):

- | | |
|----------------------------------|------------------|
| 1. Engr. Alvin S. Requimin | Head Secretariat |
| 2. Engr. Hanna Lee B. Arriesgado | Secretariat |
| 3. Engr. Al Janry S. Tuazon | Secretariat |

I. Preliminaries

Engr. Glenn Marcelo C. Noble, Regional Director and Chairperson, called the meeting to order at 9:36 a.m. upon confirmation of a quorum (9 out of 11) by the Secretariat.

II. Meeting Proper

A. Provisional Agenda

Among the issues/concerns requested to be included for discussion are as follows:

- DENR Administrative Order No. 2022 – 12 per Engr. Nunilon R. Tanguilig (EMB MIMAROPA);
- MMT – MRFC Capacity Building raised by Engr. Alvin S. Requimin (MGB MIMAROPA);
- Update of the Regional Investigation and Assessment Team (RIAT) as requested by Mr. Teofilo T. Tredez (PANLIPI); and
- Request of Mayor Abner Rafael N. Tesorio (LGU – Sofronio Española) for community assistance under Community Social Responsibility (CSR).

With additional matter to be discussed, Mr. Niño Rey C. Estoya (PCSDS) moved for the approval and adoption of the provisional agenda, duly seconded by Engr. Tanguilig.

B. Draft minutes of the 1st Quarter 2022 MRFC Meeting

With minor corrections, Mr. Estoya moved for the approval of the draft minutes of the 1st Quarter 2022 MRFC meeting, duly seconded by Engr. Tanguilig.

C. Matters arising from the minutes of the 1st Quarter 2022 MRFC Meeting

1. Exceedances in Cadmium

Part of the company's presentation of compliances and accomplishments.

2. Revised Final Mine Rehabilitation/Decommissioning Plan (FMR/DP)

Engr. Jainal M. Uy, Jr. (CMDC) informed the body that the revision of the company's FMR/DP is a result of an increase in the mining operation's

disturbed area as allowed under the issued SEP Clearance. He added that the revised FMR/DP will be submitted not later than 30 October 2022.

The Chairperson asked the company to present the new mine development areas in the next MRFC meeting.

Mr. Estoya inquired whether the additional subject areas for development are the same extent being requested for discrepancy settlement and if there are any issues regarding the expansion. Engr. Uy answered in the negative and confirmed that there are no issues related to the additional mining areas.

Mr. Teofilo T. Tredez (PANLIPI) commented that the company's suspension was in relation to the newly issued SEP clearance.

Engr. Requimin clarified that the company was suspended due to operating beyond the previously approved SEP area.

The Chairperson further clarified that with the issuance of amended SEP clearance, CMDC can now pursue mining in the contested area.

Mayor Abner Rafael N. Tesorio (LGU – Sofronio Española) asked the location of the approved expansion. Eng. Uy responded that the expansion is within the permit area of CMDC's Toronto Nickel Mining Project (TNMP) in Narra, Palawan. He added that the SEP clearance permitted the company to mine in the areas above 500 masl up to 1000 masl.

Ms. Pamela P. Miguel (CMDC) requested to include the word "amended" in identifying the SEP Clearance issued to the company.

Mr. Estoya inquired on the company's pending request for an addendum on the amended SEP Clearance issued on 19 August 2021. Ms. Miguel explained that CMDC is soliciting for a clarification/reconciliation on the identified discrepancies in the ECAN zoning map attached to the amended SEP Clearance. She further disclosed that the issue was already resolved during the technical conference with Palawan Council for Sustainable Development (PCSD), identifying that the discrepancies were a result of different reference coordinate systems used by the company (Luzon 1911) and the PCSD (WGS84).

Mr. Estoya requested for the company to resolve the pending matter with PCSD prior to the submission of the revised FMR/DP in October. Ms. Miguel informed the body that the agreement during aforementioned meeting was for the company to submit a request letter to PCSD. Mr. Estoya advised the company to wait for the latter's official action. The Chairperson asked Mr. Tredez whether there is an issue regarding the amended SEP clearance. Mr. Tredez responded in the affirmative.

3. Claim of Mr. Jose Rommel Agustin Julio

With no representative from the National Commission on Indigenous Peoples (NCIP) MIMAROPA, the Chairperson decided that the MGB MIMAROPA will coordinate with the former for an update on the matter.

Mr. Estoya suggested for the body to create a resolution demanding an update from NCIP MIMAROPA. The suggestion was supported by Mr. Tredez.

On the motion of Mr. Estoya, duly seconded by Mr. Tredez, the body agreed in directing MGB MIMAROPA to coordinate with NCIP MIMAROPA regarding the claim of Mr. Jose Rommel Agustin Julio, royalty payment, and other IP – related concerns.

4. Status of royalty payment to IPs

This is part of the body's previous agreement mentioned in item no.3 above.

5. 4Q2021 MMT Findings and Recommendations

This is part of the company's presentation of compliances and accomplishments.

6. MMT Field Uniform

Ms. Miguel apprised the body that there is a need to finalize the MMT members who would be issued with the uniform. Finalization of the official list of MMT members should be done by the end of the 3rd Quarter 2022.

7. Philippine Council for Agriculture and Fisheries (PCAF) membership to the MMT

The Chairperson informed the body on the decision of the MRFCs for Rio Tuba Nickel Mining Corporation (RTNMC), Coral Bay Corporation (CBNC), and Graymont (Philippines), Inc. (GPI) to deny the membership of PCAF. Considering that the MRFC for CMDC was the first to decide to deny PCAF's request, the unanimous agreement will be communicated through a formal letter.

8. Submission of Bamboo Capturing Sheet

The Chairperson instructed the company to comply with the submission of the accomplished Bamboo Capturing Sheet in the next quarter.

D. Technical Reports

1. Presentation of the highlights of the field findings and recommendations during the 1Q2022 MMT validation

CMDC – Pulot Nickel Mining Project

- Engr. Venus V. Jesoro (MGB MIMAROPA) presented the company's compliance with its approved 2022 Annual Environmental Protection and Enhancement Program (AEPEP).
- The Chairperson requested that the company's land use be included in the report.
- Likewise, the Chairperson stated that a brief explanation on the significant differences in the company's physical and financial accomplishments per environmental activity should be reflected in the MMT report.
- The standardization of the MMT report to the MRFC was agreed upon as recommended by the Chairperson.

CMDC – Toronto Nickel Mining Project

- Ms. Aira Mae A. Perez (MGB MIMAROPA) discussed the field findings.
- Fr. Jasper A. Tabangay (AVPP) observed some inconsistencies in the presentation of toxic and hazardous wastes i.e., volume of solid and liquid hazardous wastes was not reported. Engr. Requimin underscored the plan to standardize the reporting as agreed earlier.

2. Presentation of highlights of the 2nd Quarter 2022 Water, Air, and Noise Monitoring and Sampling

- Engr. Jesoro presented the results of the 2nd Quarter 2022 water quality sampling results for both projects, all of which are within the DENR standards.
- Fr. Tabangay inquired whether groundwater and sediment sampling are being conducted by the MMT. Engr. Tanguilig explained that the law only requires the ambient air and water sampling for mining projects.

3. Presentation of compliance with the 1Q2022 MMT's field findings and recommendations and presentation of physical and financial accomplishments, including updating of established funds

CMDC – Pulot Nickel Mining Project

- Mr. Carl Jay C. Tan (CMDC) presented the company's compliance with the MMT field findings. He highlighted the ongoing implementation of some unattained activities in the first quarter.
- Mr. Tredez requested for an updated rehabilitation map be provided to the MMT during the monitoring.

- 255
- 256
- 257
- 258
- 259
- 260
- Fr. Tabangay inquired whether there is a legal provision for the minimum soil thickness required in the rehabilitation of mining projects. Mr. Tan answered that CMDC ensures 1.0 to 1.8 – meter of topsoil used in progressive rehabilitation of mined – out areas.

261 *CMDC – Toronto Nickel Mining Project*

- 262
- 263
- 264
- 265
- 266
- 267
- 268
- 269
- 270
- 271
- 272
- 273
- 274
- 275
- 276
- 277
- 278
- 279
- 280
- Ms. Monika A. Alaska (CMDC) detailed the company's status of compliance with the MMT field findings, corresponding recommendations, and fund lodgings.
 - Regarding widening the observed narrow canal near the gate/CMDC control point resulting to the water overflow within the highway, Ms. Alaska underscored that the company can only coordinate the issue to the proper authorities i.e., the Department of Public Works and Highways and LGU – Bato – bato. Mr. Tredez suggested for the company to still act on the matter ensuring lesser water overflow.
 - Ms. Alaska further disclosed that the current active mining area for both projects covers 11.52 hectares – 7.95 for TNMP and 3.57 hectares for PNMP. The Chairperson commented that the company's active mining area turned out to be smaller compared to other nickel mining operations.

281 **E. Presentation of 2nd Quarter 2022 Annual Social Development and**

282 **Management Program accomplishments**

283

- 284
- 285
- 286
- 287
- 288
- 289
- 290
- 291
- 292
- 293
- 294
- 295
- 296
- 297
- 298
- 299
- 300
- 301
- 302
- 303
- 304
- 305
- Ms. Arlyn Joy A. Bagnate (CMDC) detailed the company's approved 2022 Annual Social Development and Management Program (ASDMP) schedule of implementation.
 - The Chairperson pleaded to the company to ensure that the farming equipment requested by the communities through the ASDMPs be protected.
 - Engr. Requimin asked whether the harvester, mobile rice mill, and four-wheel tractor for Farmer's Association were already purchased. Ms. Bagnate responded that said equipment are subject for procurement.
 - The Chairperson advised the company to ensure that, as much as possible, the approved ASDMP must be fully implemented.
 - Mr. Tredez commented that the company should guarantee that ASDMP projects implemented would benefit the majority in the community and not just a few individuals. The Chairperson agreed with Mr. Tredez and remarked that it is the concerned local government unit and the MGB MIMAROPA's responsibility to monitor the projects' sustainability.

306
307
308 **F. Other Matters**
309

310 **1. DAO No. 2022 – 12**
311

- 312
- The Chairperson provided a brief background on the Environmental Management Bureau's (EMB) representation in the MMTs. Relatedly, DENR Administrative Order No. 2022 – 12 states that EMB representatives shall continue to be a member of the MMT.
 - Engr. Tanguilig requested for assistance from the company on the independent monitoring activity of EMB MIMAROPA for which Ms. Miguel asked the Engr. Tanguilig to officially advise CMDC regarding the aforementioned undertaking.
- 317
318
319
320
321
322

323 **2. MMT – MRFC Capacity Building**
324

- The Chairperson discussed that the MMTs for RTNMC, CBNC, GPI, Berong Nickel Corporation, and CMDC proposed for a mine cross-visit in Surigao as the year's MMT – MRFC capacity building activity. He underscored that the cross – visit should ideally be undertaken in August or September as rainy season in Surigao would start sometime in October.
 - The company agreed with the MMT's decision.
- 325
326
327
328
329
330
331
332
333

334 **3. Update of RIAT**
335

- Ms. Alaska apprised the body that soil sampling was already conducted last May 30 – June 03, 2022. The Municipal Agriculture Office (MAO) of Narra headed the sampling activity and prepared the soil samples for transport. Said samples will undergo fertility test and heavy metal content analysis.
 - Mr. Tredez requested to activate the Quick Response Team (QRT) to ensure immediate action on mining – related issues/complaints. The Chairperson explained that the RIAT and QRT are not the same. Regardless, he instructed the Secretariat to request the CENRO - Quezon embedded personnel to provide an update regarding the QRT.
- 336
337
338
339
340
341
342
343
344
345
346
347
348

349 **4. Request of Mayor Tesorio for Community Assistance**
350

- Mayor Abner Rafael N. Tesorio (LGU – S. Española) brought to the company's attention the royalty payment to the IPs and requested for CMDC to coordinate with the LGU on the company's activities. He further asked if the company can consider community assistance, to the remaining six (6) indirect impact barangays in Sofronio Española as part of CMDC's
- 351
352
353
354
355
356

Corporate Social Responsibility. Engr. Uy replied that such request will be communicated to the company's top management.

- The Chairperson asked the company to provide Mayor Tesoro of the pertinent reports/documents regarding the royalty payment.

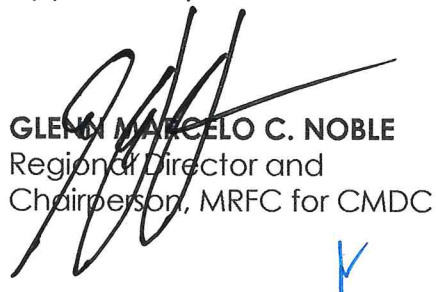
III. Adjournment

All matters properly discussed and there being no other business for deliberation, the meeting was adjourned at 2:45 p.m. on the motion of Engr. Tanguilig and duly seconded by Mr. Tredez.

Attesting to the correctness of the foregoing:


VENUS V. TESORO
Secretariat
MGB MIMAROPA

Approved by:


GLENN MARCELO C. NOBLE
Regional Director and
Chairperson, MRFC for CMDC

V