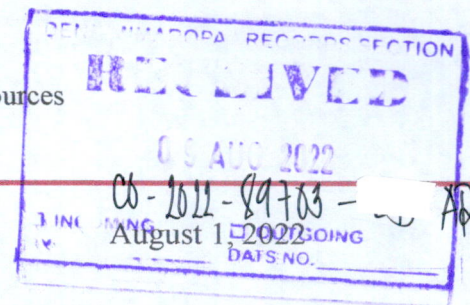




MEMORANDUM

FOR : Regional Executive Director

THRU : The Assistant Regional Director for Technical Services

FROM : The OIC, PENR Officer

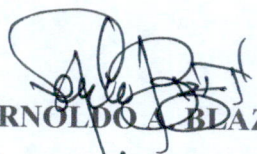
SUBJECT : **SUBMISSION OF COMPLETED STAFF WORK (CSW) ON THE COMPLAINTS AGAINST ALTAI PHILIPPINES MINING CORPORATION (APMC) AND SERIES OF ACTIONS TAKEN BY THIS OFFICE**

Respectfully submitting the CSW on various complaints against ALTAI Philippines Mining Corporation and series of actions taken by this office on the matter.

Attached is the CSW Report of For. Sheilla Jane M. Forlales and the following Investigation Reports:

1. Investigation Report regarding the reported construction of a roadway being constructed adjacent to a coastal area located in Brgy. Taclobo, San Fernando, Romblon and construction of bunkhouses, destruction of vegetation, and clearing of the site as reported thru an e-mail by certain Helly Y. Asoy, a concerned citizen
2. Report on the undated letter complaint of Ireneo Rafol Romano et al. re: alleged unlawful extraction of nickel, gold, and illegal logging in Sibuyan Island, Romblon by APMC (CO-2022-089703)
3. Inspection and inventory report on the alleged illegal cutting of trees undertaken by the ALTAI Philippines Mining Corporation in Brgy. España, San Fernando, Romblon

For information and reference.


ARNOLDO A. BLAZA, JR.



August 1, 2022

MEMORANDUM

FOR : The OIC, PENR Officer

THRU : The Chief, Technical Services Division

FROM : The Chief, Monitoring and Enforcement Section

SUBJECT : **SUBMISSION OF COMPLETED STAFF WORK (CSW) ON THE COMPLAINTS AGAINST ALTAI PHILIPPINES MINING CORPORATION (APMC) AND SERIES OF ACTIONS TAKEN BY THIS OFFICE**

FACTUAL BACKGROUND

1. A letter complaint from Helly Y. Asoy dated June 17, 2022, was referred to this office thru a memorandum from the DENR-Mines and Geosciences Bureau MIMAROPA and from the DENR-Environmental Management Bureau MIMAROPA dated June 20, 2022, and June 21, 2022, respectively. The complaint was about the construction of a roadway being constructed adjacent to a coastal area located in Brgy. Taclobo, San Fernando Romblon and construction of bunkhouses, destruction of vegetation, and clearing of the site.
2. A memorandum signed by the OIC, ARD for Technical Services was forwarded to this office regarding the undated letter complaint from Ireneo Rafol Romano et al., on the alleged unlawful extraction of nickel, gold, and illegal logging in Sibuyan Island by ALTAI Philippines Mining Corporation (CO-2022-089703).
3. DENR Forest Patrollers assigned in San Fernando, Romblon reported the alleged illegal cutting of trees within the MPSA area on July 15, 2022.

SERIES OF ACTIONS TAKEN

1. The OIC, PENRO, Arnoldo A. Blaza, Jr. directed the MES to create Composite Team of personnel from EMB Romblon, MGB Romblon, Monitoring and Enforcement Section and Regulation and Permitting Section.

By virtue of PENRO Special Order No. 22-73, dated June 21, 2022, the team conducted investigation on June 27, 2022, to verify the allegations reported by Helly Y. Asoy. (Please see attached Investigation Report marked as Annex A)



Findings of investigation revealed that bunkhouse were already established since 2012 based on the generated Google Earth. Also, no mining activity has been conducted and no cutting of trees were observed in large scale.

2. To take appropriate action on the memo from the OIC, ARDTS regarding the complaint of certain Ireneo Rafol, the In-Charge PENRO and Chief TSD immediately instructed the MES to conduct investigation on the matter. MGB embedded personnel together with two personnel from Sibuyan Sub-Station, were formed to validate the alleged unlawful extraction of nickel, gold, and illegal logging in Sibuyan Island operated by the ALTAI Philippines Mining Corporation (APMC).

Based on the result of the investigation conducted on July 7, 2022, no environmental laws were violated by the APMC. (Please see attached investigation report marked as Annex B)

3. Concerning the report of the DENR forest patrollers, the In-Charge PENRO, on the same day, immediately prepared a letter addressed to the president of APMC directing them to stop the cutting of trees and advising them to secure permits before the cutting operation.

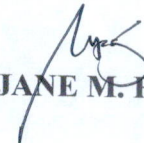
Further, the OIC PENRO instructed the MES to conduct immediate action on the alleged illegal cutting of trees facilitated by the APMC in Brgy. Espana, San Fernando, Romblon. On July 19, 2022, the team conducted inspection and inventory of the alleged cutting of trees.

Based on the generated map, the cutting of trees was found to be at lot number 2469 and is within the timberland area. The team recommends for the cancellation of the title. In addition, they also recommend for the immediate conduct of consultation meeting among agencies of MGB, EMB, DAR, DENR, MLGU and other stakeholders involved. (Please see attached Inventory Report marked as Annex C)

OTHER CONCERNS

In relation to the request letter of APMC for conduct of inspection of proposed access road for the exploration activity under Mineral Production Sharing Agreement No. 304-2009-IVB dated July 8, 2022, the OIC PENRO requested them to attend the Technical Conference scheduled on August 1, 2022. The activity aims to discuss matters concerning inventory of trees to be cut, the requirements, and processes involved.

For information and reference.


SHEILLA JANE M. FORLALES



MEMORANDUM

FOR : The PENR Officer

FROM : Chief, EMS Romblon
Science Research Specialist II
Forester II
Special Investigator
Land Management Inspector

SUBJECT : **INVESTIGATION REPORT REGARDING THE REPORTED CONSTRUCTION OF A ROADWAY BEING CONSTRUCTED ADJACENT TO A COASTAL AREA LOCATED AT BRGY. TACLOBO, SAN FERNANDO, ROMBLON AND CONSTRUCTION OF BUNKHOUSES, DESTRUCTION OF VEGETATION, AND CLEARING OF THE SITE AS REPORTED THRU AN EMAIL BY A CERTAIN HELLY Y. ASOY, A CONCERNED CITIZEN**

DATE : July 4, 2022

FACTUAL BACKGROUND

1. Letter from a certain Helly Y. Asoy, a concerned citizen, alleged that a roadway is being constructed that leads to an adjacent seashore claiming that it will be used as an entry/exit point of all mining activities in Brgy. Taclobo, San Fernando, Romblon. The reports added that a bank houses are already constructed in Sitio Talaba which resulted to the destruction of the surrounding vegetation. Ms. Asoy also alleged that the activity being made in the vicinity affected the protected areas and the buffer zone of Mt Guiting-guiting including mangrove areas.

ACTION TAKEN

A composite team of personnel from Environmental Management Bureau - Romblon, Mines and Geosciences Bureau - Romblon, Enforcement Section, and Regulation and Permitting Section (RPS) of DENR PENRO Romblon was formed to conduct an investigation on the allegation of an illicit activities in Brgy. Taclobo, San Fernando, Romblon in relation to the supposed mining activity of Altai Philippines Mining Corporation (APMC).

By virtue of the Special Order No. 22-73 dated June 21, 2022 issued by OIC, PENR Officer Arnoldo A. Blaza, Jr., the team headed to the Island of Sibuyan, Romblon on June 27, 2022 to verify the veracity of the allegations as reported by a certain Helly Y. Asoy. Upon arrival to the port of Ambulong, Magdiwang, Romblon the team headed straight to the Brgy. Taclobo, San Fernando, Romblon to conduct investigation. Likewise, the team went to the Office of the Municipal Mayor of San Fernando, Romblon to gather information whether the LGU have issued necessary permit in regards with the activity in the mentioned barangay, however, the Municipal Mayor is not around during the time of the visit.

Afterwards, the team met with Helly Y. Asoy and discussed the investigation being conducted and the possible recommendation that DENR PENRO Romblon may issue on



the basis of the evidences gathered during the investigation. The team also met with the person who sold the property adjacent to the coastal area in Brgy. Taclobo.

FINDINGS

- That the subject lot where the roadway is being constructed is identified as Lot 81-C, Psd-04-093729(AR) covered by Transfer of Certificate of Title No. CLOA-2099 awarded to Gloria Rafol Abdula;

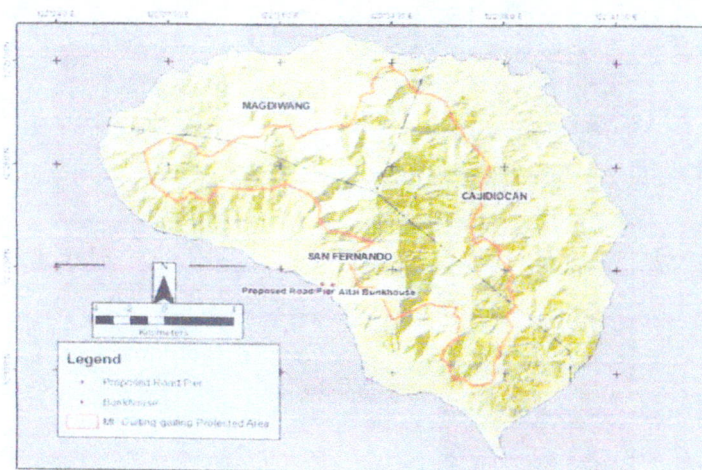


- That the subject lot is now Tax Declared to Zoraida R. Repil under Tax Declaration No. 001491 by virtue of a Deed of Absolute Sale on the other hand the title is yet to be transferred to her name;
- That the subject lot as per verbal information given by Mr. Rene Ventura, resident of the same barangay whose house is adjacent to the subject lot, stated that the subject lot has been sold by Zoraida R. Repil to Altai Philippines Mining Corporation or Altai Mining as known in the locality;
- That as per Zoraida R. Repil, no agreement of sale has been signed between her and Altai Mining as of yet;
- That the subject lot has already been enclosed by a barbed wire with a sign "No Trespassing, Private Property";



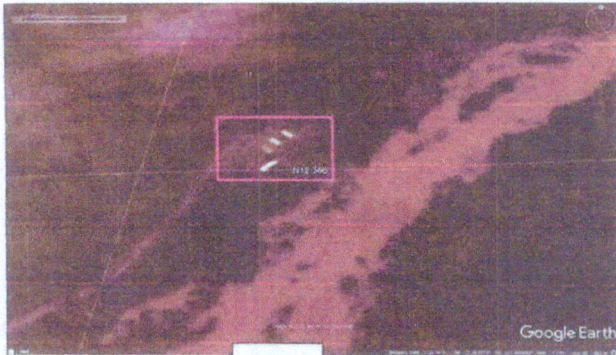


- That the subject lot has been flattened as a preparation for a possible roadway that leads to the seashore;
- That there are no signs of cutting of mangrove trees during the time of the investigation, if there were mangrove trees that have been cut-down it may have been buried underneath due to the levelling of the area;
- That the only signs of cutting was of the mango trees stacked on the corner of the property;
- That the LGU of San Fernando has not issued any permits in regards with the proposed roadway in Brgy. Taclobo;
- That at present Altai Mining have applied for foreshore lease, however, due to lacking requirements DENR PENRO Romblon have sent them a letter to submit the necessary requirements including Certification of No-Object to be issued by the Sangguniang Barangay of Taclobo and Sangguniang Bayan of San Fernando, Romblon;
- That the subsequent area which also been bought by Altai Mining as per information, where the bank houses are located, is located somewhere around 100 meters away from Lot 81-C where it has also been enclosed by a barbed wire having the same warning that the area is a private property;
- That the team were not allowed to conduct inspection inside the premises as the personnel manning the main gate said that their superiors are not in the vicinity to give the team the permission to enter the premises;
- That per drone shot it was found out that there are several dump trucks, bank houses, and heavy equipment's stationed in the vicinity;
- That the area where these heavy equipment's are stationed have been cleared providing clear area for bank houses and the like however no signs of cuttings were found in the vicinity during the flight of the drone;
- That based on the generated map provided by Science Research Specialist II, Felix Carl Falquerabao, the location of bunkhouses are outside the boundary of the protected area;





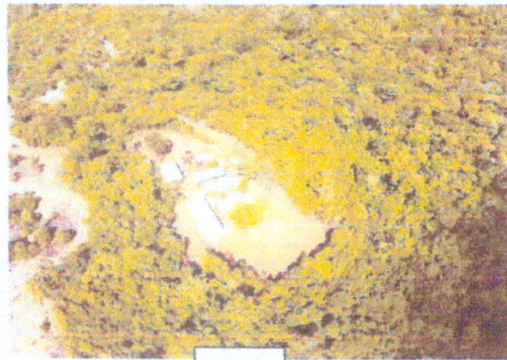
- That based on the generated google earth the bunkhouses are already in the vicinity since 2012;



2012



2019



2022

- That as of this writing no mining activity is being conducted in the vicinity and no cutting of trees were observed in large scale;

LEGAL BASIS

Presidential Decree No. 1067 known as The Water Code of the Philippines

- "Article 51. The banks of rivers and streams and the shores of the seas and lakes throughout their entire length and within a zone of three (3) meters in urban areas, twenty (20) meters in agricultural areas and forty (40) meters in forest areas, along their margins are subject to the easement of public use in the interest of recreation, navigation, floatage, fishing and salvage. No person shall be allowed to stay in this zone longer than what is necessary for recreation, navigation, floatage, fishing or salvage or to build structures of any kind."

Presidential Decree No. 705

- **Section 47.** Mining operations. Mining operations in forest lands shall be regulated and conducted with due regard to protection, development and utilization of other surface resources.

Location, prospecting, exploration, utilization or exploitation of mineral resources in forest reservations shall be governed by Mining laws, rules and



regulations. No location, prospecting, exploration, utilization, or exploitation of mineral resources inside forest concessions shall be allowed unless proper notice has been served upon the licensees thereof and the prior approval of the Director, secured.

Mine tailings and other pollutants affecting the health and safety of the people, water, fish, vegetation, animal life and other surface resources, shall be filtered in silt traps or other filtration devices and only clean exhausts and liquids shall be released therefrom.

Surface-mined areas shall be restored to as near its former natural configuration or as approved by the Director prior to its abandonment by the mining concern.

- **Section 68.** Cutting, gathering and/or collecting timber or other products without license. Any person who shall cut, gather, collect, or remove timber or other forest products from any forest land, or timber from alienable and disposable public lands, or from private lands, without any authority under a license agreement, lease, license or permit, shall be guilty of qualified theft as defined and punished under Articles 309 and 310 of the Revised Penal Code; Provided, That in the case of partnership, association or corporation, the officers who ordered the cutting, gathering or collecting shall be liable, and if such officers are aliens, they shall, in addition to the penalty, be deported without further proceedings on the part of the Commission on Immigration and Deportation.

Provision of Foreshore Lease Application

Application conveys no right to the applicant to enter upon, occupy, cultivate, or make clearings on the land until the same has been finally approved and lease contract executed, and that any lease applicant who shall willfully and knowingly submit false statements or execute false affidavits in connection with the foregoing application shall be deemed guilty of perjury and punished by a fine of not more than two thousand pesos and by imprisonment for not more than five (5) years, and in addition thereto his application shall be cancelled and all amounts paid on account thereof forfeited to the Government, and he shall not be entitled to apply for any public land in the Philippines.

COMMENTS/RECOMMENDATION

The investigation conducted by the composite team was in accordance with the Special Order No. 22-73 dated June 21, 2022 issued by this Office and in response to the request of a certain Ms. Helly Y. Asoy to investigate the subject areas both located in Brgy. Taclobo, San Fernando, Romblon.

The allegations of Ms. Asoy regarding the cutting of trees including mangroves were not observed in the vicinity except for the mango trees stacked in the corner of the lot. Though there might have been cutting of trees which is possible given the condition of the area, however, since the area have already been flattened there have been no visible signs of cutting. Moreover, since both areas are considered private, the owner, Altai Philippines Mining Corporation or Altai Mining, have the rights to exercise their free will over their dominions, thus, DENR PENRO Romblon nor the LGU of San Fernando does not have the rights to interfere in their activities inside their private property, except with those activities that may harm the surrounding ecosystems which is tantamount to violations of environmental laws and regulations. But since there have been no activity during the conduct of investigation that may constitute violations of environmental laws and regulations therefore no sanctions can be issued against the occupation of Altai Mining.

Regarding the use of salvage zone and its foreshore area, Altai Mining will have to pursue their Foreshore Lease Application and submit all the necessary requirements including the

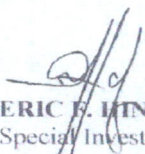


Certification of No Objection to be issued by both Sangguniang Bayan of San Fernando and Sangguniang Barangay of Taclobo. Without those, use of the salvage zone and its foreshore area without necessary clearances from DENR will be treated as illegal and Cease and Desist Order and Notice to Vacate must be issued immediately. As for the cutting of trees, DENR PENRO Romblon specially the Enforcement Section has to be vigilant. As such, the Enforcement Section may create a special team to monitor the activity in the subject area and use of drone is highly recommended as well since the entry to the vicinity is prohibited.

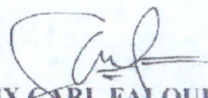
Prior to any exploration activities, ALTAI Mining has to secure the approval of its application for the renewal of the exploration period in compliance with Section 39 of DENR Administrative Order (DAO) No. 2010-21. Likewise, prior to development/commercial extraction, the endorsement of the Sangguniang Bayan concerned shall be secured by ALTAI pursuant to Section 39.4c of DAO No. 2010-21 and the pertinent provisions of R.A. No. 7160, the Local Government Code of 1991.

In closing, the presence of Altai Mining in the locality have caused apprehension and fear to the residents in the locality and to the entire island of Sibuyan. Mining if not done properly may cause large scale damage to the environment including loss of lives, and their livelihood.

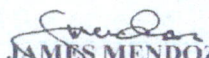

IRWIN ANZALDO
Chief, EMS Romblon


ERIC S. LINDAP
Special Investigator


JOSE MARIE F. FABITO
Environmental Monitoring Officer


FELIX CARL FALQUERABAO
Science Research Specialist II


ROMER G. GERVACIO
Land Management Inspector


JAMES MENDOZA
Forester II/Team Leader

COMPOSITE TEAM COMPOSED OF EMB AND MGB ROMBLON,
ENFORCEMENT SECTION, AND REGULATION AND PERMITTING SECTION



LOT 81-C, PSD-04=093729 (AR) covered by Transfer of Certificate of Title
no. CLOA-2099 awarded to Gloria Rafol Abdula which was sold to Zoraida
R. Repil and was allegedly sold to ALTAI Mining, location where the
proposed road is located





LOT 81-C, PSD-04=093729 (AR) covered by Transfer of Certificate of Title no. CLOA-2099 awarded to Gloria Rafol Abdula which was sold to Zoraida R. Repil and was allegedly sold to ALTAI Mining, location where the proposed road is located





June 21, 2022

PENRO SPECIAL ORDER No. 22-73
Series of 2022

**SUBJECT: CREATION OF INVESTIGATION TEAM FOR THE ONGOING
ROAD CONSTRUCTION AT SAN FERNANDO, ROMBLON**

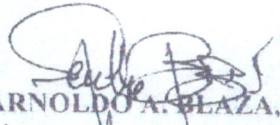
In the interest of service and in order to validate/investigate the ongoing road construction in San Fernando, Romblon, the selected personnel are hereby authorized to comprise the investigation team to wit:

- | | |
|------------------------------|-------------------------------|
| 1. JAMES M. MENDOZA | - Forester II |
| 2. ERIC HINDAP | - Special Investigator I |
| 3. ROMER GERVACIO | - Land Management Inspector I |
| 4. IRWIN A. ANZALDO | - Chief, EMS - EMB |
| 5. FELIX CARL F. FALQUERABAO | - SRS II - MGB |

The Investigation Team shall coordinate with the concerned individuals/LGU/BLGU and investigate the alleged illegal road construction in the island per letter of Mr. Helly Y. Asoy dated June 17, 2022.

They shall submit report with categorical recommendation within seven (7) days after the completion of the activity.

This Order takes effect immediately.


ARNOLDO A. PLAZA, JR.
A



Republic of the Philippines
Department of Environment and Natural Resources
MIMAROPA Region

08 July 2022

MEMORANDUM

FOR : THE REGIONAL EXECUTIVE DIRECTOR
DENR MIMAROPA Region

THRU : THE ASSISTANT REGIONAL DIRECTOR
For Technical Services

FROM : THE OIC-PENR OFFICER
PENRO Odiongan, Romblon

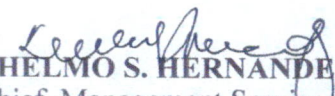
SUBJECT : REPORT ON THE UNDATED LETTER COMPLAINT OF MR. IRENEO RAFOL ROMANO ET. AL. RE: ALLEGED UNLAWFUL EXTRACTION OF NICKEL, GOLD, AND ILLEGAL LOGGING IN SIBUYAN ISLAND, ROMBLON BY ALTAI MINING PHILIPPINES (CO-2022-089703)

Respectfully forwarding the investigation report dated 08 July 2022 of Science Research Specialist II Felix Carl F. Falquerabao, Forest Ranger Ludwin M. Ruado, and Forest Technician I Ernie L. Forcadas regarding the above-mentioned subject.

Based on the investigation report, no environmental laws were violated by Altai Mining Philippines Corporation.

For information and further instruction.

"For and in the absence of the OIC-PENR Officer"


THELMO S. HERNANDEZ
Chief, Management Services Division

cc: **The Regional Director**
Mines and Geosciences Bureau – MIMAROPA Region
7/F DENR Bldg., 1515 Roxas Blvd. Ermita, Manila

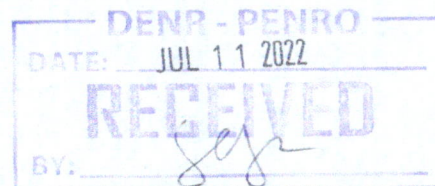
PENRO Romblon Barangay Tabing-dagat, Odiongan, Romblon 5505
Direct Line: (042) 567-5030
Email Address: penro@r4b-a.vahoo.com.ph



Republic of the Philippines
Department of Environment and Natural Resources
MIMAROPA Region

08 July 2022

MEMORANDUM



FOR : THE OIC PENR OFFICER
PENRO Odiongan, Romblon

FROM : FELIX CARL F. FALQUERABAO
Science Research Specialist II

LUDWIN M. RUADO
Forest Ranger

ERNIE L. FORCADAS
Forest Technician I

SUBJECT : REPORT ON THE UNDATED LETTER COMPLAINT OF MR.
IRENEO RAFOL ROMANO ET. AL. RE: ALLEGED
UNLAWFUL EXTRACTION OF NICKEL, GOLD, AND
ILLEGAL LOGGING IN SIBUYAN ISLAND, ROMBLON
BY ALTAI MINING PHILIPPINES (CO-2022-089703)

Background Information

On 06 July 2022, the OIC PENR Officer of Romblon forwarded a memorandum signed by the OIC, ARD for Technical Services with the corresponding above-mentioned subject. In line with this matter, the undersigned was tasked to urgently investigate the allegations to shed light on its veracity.

In coordination with the Monitoring and Enforcement Section and Mt. Guiting-guiting Natural Park Protected Area Management Office (MGGNP-PAMO) of PENRO Romblon, the Agriculture Office of the Municipality of San Fernando, and officials from Barangay Taclobo, a composite team was assembled to investigate the alleged unlawful extraction of nickel, gold, and illegal logging in Sibuyan Island facilitated by Altai Mining Philippines Corporation (AMPC)

Purpose and Scope

The fieldwork aims to validate the veracity of the complaint and to recommend necessary actions to address the issue. The field investigation includes the ocular inspection of the area and a dialogue with the complainant along with the accused.

Prior to the investigation, the team made a courtesy call to Hon. Mayor Nanette B. Tansingco of San Fernando, and Hon. Barangay Chairman Fausto Bacero of Brgy. Taclobo. The purpose of the investigation was discussed during the meeting.

Findings and Observations

1. The subject area is located at Brgy. Taclobo, San Fernando, Romblon in Sibuyan Island. Travel time from DENR Sibuyan Sub-station to the subject area is approximately 45 to 50 minutes by public utility vehicles. Its main access is the Sibuyan Circumferential Road. (See map for reference)
2. During the courtesy call with Mayor Nanette B. Tansingco (Photo No. 1), the team explained that a complaint was lodged to the DENR MIMAROPA Region regarding the unlawful extraction of nickel, gold, and illegal logging in Sibuyan Island being facilitated by Altai Mining Philippines. The team then asked assistance for the conduct of the investigation and Mayor Tansingco willingly provided in the person of Mr. Manny Ladera of the Agriculture Office. The team then proceeded to Brgy. Taclobo for a courtesy call and to ask for the same assistance. Chairman Fausto Bacero agreed to personally assist the team during the investigation (Photo No. 2).
3. The team asked Chairman Fausto Bacero if he knew a certain Mr. Ireneo Rafol Romano and if there is a chance for an interview. Chairman Bacero stated that Mr. Romano is unfortunately not in San Fernando but in Manila.
4. The team then headed to the office of Altai Mining Philippines in Brgy. Taclobo. Upon arriving, the team was greeted by Mr. John Cleofe, AMPC's Administrative Officer, Mrs. Ludilyn Romero Montojo and Ms. Luilyn Viñas, AMPC's Community Relations Officers (Photo No. 3). The team introduced themselves and proceeded to explain the nature of the visit; an investigation in relation to the complaint of Mr. Ireneo Rafol Romano et. al. regarding the company's alleged unlawful extraction of nickel, gold, and illegal logging.
5. Mr. Cleofe explained that AMPC has no on-going extraction activities. He added that the company is merely setting up camp. The team observed on-going construction of bunkhouses in the area and clearing operations. Mrs. Montojo added that the area is where the original office of the company years ago before the cease and desist order was issued. She explained that after many years, the area and the structures were overwhelmed with bushes and shrubs, so a clearing operation must be conducted.
6. The team asked permission from Mr. Cleofe and Mrs. Montojo if the team could look around the company's compound and take photos for documentation. Mr. Cleofe and Mrs. Montojo welcomed the team. During the inspection, the team observed cleared bushes and shrubs set aside the fence which serve as the bounds of the compound (Photo No 4). No sign of logged trees observed. In contrast, few living trees were observed within the camp. It was also noted that the materials used for the construction of

bunkhouses were coconut lumber. Drilling equipment, backhoe, loaders, and few dump trucks were also noticed (Photo No. 5).

7. Reports from forest rangers, forest technicians, and park rangers led by Forester I Rolly Morales from DENR Sibuyan Sub-station during their regular patrolling, monitoring, and surveillance of forestlands for the months of May and June reveal few old tree stumps in Barangay España and Barangay Taclobo. However, no illegal forest activities were encountered.
8. After the inspection the team asked Mr. Cleofe about the status of the company's renewal application for exploration. Mr. Cleofe suggested that the question be answered by Mr. Steve Taule, Company Director who was on his way back from a meeting. Mr. Taule arrived few minutes later.
9. Mr. Taule invited the team to one of the open bunkhouses for an open discussion regarding the investigation (Photo No 6). The team explained the nature of the visit then proceeded to ask the status of the company's renewal application for exploration. Mr. Taule stated that the company is well aware of the complaints and misconceptions being thrown at them and added that no environmental laws were being violated.
10. Mr. Taule added that the company is currently waiting for a reply letter from the Mines and Geosciences Central Office regarding the status of their application. He assured the team that the company will not be doing any exploration activities let alone extraction activities until the company's exploration permit be renewed.

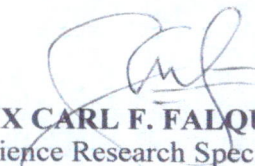
Comments and Recommendations

1. The result of the investigation shows that Altai Mining Philippines Corporation did not violate any environmental laws. No unlawful extraction of gold and nickel were being conducted. Extraction of nickel is done on a large scale so it would be obvious if extraction is being conducted. On the other hand, gold is not a mineral of interest for the company. Extraction of gold would be a liability for the company considering the fact that the declared commodity for their proposed mining operations are only nickel laterite and cobalt. However, Altai Mining Philippines Corporation is being reminded that prior to any exploration activities, the company has to secure the approval of its application for the renewal of the exploration period in compliance with Section 39 of DENR Administrative Order (DAO) NO. 2010-21. Likewise, prior to development/commercial extraction, the endorsement of the Sanggunian concerned shall be secured by Altai pursuant to Section 39.4c of DAO No. 2010-21 and the pertinent provisions of RA No. 7160, the Local Government Code of 1991.
2. The alleged illegal logging of Altai Mining Philippines Corporation is deemed untruthful. Inspection and verification within the company's compound in Brgy. Taclobo revealed that the on-going clearing operations only cut down overgrown bushes and shrubs. The company left out the trees for additional shade. Accordingly, patrolling reports from forest rangers of DENR Sibuyan Sub-station from May to June

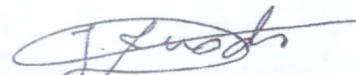
reveal that no illegal forest activities were encountered in Brgy. España and Taclobo. However, Altai Mining Philippines Corporation is being reminded of Section 68 of Presidential Decree 705 which states, *"Cutting, gathering and/or collecting timber or other products without license. Any person who shall cut, gather, collect, or remove timber or other forest products from any forest land, or timber from alienable and disposable public lands, or from private lands, without any authority under a license agreement, lease, license or permit, shall be guilty of qualified theft as defined and punished under Articles 309 and 310 of the Revised Penal Code; Provided, That in the case of partnership, association or corporation, the officers who ordered the cutting, gathering or collecting shall be liable, and if such officers are aliens, they shall, in addition to the penalty, be deported without further proceedings on the part of the Commission on Immigration and Deportation"*.

3. Regarding the bunkhouses being constructed, Altai Mining Philippines Corporation's compound is considered to be a private area. Thus, the company has the full right to exercise free will within their dominion. The Department of Environment Natural Resources and the Local Government of San Fernando have no right to interfere in any activities within the property unless there is a breach on any national (environmental) or local laws and regulations.

For the PENRO's consideration and further instruction.


FELIX CARL F. FALQUERABAO
Science Research Specialist II


ERNIE L. FORCADAS
Forest Technician I


LUDWIN M. RUADO
Forest Ranger

cc: **The Regional Director**
Mines and Geosciences Bureau – MIMAROPA Region
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Photo Documentation



Photo No. 1: Courtesy call with Mayor Nanette B. Tansingco.



Photo No. 2: Courtesy call with Barangay Chairman Fausto Bacero.

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Photo No. 3: Brief discussion of the purpose of the visit with AMPC officers.



Photo No. 4: Cleared out bushes and shrubs set aside to the bounds of the compound.

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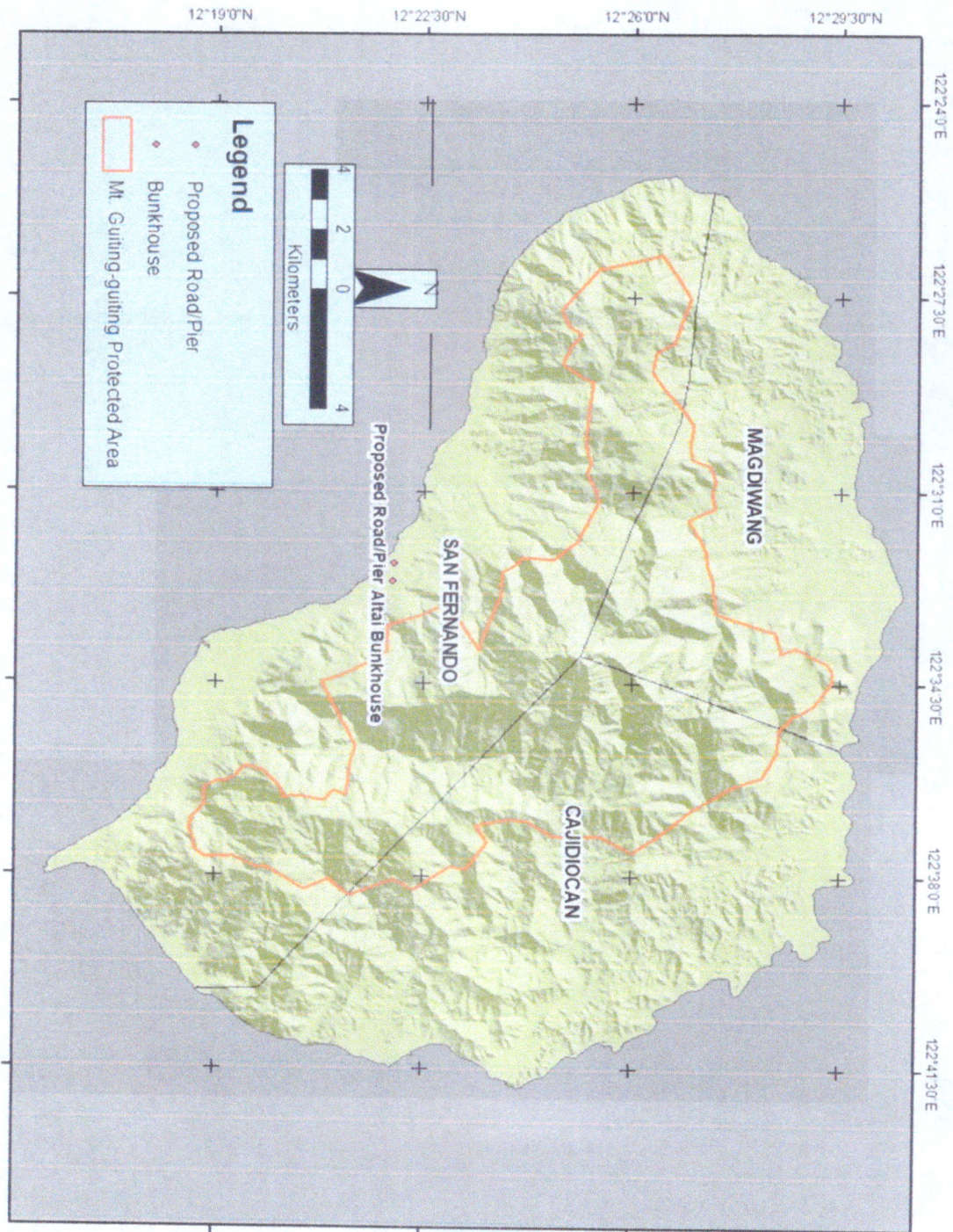
Photo No. 5: AMPC's loader, backhoe, and dump trucks parked within the compound.



Photo No. 6: Discussion and interview with Company Director Steve Taule.

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Location Map



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