COVER SHEET

- 7 4 4 3 -

SEC Registration Number

EAST COAST VULCAN MINING CORPORATION (FORMERLY, EAST COAST VULCAN CORPORATION)

(Company's Full Name)

15TH FLOOR, HIGH RISE PACIFIC STAR BLDG., SEN. GIL PUYAT AVE MAKATI CITY, METRO MANILA

(Business Address: No., Street City / Town / Province)

Atty. Ana Maria A. Katigbak
Contact Person

8511-8312
Company Telephone Number

SEC Form *17-Q*
March 31, 2026

Fiscal Year			Annual Meeting	
12	31	SEC Form 17-Q	05	31
Month	Day	FORM TYPE	Month	Day

Secondary License Type, If Applicable

Dept Requiring this Doc

Amended Articles Number / Section

Total Amount of Borrowings

Total No. of Stockholders

Domestic

Foreign

To be accomplished by SEC Personnel concerned

File Number

LCU

Document ID

Cashier

STAMPS

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SECURITIES AND EXCHANGE COMMISSION
SEC FORM 17 – Q
QUARTERLY REPORT PURSUANT TO SECTION 17 OF THE SECURITIES REGULATION CODE AND SRC RULE 17(2) (b) THEREUNDER

1. For the quarterly period ended **March 31, 2026**

2. Commission identification number **7443**

3. BIR Tax Identification No. **000 – 062 – 736**

4. Exact name of issuer as specified in its charter

   EAST COAST VULCAN MINING CORPORATION

5. Province, country or other jurisdiction of incorporation or organization **Philippines**

6. Industry Classification Code: ……. (SEC Use Only)

7. Address of issuer's principal office **15TH Flr, Pacific Star Bldg., High Rise Tower, Makati Ave. cor. Senator Gil Puyat Ave., Makati City, Philippines** Postal Code **1209**

8. Issuer's telephone number, including area code **Tel (632) 8511-8312**

9. Former name, former address and former fiscal year, if changed since last report

   EAST COAST VULCAN CORPORATION, 4TH Flr, Pacific Star Bldg., Low Rise Tower, Makati Ave. cor. Senator Gil Puyat Ave., Makati City, Philippines

10. Securities registered pursuant to Sections 8 and 12 of the RSA

Title of each class	Number of shares of common stock outstanding
Common	**6,630,000,000**

11. Are any or all of the securities listed on the Philippine Stock Exchange?

    Yes [X] No [ ]

12. Indicate by check mark whether the registrant:

    (a) has filed all reports required to be filed by Section 17 of the Code and RSC Rule 17 thereunder or Sections 11 of the RSA and RSA Rule 11 (a)-1 thereunder, and Sections 28 and 141 of the Corporation Code of the Philippines, during the preceding twelve (12) months (or such shorter period the registrant was required to file such reports)

    Yes [X] No [ ]

    (b) has been subject to such filing requirements for the past 90 days

    Yes [X] No [ ]

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PART I - FINANCIAL INFORMATION

Item 1. Management's Discussion and Analysis of Financial Condition and Results of Operations

Comparative financial highlights for the quarter ended March 31, 2026 and March 31, 2025 are presented below:

	Consolidated Unaudited 31 March 2026	Consolidated Unaudited 31 March 2025
Revenues	₱-	₱10,942,874
Net Loss	36,326,097	20,830,496
Total Assets	1,873,530,135	2,091,129,104
Total Liabilities	702,150,507	841,375,168
Net Worth	1,171,379,628	1,249,753,936
Issued and Outstanding Capital	6,630,000,000	₱6,630,000,000

The Company has no revenue for the period March 31, 2026 and has revenue from rental of equipment amounting to ₱10.9 million for the period March 31, 2025 and incurred a net loss of ₱36.33 million and ₱ 20.83 million, respectively. The net loss pertains mainly to Salaries and wages, depreciation expenses and professional fees.

The Company has total assets of ₱1.87 Billion and ₱2.09 Billion as of the period ended March 31, 2026 and March 31, 2025, respectively. The decreased of assets is due to depreciation and depletion.

The Company's total liabilities decreased to ₱702.15 million as of March 31, 2026 as compared to ₱841.37 million as of March 31, 2025 due to accounts payables.

The Company's net worth decreased to P1.17 Billion as of March 31, 2026 compared to P1.25 Billion as of March 31, 2025. The decrease was due to the net losses incurred by the Company during the period and previous period.

The following discussion is based on the unaudited interim consolidated financial statements for the 1st quarter period ended March 31, 2026, with comparative figures for the corresponding periods in 2025 and audited consolidated financial statements as of December 31, 2025, prepared in conformity with Philippine Accounting Standards 34, Interim Financial Reporting and included herein, and should be read in conjunction with those unaudited interim consolidated financial statements.

Financial Condition as of March 31, 2026 and December 31, 2025 and Results of Operation for the Three months ended March 31, 2026 and March 31, 2025

Statement of Consolidated Comprehensive income

	For the Three-months Ended March 31			
	2026 Consolidated Unaudited	2025 Consolidated Unaudited	Increase (Decrease)	%Change
Revenues	**₱-**	₱10,942,874	(₱10,942,874)	(100.00%)
General and admin. Exp.	**22,789,162**	16,358,107	6,431,055	39.31%
Income (loss) from operations	**(22,789,162)**	(5,415,233)	(17,245,178)	320.83%

Interest Expense	**13,657,947**	15,432,047	1,774,100	(11.50%)
Other income	**1,028**	324	704	217.28%
Interest expense (charges) – net	**120,184**	16,520	103,664	627.51%
Income (loss) before income tax	**(₱36,325,898)**	(₱20,830,436)	(₱15,495,462)	74.39%

Revenues
For the three-month period ended March 31, 2026, East Coast Mineral Resources Company Inc. , the subsidiary, holder of MPSA of Cagdianao Mining Corporation (CMC) and Libjo Mining Corporation (LMC), has no shipment during the period. The companies CMC and LMC has been doing the preparatory activities consisting primarily of restoration of mine pit, waste dump site, and settling pond, road widening, repair of haul roads and causeway improvement and expects to make shipments for the second and third quarter of 2026, which will increase the Company's income.

General and admin exp.
General and admin expenses increase by 39.31% or ₱6.43 million from ₱22.96 million for the 1st quarter period last year to ₱22.79 million this year. The increase was due to increases in commission fees, repairs and maintenance and professional fees.

Statement of Financial Position
Assets
The consolidated total assets of the Company decrease by ₱69.86 million from ₱1.94 billion as of December 31, 2025 to ₱1.87 billion as of March 31, 2026. The decrease was mainly due to the following:

- **Trade and other receivable** decrease by ₱34.57 million or 55.87% from ₱61.87 million to ₱27.30 million in 2026 mainly due to the collection of trade receivable.
- **Due to related parties** decrease by ₱21.09 million in 2026 or 10.75% from ₱196.14 to ₱175.05 million mainly due to collection of advances.
- **Property and equipment** decrease by ₱7.04 million or 6.09% from ₱115.64 million to ₱108.59 million in 2026 due to depreciation and depletion.

Liabilities
The consolidated total liabilities of the Company decrease by ₱33.53 million from ₱735.68 million as of December 31, 2025 to ₱702.15 million as of March 31, 2026. The 4.56% decrease was mainly due to the following:

- **Due to related parties** decrease by ₱6.86 million or 10.99% from ₱62.42 million to ₱55.56 million in 2026 mainly due to payment from Stockholders.
- **Loans payable - current** decrease by ₱26.32 million or 5.58% from ₱471.85 million to ₱445.53 million in 2026 mainly due to the payment of loans this quarter.

Equity
The stockholders' equity of the Company decreased by ₱36.33 million or 3.01% from ₱1.21 billion in 2025 to ₱1.17 billion as of March 31, 2026. This was mainly due to the net loss incurred during the period.

Statement of Cash Flows

As of March 31, 2026, the net cash provided in operating activities amounting to ₱12.93 million was mainly due to the collection of trade receivables and decrease of due from related parties. Net cash provided for

investing activities amounting to ₱18.79 million was mainly due to collection from related parties. Net cash used for financing activities amounting to ₱37.11 million was primarily for payment of loans payable. The net effect of the foregoing operating, investing, and financing activities is a decrease of ₱5.38 million in cash, leaving a balance of ₱8.34 million in cash during the period.

Item 2. Financial Statements

The financial statements are filed as part of this Form 17-Q.

The interim financial reports of the Company are in compliance with the generally accepted accounting principles applied on a basis consistent with that of the preceding quarters/period.

The financial statements are prepared in conformity with the same accounting policies and methods of computation are followed in the interim financial statements as compared with the most recent annual financial statements.

Horizontal and Vertical Analysis:

			Horizontal Analysis		Vertical Analysis	
	Mar. 31, 2026 Unaudited	2025 Audited	Change	% Change	March 2026	2025
ASSETS						
Current Assets						
Cash	**₱8,342,867**	₱13,725,703	(₱5,382,836)	(39.22%)	0.45%	0.71%
Trade and other receivables	**27,302,501**	61,873,245	(34,570,744)	(55.87%)	1.46%	3.18%
Due from related parties	**175,048,233**	196,143,247	(21,095,014)	(10.75%)	9.34%	10.09%
Prepayments and other current assets	**90,391,119**	94,461,373	(4,070,254)	(4.31%)	4.82%	4.86%
Total Current Assets	**301,084,720**	366,203,568	(65,118,848)	(17.78%)	16.07%	18.84%
Noncurrent Assets						
Property and equipment (net)	**108,589,701**	115,635,513	(7,045,812)	(6.09%)	5.80%	5.95%
Intangible asset	**521,320**	359,891	161,429	44.85%	0.03%	0.02%
Mining rights	**1,308,938,513**	1,308,938,513	-	-	69.86%	67.35%
Deferred exploration costs	**150,053,692**	147,909,653	2,144,039	1.45%	8.01%	7.61%
Deferred tax asset - net	**4,342,189**	4,342,189	-	-	0.23%	0.22%
Total Noncurrent Assets	**1,572,445,415**	1,577,185,759	(4,740,344)	(0.30%)	83.93%	81.16%
TOTAL ASSETS	**₱1,873,530,135**	₱1,943,389,327	(69,859,192)	(3.59%)	100.00%	100.00%
LIABILITIES AND EQUITY						
Current Liabilities						
Trade and other payables	**₱80,594,545**	₱77,015,606	3,578,939	4.53%	4.30%	3.96%
Due to related parties	**55,562,662**	62,424,406	(6,861,744)	(10.99%)	2.97%	3.21%
Loans payable - current portion	**445,531,380**	471,847,507	(26,316,127)	(5.58%)	23.78%	24.28%
Installment payable - current portion	**99,039,380**	102,973,543	(3,934,163)	(3.82%)	5.29%	5.30%
Total Current Liabilities	**680,727,967**	714,261,062	(33,533,095)	(4.69%)	36.33%	36.75%
Noncurrent Liabilities						
Installment payable - noncurrent portion	**3,050,121**	3,050,121	-	0.00%	0.16%	0.16%
Retirement benefits liability	**18,372,419**	18,372,419	-	0.00%	0.98%	0.95%
Total Noncurrent Liabilities	**21,422,540**	21,422,540	-	0.00%	1.14%	1.10%
Total Liabilities	**702,150,507**	735,683,602	(33,533,095)	(4.56%)	37.48%	37.86%
Equity						
Capital stock	**6,172,497,120**	6,172,497,120	-	-	329.46%	317.62%
Equity reserve	**(5,258,607,201)**	(5,258,607,201)	-	-	(280.68%)	(270.59%)

Remeasurement gain on retirement benefits liability	**7,210,202**	7,210,202	-	-	0.38%	0.37%
Retained earnings	**250,279,507**	286,605,604	(36,326,097)	(12.67%)	13.36%	14.75%
Total Equity	**1,171,379,628**	1,207,705,725	(36,326,097)	(3.01%)	62.53%	62.14%
TOTAL LIABILITIES AND EQUITY	**₱1,873,530,135**	₱1,943,389,327	(69,859,192)	(3.59%)	100.00%	100.00%

	For the Three-months ended March 31		Horizontal Analysis		Vertical Analysis	
	2026 Conso Unaudited	2025 Conso Unaudited	Increase (decrease)			
REVENUE	**₱-**	₱10,942,874	(₱10,942,874)	(100.0%)	-	100.0%
GENERAL AND ADMIN. EXP.	**22,789,162**	16,358,107	6,431,055	39.31%	-	149.5%
INCOME (LOSS) FROM OPERATIONS	**(22,789,162)**	(5,415,233)	(17,373,929)	320.83%	-	(49.5%)
INTEREST EXPENSE	**13,657,948**	15,432,047	(1,774,100)	(11.50%)	-	(141.0%)
OTHER INCOME						
Interest income from bank deposits	**1,028**	324	704	217.28%	-	0.0%
OTHER INCOME (CHARGES) - NET	**120,184**	16,520	103,664	627.51%	-	0.2%
INCOME (LOSS) BEFORE INCOME TAX	**(36,325,898)**	(20,830,436)	(15,495,462)	74.39%	-	(190.4%)
OTHER COMPREHENSIVE INCOME	-	-	-	-	-	-
TOTAL COMPREHENSIVE LOSS	**(₱36,325,898)**	(₱20,830,436)	(15,495,462)	74.39%	-	(190.4%)

Other Information

a. There are NO known trends, demands, commitments, events or uncertainties that have or are reasonably likely to have material impact on the Company's liquidity.

b. The Company has NO material commitments for capital expenditures.

c. The standards mentioned in SEC Memorandum Circular No. 6 Series of 2013 are not applicable to the Company's interim financial statements as of the period ended September 30, 2023.

d. There will be no purchase /sale of significant equipment in the next twelve months.

e. The number of employees will have no significant change in the next twelve (12) months.

f. Any material commitment for capital expenditures- the Company has NO material commitments for capital expenditures.

g. Any known trends, events or uncertainties that have had or that are reasonably expected to have a material favorable or unfavorable impact on net sales/revenues/income from continuing operations is not applicable

h. Any significant elements of income or loss that did not arise from the issuer's continuing operations is not applicable

i. Any seasonal aspects that had material effect on the financial condition or results of operations is not applicable

j. The Company activities expose it to a variety of financial risks. The Board of Directors reviews and approves on policies for managing each of these risks namely:

Key Performance Indicators (KPIs)

The top five (5) key performance indicators of the Company are as follows:

The change in key indicators as of March 31, 2026 as compared to March 31, 2025 and December 31, 2025 noted a significant decrease in all areas due to net loss incurred during each period.

In general, Management is not aware of any material event or uncertainty that has affected the current fiscal period and/or would have a material impact on future operations of the Company.

	Consolidated 31 Mar. 2026	Consolidated Dec. 2025	Consolidated 31 Mar. 2025
Current Ratio	0.44:1	0.51:1	0.25:1
Current Assets	301,084,720	366,203,568	203,781,515
Current Liabilities	680,727,967	714,261,062	816,398,643
Debt to Equity Ratio	0.60:1	0.61:1	0.67:1
Total Liabilities	702,150,507	735,683,602	841,375,168
Stockholders' Equity	1,171,379,628	1,207,705,725	1,249,753,936
Equity to Debt Ratio	1.67:1	1.64:1	1.49:1
Stockholders' Equity	1,171,379,628	1,207,705,725	1,249,753,936
Total Liabilities	702,150,507	735,683,602	841,375,168
Book Value Per Share	0.19	0.20	0.20
Stockholders' Equity	1,171,379,628	1,207,705,725	1,249,753,936
Total # of shares	6,172,497,120	6,172,497,120	6,172,497,120
Earnings (Loss) per share	(0.006)	(0.01)	(0.003)
Net Income (Loss)	(36,326,097)	(64,252,863)	(20,830,496)
Total # of shares	6,172,497,120	6,172,497,120	6,172,497,120

Liquidity Risk

Liquidity risk is the risk the Company will not be able to meet its financial obligations as they fall due. The Company's objective to managing liquidity risk is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking adverse effect to the Company's credit standing.

The company manages liquidity risk by maintaining balance between continuity of funding and flexibility. As part of its liquidity risk management, the Company regularly evaluates its projected cash flows.

The financial assets held by the Company for liquidity purposes consist of cash, all of the Company's financial liabilities are either due and demandable or payable within the year.

Equity Price Risk

Equity price risk is the risk that the value of a financial instrument will fluctuate because of changes in market prices. The Company is exposed to equity price risk because of quoted financial assets held by the Company, which are classified on the financial statements of consolidated balance sheets as AFS financial assets.

Financial instruments

The Company's financial instruments consist of cash. The main purpose of the financial instruments is to fund the Company's operations. The Company has various other financial instruments such as accrued expenses and other payables that arise directly from its operations.

Financial instruments are recognized initially at fair value, which is the fair value of the consideration given (in case of asset) or received (in case of a liability). The initial measurement of financial instruments, except for those financial assets and financial liabilities at fair value through profit or loss (FVPL), includes transaction cost.

On initial recognition, the Company classifies its financial assets in the following categories: Held-for-Maturity (HTM) investments, AFS financial assets, and loans and receivables. The classification depends on the purpose for which the investments were acquired and whether they are quoted in an active market. Management determines the classification of its financial assets at initial recognition and, where allowed and appropriate, re-evaluates such designation at every financial reporting date.

Under PAS 39, all financial liabilities are recognized initially at fair value and in case of loans and borrowings, plus directly attributable transaction costs. Financial liabilities are classified as FVPL, loans and borrowings and derivatives designated as hedging instruments in an effective hedge, as appropriate.

Financial instruments are classified as liabilities or equity in accordance with the substance of the contractual agreement. Interest, dividends, gains and losses relating to a financial instrument or a component that is a financial liability are reported as expense or income. Distributions to holders of financial instruments classified as equity are charged directly to equity net of any related income tax benefits.

The Company's financial assets consist of loans and receivables and AFS investments. The Company's financial liabilities are classified as loans and borrowings. The Company has no financial assets and liabilities at FVPL and HTM investment.

The fair value of financial instruments that are actively traded in organized financial markets is determined by reference to quoted market bid prices at the close of business on the reporting date. For investments and all other financial instruments where there is no active market, fair value is determined by using generally accepted valuation techniques. Such techniques include using arm's length market transactions; reference to the current market value of another instrument, which are substantially the same; discounted cash flow analysis and other valuation models.

PART II - OTHER INFORMATION

There were no items for disclosure that were made under SEC Form 17-C during the current interim period (01 January to March 31, 2026).

PART III – FINANCIAL SOUNDNESS INDICATORS

Profitability Ratios	**Consolidated March 31, 2026**	**Consolidated March 31, 2025**
Return on Assets	-1.94%	-1.00%
Return on Equity	-3.10%	-1.67%
Gross profit margin	0.0%	-190.36%
Net profit margin	0.0%	-190.36%
Liquidity and Solvency Ratios		
Current Ratio	0.44	0.25
Quick Ratio	0.44	2.56
Solvency Ratio	2.803	2.485
Financial Leverage Ratios		
Asset to Equity Ratio	1.60	1.67
Debt Ratio	0.37	0.40
Debt to Equity Ratio	0.60	0.67
Interest Coverage Ratio	(1.68)	1.35

Liquidity Ratio
a. Current Ratio
Total Current Assets/ Total Current Liabilities
b. Quick Ratio
Quick asset / Total Current Liabilities
Solvency Ratio
a. Debt Ratio
Total liabilities / Total assets
b. Debt to Equity Ratio
Total liabilities / Shareholder's Equity
Profitability Ratio
a. Return on Equity Ratio
Net Income (Loss) / Average shareholder's equity
b. Return on Assets
Net Income (Loss)/ Average Total assets

c. Fixed Assets Turnover Ratio:
Revenue/Property Plant and Equipment
d. Asset to Equity Ratio:
Total Assets / Stockholders' Equity
e. Asset Turnover:
Revenue/Total Assets
f. Interest Coverage Ratio
Net Income (Loss) / Interest expense

SIGNATURE

Pursuant to the requirements of Section 11 of the RSA and Section 141 of the Corporation Code, the registrant has duly caused this report to be signed on its behalf by the undersigned; thereunto duly authorized, in the City of Makati on _____April 2026.

EAST COAST VULCAN MINING CORPORATION
Issuer

Pursuant to the requirements of the Revised Securities Act, this annual report has been signed by the following persons in the capacities and on the dates indicated.

By:

Hilario G. Pagauitan
President/CEO

Ma. Hilarnie Meretrie P. Parada
Treasurer

EAST COAST VULCAN MINING CORPORATION
SEPARATE STATEMENTS OF FINANCIAL POSITION

	Unaudited March 31, 2026	Audited 2025
ASSETS		
Current Assets		
Cash in bank and on hand	**₱346,320**	₱336,640
Other current assets	**1,232,348**	1,189,748
Total Current Assets	**1,578,668**	1,526,388
Noncurrent Asset		
Investment in subsidiary	**5,180,000,000**	5,180,000,000
Property and equipment	**-**	-
Total NonCurrent Assets	**5,180,000,000**	5,180,000,000
TOTAL ASSETS	**₱5,181,578,668**	₱5,181,526,388
LIABILITIES AND EQUITY		
Current Liabilities		
Accrued expenses	**₱3,019,290**	₱2,626,526
Due to related parties	**108,728,150**	107,538,496
Total Current Liabilities	**111,747,440**	110,165,022
Equity		
Capital stock	**6,172,497,120**	6,172,497,120
Deficit	**(1,102,665,892)**	(1,101,135,754)
Total Equity	**5,069,831,228**	5,071,361,366
TOTAL LIABILITIES AND EQUITY	**₱5,181,578,668**	₱5,181,526,388

EAST COAST VULCAN MINING CORPORATION
SEPARATE STATEMENTS OF COMPREHENSIVE INCOME

	Unaudited March 31, 2026	Unaudited March 31, 2025
GENERAL AND ADMIN. EXP.	₱1,530,168	₱1,520,471
OTHER INCOME		
Interest income from bank deposits	30	23
NET LOSS	(1,530,138)	(1,520,448)
OTHER COMPREHENSIVE INCOME	–	–
TOTAL COMPREHENSIVE LOSS	(₱1,530,138)	(₱1,520,448)
BASIC/DILUTED LOSSES PER SHARE	(₱0.000)	(₱0.000)

EAST COAST VULCAN MINING CORPORATION
SEPARATE STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY

	Unaudited	
	March 31, 2026	March 31, 2025
CAPITAL STOCK		
Authorized:		
Common shares - ₱1 par value		
12,000,000,000/4,000,000,000 shares	₱12,000,000,000	₱12,000,000,000
Issued and subscribed:		
Common shares - ₱1 par value		
963,944,338 shares	6,630,000,000	6,630,000,000
Subscription receivable:		
Common shares - ₱1 par value		
₱457,502,880)	457,502,880	457,502,880
	6,172,497,120	6,172,497,120
DEFICIT		
Beginning	(1,101,135,754)	(1,093,245,208)
Add Net loss during the period	(1,530,138)	(1,520,448)
Ending	(1,102,665,892)	(1,094,765,656)
BALANCE	₱5,069,831,228	₱5,077,731,464

EAST COAST VULCAN MINING CORPORATION
SEPARATE STATEMENTS OF CASH FLOWS

	Unaudited March 31, 2026	Unaudited March 31, 2025
CASH FLOWS FROM OPERATING ACTIVITIES		
Net loss	(₱1,530,138)	(₱1,520,448)
Adjustments for:		
Depreciation	-	-
Interest income	(30)	(23)
Operating loss before working capital changes	(1,530,168)	(1,520,471)
Decrease (increase) in:		
Input VAT	(42,600)	(50,280)
Increase (decrease) in:	–	–
Accrued expenses	392,764	383,000
Due to related parties	1,189,654	1,187,752
Net cash flows from operations	9,650	–
Interest received	30	23
Net cash flows from operating activities	9,680	23
CASH FLOW FROM AN INVESTING ACTIVITY		
Additions to property and equipment	–	–
NET INCREASE IN CASH	9,680	23
CASH AT BEGINNING OF YEAR	366,640	266,402
CASH AT END OF YEAR	₱346,320	₱266,425

EAST COAST VULCAN MINING CORPORATION AND SUBSIDIARY
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	Unaudited March 31, 2026	Audited December 31, 2025
ASSETS		
Current Assets		
Cash in bank and on hand	**₱8,342,867**	₱13,725,703
Trade and other receivables	**27,302,501**	61,873,245
Due from related parties	**175,048,233**	196,143,247
Prepayments and other current assets	**90,391,119**	94,461,373
Total Current Assets	**301,084,720**	366,203,568
Noncurrent Asset		
Property and equipment	**108,589,701**	115,635,513
Intangible asset	**521,320**	359,891
Mining rights	**1,308,938,513**	1,308,938,513
Deferred exploration cost	**150,053,692**	147,909,653
Deferred tax asset	**4,342,189**	4,342,189
Total NonCurrent Assets	**1,572,445,415**	1,577,185,759
TOTAL ASSETS	**₱1,873,530,135**	₱1,943,389,327
LIABILITIES AND EQUITY		
Current Liabilities		
Trade and other payable	**₱80,594,545**	₱77,015,606
Due to related parties	**55,562,662**	62,424,406
Loans payable – current portion	**445,531,380**	471,847,507
Installment payable – current portion	**99,039,380**	102,973,543
Total Current Liabilities	**680,727,967**	714,261,062
Noncurrent Liabilities		
Installment payable – noncurrent portion	**3,050,121**	3,050,121
Retirement benefit liability	**18,372,419**	18,372,419
Total Noncurrent Liabilities	**21,422,540**	21,422,540
Total Liabilities	**702,150,507**	735,683,602
Equity		
Capital stock	**6,630,000,000**	6,630,000,000
Subscription receivable	**(457,502,880)**	(457,502,880)
Equity reserve	**(5,258,607,201)**	(5,258,607,201)
Remeasurement gain on retirement benefit liability	**7,210,202**	7,210,202
Retained earnings (deficit)	**250,279,507**	286,605,604
Total Equity	**1,171,379,628**	1,207,705,725
TOTAL LIABILITIES AND EQUITY	**₱1,873,530,135**	₱1,943,389,327

EAST COAST VULCAN MINING CORPORATION AND SUBSIDIARY
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	Unaudited	Unaudited
	March 31, 2026	March 31, 2025
REVENUE	**₱-**	₱10,942,874
GENERAL AND ADMIN. EXP.	**22,789,162**	16,358,107
INCOME (LOSS) FROM OPERATIONS	**(22,789,162)**	(5,415,233)
INTEREST EXPENSE	**13,657,948**	15,432,047
OTHER INCOME		
Interest income from bank deposits	**1,028**	324
OTHER INCOME (CHARGES) - NET	**120,184**	16,520
INCOME (LOSS) BEFORE INCOME TAX	**(₱36,325,898)**	(20,830,436)
PROVISION FOR INCOME TAX - CURRENT	**199**	60
COMPREHENSIVE INCOME (LOSS)	**(₱36,326,097)**	(₱20,830,496)
BASIC/DILUTED LOSSES PER SHARE	**(₱0.005)**	(₱0.003)

EAST COAST VULCAN MINING CORPORATION AND SUBSIDIARY
CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY

	Unaudited	Audited
	March 31, 2026	December 31, 2025
CAPITAL STOCK		
Authorized:		
Common shares - ₱1 par value		
12,000,000,000/4,000,000,000 shares	**₱12,000,000,000**	₱12,000,000,000
Issued and subscribed:		
Common shares - ₱1 par value		
6,172,497,120 shares	**6,630,000,000**	6,630,000,000
Subscription receivable:		
Common shares - ₱1 par value		
₱457,502,880)	**(457,502,880)**	(457,502,880)
	6,172,497,120	6,172,497,120
RETAINED EARNINGS		
Beginning	**286,605,604**	350,858,467
Add Net (loss) gain during the period	**(36,326,097)**	(64,252,863)
Other comprehensive income	**-**	
Ending	**250,279,507**	286,605,604
EQUITY RESERVE	**(5,258,607,201)**	(5,258,607,201)
REMEASUREMENT GAIN ON RETIREMENTLIABILITY	**7,210,202**	7,210,202
BALANCE	**₱1,171,379,628**	₱1,207,705,725

EAST COAST VULCAN MINING CORPORATION AND SUBSIDIARY
CONSOLIDATED STATEMENTS OF CASH FLOWS

	Unaudited	Audited
	March 31, 2026	December 31, 2025
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income (loss)	**(₱36,325,898)**	(₱9,291,042)
Adjustments for:		
Depreciation	**7,045,811**	317,380,594
Interest expense	**13,657,948**	61,291,486
Current service cost on retirement benefits liability	**-**	1,114,405
Unrealized foreign exchange loss - net	**-**	(1,003,663)
Interest income	**(1,028)**	(3,052)
Operating loss before working capital changes	**(15,623,166)**	369,488,728
Decrease (increase) in:		
Trade and other receivables	**34,570,744**	(174,380,725)
Other current assets	**4,070,254**	(23,331,355)
Increase (decrease) in:		
Trade and other payables	**3,578,939**	(36,869,272)
Net cash flows from operations	**26,596,770**	134,907,376
Interest paid	**(13,657,948)**	(60,500,556)
Income taxes paid	**(199)**	(55,288,117)
Interest received	**1,028**	3,052
Net cash flows from (used in) operating activities	**12,939,651**	19,121,755
CASH FLOW FROM INVESTING ACTIVITIES		
Mine and mining properties	**(2,144,039)**	
Additions to property and equipment	**(161,428)**	(201,100)
Additions to intangible asset		(111,429)
Other noncurrent assets		
Due from related parties	**21,095,014**	(281,082,257)
Net cash (used in) investing activities	**18,789,547**	(281,394,786)
CASH FLOW FROM FINANCING ACTIVITIES		
Availment of loans payable		
Payments of installment payable		(17,164,681)
Payments of loans payable	**(30,250,290)**	(4,685,911)
Due to related parties	**(6,861,744)**	290,733,200
Net cash from (used in) Financing activities	**(37,112,034)**	268,882,608
NET INCREASE (DECREASE) IN CASH	**(5,382,836)**	6,609,577
CASH AT BEGINNING OF YEAR	**13,725,703**	7,116,126
CASH AT END OF YEAR	**₱8,342,867**	₱13,725,703

1. Corporate Information and Status of Operations

Corporate Information
East Coast Vulcan Mining Corporation (formerly, Vulcan Industrial & Mining Corporation, ECVMC, the Parent Company) was incorporated and registered with the Philippine Securities and Exchange Commission (SEC) on January 13, 1953 and was listed in the Philippine Stock Exchange (PSE) on August 31, 1970. The primary and secondary purpose of ECVMC is as a holding company and such other purposes as management deems fit and in the best interest of the Parent Company.

Amendment of Articles of Incorporation
In 2021, the BOD and Stockholders have approved the following amendment in the Parent Company's Articles of Incorporation

- Change in corporate name to East Coast Vulcan Corporation;
- Change in principal office address to 15th Floor, High Rise, Pacific Star Building, 1226 Sen. Gil J. Puyat Ave., Makati City, Metro Manila; and,
- Increase in authorized capital stock from 4 billion shares to 12 billion shares.

In 2022, the Parent Company submitted its application for the amendment of Articles of Incorporation to the Philippine SEC. On May 29, 2023, the SEC approved the Parent Company's application for the amendment of its Articles of Incorporation.

ECVMC and ECMRCI Share-for-Share Swap Transaction
On July 1, 2021, the Parent Company entered into a Memorandum of Agreement (MOA) with the majority stockholders (HGP Group) of East Coast Mineral Resources Company Incorporated (ECMRCI) for the latter's subscription up to 5,180.00 million shares of ECVMC arising from the increase in authorized capital stock. Upon approval of the SEC on May 29, 2023, the Parent Company issued 5,180,000,000 common shares with par value of ₱ 1 per share to HGP Group in exchange for the 100% outstanding shares of ECMRCI ("the Share Swap transaction") which resulted in ECVMC obtaining 100% interest in and control over ECMRCI. ECVMC and its subsidiary, ECMRCI, are referred to as "the Group".

Status of Operations
As of April 27, 2026, the Group is a holder of three Mineral Product and Sharing Agreements (MPSA):

- MPSA-078-97-XIII-SMR issued on November 19, 1997 covering an area of 697.05 hectares in the Municipality of Cagdianao, Dinagat Islands. On March 22, 2022, the Mines and Geosciences Bureau (MGB) ordered the renewal of the MPSA between the Government and the Group for another twenty-five years. Exploration is done by and with Cagdianao Mining Corporation under a Memorandum of Agreement to explore and to operate for a period of 25 years which were renewed until 2047 (see Note 22).
- MPSA-233-2007-XIII-SMR issued in 2007 covering an area of 4,226.27 hectares in the Municipality of Libjo, Dinagat Islands. As an outcome of exploration works conducted, the area has a positive Nickel Ore Reserve of 30 million wet metric ton (WMT). Exploration is done by and with various operators, Libjo Mining Corporation, Westernshore Nickel Corporation and Norte Este Corporation, under a Memorandum of Agreement to explore and to operate during the lifetime of the MPSA (see Note 22).

- MPSA-232-2007-XIII-SMR covering an area of 248 hectares in the Municipality of Surigao del Norte, Hibuson Island. The area is now being explored by and with Oriental Vision Mining Philippines Corporation (OVMPC) (see Note 22).

In 2023, the BOD and Stockholders have approved the following amendment in the Parent Company's Articles of Incorporation

- Change in corporate name to East Coast Vulcan Mining Corporation;
- Change in principal office address to Unit 1502, Pacific Star Building, Sen. Gil J. Puyat Ave., Makati City, Metro Manila 1209; and
- The amount of capital stock of the Corporation is Twelve Billion Pesos (₱12,000,000,000.00), Philippine currency, and the said capital is divided into One Hundred Twenty Billion (120,000,000,000) common shares at the par value of Ten Centavos (₱0.10) per share.

In 2023, the Parent Company submitted its application for the amendment of Articles of Incorporation to the Philippine SEC. On April 19, 2024, the SEC approved the Parent Company's application for the amendment of its Articles of Incorporation.

The Company's registered office address is at Unit 1502, Pacific Star Building, Sen. Gil J. Puyat Ave., Makati City, Metro Manila 1209.

The Group's Ability to Continue as a Going Concern
The Group incurred net loss of ₱64,252,863 and ₱79,446,223 in 2025 and 2024, respectively. In addition, the Group's current liabilities exceeded its current assets by ₱348,057,494 and ₱598,152,624 as of December 31, 2025 and 2024, respectively.

In response to these matters, the Group came up with the following actions:

- Continuously coordinate with the respective operators of its MPSA to continue confirmatory and exploration activities to further enhance Ore Reserves/Resources
- manage expenditures for its day-to-day activities
- enter into loan restructuring agreements to negotiate deferral of payments of third-party loans
- proceed with the necessary actions to complete the requirements on its permit renewal
- improve efficiency and production level of operations through strategic operational changes and capital developments to increase cash inflows generated

Management has determined that the actions above are sufficient to raise financial resources for at least the next twelve months from December 31, 2025 and has therefore prepared the financial reporting on a going concern basis.

Authorization for Issue of the Parent and Consolidated Financial Statements
The consolidated and parent company financial statements as of December 31, 2025 and 2024 and for each of the three years in the period ended December 31, 2025 were approved and authorized for issue by the BOD on April 27, 2026.

2. Basis of Preparation, Statement of Compliance, Changes in Accounting Policies and Disclosures and Material Accounting Policy Information

Basis of Preparation

The Group's and Parent Company's consolidated and parent company financial statements have been prepared under the historical cost basis. The consolidated and parent company financial statements are presented in Philippine peso (₱), which is the Group's and Parent Company's functional currency. All amounts are rounded to the nearest Philippine Peso, except as otherwise stated.

Acquisition of ECMRCI

As discussed in Note 1, ECVMC and HGP Group entered into a Share Swap transaction that resulted in ECVMC owning 100% of ECMRCI.

The Share Swap transaction is an asset acquisition because ECMRCI was deemed to be the accounting acquirer for accounting purposes accounted for under the reverse acquisition method following the guidance provided by the standard. In a reverse acquisition, the legal parent, ECVMC is identified as the acquiree for accounting purposes because based on the substance of the transaction, the legal subsidiary ECMRCI is adjudged to be the entity that gained control over the legal parent. Accordingly, the consolidated financial statements of ECVMC have been prepared as a continuation of the financial statements of ECMRCI. ECMRCI has accounted for the acquisition of ECMRCI on May 29, 2023, which was the date when ECMRCI acquired or gained control over ECVMC.

The Group determined that ECMRCI obtained control over ECVMC upon issuance of shares on
May 29, 2023. As allowed under PFRS 3, *Business Combinations*, an entity may designate an acquisition date of the end or the beginning of a month (convenience date), the date on which it closes its books, rather than the actual acquisition date. The Group determined that the date of acquisition is on May 29, 2023 (convenience date) rather than the actual date of issuance of shares there are no material transactions that occurred from May 29, 2023 to May 31, 2023.

The Share Swap transaction was a transaction between entities under common control since at acquisition date on May 31, 2023, ECVMC and ECMRCI are under the common control of
HGP Group.

The comparative December 31, 2022 and January 1, 2022 information presented in the consolidated statements of changes in equity is that of ECMRCI, not originally presented in the previous financial statements of the legal parent (the Parent Company - accounting acquiree) and is also retroactively adjusted to reflect the legal capital (i.e., the number and type of capital stock issued) of ECVMC. The adjustment, which is the difference between the capital structure of ECVMC and ECMRCI, is recognized as part of the equity reserve in the consolidated statements of financial position as at December 31, 2025 and 2024.

Because the accompanying consolidated financial statements represent a continuation of the financial statements of ECMRCI, except for its capital structure, the consolidation reflects:

a. The consolidated assets and liabilities of ECMRCI (legal subsidiary/accounting acquirer) recognized and measured at their pre-combination carrying amounts and not at fair value, and the assets and liabilities of

ECVMC (legal parent/accounting acquiree), consisting of cash, prepayments, office equipment, trade and other payables and due to related parties, recognized and measured at acquisition cost;

b. The retained earnings of ECMRCI for the full period together with the post-combination results of ECVMC from May 31, 2023, the date when ECVMC was acquired by ECMRCI;
c. The total equity that shows the combined equity of ECVMC and ECMRCI with the legal capital of ECMRCI eliminated as the legal capital reflected would be that of ECVMC (legal parent);
d. Any difference between the consideration transferred by ECVMC and the legal capital of ECMRCI that is eliminated is reflected as "Equity reserve".
e. The consolidated statements of comprehensive income for the year ended December 31, 2022 and 2021 reflect that of ECMRCI for the full period.

Reverse acquisition applies only to the consolidated financial statements. The Parent Company financial statements will continue to represent ECVMC as a stand-alone entity as at December 31, 2025 and 2024 and for each of the three years in the period ended December 31, 2025.

Statement of Compliance
The consolidated and parent company financial statements have been prepared in accordance with Philippine Financial Reporting Standards (PFRS) Accounting Standards.

Basis of Consolidation
The consolidated financial statements comprise the financial statements of the Group as at December 31, 2025 and 2024 and for each of the three years in the period ended December 31, 2025. The financial statements of the subsidiary are prepared for the same reporting year as the Parent Company using uniform accounting policies. When necessary, adjustments are made to the separate financial statements of the subsidiary to bring its accounting policies in line with the Parent Company's accounting policies.

Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if, and only if, the Group has:

- power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee);
- exposure, or rights, to variable returns from its involvement with the investee; and
- the ability to use its power over the investee to affect its returns.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the Parent Company and to the non-controlling interests (NCI), even if this results in the NCI having a deficit balance. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognizes the related assets (including goodwill), liabilities, NCI and other components of equity while any resulting gain or loss is recognized in the consolidated statement of income. Any investment retained is recognized at fair value.

NCI represents the interests in the subsidiaries not held by the Parent Company and are presented separately in the consolidated statement of income and within equity in the consolidated statement of financial position, separately from equity attributable to holders of the Parent Company. NCI shares in losses even if the losses exceed the NCI in the subsidiary.

Changes in Accounting Policies and Disclosures

New Standards, Interpretations and Amendments

The accounting policies adopted are consistent with those of the previous financial year, except for the adoption of amendments effective in 2025. The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

- Amendments to PAS 1*, Classification of Liabilities as Current or Non-current*

  The amendments clarify:

  - That only covenants with which an entity must comply on or before reporting date will affect a liability's classification as current or non-current.
  - That classification is unaffected by the likelihood that an entity will exercise its deferral right.
  - That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification.

- Amendments to PFRS 16*, Lease Liability in a Sale and Leaseback*

  The amendments specify how a seller-lessee measures the lease liability arising in a sale and leaseback transaction in a way that it does not recognize any amount of the gain or loss that relates to the right of use retained.

- Amendments to PAS 7 and PFRS 7*, Disclosures: Supplier Finance Arrangements*

  The amendments specify disclosure requirements to enhance the current requirements, which are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk.

- Amendments to PAS 21*, Lack of exchangeability*

  The amendments specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking.

The amendments are effective for annual reporting periods beginning on or after January 1, 2025. Earlier adoption is permitted and that fact must be disclosed. When applying the amendments, an entity cannot restate comparative information.

Standards Issued but not yet Effective

Pronouncements issued but not yet effective are listed below. Unless otherwise indicated, the Group does not expect that the future adoption of the said pronouncements will have a significant impact on its consolidated financial statements. The Group intends to adopt the following pronouncements when they become effective.

Effective beginning on or after January 1, 2026

- Amendments to Illustrative Examples on PFRS 7, PFRS 18, PAS 1, PAS 8, PAS 26 and PAS 37, *Disclosures about Uncertainties in the Financial Statements*
- Amendments to PFRS 9 and PFRS 7, *Classification and Measurement of Financial Instruments*
- Amendments to PFRS 9 and PFRS 7, *Contracts Referencing Nature-dependent Electricity*
- Annual Improvements to PFRS Accounting Standards—Volume 11
    - Amendments to PFRS 1, *Hedge Accounting by a First-time Adopter*
    - Amendments to PFRS 7, *Gain or Loss on Derecognition*
    - Amendments to PFRS 9, *Lessee Derecognition of Lease Liabilities* and *Transaction Price*
    - Amendments to PFRS 10, *Determination of a 'De Facto Agent'*
    - Amendments to PAS 7, *Cost Method*

Effective beginning on or after January 1, 2027

- PFRS 17, *Insurance Contracts*
- PFRS 18, *Presentation and Disclosure in Financial Statements*
- PFRS 19, *Subsidiaries without Public Accountability*
- Amendments to PAS 21, *Translation to a Hyperinflationary Presentation Currency*

Deferred effectivity

- Amendments to PFRS 10, *Consolidated Financial Statements*, and PAS 28, *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*

Summary of Material Accounting Policies

The accounting policies set out below have been applied consistently to all periods presented in the Group's consolidated and parent company's financial statements, unless otherwise indicated.

Presentation of Financial Statements

The Group has elected to present all items of recognized income and expense in two statements: a statement displaying components of profit or loss (consolidated and parent company statement of income) and a second statement beginning with profit or loss and displaying components of OCI (consolidated and parent company statement of comprehensive income).

Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible to the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a nonfinancial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the consolidated and parent company financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy.

Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial Assets: Initial Recognition and Measurement

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. The Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVTPL), transaction costs.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognized on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

Contractual Cash Flows Characteristics
If the financial asset is held within a business model whose objective is to hold assets to collect contractual cash flows or within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets, the Group assesses whether the cash flows from the financial asset represent 'solely payments of principal and interest' (SPPI) on the principal amount outstanding.

In making this assessment, the Group determines whether the contractual cash flows are consistent with a basic lending arrangement, i.e., interest includes consideration only for the time value of money, credit risk and other basic lending risks and costs associated with holding the financial asset for a particular period of time. In addition, interest can include a profit margin that is consistent with a basic lending arrangement. The assessment as to whether the cash flows meet the test is made in the currency in which the financial asset is denominated. Any other contractual terms that introduce exposure to risks or volatility in the contractual cash flows that is unrelated to a basic lending arrangement, such as exposure to changes in equity prices or commodity prices, do not give rise to contractual cash flows that are SPPI on the principal amount outstanding.

Financial Assets: Subsequent Measurement
For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortized cost (debt instruments);
- Financial assets at FVTPL;
- Financial assets at fair value through other comprehensive income (FVOCI), where cumulative gains or losses previously recognized are reclassified to profit or loss (debt instruments); and
- Financial assets at FVOCI, where cumulative gains or losses previously recognized are not reclassified to profit or loss (equity instruments).

The Group's financial assets are all classified and measured at amortized cost.

Financial Assets at Amortized Cost
This category is most relevant to the Group. The Group measures financial assets at amortized cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are SPPI on the principal amount outstanding.

These financial assets are initially recognized at fair value plus directly attributable transaction costs and subsequently measured at amortized cost using the effective interest (EIR) method, less any impairment in value. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees and costs that are an integral part of

the EIR. The amortization is included in "Interest income" in the statements of comprehensive income and is calculated by applying the EIR to the gross carrying amount of the financial asset, except for (i) purchased or originated credit-impaired financial assets and (ii) financial assets that have subsequently become credit-impaired, where, in both cases, the EIR is applied to the amortized cost of the financial asset.

The Group's financial asset at amortized cost includes cash in bank.

Impairment of Financial Assets
The Group recognizes expected credit losses (ECLs) for all debt instruments not held at FVTPL. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original EIR. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are measured in a way that reflects the following:

- an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
- the time value of money; and
- reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

Financial assets migrate through the following three stages based on the change in credit quality since initial recognition:

Stage 1: 12-month ECL
For credit exposures where there has not been a significant increase in credit risk since initial recognition and that are not credit-impaired upon origination, the portion of lifetime ECLs that represent the ECLs that result from default events that are possible within the 12 months after the reporting date are recognized.

Stage 2: Lifetime ECL - not credit-impaired
For credit exposures where there has been a significant increase in credit risk since initial recognition on an individual or collective basis but are not credit-impaired, lifetime ECLs representing the ECLs that result from all possible default events over the expected life of the financial asset are recognized.

Stage 3: Lifetime ECL - credit-impaired
Financial assets are credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of those financial assets have occurred. For these credit exposures, lifetime ECLs are recognized and interest revenue is calculated by applying the credit-adjusted EIR to the amortized cost of the financial asset.

For cash in bank, the Group applies the low credit risk simplification. The probability of default and loss given defaults are publicly available. At every reporting date, the Group evaluates whether the debt instrument is considered to have low credit risk using all

reasonable and supportable information that is available without undue cost or effort. In making that evaluation, the Group uses the rating from external credit agencies to determine whether the debt instrument has significantly increased in credit risk and to estimate ECLs.

A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Financial Liabilities: Initial Recognition and Measurement
Financial liabilities are classified, at initial recognition, as FVTPL, at amortized cost or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognized initially at fair value and, in the case of financial liabilities at amortized cost, net of directly attributable transaction costs.

The Group's financial liabilities are all classified and measured at amortized cost.

Subsequent Measurement – Financial Liabilities at Amortized Cost
This is the category most relevant to the Group. After initial recognition, interest-bearing financial liabilities are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in the statements of comprehensive income when the liabilities are derecognized as well as through the EIR amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as "Interest expense" in the statements of comprehensive income.

The Group's financial liabilities at amortized cost consist of trade and other payables, due to related parties, loans payable and installment payable.

Reclassifications of Financial Instruments
The Group reclassifies its financial assets when, and only when, there is a change in the business model for managing the financial assets. Reclassifications shall be applied prospectively by the Group and any previously recognized gains, losses or interest shall not be restated. The Group does not reclassify its financial liabilities.

Derecognition of Financial Assets and Liabilities
Financial Assets
A financial asset (or, where applicable a part of a financial asset or part of a group of similar financial assets) is primarily derecognized when:

1. the rights to receive cash flows from the asset have expired;
2. the Group retains the right to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a "pass-through" arrangement; or
3. the Group has transferred its rights to receive cash flows from the asset and either (a) has transferred substantially all the risks and rewards of the asset, or (b) has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all the risks and rewards of the asset, nor transferred control of the asset, the Group continues to

recognize the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Financial Liabilities
A financial liability is derecognized when the obligation under the liability is discharged or cancelled or has expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statements of comprehensive income.

Offsetting of Financial Instruments
Financial assets and financial liabilities are offset and the net amount is reported in the statements of financial position if there is a currently enforceable legal right to set off the recognized amounts and there is intention to settle on a net basis, or to realize the asset and settle the liability simultaneously. The Group assesses that it has a currently enforceable right of offset if the right is not contingent on a future event, and is legally enforceable in the normal course of business, event of default, and event of insolvency or bankruptcy of the Group and all of the counterparties.

Prepayments and Other Current Assets

Prepayments and other current assets are composed of prepaid expenses, creditable withholding taxes (CWTs), advances to suppliers and contractors, and input value-added tax (VAT). These are classified as current when these are probable to be realized within one year from the end of the reporting period. Otherwise, these are classified as noncurrent assets.

Property and Equipment

Property and equipment are carried at cost, excluding the cost of day-to-day servicing, less accumulated depreciation and any accumulated impairment in value. The initial cost of an item of property and equipment consists of its purchase price including import duties, taxes, and any directly attributable costs of bringing the asset to its working condition and location of its intended use. Such costs include the cost of replacing part of such property and equipment when that cost is incurred, only if the recognition criteria are met. Expenditures incurred after the asset has been put into operation, such as repairs and maintenance, are normally charged to statement of comprehensive income in the period in which the costs are incurred.

In situations where it can be clearly demonstrated that the expenditures have resulted in an increase in future economic benefits expected to be obtained from the use of an item of property and equipment beyond its originally assessed standard of performance, the expenditures are capitalized as an additional cost of property and equipment. Major maintenance cost that are capitalized as part of property and equipment are depreciated on

straight-line basis over the shorter of their estimated useful life, typically the period until the next major maintenance or inspection.

Depreciation of property and equipment is computed using the straight-line basis, net of any estimated residual value, over their estimated useful lives as follows:

Category	Number of Years
Building and other structures	5
Furniture and fixtures	5
Office equipment	5
Tools and Equipment	5
Communications Equipment	5
Transportation equipment	7
Other equipment	5

Depreciation of property and equipment begins when it becomes available for use, i.e., when it is in the location and condition necessary for it to be capable of operating in the manner intended by management. Depreciation do not cease when the asset becomes idle or is retired from active use unless the asset is fully depreciated and amortized. Depreciation of an asset ceases when the asset is derecognized.

Each part of an item of property and equipment with a cost that is significant in relation to the total cost of an item shall be depreciated and amortized separately.

The useful lives and depreciation method are reviewed at each reporting date to ensure that the period and method of depreciation are consistent with the expected pattern of economic benefits from items of property and equipment.

An item of property and equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the property and equipment (calculated as the difference between the net disposal proceeds and the carrying amount of the property and equipment) is recognized in the statements of comprehensive income in the year the property and equipment is derecognized.

When items of property and equipment are retired or otherwise disposed of, their cost and related accumulated depreciation and amortization and any impairment in value are eliminated from the accounts and any resulting gain or loss on disposal is included in the statements of comprehensive income.

Fully depreciated and amortized assets are retained in the accounts until they are no longer in use and no further depreciation is recorded.

Intangible Asset

Intangible assets are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortization in the case of intangible assets with finite useful lives, and any accumulated impairment losses. The useful lives of intangible assets are assessed to be either finite or indefinite. Intangible assets with finite lives are amortized over the asset's useful or economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. Amortization shall

begin when the asset is available for use, i.e. when it is in the location and condition necessary for it to be capable of operating in the manner intended by management.

The amortization period and method for an intangible asset with a finite useful life is reviewed at least at each financial year-end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortization period or method, as appropriate, and treated as changes in accounting estimates. The amortization on intangible assets with finite lives is recognized in the statements of comprehensive income consistent with the function of the intangible asset.

The Group's intangible asset pertains to the acquired computer software, which is estimated to have a useful life of five (5) years.

Intangible asset is derecognized on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognized in the statement of comprehensive income.

Mining Rights
Mining rights are identifiable intangible assets acquired by the entity to explore, extract, and retain, at least, a portion of the benefits from mineral deposits. Mining rights shall be recognized if it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the cost of the asset can be measured reliably.

Mining rights pertain to the right of the Group as the holder of the MPSA-078-97-XIII-SMR located in Cagdianao, Dinagat Islands, MPSA-233-2007-XIII-SMR located in Libjo, Dinagat Islands and MPSA-232-2007-XIII-SMR located in Surigao del Norte, Hibuson Island. The mining rights is acquired through the assignment of MPSA from CMC, LMC, Norte Este and WNC.

Mining rights with finite useful life is stated at cost less amortization and accumulated impairment in value. Impairment assessments are made if events or changes in circumstances indicate that a carrying value of the assets may not be recoverable.

The net carrying amount of mining rights of the Group is amortized using the units of production method based on the estimated economically recoverable reserves to which they relate or are written off if the properties covered by the mining rights are abandoned.

Deferred Exploration Costs
Costs incurred during the start-up phase of a mine are expensed as incurred. Ongoing mining expenditures on producing properties are charged against earnings as incurred.

Expenditures for mine exploration work prior to drilling are charged to operations. When it has been established that a mineral deposit is commercially mineable and a decision has been made to formulate a mining plan (which occurs upon completion of a positive economic analysis of the
mineral deposit), the costs subsequently incurred to develop a mine on the property prior to the start of mining operations are capitalized. Upon the start of commercial operations, such costs are transferred to mine and mining properties under "Property and equipment".

Capitalized amounts may be written down if future cash flows, including potential sales proceeds related to the property, are projected to be less than the carrying value of the property. If no mineable ore body is discovered, capitalized acquisition costs are expensed in the period in which it is determined that the mineral property has no future economic value.

Major development expenditures incurred to expose the ore, increase production or extend the life of an existing mine are capitalized.

Impairment of Nonfinancial Assets

Nonfinancial prepayments and other current and noncurrent assets

The Group assesses at each financial reporting date, its prepayments and other current assets and deposits and other noncurrent assets to determine whether there is any indication that the assets may be impaired. If there is an indication of possible impairment, the recoverable amount of prepayments and other current assets and deposits and other noncurrent assets is estimated and compared with its carrying amount. If estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognized immediately in the statements of comprehensive income.

The Group provides allowance for impairment losses on nonfinancial prepayments and other current assets and deposits and other noncurrent assets when they can no longer be realized. The amounts and timing of recorded expenses for any period would differ if the Group made different judgments or utilized different estimates. An increase in allowance for impairment losses would increase recorded expenses and decrease prepayments and other current assets and deposits and other noncurrent assets.

Property and equipment, intangible assets and mining rights

The Group assesses at each financial reporting date whether there is an indication that property and equipment may be impaired. If any such indication exists, or when the annual impairment testing for an asset is required, the Group makes an estimate of the asset's recoverable amount. An asset's recoverable amount is the higher of its fair value less costs to sell (FVLCS) and its value-in-use (VIU) and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing VIU, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining FVLCS, an appropriate valuation model is used, with the calculations corroborated by other available fair value indicators. Any impairment loss is recognized in the statements of comprehensive income in those expense categories consistent with the function of the impaired asset.

Recovery of impairment losses recognized in prior years is recorded when there is an indication that the impairment losses recognized for the asset no longer exist or have decreased. The recovery is recorded in the statements of comprehensive income. However, the increased carrying amount of an asset due to a recovery of an impairment loss is recognized to the extent that it does not exceed the carrying amount that would have been determined (net of depreciation and amortization) had no impairment loss been recognized for that asset in prior years.

Deferred exploration costs

An impairment review is performed, either individually or at the CGU level, when there are indicators that the carrying amount of the assets may exceed their recoverable amounts. To the extent that this occurs, the excess is fully provided against, at the end of the reporting period in which this is determined.

Deferred exploration costs are reassessed on a regular basis. Facts and circumstances that would require an impairment assessment as set forth in PFRS 6, *Exploration for and Evaluation of Mineral Resources*, are as follows:

- The period for which the Group has the right to explore in the specific area has expired or will expire in the near future, and is not expected to be renewed
- Substantive expenditure on further exploration and evaluation of mineral resources in the specific area is neither budgeted nor planned
- Exploration for and evaluation of mineral resources in the specific area have not led to the discovery of commercially viable quantities of mineral resources and the Group has decided to discontinue such activities in the specific area
- When a service contract where the Group has participating interest in is permanently abandoned, and
- Sufficient data exist to indicate that, although a development in the specific area is likely to proceed, the carrying amount of the exploration and evaluation asset is unlikely to be recovered in full from successful development or by sale.

Retirement Benefits Costs

The Group has a non-funded, non-contributory defined retirement benefit plan covering substantially all its employees. The retirement benefits costs are actuarially determined using the projected unit credit method and incorporates assumptions concerning employees' projected salaries.

Retirement benefits costs comprise of the following:

- Service cost
- Net interest on the net retirement benefit liability or asset
- Remeasurements of net retirement benefit liability or asset

Service costs which include current service costs, past service costs and gains or losses on non-routine settlements are recognized as expense in statements of comprehensive income. Past service costs are recognized when plan amendment or curtailment occurs. These amounts are calculated periodically by independent qualified actuaries.

Net interest cost on the retirement benefit liability or asset is the change during the period in the net retirement liability that arises from the passage of time which is determined by applying the discount rate in government bonds to the net retirement benefit liability, determined at the start of the period, after considering any payments to the net retirement benefit liability during the period. Interest on the retirement benefit liability is recognized as finance expense in the statements of comprehensive income.

Remeasurements comprising actuarial gains and losses were previously recognized immediately in statements of comprehensive income in the period in which they arise.

Capital Stock
The Parent Company has issued capital stock that is classified as equity and recorded at par. Incremental costs incurred directly attributable to the issuance of new shares are deducted from additional paid-in capital (APIC). If APIC is not sufficient, the excess is charged against retained earnings (deficit).

Subscription Receivable
Subscription receivable pertains to the amount of subscribed capital stock less the amount paid-up. Subscription receivable is presented as deduction from capital stock.

Basic/Diluted Earnings/Losses Per Share
Basic earnings/losses per share is computed by dividing net loss attributable to equity holders of the Group for the year by the weighted average number of common shares outstanding during the year after giving retroactive effect to stock dividends declared and stock rights exercised during the year, if any. The Group currently does not have potential dilutive common shares.

Retained earnings (deficit)
Retained earnings (deficit) includes accumulated profits and losses attributable to the Group's stockholders. Retained earnings (deficit) may also include effect of changes in accounting policy as may be required by the standard's transitional provisions.

Equity Reserve
Equity reserve represents the residual amount recognized in the consolidated financial statements to reflect the equity of the legal subsidiary (accounting acquirer) before the business combination, which was accounted for as a reverse acquisition. However, the equity structure (i.e., the number and type of equity instruments issued) still reflects the equity structure of the legal parent (accounting acquiree), including the equity instruments issued by the legal parent to effect the combination.

Reverse Acquisitions
Consolidated financial statements prepared following a reverse acquisition are issued under the name of the legal parent (accounting acquiree) but described in the notes as a continuation of the financial statements of the legal subsidiary (accounting acquirer), with one adjustment, which is to adjust retroactively the accounting acquirer's legal capital to reflect the legal capital of the accounting acquiree. That adjustment is required to reflect the capital of the legal parent (the accounting acquiree). Comparative information presented in those consolidated financial statements also is retroactively adjusted to reflect the legal capital of the legal parent (accounting acquiree).

Combination of Entities under Common Control
Combination of entities under common control are accounted for by applying the pooling-of-interest method. The pooling-of-interests method generally involved the following:

- The assets and liabilities of the combining entities are reflected in the consolidated financial statements at their carrying amounts. No adjustments are made to reflect fair value or recognize any new assets or liabilities at the date of combination. The only adjustments that are made are those adjustments to harmonize the accounting policies.
- No new goodwill is recognized as a result of the combination. The only goodwill that is recognized is any existing goodwill relating to either of the combining entities. Any difference between the consideration paid or transferred and the entity acquired is reflected within equity.

- The consolidated statement of income, comprehensive income and cash flows reflect the result of the combining entities in full, irrespective of when the combination takes place.
- Comparative financial information are presented as if the entities had always been combined, or on the date the common control existed on the combining entities, whichever comes earlier.
- The effects of any intercompany transactions are eliminated to the extent possible.

OCI

OCI includes items of income and expenses (including items previously presented under statement of changes in equity) that are not recognized in the statement of comprehensive income for the year in accordance with PFRSs.

Revenue from Contracts with Customers

Revenue from contracts with customers is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. The Group assesses its revenue arrangements against specific criteria in order to determine if it is acting as principal or agent.

The following specific recognition criteria must also be met before revenue is recognized:

Royalty income

Royalty income is main source of revenue and is recognized from the share of sale of export of raw minerals by the Operators which rate is equivalent to certain percentage of gross receipts as stated in the agreements with various Operators.

Commission and marketing income

Commission income is recognized either based on the ore price per WMT at the date of loading and also equivalent to certain percentage of gross receipts depending on the agreement with various operators.

Other income

Other income is recognized as they are earned.

Expense Recognition

Costs and expenses are decreases in economic benefits during the accounting period in the form of outflows or decreases of assets or incurrence of liabilities that result in decreases in equity other than those relating to distributions to equity participants. Costs and expenses are recognized when the services are used, or the expense arises.

General and administrative expenses

General and administrative expenses consist of costs associated with the development and execution of day-to-day operations of the Group. These are generally recognized when the service is incurred or the related expense arises.

Other charges

Other charges are recognized as they are incurred.

Income Taxes

Current Income Tax

Current income tax assets and liabilities for the current and prior year periods are measured at the amount expected to be recovered from, or paid to, the tax authority. The tax rates and

tax laws used to compute the amount are those that have been enacted or substantively enacted as at the reporting date.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions when appropriate.

Deferred Income Tax
Deferred income tax is provided, using the liability method, on all temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred income tax assets are recognized for all deductible temporary differences, carryforward of unused tax credits and unused net operating loss carry-over (NOLCO), to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carryforward benefits of unused tax credits and unused NOLCO can be utilized.

Deferred income tax liabilities are recognized for all taxable temporary differences.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax assets to be utilized. Unrecognized deferred income tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profit will allow the deferred income tax assets to be recovered.

Deferred income tax assets and liabilities are measured at the tax rate that is expected to apply to the period when the asset is realized or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the reporting date.

OCI
OCI comprises items of income and expense (including items previously presented under the consolidated statement of changes in equity) that are not recognized in profit or loss for the year in accordance with PFRSs.

Segment Reporting
An operating segment is a component of an entity that: (a) engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the same entity); (b) whose operating results are regularly reviewed by the entity's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance; and (c) for which discrete financial information is available.

The Group has only one business and geographical segment.

Related Party Transactions
Transactions with related parties accounted for based on the nature and substance of the agreement, and financial effects are included in the appropriate asset, liabilities, income and expense accounts.

Provisions

Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as interest expense.

When the Group expects some or all of a provision to be reimbursed, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statements of comprehensive income, net of any reimbursement.

Contingencies

Contingent liabilities are not recognized in the financial statements. These are disclosed unless the possibility of an outflow of resources embodying economic benefits is remote. Contingent asset are not recognized in the financial statements but disclosed in the notes to financial statements when an inflow of economic benefits is probable.

Events After the Reporting Date

Post year-end events that provide additional information about the Group's position at the reporting date (adjusting events) are reflected in the financial statements. Post year-end events that are non-adjusting events are disclosed in the notes to the financial statements when material.

3. Significant Accounting Judgments, Estimates and Assumptions

The Group's financial statements prepared in accordance with PFRSs require management to make judgment, estimates and assumptions that affect the amounts reported in the financial statements and related notes. The estimates and assumptions used in the financial statements are based upon management's evaluation of relevant facts and circumstances as of the date of the Group's financial statements. Actual results could differ from such estimates.

Judgments, estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Judgments

In the process of applying the Group's accounting policies, management has made the following significant judgments, apart from those including estimations and assumptions, which have the most significant effect on the amounts recognized in the financial statements.

Assessing Going Concern

The use of going concern assumption requires management to make judgments at a particular point in time about the future outcome of events and conditions that are inherently uncertain. The underlying assumption in the preparation of financial statements is that the Group has neither the intention nor the need to liquidate the business.

Note 1 to the consolidated financial statements discusses the matters considered by management in concluding the appropriateness of the use of going concern assumption in the preparation of the financial statements. As such, the financial statements have been prepared on a going concern basis of accounting.

Accounting for the reverse acquisition of ECVMC and ECMRCI
As discussed in Notes 1 and 2, as at May 31, 2023, the equity share swap transaction between ECVMC and ECMRCI became effective.

Management judgment was required to determine that ECVMC did not meet the definition of a "business" and should not be accounted for as a business combination.

Combination of Entities under Common Control
A combination involving entities or business under common control is a combination in which all of the combining entities or businesses are ultimately controlled by the same party or parties both before and after the acquisition, and that is control is not transitory.

The Share Swap transaction was a transaction between entities under common control since at acquisition date on May 31, 2023, ECVMC and ECMRCI are under the common control of
HGP Group.

Estimates and Assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

Estimating Allowance for ECL on Trade and Other Receivables and Due from Related Parties
The Group uses a provision matrix to calculate ECLs for trade and other receivables. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns. The provision matrix is initially based on the Group's historical observed default rates. The Group calibrates the matrix to adjust the historical credit loss experience with forward-looking information. At every end of the reporting period, the historical observed default rates are updated and changes in the forward-looking estimates are analyzed. The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of customers' actual default in the future. The information about the ECLs on the Group's trade and other receivables is disclosed in Note 5.

For the Group's advances to related parties, the ECL is based on the 12-month ECL. The 12-month ECL is the proportion of lifetime ECL that results from default events on a financial instrument that are possible within twelve (12) months after the end of the reporting period. However, when there has been a significant increase in credit risk since origination, the allowance will be based on the lifetime ECL. When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECL, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and

analysis, based on the Group's historical experience and informed credit assessment including forward looking information. Significant management's judgment and estimate is also required to determine the realizable amount of the financial asset based on cashflow forecast, which requires the use of significant assumptions.

As at December 31, 2025 and 2024, the carrying values of the Group's trade receivables amounted to ₱61,873,245 and ₱118,410,662, respectively, and the carrying values of the Group's due from related parties amounted to ₱196,143,247 and nil. No allowance for expected credit losses were recognized as of December 31, 2025 and 2024 (see Notes 5 and 18).

Estimating Impairment on Property and Equipment and Mining Rights
The Group assesses impairment on property and equipment and mining rights whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable.

The factors that the Group considers important which could trigger an impairment review include the following:

- Significant underperformance relative to expected historical or projected future operating results;
- Significant changes in the manner of use of the acquired assets or the strategy for overall business; and
- Significant negative industry or negative trends

Management performed assessment of impairment as at December 31, 2025 and 2024. The recoverable amount of the cash-generating unit has been determined based on a value-in-use calculation using cash flow projections from financial budgets approved by management covering the mine life of the cash generating unit under its existing operating agreements with various operators of the Group's MPSAs.

The calculation of value-in-use for the cash-generating unit incorporates the following key assumptions: a) expected life of the project; b) future production levels and costs which are based on the Group's historical experience; c) contributions to the government based on current regulations; d) nickel prices which are estimated with reference to external market forecasts; e) foreign exchange rates based on the current and forecasts in different banks; and f) discount rate which is computed using the weighted average cost of capital.

The Group also recognizes impairment loss on individual assets when impairment indicators are present and aimed at individual assets rather than the cash-generating unit of which they are part of. The Group did not recognize provision for impairment loss on mining rights, and property and equipment in 2025, 2024 and 2023 (see Notes 7 and 9).

Assessing Unit-of-Production Depletion
Estimated recoverable mineral reserves are key inputs in determining the depletion of mining rights. This results in a depletion charge proportional to the depletion of the anticipated remaining mine life. Estimated recoverable mineral reserves for development projects is, to a large extent, based on the interpretation of geological data obtained from drill holes and other sampling techniques and feasibility studies, which derive estimates of costs based upon anticipated tonnage and grades of ores to be mined and processed, the configuration of the ore body, expected recovery rates from the ore, estimated operating costs, estimated climatic conditions and other factors.

Estimated recoverable reserves are used in determining the depletion of mining rights. This results in a depletion charge proportional to the depletion of the anticipated remaining mine life. Each item's life, which is assessed annually, has regard to both physical life limitations and to present assessments of economically recoverable reserves of the mine property at which the asset is located. The calculations require the use of estimates of future capital expenditure. The Group use the tons of ore produced as the basis for depletion. Any change in estimates is accounted for prospectively in accordance with PAS 8. Average depletion rates used by the Group in 2025, 2024 and 2023 are 8.07%, 8.41%, and 7.05% in 2025, 2024 and 2023, respectively.

Assessing Recoverability of Deferred Exploration Costs
The application of the Group's accounting policy for deferred exploration costs requires judgment and estimates in determining whether it is likely that the future economic benefits are certain, which may be based on assumptions about future events or circumstances. Estimates and assumptions may change if new information becomes available. If, after mine exploration costs are capitalized, information becomes available suggesting that the recovery of expenditure is unlikely, the amount capitalized is written off and is recognized in the statement of comprehensive income in the period when the new information becomes available.

The Group reviews the carrying values of its mineral property interests whenever events or changes in circumstances indicate that their carrying values may exceed their estimated net recoverable amounts. An impairment loss is recognized when the carrying values of these assets are not recoverable and exceeds their fair value. There were no impairment losses recognized on the Group's deferred exploration costs in 2025 and 2024. No allowance for impairment loss was provided for deferred exploration costs as at December 31, 2025 and 2024. Deferred exploration costs amounted to ₱147,909,653 as at December 31, 2025 and 2024 (see Note 10).

Estimating Realizability of Deferred Tax Assets
The Group reviews the carrying amounts of deferred tax assets at each reporting date and reduces the amounts to the extent that it is no longer probable that sufficient future taxable income will be available to allow all or part of the deferred income tax assets to be utilized in the future. Significant management judgment is required to determine the amount of deferred income tax assets that can be recognized, based upon the likely timing and level of future taxable income together with future planning strategies.

The Group recognized deferred tax assets amounting to ₱4,342,189 and ₱4,473,857 as of December 31, 2025 and 2024, respectively (see Note 17).

The Group did not recognize deferred tax assets on carryforward benefits of unused NOLCO and MCIT amounting to ₱531,512,525 and ₱268,763,028 as of December 31, 2025 and 2024, respectively and the Parent Company did not recognize deferred tax assets on carryforward benefits of unused NOLCO amounting to ₱101,370,406 and ₱100,271,959 as of December 31, 2025 and 2024, respectively, as management assessed that it is not probable that sufficient future taxable income will be available to allow all or part of deferred income tax assets to be utilized in the future (see Note 17).

3. Cash

	Consolidated		Parent Company	
	Mar 31, 2026	2025	**Mar 31, 2026**	2025
Cash on hand	**₱305,000**	₱105,000	**₱100,000**	₱100,000
Cash in bank	**8,037,867**	13,620,703	**246,320**	236,640
	₱8,342,867	₱13,725,703	**₱346,320**	₱336,640

Cash in bank generally earn interest based on prevailing bank deposit rates. Interest income earned from cash in bank, net of final taxes withheld, are as follows:

	Consolidated			Parent Company		
	Mar 31, 2026	2025	2024	**Mar 31, 2026**	2025	2024
Interest income	**₱1,028**	₱3,052	₱1,986	**₱30**	₱133	₱73

4. Trade and Other Receivables

	Consolidated		Parent Company	
	Mar 31, 2026	2025	**Mar 31, 2026**	2024
Trade receivables				
Related parties (Note 18)	**₱–**	₱–	**₱–**	₱–
Third parties	**24,162,755**	58,776,093	**–**	–
Advances to employees	**3,139,746**	3,097,152	**–**	–
	₱27,302,501	₱61,873,245	**₱–**	₱–

Trade receivables are noninterest-bearing and are generally settled within 30 days.

Advances to employees are noninterest-bearing and are normally liquidated within 14 days upon receipt.

March 31, 2026

		Days past due				
	Current	**< 30 days**	**30-60 days**	**61-90 days**	**>91 days**	**Total**
Trade and other receivables						
	₱-	**₱–**	**₱–**	**₱24,162,755**	**₱–**	**₱24,162,755**
Total	**₱-**	**₱–**	**₱–**	**₱24,162,755**	**₱–**	**₱24,162,755**

December 31, 2025

		Days past due				
	Current	< 30 days	30-60 days	61-90 days	>91 days	Total
Trade and other receivables						
	₱-	₱58,776,093	₱–	₱–	₱–	₱58,776,093
Total	₱-	₱58,776,093	₱–	₱–	₱–	₱58,776,093

The Group uses a provision matrix to calculate for ECL on trade receivables. The provision rates are based on days and past due and customer loss patterns. Aside from historical credit loss experience, the provision matrix incorporates forward looking information which may lead to increased number of defaults such as gross domestic product and inflation rate. No allowance for ECL was recognized as of March 31, 2026 and 2025, respectively.

5. Prepayments and Other Current Assets

	Consolidated		Parent Company	
	Mar 31, 2026	2025	**Mar 31, 2026**	2025
Creditable withholding taxes	**₱88,868,017**	₱88,868,017	**₱–**	₱–
Prepayments	**340,754**	4,421,469	**50,000**	50,000
Input VAT	**1,182,348**	1,171,887	**1,182,348**	1,139,748
	₱90,391,119	₱94,461,373	**₱1,232,348**	₱1,189,748

CWTs, which are claimed against the income tax due, are carried over in the succeeding period for the same purpose.

Prepayments pertain to those expenses paid in advance which are to be amortized within 12 months from the end of the financial reporting period.

Input VAT, which is presented net of output VAT, represents taxes paid on purchases of goods and services which can be recovered as tax credit against future VAT liability of the Group.

6. Property and Equipment

March 31, 2026

	Consolidated							
	Land	**Building and other structures**	**Furniture and fixtures**	**Office equipment**	**Transportation equipment**	**Other Equipment**	**Mining & Heavy Equipment**	**Total**
Cost:								
Beginning balances	**₱5,300,000**	**₱9,200,000**	**₱2,670,587**	**₱4,669,966**	**₱90,206,959**	**₱960,056**	**₱196,416,407**	**₱309,423,975**
Additions	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Ending balances	**5,300,000**	**9,200,000**	**2,670,587**	**4,669,966**	**90,206,959**	**960,056**	**196,416,407**	**309,423,975**
Accumulated depreciation								
Beginning balances	**–**	**9,200,000**	**2,586,577**	**4,175,333**	**63,836,884**	**749,973**	**113,239,695**	**193,788,462**
Depreciation (Note 16)	**–**	**–**	**8,130**	**51,919**	**1,782,783**	**23,610**	**5,179,369**	**7,045,811**
Ending balances	**–**	**9,200,000**	**2,594,707**	**4,227,252**	**65,619,667**	**773,583**	**118,419,065**	**200,834,274**
Net book values	**₱5,300,000**	**₱–**	**₱75,880**	**₱442,714**	**₱24,587,292**	**₱186,473**	**₱77,997,343**	**₱108,589,701**

December 31, 2025

	Land	Building and other structures	Furniture and fixtures	Office equipment	Transportation equipment	Other Equipment	Mining & Heavy Equipment	Total
Cost:								
Beginning balances	₱5,300,000	₱9,200,000	₱2,670,587	₱4,533,992	₱90,206,959	₱894,930	₱196,416,407	₱309,222,875
Additions	–	–	–	135,974	–	65,126	–	201,100
Ending balances	5,300,000	9,200,000	2,670,587	4,669,966	90,206,959	960,056	196,416,407	309,423,975
Accumulated depreciation								
Beginning balances	–	9,200,000	2,554,057	3,791,232	56,605,197	667,535	92,522,221	165,340,242
Depreciation (Note 16)	–	–	32,520	384,101	7,231,687	82,438	20,717,474	28,448,220
Ending balances	–	9,200,000	2,586,577	4,175,333	63,836,884	749,973	113,239,695	193,788,462
Net book values	₱5,300,000	₱–	₱84,010	₱494,633	₱26,370,075	₱210,083	₱83,176,712	₱115,635,513

	Parent Company	
	Mar 31, 2026	2025
Cost:		
Beginning and ending balance	**₱65,495**	₱65,495
Accumulated depreciation		
Beginning balances	**–**	–
Depreciation (Note 16)	**(65,495)**	(65,495)
Ending balance	**65,495**	65,495
Net book value	**₱–**	₱–

Fully depreciated property and equipment are retained in the books until they are no longer in use and no further depreciation is charged to current operations. The cost of fully depreciated property and equipment still being used in operations amounted to ₱96,149,934 and ₱96,149,934 as at March 31, 2026 and 2025, respectively. The Group does not have property and equipment that are idle as at March 31, 2026 and 2025.

7. Intangible Asset

	Consolidated		Parent Company	
	2026	2025	**2026**	2025
Cost:				
Beginning balance	**₱878,123**	₱878,123	**₱–**	₱–
Addition	**111,429**	111,429	**–**	–
Ending balance	**989,552**	989,552	**–**	–
Accumulated amortization:				
Beginning balance	**436,571**	436,571	**–**	–
Amortization (Note 16)	**193,090**	193,090	**–**	–
Ending balance	**629,661**	629,661	**–**	–
Net book value	**₱359,891**	₱359,891	**₱–**	₱–

Intangible asset pertains to computer software used in Group's operations.

8. Mining Rights

Mining rights represent the cost transferred from deferred exploration costs as there has been established mineral deposit that is commercially mineable.

	Consolidated		Parent Company	
	Mar. 31, 2026	2025	**Mar. 31, 2026**	2025
Cost:				
Beginning balance	**₱1,863,800,122**	₱1,863,800,122	**₱–**	₱–
Additions	–	–		
Ending balance	**1,863,800,122**	1,863,800,122		
Accumulated amortization:				
Beginning balance	**266,122,325**	266,122,325	**–**	–
Amortization (Note 16)	**288,739,284**	288,739,284	**–**	–
Ending balance	**554,861,609**	554,861,609	**–**	–
Net book value	**₱1,308,938,513**	₱1,308,938,513	**₱–**	₱–

Additions to mining rights include those incurred on the MPSA for the further development of the mines, drilling activities, and other direct costs related to development and production activities of the existing MPSAs. There was no impairment losses recognized on the Group's mining rights in March 31, 2026 and 2025. No provision for impairment loss was recognized in March 31, 2026 and 2025.

9. Deferred Exploration Costs

	Consolidated		Parent Company	
	Mar. 31, 2026	2025	**Mar. 31, 2026**	2025
Balances at beginning of year	**₱147,909,653**	₱147,909,653	**₱–**	₱–
Exploration costs incurred	**–**	–	**–**	–
	₱147,909,653	₱147,909,653	**₱–**	₱–

Deferred exploration costs pertain to the exploration expenditure on the 88 Kiamba project. On March 23, 2023, the Group entered into a memorandum of agreement with 88 Kiamba Mining & Development Corporation to undertake the exploration, development, mining and utilization of the mineral property covered by Exploration Permit No. 014-2014-XII located in Maitum, Kiamba, Sarangani and Exploration Permit No. 129-XII located in T'boli, South Cotabato, Mindanao.

The Corporation through a letter dated April 26, 2024, have filed application for registration of the Operating Agreements executed between the Corporation and 88 Kiamba Mining & Development Corporation ("88 KMDC") for the abovementioned EP No. EP-14-2014-XII and EXPA No. 129-XII-2013. On May 6, 2024 the MGB issued a letter requiring the Corporation to further submit documentary requirements for the said registration, which request has already been complied with by the Corporation.

The compliance of the Corporation to the requirements of MGB was duly recorded and noted by the MGB. Furthermore, the MGB issued a letter dated November 6, 2025 in relation to the Operating Agreement between the Corporation and 88 KMDC. The same November 6, 2025 MGB letter also advised that the registration fee for the Operating Agreement and other documents may be paid. Order of Payment dated November 11, 2025 was issued by the MGB for purposes of registration of the Operating Agreement and other documents. Thus, on November 11, 2025, the Corporation on behalf of 88 KMDC paid the registration fees for the Operating Agreement and other documents. To date, despite payment of the registration fees with the MGB, matters related to the renewal of the EP/EXPA remains pending with the MGB.

There were no impairment losses recognized on the Group's deferred exploration costs in March 31, 2026 and 2025. No provision for impairment loss was recognized as of March 31, 2026 and 2025.

10. Trade and Other Payables

	Consolidated		Parent Company	
	Mar. 31, 2026	2025	**Mar. 31, 2026**	2025
Trade payables	**₱28,493,888**	₱31,958,351	**₱–**	₱–
Output VAT	**25,206,618**	25,206,618	**–**	–

Statutory payables	**10,342,611**	10,917,353	**10,000**	10,000
Accrued expenses and others	**16,551,429**	8,933,284	**3,009,290**	2,616,526
	₱80,594,546	₱77,015,606	**₱3,019,290**	₱2,626,526

Trade payables are liabilities incurred by the Group for the purchase of services from suppliers. These are noninterest-bearing and are normally settled in a 30-day term.

Statutory payables include, among others, Social Security System (SSS) and PAG-IBIG premiums payable which are payable to Philippine government.

Accrued expenses and others are payables for services already rendered to the Group which are not yet billed as at year-end and are generally settled in 30-90 days' term.

11. Loans Payable and Installment Payables

a. Loans payable

The Group entered into separate agreements with each of the following:

	Consolidated		Parent Company	
	March 31, 2026	2025	**2026**	2025
Security Bank Corporation	**₱445,531,380**	₱471,847,507	**₱–**	₱–
Less: current portion	**445,531,380**	471,847,507	–	–
Noncurrent portion	**₱–**	₱–	**₱–**	₱–

	Consolidated			**Parent Company**	
	March 31, 2026			**March 31, 2026**	
	Availment	**Payment**	**Restructuring**	**Availment**	**Payment**
Security Bank Corporation	**₱–**	**₱26,316,127**	**₱445,531,380**	₱–	₱–
Loan to shareholder	–	–	–	–	–
	₱–	**₱26,316,127**	**₱445,531,380**	₱–	–

	Consolidated			**Parent Company**	
	2025			**2025**	
	Availment	**Payment**	**Restructuring**	**Availment**	**Payment**
Security Bank Corporation	**₱–**	**₱4,685,911**	**₱476,533,418**	₱–	₱–
Loan to shareholder	–	–	–	–	–
	₱–	**₱4,685,911**	**₱476,533,418**	₱–	–

Loan with SBC

Facility Loan

The Group and SBC executed a Loan Agreement wherein SBC granted the Group a loan facility amounting to ₱476,533,418 with a prevailing SBC average lending rate of 8.25%, 8.75%, and 7.75 in 2025, 2024, and 2023. Total interest expense incurred amounted to ₱ 41,685,388,
₱54,184,323, and ₱13,660,411 in 2025, 2024 and 2023, respectively.

In 2024, the Group entered into a loan restructuring agreement with SBC, which included an additional loan of ₱40,000,000 and adding the unpaid interest amounting to ₱ 24,152,468 as part of the carrying amount of the loan.

In 2025, the Group entered into a loan restructuring agreement with SBC for a principal amount of ₱476,533,418, for the purpose of restructuring existing past-due obligations.

The loan has a tenor of 30 months and bears interest at the Bank's prevailing rate, subject to periodic resetting, payable in monthly arrears.

In 2025, the Group failed to meet the scheduled loan payment, resulting in an event of default under the terms of the loan agreement. Consequently, the outstanding balance became due and demandable and was reclassified as a current liability.

Loan to shareholder
The Group availed a loan from its shareholder for a transportation equipment amounting to
₱2.69 million with an interest rate of 9.73% per annum. Total interest expense incurred amounted to nil, ₱6,895, and 83,938 in 2025, 2024 and 2023, respectively.

Loan with CMC
The Group and CMC executed a Loan Agreement wherein CMC granted the Group a loan facility amounting to ₱1,000 million with an interest rate of 3% per annum. The loan was issued in
two tranches of ₱150 million in October 2015 and ₱850 million in December 2015.

As payment for the loan, CMC shall deduct 50% of the commission and royalties, net of withholding tax and interest, each time a commission, royalty or additional royalty is paid by CMC to the Group. The loan is secured by a Pledge Agreement between the CMC and ECMRCI covering the latter's rights, interests, receivables, obligations, and liabilities over the Mineral Production Sharing Agreements (MPSAs) on the Cagdianao property owned by ECMRCI.

On March 28, 2019, the ECMRCI and CMC amended the Loan Agreement executed in 2015. The Company obtained an additional ₱280 million loan from CMC. The outstanding balance due to CMC under the original and amended Loan Agreements shall be paid by deducting 60% of the commission and royalties, net of withholding tax and interest payments, each time a commission, royalty or additional royalty is paid by CMC to ECMRCI.

Total interest expense incurred amounted to nil, nil, and ₱91,322 in 2025, 2024 and 2023, respectively.

b. Installment Payable

Equipment Financing
Starting 2020, the Group acquired various units of transportation equipment through a three-year financing agreement with SBC terms of (a) down payment of an average 30% and (b) the remaining balance payable in installments and will mature in accordance with terms and conditions of the agreements. The related nonfinancial assets were recognized since the lease term is for the major part of the economic life of the transportation equipment (see Note 7).

In 2025, the ₱107,430,670 principal amount of finance lease facility with SBML Leasing Inc., was restructured with a new term of 30 months, with maturity date on December 30, 2027 and interest rate of 16.5%.

The future minimum lease payments for the obligations under finance lease on transportation equipment are as follows:

	Consolidated		Parent Company	
	March 31, 2026	2025	**March 31, 2026**	2025
Within one (1) year	**₱105,699,113**	₱105,699,113	**₱–**	₱–
After one (1) year but not more than four (4) years	**3,050,122**	3,050,122	**–**	–
Total minimum lease payments	**108,749,235**	108,749,235	**–**	–
Less: interest charges	**2,725,571**	2,725,571	**–**	–
Present value of minimum lease payments	**106,023,664**	106,023,664	**–**	–
Less current portion	**102,973,543**	102,973,543	**–**	–
Noncurrent portion	**₱3,050,121**	₱3,050,121	**₱–**	₱–

Total interest expense incurred amounted to ₱17,457,394, ₱17,740,255, and ₱8,207,522 in 2025, 2024, and 2023, respectively.

12. Retirement Benefits Liability

The Group has an unfunded, noncontributory defined benefit plan covering all regular employees. Benefits are based on the employee's years of service and final plan salary. Under the existing regulatory framework, Republic Act 7641 requires a provision for retirement pay to qualified private sector employees in the absence of any retirement plan in the entity, provided however that the employee's retirement benefits under any collective bargaining and other agreements shall not be less than those provided under the law. The law does not require minimum funding of the plan.

Retirement cost recognized in the statements of income follows:

	Consolidated			Parent Company		
	March 31, 2026	2025	2024	**March 31, 2026**	2025	2024
Interest cost	**₱790,930**	₱790,930	₱1,806,871	**₱–**	₱–	₱–
Current service cost	**1,114,405**	1,114,405	803,129	**–**	–	–
	₱1,905,335	₱1,905,335	₱2,610,000	**₱–**	₱–	₱–

Changes in the present value of the defined benefit obligation are as follows:

	Consolidated		Parent Company	
	March 31, 2026	2025	**March 31, 2026**	2025
Present value of defined benefit obligation	**₱18,298,940**	₱18,298,940	**₱–**	₱–
Interest cost	**790,930**	790,930	**–**	–
Current service cost	**1,114,405**	1,114,405	**–**	–
Actuarial losses (gains) due to:			**–**	–
Demographic adjustments	**124,682**	124,682	**–**	–
Experience adjustments	**(1,432,485)**	(1,432,485)	**–**	–
Changes in financial assumptions	**(524,053)**	(524,053)	**–**	–
	₱18,372,419	₱18,372,419	**₱–**	₱–

Remeasurement gains on defined benefit obligation recognized under OCI in the statements of comprehensive income are as follows:

	Consolidated			Parent Company		
	Mar. 31, 2026	2025	2024	**March 31, 2026**	2025	2024
Actuarial losses (gains) due to:						
Experience adjustments	**(₱1,432,485)**	(₱1,432,485)	(₱1,291,808)	**₱–**	₱–	₱–
Changes in financial assumptions	**(524,053)**	(524,053)	56,493		–	–
Demographic adjustments	**124,682**	124,682	(86,110)	–	–	–
	(₱1,831,856)	(₱1,831,856)	(₱1,321,425)	**₱–**	₱–	₱–

Cumulative remeasurement losses recognized in other comprehensive income as of March 31, 2026 and 2025 are as follows:

	Consolidated		Parent Company	
	March 31, 2026	2025	**March 31, 2026**	2025
Balance at beginning of year	**₱5,836,310**	₱5,836,310	**₱–**	₱–
Actuarial gains	**1,831,856**	1,831,856	**–**	–
Income tax effect	**(457,964)**	(457,964)	**–**	–
	1,373,892	1,373,892	**–**	–
	₱7,210,202	₱7,210,202	**₱–**	₱–

The costs of defined benefit pension plan as well as the present value of the pension obligation are determined using actuarial valuations. The actuarial valuation involves making various assumptions. The principal assumptions used in determining pension for defined benefit plans are as follows:

	2025	2024
Discount rate	**6.46%**	6.09%
Future salary increase rate	**11.00%**	11.00%

The sensitivity analysis below has been determined based on reasonably possible changes of each significant assumption on the defined retirement benefits obligation as at the end of the reporting period, assuming all other assumptions were held constant:

	Increase (decrease)	**2025**	2024
Discount rate	+100 basis points (bps)	**(₱1,257,914)**	(₱1,257,914)
	-100 bps	**1,499,251**	1,499,251
Future salary increase	+100 bps	**1,418,666**	1,418,666
	-100 bps	**(1,220,734)**	(1,220,734)

Shown below is the maturity analysis of the Group's undiscounted benefit payments as at December 31, 2025 and 2024:

	2025	2024
One year	**₱9,184,414**	**₱9,184,414**
More than one (1) year to five (5) years	**1,187,555**	**1,187,555**
More than five (5) years to ten (10) years	**1,266,217**	**1,266,217**

The average duration of the defined benefit obligation is 7.5 years and 7.8 years as at December 31, 2025 and 2024, respectively.

13. **Equity**

Capital stock

Authorized:	**March 31, 2026**	2025
Common shares - ₱1 par value, 12,000,0000 shares	**₱12,000,000,000**	₱12,000,000,000
Issued:		
Common shares - ₱1 par value, 6,143,944,338 shares	**6,143,944,338**	6,143,944,338
Subscribed:		
Common shares - ₱1 par value, 486,055,662 shares (net of subscriptions receivable of ₱457,502,880)	**28,552,782**	28,552,782
	₱6,172,497,120	₱6,172,497,120

In 2021, the Parent Company entered into a MOA with majority stockholders of ECMRCI for the latter's subscription up to 5.18 billion shares of the Parent Company arising from the increase in authorized capital stock. Such increase in authorized capital stock from 4 billion shares to 12 billion shares has been approved by the BOD and Stockholders.

On May 29, 2023, the SEC approved the Parent Company's application for the amendment of Articles of Incorporation in relation to the increase in authorized capital stock from 4,000,000,000 shares to 12,000,000,000 shares. On the same date, the Parent Company issued 5,100,000,000 common shares with par value of ₱1 per share to HGP Group in exchange for the 100% outstanding shares of ECMRCI. The Group incurred ₱73,141,470 transactions costs in relation to the issuance of the capital stock, which the Parent Company availed from its related parties.

The table below provides information regarding the number of stockholders of the Parent Company as of March 31, 2026, 2025 and 2024:

	March 31, 2026	2025	2024
Common shares	**1,899**	**1,901**	1,856

The following table presents the track record of registration of capital stock:

Year Approval	No. of shares Registered	No. of shares Issued	Par Value
Prior to 2025	8,000,000,000	5,180,000,000	₱1.00
2025	–	–	1.00
Total	8,000,000,000	5,180,000,000	

Equity reserves

The amount of equity reserve consists of the net difference between the consideration transferred by ECVMC and the legal capital of ECMRCI that is eliminated to reflect the legal capital of ECVMC.

	March 31, 2026	2025
Effect of:		
Adjustment of the legal capital of ECVMC	**(₱992,497,120)**	(₱992,497,120)
Elimination of ECMRCI Capital	**925,000,000**	925,000,000
Issuance of additional shares	**(5,180,000,000)**	(5,180,000,000)
Stock issuance costs	**73,141,470**	73,141,470
Identifiable net liabilities of ECVMC as at acquisition date	**(84,251,551)**	(84,251,551)
	(₱ 5,258,607,201)	(₱ 5,258,607,201)

The following are the fair values of the ECVMC as at the date of acquisition, May 31, 2023:

Assets	
Cash	₱163,339
Prepayments and other current assets	300,434
Property and equipment	43,663
	507,436
Liabilities	
Trade and other payables	177,448
Due to related parties	84,581,539
	84,758,987
Total identifiable net liabilities	(₱84,251,551)

Net cash inflow on acquisition is as follows:

Cash consideration	₱–
Less cash acquired with the subsidiary[(a)]	163,339
Net cash inflow	₱163,339

[(a)] Cash acquired with the subsidiary is included in investing activities in consolidated statement of cash flows.

Capital Management

The primary objective of the Group's capital management is to ensure that the Group has sufficient funds in order to support its business, pay existing obligations and maximize shareholder value.

The Group considers the following as its core economic capital:

	Consolidated		Parent Company	
	March 31, 2026	2025	**March 31, 2026**	2025
Capital stock	**₱6,172,497,120**	₱6,172,497,120	**₱6,172,497,120**	₱6,172,497,120
Retained earnings (Deficit)	**250,279,507**	286,605,604	**(1,102,665,892)**	(1,101,135,754)
	₱6,422,776,627	₱6,459,102,724	**₱5,069,831,228**	₱5,071,361,366

The Group manages its capital structure and adjusts it, in light of changes in economic conditions.

To maintain or adjust the capital structure, the Group may obtain additional advances from relates parties and stockholders or look for strategic and financial investors to invest in the Group.

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2026 and 2025.

14. **Revenues**

	Consolidated			Parent Company		
	March 31, 2026	2025	2024	**Mar. 31, 2026**	2025	2024
Royalty income	**₱–**	₱269,131,535	₱112,330,287	**₱–**	₱–	₱–
Commission and marketing income	**–**	147,934,881	103,839,957	**–**	–	–
Others	**–**	33,882,956	73,058,975	**–**	–	–
	₱–	₱450,949,372	₱289,229,219	**₱–**	₱–	₱–

Royalty and commission and marketing income are earned equivalent to a certain percentage of the gross sales of all ores sold for the mineral properties covered by the operating agreements (Note 22).

Other income pertains to equipment rental and mining lease.

15. **Operating Expenses**

	Consolidated		Parent Company	
	Mar. 31, 2026	2025	**Mar. 31, 2026**	2025
Amortization of mining rights (Note 9)	**₱-**	₱288,739,284	**₱–**	₱–
Depreciation and amortization (Notes 7 and 8)	**7,045,811**	28,641,310	**–**	–
Agent and commission fees	**2,153,692**	15,818,335	**–**	–
Salaries and wages	**2,476,308**	14,063,315	**–**	–
Transportation and travel	**311,863**	13,263,200	**5,804**	21,535
Professional and consultant fees	**3,669,160**	10,199,357	**675,000**	3,889,964
Taxes and licenses	**219,284**	5,761,807	**250,000**	250,000
Employee benefits		4,499,008	**–**	–
Repairs and maintenance	**2,947,489**	3,061,199	**–**	–
Gasoline, oil & fuels	**451,017**	2,196,786	**–**	–
Communication, Light and water	**447,508**	1,657,956	**–**	–
Rental	**279,214**	1,486,855	**279,214**	1,486,855
Representation	**114,003**	1,277,820	**67,878**	851,077
Service fees	**481,786**	1,227,437		–
Outside services	**149,803**	1,048,073	**80,000**	210,431
Utilities	**83,304**	400,731	**54,753**	223,734
Donations	**70,000**	113,500		–
Office supplies	**31,418**	105,347	**28,293**	–
Bank Charges		29,261		–
Director's fees		–		440,000
Management fee		–		–
Miscellaneous	**1,857,502**	6,365,062	**89,226**	517,082
	₱22,789,162	₱399,955,643	**₱1,530,168**	₱7,890,678

16. **Income Taxes**

a. The provision for current income tax represents MCIT in 2024 and 2025 and RCIT in 2023 for the Group and the Parent Company has no provision for current income tax in 2025, 2024 and 2023 due to its gross loss and net taxable loss position.

b. The reconciliation of income before income tax computed at statutory income tax rate to the provision for income tax as shown in the statements comprehensive of income is summarized as follows:

	Consolidated			Parent Company		
	Mar. 31, 2026	2025	2024	**Mar. 31, 2026**	2025	2024
At statutory income tax rate 25% for the Group and 20% for the Parent Company	**(₱1,928,233)**	(₱1,928,233)	(₱13,810,191)	**(₱1,578,109)**	(₱1,578,109)	(₱1,392,275)
Additions to (reductions in) income tax resulting from:						
Royalty income already subjected to final tax	**(67,282,884)**	(67,282,884)	(28,082,572)	–	–	–
Final tax paid on royalty income	**53,826,892**	53,826,892	22,466,447	–	–	–
Changes in unrecognized deferred tax asset	**70,318,427**	70,318,427	43,596,509	**1,578,136**	1,578,136	1,392,290

(Forward)

	Consolidated			Parent Company		
	Mar. 31, 2026	2025	2024	**Mar. 31, 2026**	2025	2024
Stock issuance costs	**₱–**	₱–	₱–	**₱–**	₱–	₱–
Interest income already subjected to final tax	**(757)**	(757)	(497)	**(27)**	(27)	(15)
Nondeductible expenses	**28,376**	28,376	35,765	**–**	–	–
	₱54,961,821	₱54,961,821	₱24,205,461	**₱–**	₱–	₱–

c. The components of the deferred tax assets are as follows:

	Consolidated		Parent Company	
	March 31, 2026	2025	**March 31, 2026**	2024
Recognized directly in profit or loss				
Retirement benefits liability	**₱6,996,507**	₱6,996,507	**₱–**	₱–
Unrealized foreign exchange loss	**(250,917)**	(250,917)	**–**	–
Recognized directly in other comprehensive income			**–**	–
Retirement benefits liability	**(2,403,401)**	(2,403,401)	**–**	–
	₱4,342,189	₱4,342,189	**₱–**	₱–

d. As at December 31, 2025 and 2024, the Group did not recognize deferred income tax assets on the following deductible temporary differences, NOLCO and MCIT:

	Consolidated		Parent Company	
	March 31, 2026	2025	**March 31, 2026**	2025
NOLCO	**₱530,051,300**	₱530,051,300	**₱101,370,406**	₱100,271,959
MCIT	**1,461,225**	1,461,225	**–**	–
	₱531,512,525	₱531,512,525	**₱101,370,406**	₱100,271,959

e. On September 30, 2020, the Bureau of Internal Revenue (BIR) issued Revenue Regulations No. 25-2020 implementing Section 4(b) of Bayanihan to Recover as One Act" which states that the NOLCO incurred for taxable years 2021 and 2020 can be carried over and claimed as deduction from gross income for the next five (5) consecutive taxable years immediately following the year of such loss.

As of December 31, 2025, the Group has incurred NOLCO which can be claimed as deduction from the regular taxable income for the next three (3) consecutive taxable years, as follows:

		Group			
Year Incurred	Availment Period	Amount	Expired	Applied	NOLCO Unapplied
2020	2021-2025	₱813,040	₱813,040	**₱–**	**₱–**
2021	2022-2026	2,082,495	–	–	2,082,495
2022	2023-2025	5,339,977	5,339,977	–	–
2023	2024-2026	85,074,999	–	–	85,074,999
2024	2025-2027	166,526,075	–	–	166,526,075
2025	2026-2028	276,367,731	–	–	276,367,731
		₱536,204,317	₱6,153,017	**₱–**	₱530,051,300

As of December 31, 2025, the Parent Company has incurred NOLCO in taxable years 2022 and 2021 which can be claimed as deduction from the regular taxable income for the next five (5) consecutive taxable years pursuant to the Bayanihan to Recover as One Act, as follows:

Year Incurred	Availment Period	Amount	Expired	Applied	NOLCO Unapplied
2020	2021-2025	₱813,040	₱813,040	~~₱–~~	~~₱–~~
2021	2022-2026	2,082,495	–	–	2,082,495
2022	2023-2025	5,339,977	5,339,977	–	–
2023	2024-2026	85,074,999	–	–	85,074,999
2024	2025-2027	6,961,448	–	–	6,961,448
2025	2026-2028	7,251,464	–	–	7,251,464
		₱107,523,423	₱6,153,017	~~₱–~~	₱101,370,406

The Group did not recognize deferred income tax asset on the carryforward benefits of unused NOLCO and MCIT, since management assessed that it is not probable that sufficient taxable income will be available to allow all or part of the deferred income tax asset to be utilized in the future.

17. Related Party Disclosures

Related party relationship exists when one party has the ability to control, directly or indirectly through one or more intermediaries, the other party or exercises significant influence over the other party in making financial and operating decisions. Such relationship also exists between and/or among entities, which are under the common control with the reporting enterprises and its key management personnel, directors, or its shareholders. In considering each related party relationship, attention is directed to the substance of the relationship, and not merely the legal form.

In the normal course of business, the Group has transactions with its affiliates and stockholders. Transactions pertain to advances from related parties to meet the Group's working capital requirements.

	Parent Company					
	March 31, 2026		2025			
	Volume	**Outstanding Balance**	Volume	Outstanding Balance	Terms	Conditions
Due to related parties						
Affiliates						
APHC	**~~₱–~~**	**₱3,178,883**	~~₱–~~	₱3,178,883	Noninterest-bearing; Payable in cash; Due and demandable	Unsecured
ECMRCI	**614,690**	**80,896,248**	1,611,745	80,281,558	Noninterest-bearing; Payable in cash; Due and demandable	Secured
LMC	**574,964**	**23,355,122**	5,974,336	22,780,158	Noninterest-bearing; Payable in cash; Due and demandable	Secured
Stockholder						

	Parent Company					
	March 31, 2026		2025			
	Volume	**Outstanding Balance**	Volume	Outstanding Balance	Terms	Conditions
Individual stockholder	**–**	**1,297,897**	–	1,297,897	Noninterest-bearing; Payable in cash; Due and demandable	Secured
Total	**₱–**	**₱108,728,151**	₱–	₱107,538,496		

The Group has transactions with related parties, the most significant of which are as follows:

a. On January 5, 2024, the BOD of the ECMRCI approved the assignment, transfer, and release of receivables and due from LMC and due from HSMMI to a shareholder in payment for the advances made in the acquisition, licensures and development of several mining claims/mineral properties amounting to ₱47.62 million and ₱533.58 million, respectively.
b. On January 1, 2022, the Group has agreed to engage the services of Hua Sheng Metals & Minerals Holding Co. for a qualified management consultation services. In consideration of the contracted services, a management fee in the amount equivalent to five (5) percent of gross revenue before income tax is being collected. The agreement will continue to be in effect unless terminated upon mutually agreed terms and conditions. In 2025, the Group and HSMMHC mutually agreed to terminate the agreement.

c. On December 23, 2025, the BOD of the ECMRCI approved the assignment, transfer, and release of trade receivables from LMC and due from HSMMI to a shareholder amounting to ₱134.16 million and ₱41.58 million, respectively.
d. On December 23, 2025, the BOD of the ECMRCI approved the assignment, transfer, and release of trade payables to due to a shareholder amounting to ₱42.78 million.

Compensation of Key Management Personnel

The short-term employee benefits of key management personnel amounted to ₱9,165,325 and ₱9,597,243 and ₱9,628,637 for the years ended December 31, 2025, 2024 and 2023, respectively.

18. Basic/Diluted Earnings (Losses) Per Share

	Consolidated		Parent Company	
	Mar 31, 2026	2025	**Mar 31, 2026**	2025
Net income (loss) for the year/Quarter	**(₱36,326,097)**	(₱64,252,863)	**(₱1,530,138)**	(₱7,890,545)
Divided by weighted average number of common shares	**6,172,497,120**	6,172,497,120	**6,172,497,120**	6,172,497,120
Basic/diluted earnings (losses) per share	**(₱0.005)**	(₱0.010)	**(₱0.000)**	(₱0.001)

As of March 31, 2026 and 2025, the Group and the Parent Company has no potential dilutive shares. Therefore, the basic and diluted losses per share are the same as of those dates.

19. Segment Information

The Group is engaged in the business of mine exploration. Accordingly, the Group operates mainly in one reportable business and geographical segment which is the Philippines. No entity-wide disclosures pertaining to revenues are provided as the Parent Company has not earned revenue and is only a holding company. Noncurrent assets of the Group are located in the Philippines.

20. **Financial Risk Management Objectives and Policies**

The Group has risk management policies that systematically view the risks that could prevent the Group from achieving its objectives. These policies are intended to manage risks identified in such a way that opportunities to deliver the Group's objectives are achieved. The Group's risk management takes place in the context of day-to-day operations and normal business processes such as strategic and business planning. Management has identified each risk and is responsible for coordinating and continuously improving risk strategies, processes and measures in accordance with the Group's established business objectives.

The Group's principal financial instruments consist of cash in banks, trade and other receivables and due to/from related parties, trade and other payables, loan payables and installment payable. The main purpose of these financial instruments is to finance the Group's operations.

The main risks arising from the Group's or financial instruments are credit risk and liquidity risk. The BOD reviews and agrees policies for managing each of these risks and are summarized below:

Credit Risk

Credit risk refers to the potential loss arising from any failure by counterparties to fulfill their obligations as and when they fall due. The Group trades only with recognized, creditworthy parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an on-going basis with the result that the Group's exposure to bad debts is not significant.

Since the Group trades only with recognized parties, there is no requirement for collateral.

The credit risk arising from these financial assets arises from default of the counterparty, with maximum exposure equal to the carrying amount of these instruments.

The table below shows the maximum exposure to credit risk of the Group's financial assets as at March 31, 2026 and 2025:

	Consolidated		**Parent Company**	
	March 31, 2026	2025	**March 31, 2026**	2025
Cash in banks	**₱8,342,867**	₱13,620,703	**₱346,320**	₱336,640
Trade and other receivables	**27,302,501**	58,776,093	**–**	–
Due from related parties	**175,048,233**	196,143,247	**–**	–
	₱210,693,601	₱268,540,043	**₱346,320**	₱336,640

For cash in banks, the Group has established probability of default (PD) rates based on available credit ratings published by third-party credit rating agencies. The credit ratings already consider forward-looking information. When a counterparty does not have published credit ratings, the Group benchmarks the credit ratings of comparable companies, adjusted to account for the difference in size and other relevant metrics.

While cash with banks are also subject to the impairment requirements of PFRS 9, the identified impairment loss was immaterial.

Trade and other receivables
The Group applies the PFRS 9 simplified approach in measuring ECL which uses a 12-month expected loss allowance for all trade receivables. The ECL on trade receivables are estimated using a provision matrix by reference to past default experience of the debtor and an analysis of the debtor's current financial position. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables.

Below is the information about the credit risk exposure on the Group's trade and other receivables using a provision matrix:

March 31, 2026
Consolidated

		Days past due				
	Current	**< 30 days**	**30-60 days**	**61-90 days**	**>91 days**	**Total**
ECL rate	**0%**	**0%**	**0%**	**0%**	**0%**	
Estimated total gross carrying amount at default	**₱–**	**₱–**	**₱–**	**₱24,162,755**	**₱–**	**₱24,162,755**
ECL	**₱–**	**₱–**	**₱–**	**₱24,162,755**	**₱–**	**₱24,162,755**

December 31, 2025

		Days past due				
	Current	< 30 days	30-60 days	61-90 days	>91 days	Total
ECL rate	0%	0%	0%	0%	0%	
Estimated total gross carrying amount at default	₱-	₱58,776,093	₱–	₱–	₱–	₱58,776,093
ECL	₱-	₱58,776,093	₱–	₱–	₱–	₱58,776,093

Due from related parties
ECL on due from related parties are assessed based on either 12-month or lifetime ECL. The Group considers reasonable and supportable information such as historical experience and forward-looking information available at each reporting period to determine whether there has been a significant increase in credit risk since initial recognition. The Group determines the realizable amount of due from related parties based on cashflow forecast. The allowance for ECL on due from related parties is nil since the Group's expected cash flows to be received exceeds the contractual cash flows due. Some of the due from related parties are also secured with financial guarantee contract.

Liquidity Risk
Liquidity risk is the risk that the Group may be unable to meet its payment obligations when they fall due under normal and stress circumstances. To manage this risk, the Group maintains a balance between continuity of funding and flexibility of cash flows through cash planning.

As part of its overall liquidity management, the Group maintains sufficient levels of cash to meet working capital requirements. The Group avails of funds from related parties when needed.

The table below summarizes the maturity profile of the Group's financial liabilities and financial assets based on contractual undiscounted payments.

As at March 31, 2026

	Consolidated			
	On demand	Less than 1 year	1 to 5 years	Total
Financial liabilities:				
Trade and other payables*	₱–	₱80,594,546	₱–	₱80,594,546
Due to related parties	55,562,662	–	–	55,562,662
Loans and installment payable	–	544,570,760	3,050,121	547,620,881
	₱55,562,662	₱625,165,306	₱3,050,121	₱683,778,089

**Excluding statutory payables amounting to ₱10,807,353*

	Consolidated			
	On demand	Less than 1 year	1 to 5 years	Total
Financial assets:				
Cash				
Cash on hand	₱305,000	₱–	₱–	₱305,000
Cash in bank	8,037,867	–	–	8,037,867
Trade receivables	24,162,755	–		24,162,755
Due from related parties	175,048,233	–	–	175,048,233
	₱207,553,855	₱–	₱–	₱207,553,855

	Consolidated			
	On demand	Less than 1 year	1 to 5 years	Total
	Parent Company			
	On demand	**Less than 1 year**	**1 to 5 years**	**Total**
Financial liabilities:				
Trade and other payables*	**₱–**	**₱2,616,525**	**₱–**	**₱2,616,525**
Due to related parties	**107,538,496**	**–**	**–**	**107,538,496**
	₱107,538,496	**₱2,616,525**	**₱–**	**₱110,155,021**

**** Excluding statutory payables amounting to ₱10,000***

	Parent Company			
	On demand	Less than 1 year	1 to 5 years	Total
Financial assets:				
Cash:				
Cash on hand	**₱100,000**	**₱–**	**₱–**	**₱100,000**
Cash in bank	**246,320**	**–**	**–**	**246,320**
	₱346,320	**₱–**	**₱–**	**₱346,320**

As at December 31, 2025

	Consolidated			
	On demand	Less than 1 year	1 to 5 years	Total
Financial liabilities:				
Trade and other payables*	₱–	₱66,208,253	₱–	₱66,208,253
Due to related parties	62,424,406	–	–	62,424,406
Loans and installment payable	–	577,546,620	3,050,121	580,596,741
	₱62,424,406	₱643,754,873	₱3,050,121	₱709,229,400

**Excluding statutory payables amounting to ₱31,969,472*

	Consolidated			
	On demand	Less than 1 year	1 to 5 years	Total
Financial assets:				
Cash				
Cash on hand	₱105,000	₱–	₱–	₱105,000
Cash in bank	13,620,703	–	–	13,620,703
Trade receivables	58,776,093	–		58,776,093
Due from related parties	196,143,247	–	–	196,143,247
	₱268,645,043	₱–	₱–	₱268,645,043

	Parent Company			
	On demand	Less than 1 year	1 to 5 years	Total
Financial liabilities:				
Trade and other payables*	₱–	₱2,616,525	₱–	₱2,616,525
Due to related parties	107,538,496	–	–	107,538,496
	₱107,538,496	₱2,616,525	₱–	₱110,155,021

** Excluding statutory payables amounting to ₱10,000*

	Parent Company			
	On demand	Less than 1 year	1 to 5 years	Total
Financial assets:				
Cash:				
Cash on hand	₱100,000	₱–	₱–	₱100,000
Cash in bank	236,640	–	–	236,640
	₱336,640	₱–	₱–	₱336,640

Fair Values of Financial Instruments

The Company's financial asset and financial liabilities approximate their fair values due to the short-term nature and/or maturity as of December 31, 2025 and 2024.

Fair Value Hierarchy

The table below presents the carrying values and fair values of the Group's financial assets and financial liabilities, by category and by class, as at December 31, 2025 and 2024:

	Consolidated			
	March 31, 2026			
		Fair Value		
	Carrying Value	**Quoted Prices in Active Markets (Level 1)**	**Significant Observable Input (Level 2)**	**Significant Unobservable Inputs (Level 3)**
Assets				
Cash on hand and in banks	**₱8,342,867**	**₱–**	**₱–**	**₱8,342,867**
Trade receivables	**27,302,501**	**–**	**–**	**27,302,501**
Due from related parties	**175,048,233**	**–**	**–**	**175,048,233**
	₱210,693,601	**₱–**	**₱–**	**₱210,693,601**
Liabilities				
Trade and other payables*	**₱80,594,545**	**₱–**	**₱–**	**₱80,594,545**
Due to related parties	**55,562,662**	**–**	**–**	**55,562,662**
Loans payable	**445,531,380**	**–**	**–**	**445,531,380**
Installment payable	**99,039,380**	**–**	**–**	**99,039,380**
	₱680,727,967	**₱–**	**₱–**	**₱680,727,967**

Excluding statutory payables amounting to ₱10,807,353

	Parent			
	March 31, 2026			
		Fair Value		
	Carrying Value	**Quoted Prices in Active Markets (Level 1)**	**Significant Observable Input (Level 2)**	**Significant Unobservable Inputs (Level 3)**
Assets				
Cash in banks	**₱236,640**	**₱–**	**₱–**	**₱236,640**
Liabilities				
Trade and other payables*	**₱2,616,525**	**₱–**	**₱–**	**₱2,616,525**
Due to related parties	**107,538,496**	**–**	**–**	**107,538,496**
	₱110,155,021	**₱–**	**₱–**	**₱110,155,021**

**** Excluding statutory payables amounting to ₱10,000***

	Consolidated			
	2025			
		Fair Value		
	Carrying Value	Quoted Prices in Active Markets (Level 1)	Significant Observable Input (Level 2)	Significant Unobservable Inputs (Level 3)
Assets				
Cash in banks	₱13,620,703	₱–	₱–	₱13,620,703
Trade receivables	58,776,093	–	–	58,776,093
Due from related parties	196,143,247	–	–	196,143,247
	₱268,540,043	₱–	₱–	₱268,540,043
Liabilities				
Trade and other payables*	₱38,385,110	₱–	₱–	₱38,385,110
Due to related parties	62,424,406	–	–	62,424,406
Loans payable	471,847,507	–	–	471,847,507
Installment payable	106,023,664	–	–	106,023,664
	₱678,680,687	₱–	₱–	₱678,680,687

**Excluding statutory payables amounting to ₱31,969,472*

	Parent			
	2025			
		Fair Value		
	Carrying Value	Quoted Prices in Active Markets (Level 1)	Significant Observable Input (Level 2)	Significant Unobservable Inputs (Level 3)
Assets				
Cash in banks	₱236,640	₱–	₱–	₱236,640
Liabilities				
Trade and other payables*	₱2,616,525	₱–	₱–	₱2,616,525
Due to related parties	107,538,496	–	–	107,538,496
	₱110,155,021	₱–	₱–	₱110,155,021

** Excluding statutory payables amounting to ₱10,000*

The Group has determined that the carrying amounts of cash in banks, trade receivables, trade and other payables (except government payables), advances from/to related parties and loans and installment payable, reasonably approximate their fair values because these are mostly short-term in nature.

There were no transfers between Level 1 and 2 fair value measurements and no transfers into and out of Level 3 fair value measurement as at December 31, 2025 and 2024.

21. Significant Contracts

Memorandum of Agreement with CMC

On November 19, 1997, the Group entered into a Memorandum of Agreement (MOA) with CMC which allows CMC to explore, develop and mine nickel ore and obliges it to comply with the terms of the MPSA.

Under the MPSA, CMC pays the Government an excise tax of 4%, and a 5% royalty, as the contract area is within the Surigao Mineral Reservation.

On December 18, 2015, the Group and CMC executed a Supplemental Agreement to provide for the automatic renewal of the term of the MOA for another twenty-five (25) years, or from 2022 to 2047. In consideration of the new term as well as the other conditions contained in the Supplemental Agreement, CMC granted a loan of ₱1,000.0 million to the Group.

Thereafter, CMC shall pay ECMRCI commission and royalties as follows:

- Commission equivalent to 3.5% on the gross sales amount of all nickel ore;
- Royalties equivalent to either 7% or 8.75% on the gross sales amount of all nickel ore depending on the monthly average LME nickel settlement price; and
- Additional royalty ranging from ₱10.0 million to ₱50.0 million depending on CMC's audited net income after tax less the additional royalty amount.

On March 28, 2019, the Group and CMC entered into a supplemental agreement amending the memorandum of agreement stating that after the full payment of ECMRCI's loan to CMC, royalty percentage rates will range from 2.50% to 4.50% depending on the monthly average LME nickel settlement price. In 2023, ECRMCI settled the loan to CMC, hence, the new royalty percentage rates became effective.

As at December 31, 2024, the survey plan for the MPSA renewal is already approved by the MGB and is awaiting for the approval of the DENR. On March 2, 2022, MGB ordered the renewal of the MPSA between the Government and Group for another twenty-five (25) years.

Operating Agreement with LMC
On April 26, 2012, the Group entered into an Operating Agreement with LMC which allows LMC to explore, develop, exploit and operate the mineral property located in Libjo, Dinagat Islands and to extract, mine, process, market, sell, dispose or convey any and all minerals and ores found therein during the lifetime of this Operating Agreement.

For and in consideration of the rights granted, LMC shall pay the Group a royalty equivalent to 3% on the gross sales amount of nickel sold.

Thereafter, the Group and LMC executed a Supplemental Agreement to provide for the following:

- Goodwill bonus amounting to ₱200.0 million, net of tax, to be paid within 15 days from the date of signing;
- Additional royalty equivalent to 4.0% on the gross sales amount of all nickel ore, net of tax; and Marketing share of one USD per WMT for all ores shipped out, net of tax.

Memorandum of Agreement with OVMPC
The Group has an existing MOA with OVMPC which allows OVMPC to explore, develop, exploit, operate and utilize the mineral property covered by this MOA subject to the provisions of MPSA granted by the Philippine Government. OVMPC shall carry on and conduct immediate exploration, commence development and utilization works within two years from the signing of MOA.

For and in consideration of the rights granted, OVMPC shall pay the Group a commission equivalent to 5% on the gross sales amount of nickel sold.

Memorandum of Agreement with Norte Este Corporation (Norte Este)
In 2021, the Group entered into an Operating Agreement with Norte Este which allows Norte Este to explore, develop, extract, operate and market the minerals in the Phase 3 Mineral Property located in Libjo, Dinagat Islands. Norte Este has also the right to construct and maintain roads, bridges, causeway, buildings, plants, and other improvements of all kinds as may be deemed necessary and convenient to its mining operations.

Thereafter, Norte Este shall pay the Group royalties and marketing as follows:

- Royalties ranging from 7% to 15% on the gross sales amount of all nickel ore depending on the monthly average LME nickel settlement price; and
- Marketing ranging from $0.75 to $3.50 on the gross sales amount of all nickel ore depending on the monthly average LME nickel settlement price; and

Memorandum of Agreement with Westernshore Nickel Corporation
In 2023, the Group entered into an Operating Agreement with Westernshore Nickel Corporation (WNC) which allows WNC to explore, develop, extract, operate and market the minerals in the Phase 2 Mineral Property located in Libjo, Dinagat Islands.

Thereafter, WNC shall pay the Group mining lease of 3% on the gross sales amount of all nickel ore depending on the monthly average LME nickel settlement price.

As at April 27, 2025, the Group's respective agreements with CMC, LMC, OVMPC and Norte Este have not been terminated and continue to be in full force and effect, subject to the supplemental terms agreed by the Group each with CMC, LMC, OVMPC and Norte Este.

In 2025, 2024 and 2023, the Group earned royalty income amounting to ₱269,131,535, ₱112,330,287, and ₱161,685,814 respectively, and commission and marketing income amounting to
₱147,934,881, ₱103,839,957, and ₱125,482,671, respectively from CMC, LMC and Norte Este. (Note 15).

No royalty and commission earned yet from OVMPC as the current MPSA is still under exploration phase.

22. Supplemental Disclosures to Statements of Cash Flows.

The following table summarizes the changes in liabilities arising from financing activities:

	January 1, 2026	**Cash flows Availments**	**Payments**	**Restructuring**	**December 31, 2025**
Loans payable	**₱476,533,418**	**–**	**4,685,911**	**–**	**₱471,847,507**
Principal portion of installment liability	**123,188,345**	**–**	**17,164,681**	**–**	**106,023,664**
	₱599,721,763	**–**	**21,850,592**	**–**	**₱577,871,171**

	January 1, 2025	Cash flows Availments	Payments	Restructuring	December 31, 2024
Loans payable	₱476,533,418	–	4,685,911	–	₱471,847,507
Principal portion of installment liability	123,188,345	–	17,164,681	–	106,023,664
	₱599,721,763	–	21,850,592	–	₱577,871,171

The other non-cash financing activities of the Group include the amortization of loans payable, recognition of interest expense on lease liabilities under PFRS 16, and the recognition of amounts due to related parties arising from non-cash transactions.

23. Events after the Reporting Period

Below are the events after the reporting period which are treated as non-adjusting event as at December 31, 2025:

Amendments of Articles of Incorporation of Parent Company
On March 24, 2026, during the special board meeting of the Parent Company, the Board approved the amendment of the Seventh Articles of the Company's Articles of Incorporation

from twelve billion pesos (Php 12,000,000,000.00) divided into Twelve Billion (12,000,000,000) Common Shares with a par value of One Peso (Php 1.00) per share to Nine Billion Six Hundred Million Pesos (Php 9,600,000,000.00) divided into Twelve Billion (12,000,000,000) Common Shares with a par value of Eighty Centavos (Php 0.80) per share.

Other matters approved by the Board of Directors on March 24, 2026

- Subject to further stockholders' approval, a 1:8 stock split on the Common Shares with par value of Php 0.80 per share, such that the resulting par value of the Common Shares shall become Php 0.10 per share after the stock split.
- The conduct of a Follow-On Offering at a size and offer price to be determined at a later date by the Board of Directors in accordance with the rules of the Securities and Exchange Commission and Philippine Stock Exchange.

24. Supplementary Information Required Under Revenue Regulations (R.R.) No. 15-2010

In compliance with the requirements set forth by R.R. No. 15-2010, hereunder are the information on taxes, duties and license fees paid or accrued during the taxable year 2025:

VAT

The Parent Company is a VAT-registered company with no VAT output tax declaration for the year ended December 31, 2025. The Company has no sales subject to VAT of 12% for the year ended
December 31, 2025.

Taxes and Licenses

This includes all other taxes, local and national, including license and permit fees lodged under "Taxes and licenses", which is presented under "Operating expense" line item in the 2025 statement of comprehensive income.

National:	
PSE annual listing fee	₱250,000
Local:	
Permits and licenses	–
	₱250,000

Withholding Taxes

Withholding taxes paid and accrued by the Company in 2025 are as follows:

	Paid	Accrued
EWT	₱110,000	₱10,000
Withholding taxes on compensation and benefits	–	–
	₱110,000	₱10,000

Tax Assessments and Contingencies

The Company has no tax cases under preliminary investigation nor litigation and/or prosecution in courts or bodies outside of the administration of BIR as of December 31, 2025.

EAST COAST VULCAN MINING CORPORATION AND SUBSIDIARY
(FORMERLY EAST COAST VULCAN CORPORATION)
INDEX TO THE FINANCIAL STATEMENTS
AND SUPPLEMENTARY SCHEDULES
AS OF MARCH 31, 2026

COMPANY FINANCIAL STATEMENTS

SUPPLEMENTARY SCHEDULES

EAST COAST VULCAN MINING CORPORATION AND SUBSIDIARY
(FORMERLY EAST COAST VULCAN CORPORATION)
SCHEDULE A - FINANCIAL ASSETS
MARCH 31, 2026

Name of issuing entity and association of each issue	Number of shares or principal amounts of bonds and notes	Amount shown in the statement of financial position	Value based on market quotation at end of reporting period	Income received and accrued
Cash and related parties				
Cash		₱8,342,867	₱8,342,867	₱3,052
Trade and other receivables		27,302,501	27,302,501	–
Due from related parties		175,048,233	175,048,233	–
Total		**₱210,693,601**	**₱210,693,601**	**₱3,052**

EAST COAST VULCAN MINING CORPORATION AND SUBSIDIARY
(FORMERLY EAST COAST VULCAN CORPORATION)
SCHEDULE B - AMOUNTS RECEIVABLE FROM DIRECTORS, OFFICERS, EMPLOYEES, RELATED PARTIES AND PRINCIPAL STOCKHOLDERS (OTHER THAN RELATED PARTIES)
MARCH 31, 2026

Name and Designation of Debtor	Balance at Beginning period	Additions	Amounts Collected	Amounts Written off	Current	Not Current	Balance at end of period

The Company has no amounts receivable from directors, officers, employees, related parties and principal stockholders as at March 31, 2026 equal to or above the established threshold of the Rule.

EAST COAST VULCAN MINING CORPORATION AND SUBSIDIARY
(FORMERLY EAST COAST VULCAN CORPORATION)
SCHEDULE C - AMOUNTS RECEIVABLE FROM RELATED PARTIES
WHICH ARE ELIMINATED DURING THE
CONSOLIDATION OF FINANCIAL STATEMENTS
MARCH 31, 2026

Name and Designation of Debtor	Balance at Beginning period	Additions	Amounts Collected/ Settlements	Amounts Written off	Current	Not Current	Balance at end of period
East Coast Vulcan Mining Corporation (Parent Company)	₱107,738,496	₱1,189,655	₱–	₱–	₱107,538,496	₱–	₱107,738,496

EAST COAST VULCAN MINING CORPORATION AND SUBSIDIARY
(FORMERLY EAST COAST VULCAN CORPORATION)
SCHEDULE D - LONG-TERM DEBT
MARCH 31, 2026

Title of Issue and type of obligation	Amount authorized by: Indenture	Amount shown under the caption "Current Portion of long-term debt" in related statement of financial position	Amount shown under caption "Long-term debt" in related statement of financial position

–Not applicable–

EAST COAST VULCAN MINING CORPORATION AND SUBSIDIARY
(FORMERLY EAST COAST VULCAN CORPORATION)
SCHEDULE E - INDEBTEDNESS TO RELATED PARTIES
(LONG-TERM LOANS FROM RELATED COMPANIES)
MARCH 31, 2026

Name of Related Party	Balance at beginning of period	Balance at end of period

–Not applicable–

EAST COAST VULCAN MINING CORPORATION AND SUBSIDIARY
(FORMERLY EAST COAST VULCAN CORPORATION)
SCHEDULE F - GUARANTEES OF SECURITIES OF OTHER ISSUERS
MARCH 31, 2026

Name of issuing entity of securities guaranteed by the company for which this statement is filed	Title of issue of each class of securities guaranteed	Total amount guaranteed and outstanding	Amount owed by person for which statement is filed	Nature of guarantee

–Not applicable–

EAST COAST VULCAN MINING CORPORATION AND SUBSIDIARY
(FORMERLY EAST COAST VULCAN CORPORATION)
SCHEDULE G - CAPITAL STOCK
MARCH 31, 2026

Title of Issue	Number of shares authorized	Number of shares issued and outstanding as shown under related statement of financial position caption	Number of shares reserved for options, warrants, conversions and other rights	Number of shares held by		
				Related parties	Directors, officers and employees	Others
Common Shares at ₱ 1 par value	12,000,000,000	6,630,000,000	–	–	5,185,937,650	1,444,062,350

EAST COAST VULCAN MINING CORPORATION AND SUBSIDIARY
(FORMERLY EAST COAST VULCAN CORPORATION)
RECONCILIATION OF RETAINED EARNINGS AVAILABLE FOR DIVIDEND DECLARATION (ANNEX 68-D)
AS OF MARCH 31, 2026

Unappropriated Retained Earnings, beginning of reporting period		(₱1,101,135,754)
Add: Category A: Items that are directly credited to Unappropriated Retained Earnings		
Reversal of Retained Earnings Appropriation/s	–	
Effect of restatements or prior-period adjustments	–	
Others (describe nature]	–	–
Less: Category B: Items that are directly debited to Unappropriated Retained Earnings		
Dividend declaration during the reporting period	–	
Retained Earnings appropriated during the reporting period	–	
Effect of restatements or prior-period adjustments	–	
Others (describe nature)	–	–
Unappropriated Retained Earnings, as adjusted		(₱1,101,135,754)
Add/Less: Net Income (loss) for the current year		(1,530,138)
Less: Category C.l: Unrealized income recognized in the profit or loss during the reporting period (net of tax)		
Equity in net income of associate/joint venture, net of dividends declared	–	
Unrealized foreign exchange gain, except those attributable to cash and cash equivalents	–	
Unrealized fair value adjustment (mark-to-market gains) of financial instruments at fair value through profit or loss (FVTPL)	–	
Unrealized fair value gain of Investment Property	–	
Other unrealized gains or adjustments to the retained earnings as a result of certain transactions accounted for under the PFRS (describe nature)	–	
Sub-total		–
Add: Category C.2: Unrealized income recognized in the profit or loss in prior reporting periods but realized in the current reporting period (net of tax)		
Realized foreign exchange gain, except those attributable to Cash and cash equivalents	–	
Realized fair value adjustment (mark-to-market gains) of financial instruments at fair value through profit or loss (FVTPL)	–	
Realized fair value gain of Investment Property	–	
Other realized gains or adjustments to the retained earnings as a result of certain transactions accounted for under the PFRS (describe nature)	–	
Sub-total		–
Add: Category C.3: Unrealized income recognized in profit or loss in prior periods but reversed in the current reporting period (net of tax)		

Reversal of previously recorded foreign exchange gain, except those attributable to cash and cash equivalents	–	
Reversal of previously recorded fair value adjustment (mark-to-market gains) of financial instruments at fair value through profit or loss (FVTPL)	–	
Reversal of previously recorded fair value gain of Investment Property	–	
Reversal of other unrealized gains or adjustments to the retained earnings as a result of certain transactions accounted for under the PFRS, previously recorded (describe nature)	–	
Sub-total		–
Adjusted Net Income/Loss		**(1,530,138)**
Add: Category D: Non-actual losses recognized in profit or loss during the reporting period (net of tax)		
Depreciation on revaluation increment (after tax)	–	
Sub-total		–
Add/Less: Category E: Adjustments related to relief granted by the SEC and BSP (see Footnote 3)		
Amortization of the effect of reporting relief	–	
Total amount of reporting relief granted during the year	–	
Others (describe nature)	–	
Sub-total		–
Add/Less: Category F: Other items that should be excluded from the determination of the amount of available for dividends distribution		
Net movement of treasury shares (except for reacquisition of redeemable shares)	–	
Net movement of deferred tax asset not considered in the reconciling items under the previous categories	–	
Net movement in deferred tax asset and deferred tax liabilities related to same transaction, e.g., set up of right of use of asset and lease liability, set-up of asset and asset retirement obligation, and set-up of service concession asset and concession payable	–	
Adjustment due to deviation from PFRS/GAAP - gain (loss)	–	
Others (describe nature)	–	
Sub-total		–
Total Retained Earnings, end of the reporting period available for dividend		**(₱1,102,665,892)**

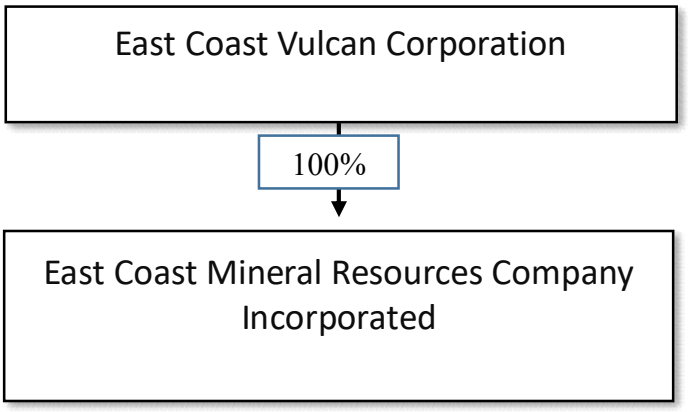
The amount is zero since the reconciliation results to a deficit of (₱1,102,665,892) as at March 31, 2026.

EAST COAST VULCAN MINING CORPORATION AND SUBSIDIARY
(FORMERLY EAST COAST VULCAN CORPORATION)
SCHEDULE OF FINANCIAL SOUNDNESS INDICATORS (ANNEX 68-E)
FOR THE YEARS ENDED MARCH 31, 2026 and 2025

Ratio	Formula	2026	2025
Liquidity and Solvency Ratios:			
Current ratio	Total Current Assets Divided by: Total Current Liabilities	0.44:1	0.51:1
Quick ratio	(Cash + Receivables) Divided by: Total Current Liabilities	0.44:1	0.11:1
Solvency ratio	(Net Income + Depreciation) Divided by: Total Liabilities	2.81:1	0.34:1
Financial Leverage Ratios:			
Asset to equity ratio	Total Assets Divided by: Total Equity	1.60:1	1.61:1
Debt ratio	Total Liabilities Divided by: Total Assets	0.37:1	0.38:1
Debt to equity ratio	Total Liabilities Divided by: Total Equity	0.60:1	0.61:1
Interest coverage ratio	Net Income Before Tax Divided by: Interest Expense	(1.68:1)	(0.15:1)
Price earnings ratio	Current Share Price Divided by: Earnings Per Share	(45.88:1)	(26.95:1)
Profitability Ratios:			
Return on assets	Net Income Before Tax Divided by: Total Assets	(1.94%)	(0%)
Return on equity	Net Income Before Tax Divided by: Total Equity	(3.10%)	(0%)
Gross profit margin	Gross income Divided by: Net Sales	0%	8%
Net profit margin	Net Income Divided by: Net Sales	0%s	(14%)

EAST COAST VULCAN MINING CORPORATION AND SUBSIDIARY
(FORMERLY EAST COAST VULCAN CORPORATION)
MAP SHOWING THE RELATIONSHIPS OF THE COMPANIES WITHIN THE GROUP
AS OF MARCH 31, 2026

PURSUANT TO REVISED SRC RULE 68



EAST COAST VULCAN MINING CORPORATION AND SUBSIDIARY
(FORMERLY EAST COAST VULCAN CORPORATION)
SUPPLEMENTARY SCHEDULE OF EXTERNAL AUDITOR
FEE–RELATED INFORMATION
For the year ended March 31, 2026 and 2025

	2026	2025
Total Audit Fees	**₱2,230,000**	₱2,230,000
Non-audit services fees:		
Other assurance services	–	–
Tax services	–	–
All other services	–	–
Total Non-audit Fees	–	–
Total Audit and Non-audit Fees	**₱2,230,000**	₱2,230,000

EAST COAST VULCAN MINING CORPORATION
formerly EAST COAST VULCAN CORPORATION
U1502, Pacific Star Bldg., Sen. Gil Puyat Ave., Cor. Makati Ave., Bel-Air, Makati City
1209 Tel (632) 8511-8312: Fax (632) 8550-1468
Website: www.eastcoastvulcanmining.com

May 12, 2026

Philippine Stock Exchange, Inc.
6th Floor PSE Tower
5th Avenue corner 28th Street
Bonifacio Global City, Taguig City

Attention: **Ms. Stefanie Ann B. Go**
Officer-In-Charge, Disclosure Department

Gentlemen:

In connection with the submission of East Coast Vulcan Mining Corporation (the "**Corporation**")'s SEC Form 17-Q for the period ended March 31, 2026, the Corporation would like to inform the Exchange that no exploration activities were conducted during the said period.

For reference, the most recent exploration results remain as reported in the 2014 Exploration Report for the Libjo Laterite Nickel Project and the 2025 Annual Mineral Resource/Ore Reserve Inventory Report, under MPSA-233-2007-XIII (SMR), and the 2025 Annual Mineral Resource/Ore Reserve Inventory Report of Cagdianao Mining Corporation under MPSA-078-97-XIII (SMR). Copies of these reports are enclosed for reference and in compliance with the relevant disclosure requirements.

Should there be any developments or resumption of exploration activities, the Corporation will submit an updated summary in accordance with the required format and timelines.

Please let us know if further information is required.

Thank you for your attention to this matter.

Very truly yours,

EAST COAST VULCAN MINING CORPORATION

By:

Edgardo V. Caringal
Chief Compliance Officer

CMC

February 25, 2026

Engr. Michael V. Cabalda
OIC-Director
DENR - Mines and Geosciences Bureau
North Avenue, Diliman, Quezon City

DENR-MINES & GEOSCIENCES BUREAU
REGIONAL OFFICE NO. XIII
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Dear OIC-Director Cabalda,

Greetings!

We are submitting herewith the **2025 Annual Mineral Resource Ore Reserve Inventory Report** of Cagdianao Mining Corporation.

Hope you will find everything in order.

Thank you.

Very truly yours,

Engr. Christian Jae R. Gascon
Resident Mine Manager

CC: **Engr. Larry M. Heradez**
Regional Director
Mines and Geosciences Bureau – Region 13
Surigao City

REGISTERED MAIL ACCEPTANCE
RL 162 591 725 PH
FEB 26 26
8400 SURIGAO DEL NORTE, PHILIPPINES

Cagdianao Mining Corporation

Main Office:
29th Floor NAC Tower,
32nd Street, Bonifacio
Global City, Taguig City,
Philippines 1634

Phone: (02) 7798 7625

Liaison Office:
2nd Floor NAC Building,
Km. 3, Brgy. Luna,
Surigao City,
Philippines 8400

Phone: (086) 826 6113

Site Address:
Brgy. Valencia,
Municipality of Cagdianao,
Province of Dinagat Island,
Philippines 8411

Web: nickelasia.com

Guidelines on How to Fill Out the Digitized Annual Mineral Resources and Reserves Inventory Report (MGB Form No. 29-19)

Before You Begin

- Use **Adobe Acrobat** to ensure full functionality of the fillable form.
- Ensure **consistency between resource and reserve figures** across all sections.
- All entries must use the prescribed reporting units: Dry Metric Tonne (DMT), Wet Metric Tonne (WMT), and cubic meter (cu.m.). for tonnage; percent (%), gram per tonne (g/t), and parts per million (ppm) for grades. Furthermore, use appropriate units for Specific Gravity, Cut-off Grade, etc.
- To ensure uniform reporting, tonnage and grade figures must be **rounded o to two decimal places.**
- All entries must be written in full. Abbreviations for names of permittees/contractors and minerals are not allowed.
- Report Mineral Reserves as part of Mineral Resources, i.e., **Resources ≥ Reserves; otherwise state the reason in the remarks.**
- The **deadline for submission** of MGB Form 29-19 is on or before the end of the 1st **quarter of every year.**

MINES & GEOSCIENCES BUREAU
REGIONAL OFFICE NO. XII
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Submission Procedures

1. **Open** the Digitized Annual Mineral Resources and Reserves Inventory Report (MGB Form No. 29-19).

2. **Fill out** the necessary fields.

   2.1. **General Information**

   2.1.1. **Name of Mining Contractor/Permit Holder/Permittee** – Enter the official name of the **entity authorized to operate** under the mining contract or permit.

   2.1.2. **Name of Operator** – Provide the name of the operator, if different from the permit holder. Enter **N/A** if not applicable.

   2.1.3. **Mining Contract/Permit Number** – Select your valid Mining Contract/Permit Number from the **dropdown list**, which is **arranged in alphabetical order**. Manual entry is allowed only if your contract or permit number is not included in the list.

   2.1.4. Region – Identify the region where the mining project is located.

   2.1.5. Status of Operation – Specify the current **operational status** of the project.

   2.1.6. For Year – Indicate the **reporting year** of the data being submitted.

   2.2. **Mineral Data**

   2.2.1. Mineral Type – Indicate whether the mineral is **Metallic or Non-Metallic.**

   2.2.2. Primary Mineral – Specify the **main mineral** being reported or extracted (e.g., Gold, Copper, Nickel, etc.).

REGISTERED MAIL
RL 162 591 725 ZZ
FEB 26 26
SURIGAO CITY POST OFFICE
8400 SURIGAO DEL NORTE PHILIPPINES

2.2.3. Secondary Mineral(s) – List any **associated or by-product minerals** of economic interest (e.g., Silver, Molybdenum, Iron, etc.)

2.2.4. With Material Classification? - Indicate **"Yes"** if the report includes **more than one material classification**, such as different ore types (e.g., Limonite and Saprolite) or mining methods (e.g., Underground and Open Pit). Otherwise, select "No".

2.2.5. Material Classification – If "Yes" is selected above, **provide the specific classifications** used in the report (e.g., Limonite, Saprolite, Open Pit, Underground) under the appropriate Material Classification 1 and/or Material Classification 2 fields.

2.2.6. Moisture Content – Enter the average moisture content (%) of the reported material, if applicable.

2.2.7. Previous Year's Resources and Reserves – Enter the reported tonnage and grade by category (Measured, Indicated, Proved, etc.) for the **previous year.**

2.2.8. Changes in Resources and Reserves – State the **changes in tonnage/grade not due to mining** (e.g., changes due to re-estimation and reinterpretation).

2.2.8.1. **Reason for the Change** – Select the appropriate reason from the dropdown list to explain the cause of changes in resources and reserves other than mining extraction. The available options are:

2.2.8.1.1. **Discoveries** – Refers to the identification of new mineral deposits or ore bodies not previously reported. This includes extensions of known deposits confirmed through additional exploration (e.g., drilling, trenching, or geophysical surveys).

2.2.8.1.2. **Upward Reappraisal** – An increase in previously reported resources and reserves due to improved geological understanding, new sampling data, or refined estimation methods. This reflects a positive adjustment in tonnage, grade, or confidence level.

2.2.8.1.3. **Reclassification** – The transfer of tonnage and grade between categories (e.g., from Indicated to Measured, or from Probable to Proved Reserves) as a result of additional information, improved confidence, or changes in reporting standards.

2.2.8.1.4. **Catastrophic Losses** – Refers to a sudden, significant, and non-mining related reduction of resources or reserves caused by events such as landslides, flooding, earthquakes, fire, or other natural/technical disasters that render part of the deposit inaccessible or uneconomic.

2.2.8.1.5. **Downward Reappraisal** – A decrease in previously reported resources and reserves due to reinterpretation of geological data, revised economic assumptions (e.g., metal prices, cut-off grades), or the application of more stringent estimation methods.

2.2.9. Materials Mined – Provide the **quantity and grade of materials extracted** during the reporting year.

2.2.10. Remaining Resources and Reserves – Update the tonnage and grade values after deducting mined quantities and applying any changes. These figures represent the **current Mineral Resources and Reserves as of the reporting year**.

2.2.11. Density(ies) – Enter the Density(ies) value(s) used in the estimation.

2.2.12. Cut-off Grade(s) – Enter the **minimum grade thresholds** applied in the estimation.

2.2.13. Estimation Method – Describe the **estimation method used** for resource/reserve estimation (e.g., Inverse Distance, Ordinary Kriging).

2.2.14. Computer Software Used – Specify the **software used** in generating the estimates (e.g., Surpac).

2.2.15. Date Reported – Indicate **when the report was finalized**.

2.3. **Certification and Endorsement**

2.3.1. Accredited Competent Person – The **qualified person** responsible for the report must enter their name, position, company, and sign the form.

2.3.2. President/Authorized Representative – The **legal representative** must review and sign, confirming the validity of the submission.

2.3.3. Acknowledgement Section – Must be **notarized by a Notary Public** to authenticate the declaration.

3. **Click the Save Form button** to save all accomplished information. *Ensure that all required fields have been completely and correctly filled out before proceeding.*

4. **Print** the accomplished form and have it duly **Notarized.**

5. **Click the Get Code** button and **Submit the notarized form through the Google Form** that appears. *The system will not allow you to proceed if any required field is incomplete.*

6. **Receive an Email** for your **Unique Code**.

7. Re-open your filled out MGB Form 29-19 and **Enter the Unique Code**.

8. Click on **Submit**.

9. Receive an **Email Confirmation** indicating that your Annual Mineral Resource/Reserve Inventory (AMRI) Report has been successfully submitted to the MGB system. This confirmation serves as proof of successful submission.

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

ANNUAL MINERAL RESOURCES AND RESERVES INVENTORY REPORT

Name of Mining Contractor/Permit Holder/Permittee: EAST COST MINERAL RESOURCES., INC. (East Coast)
Name of Operator (if any): Cagdianao Mining Corporation
Mining Contract/Permit Number: MPSA No. 078-97-XIII (SMR)
Region: Region XIII
Province: Dinagat Islands
Status of Operation: Operating
For Year: 2025

Instructions on Reporting:
1. Report Mineral Reserves as part of Mineral Resources, *i.e.*, Resources ≥ Reserves; otherwise state the reason in the remarks.
2. Enter '**N/A**' for fields that are not applicable

Mineral Type: Metallic
Primary Mineral: Nickel
Secondary Mineral(s): Iron
With Material Classification/Multiple Deposits?: ◉ Yes ○ No

Material Classification 1/ Deposit Name 1 (i.e., limonite, deposit name): Limonite
Moisture Content 1 (in %, if applicable): 35

Previous Year's Resources (Opening Stock)				**Previous Year's Reserves (Opening Stock)**			
Category	**Tonnage**	**Grade** *Primary*	**Grade** *Secondary*	**Category**	**Tonnage**	**Grade** *Primary*	**Grade** *Secondary*
	WMT	%	%		WMT	%	%
Measured	10,869,977.00	0.86	39.10	Proved	2,333,402.00	1.34	31.42
Indicated	2,111,239.00	0.79	37.04	Probable	280,428.00	1.40	27.80
Inferred	857,872.00	0.81	37.16				
Total *(Measured + Indicated)*	12,981,216.00	0.85	38.75	**Total** *(Proved + Probable)*	2,613,830.00	1.35	31.03

Changes in Resources (Except Mined) Reason for the change (*i.e., re-estimation*): Reclassification				**Changes in Reserves (Except Mined)** Reason for the change (*i.e., re-estimation*): Downward Reappraisa			
Category	**Tonnage** *(Indicate if + or -)*	**Grade** *Primary*	**Grade** *Secondary*	**Category**	**Tonnage**	**Grade** *Primary*	**Grade** *Secondary*
Measured	1,789,902.00	0.86	39.50	Proved	-147,651.00	1.61	26.63
Indicated	-68,290.00	0.78	37.44	Probable	-8,251.00	1.68	26.09
Inferred	1,133,343.00	0.80	37.48				
Total *(Measured + Indicated)*	1,721,612.00	0.85	39.18	**Total** *(Proved + Probable)*	-155,902.00	1.32	32.69

Materials Mined (Production)			
Category	**Tonnage**	**Grade** *Primary*	**Grade** *Secondary*
Proved	1,050,724.00	1.32	32.69
Probable			
Others *(i.e., incidental ores or other non-reserve mined materials*			
TOTAL	1,050,724.00	1.32	32.69

Remaining Resources (Closing Stock)				Remaining Reserves (Closing Stock)			
Category	**Tonnage**	**Grade** *Primary*	**Grade** *Secondary*	**Category**	**Tonnage**	**Grade** *Primary*	**Grade** *Secondary*
Measured	12,655,553.00	0.84	40.56	Proved	1,135,028.00	1.33	30.92
Indicated	2,042,783.00	0.78	38.72	Probable	272,177.00	1.39	27.85
Inferred	1,133,343.00	0.79	38.01				
Total *(Measured + Indicated)*	14,698,336.00	0.83	40.30	**Total** *(Proved + Probable)*	1,407,205.00	1.34	30.34

Material Classification 2 / Deposit Name 2
(i.e.,saprolite, deposit name): Saprolite

Moisture Content 2
(in %, if applicable): 35

Previous Year's Resources (Opening Stock)				Previous Year's Reserves (Opening Stock)			
Category	**Tonnage**	**Grade** *Primary*	**Grade** *Secondary*	**Category**	**Tonnage**	**Grade** *Primary*	**Grade** *Secondary*
	WMT	%	%		WMT	%	%
Measured	5,937,684.00	1.25	20.50	Proved	1,632,949.00	1.49	15.26
Indicated	1,523,050.00	1.14	19.35	Probable	291,288.00	1.43	15.50
Inferred	1,061,774.00	1.14	20.10				
Total *(Measured + Indicated)*	7,460,734.00	1.23	20.27	**Total** *(Proved + Probable)*	1,924,237.00	1.48	15.29

Changes in Resources (Except Mined) Reason for the change (*i.e., re-estimation*): Reclassification				Changes in Reserves (Except Mined) Reason for the change (*i.e., re-estimation*): N/A			
Category	**Tonnage** *(Indicate if + or -)*	**Grade** *Primary*	**Grade** *Secondary*	**Category**	**Tonnage**	**Grade** *Primary*	**Grade** *Secondary*
Measured	-1,663,573.00	1.25	20.14	Proved	790,900.00	0.65	19.32
Indicated	-673,587.00	1.15	19.47	Probable	-46,141.00	1.47	13.69
Inferred	752,800.00	1.15	19.94				
Total *(Measured + Indicated)*	-2,337,160.00	1.23	20.00	**Total** *(Proved + Probable)*	744,759.00	0.60	19.66

Materials Mined (Production)			
Category	**Tonnage**	**Grade** *Primary*	**Grade** *Secondary*
Proved	1,178,604.00	1.12	13.04
Probable			
Others *(i.e., incidental ores or other non-reserve mined materials*			
TOTAL	1,178,604.00	1.12	13.04

Remaining Resources (Closing Stock)				Remaining Reserves (Closing Stock)			
Category	**Tonnage**	**Grade** *Primary*	**Grade** *Secondary*	**Category**	**Tonnage**	**Grade** *Primary*	**Grade** *Secondary*
Measured	4,273,961.00	1.21	19.78	Proved	1,245,245.00	1.30	19.88
Indicated	849,464.00	1.15	20.30	Probable	245,147.00	1.43	15.85
Inferred	752,800.00	1.17	19.49				
Total *(Measured + Indicated)*	5,123,425.00	1.20	19.86	**Total** *(Proved + Probable)*	1,490,392.00	1.32	19.22

Remarks:

Density(ies): Saprolite: 1.311 , Limonite: 1.064
Cut-off Grade(s): Saprolite: ≥0.79% Ni; <29% Fe , Limonite: ≥0.45% Ni, ≥29% Fe
Mineral Resource and Reserve Estimation Method: Statistical : Inverse-Distance Weighting
Computer Software Used: SURPAC 2023 , SURPAC 2024
Date Reported: 12/31/2025

I hereby certify that the foregoing information are true and correct to the best of my knowledge.

ANGILHIZA MARIE B. FRANCISCO
Printed Name and Signature of Accredited Competent Person (Geologist)

Company: Hinatuan Mining Corporation-MNMP
Position: Geology Manager
Date: 02/24/2026

CHRISTIAN JAE. R GASCON
Printed Name and Signature of Accredited Competent Person (Mining Engineer)

Company: Cagdianao Mining Corporation
Position: Resident Mine Manager
Date: 02/24/2026

CHRISTIAN JAE R. GASCON
Printed Name and Signature of President/Authorized Representative

NAC-CAGDIANAO MINING CORPORATION
Contractor/Permittee/Permit Holder/Operator

ACKNOWLEDGEMENT

Republic of the Philippines)
) S.S.

At _____ on this day _____ of _____ personally appeared before me:

Name	ID Number	Date of Issuance

who acknowledged to me that they executed the foregoing Report voluntarily and that the same is of their own free act and deed.

WITNESS MY HAND AND SEAL, on the date and place written above.

ATTY. KIELVICENT C. LIANZA
NOTARY PUBLIC
Until
Commission Expires Dec. 31, 2027
Atty's Roll No. 57439 / IBP No. 551397 / 07-29-2025
PTR No. 8662701 / 01-5-2026
Issued on
MCLE Compliance No. VIII-0012878
Valid Until April 14, 2028
0131 Meehleib Bldg. Door 4, Rizal St.
Brgy. Washington, Surigao City, 8400

Doc. No. 307
Page No. 47
Book No. 7
Series of 2026

LIBJO MINING CORPORATION
Libjo Nickel Laterite Mining Project
Municipalities of Tubajon and Dinagat Islands
Mine Site Address: Sitio Balite, San Antonio, Libjo, Dinagat Islands
Surigao Liaison Office: 06050 Pagtoo St. Villa Corito Sub., Surigao City
Tel. No. : (086) 231-5131 Email Add: lmcminesite@gmail.com

January 7, 2026

DENR-MINES & GEOSCIENCES BUREAU
REGIONAL OFFICE NO. XIII
FAD - RECORDS
RECEIVED
07 JAN 2026
BY: _____ TIME 11:00 AM

ENGR. MICHAEL V. CABALDA
OIC Director
Mines & Geosciences Bureau
North Avenue
Diliman, Quezon City

Dear **Director;**

Pursuant to DAO 2010-21 Chapter XXIX Section 270.j and DAO 2010-09, we are submitting herewith the **2025 Annual Mineral Reserve Inventory Report** *of Libjo Nickel Laterite Mining Project* under the Mineral Production Sharing Agreement (MPSA) Area of East Coast Mineral Resources Company Inc., (ECMRCI) denominated with MPSA No. 233-2007-XIII (SMR) located in the Municipalities of Libjo and Tubajon, Province of Dinagat Islands.

For your information and acknowledgement.

Very truly yours,

ALFREDO D. CASTRO JR.
OIC-Resident Mine Manager

Copy furnished:

ENGR. LARRY M. HERADEZ
Regional Director
Mines and Geosciences Bureau (MGB) RO-XIII
Km 2, National Highway, Surigao City

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

ANNUAL MINERAL RESOURCE/ORE RESERVE INVENTORY REPORT CY 2025

I. General Information

Name of Mining Contractor/Permit Holder/Permittee	:	**EAST COAST MINERAL RESOURCES COMPANY INC. (ECMRCI)**
Office Address:	:	**NO. 17 ROAD 19, COGEO VILLAGE, ANTIPOLO CITY**
Contact Number:	:	
Type of Mining Contract/Permit	:	**MINERAL PRODUCTION SHARING AGREEMENT (MPSA)**
Mining Tenement Number/Denomination:	:	**MPSA No. 233-2007-XIII (SMR)**
Name of Operator:	:	**LIBJO MINING CORPORATION (LMC)**
Office Address:	:	**Head Office:** 4th Floor, Low-Rise Bldg. Pacific Star Bldg. Makati Avenue cor. Gil Puyat Avenue, Makati City **Mine Site:** SAN ANTONIO, LIBJO, DINAGAT ISLANDS
Contact Number:	:	**Tel. Nos:** +632 856 9517/+632 811 3512/+632 511 3512 **Fax No.** +632 550 1468

Location of Contract/Permit Area

San Antonio	**Libjo**	**Dinagat Island**
(Sitio/Barangay)	(Municipality)	(Province)

Geographical Coordinates:

Corner	Latitude	Longitude
1	10°14'36.04"N	125°30'58.95"E
2	10°14'35.88"N	125°32'37.78"E
3	10°14'25.73"N	125°32'37.77"E
4	10°14'25.76"N	125°32'17.51"E
5	10°14'08.72"N	125°32'17.48"E
6	10°13'35.39"N	125°32'45.53"E
7	10°13'35.37"N	125°32'54.49"E
8	10°13'24.79"N	125°32'57.92"E
9	10°13'08.47"N	125°32'57.89"E
10	10°13'01.22"N	125°32'53.38"E
11	10°13'01.23"N	125°32'36.12"E
12	10°13'04.06"N	125°32'41.99"E
13	10°13'05.34"N	125°32'36.12"E
14	10°13'08.08"N	125°32'36.12"E
15	10°13'08.12"N	125°32'09.38"E
16	10°14'26.55"N	125°30'58.93"E

Total Area: 4,226.2744 Hectares

II. Status of Operation (Please tick appropriate box/es)

☐ Under Exploration
Date Started: _____

☐ Under Development
Date Started: _____

☒ Production Stage
Authorized Annual Mine Production (as per 3-Year Work Program): 500,000 MT
Actual Annual Mine Production: **1,972,490 MT**

☐ Stopped Operation
Date Stopped: _____
Reason/s: _____

Mined/Explored Commodity: ☒ **Metallic** ☐ **Non-metallic**

(Please specify) Nickel

Type of Deposit:

☒ Metallic
- ☐ Vein-type
- ☐ Porphyry
- ☐ Placer
- ☒ Others, please specify: Lateritic

☐ Non-metallic
- ☐ Marbleized
- ☐ Siliceous
- ☐ Coralline
- ☐ Others, please specify: _____

Classification of Commodity: Nickel Ore
Mining Method/s: Surface Mining – Open Pit
Processing: N/A
% Recovery: N/A

III. Mineral Resource/Ore Reserve Inventory

A. Mineral Resource Inventory

1. Previous Year's Mineral Resource Inventory

Category	Tonnage/ Volume	Grade/Assay *(%Ni)*	Grade/Assay *(%Fe)*
Measured	23, 286.941	0.90	47.15
	7,286.067	1.50	17.54
Indicated			
Inferred			
TOTAL	**30,573,008.00**	**1.2**	**32.345**

2. Mineral Resource Blocked for the Reporting Period (if any)

Category	Tonnage/ Volume	Grade/Assay *(%Ni)*	Grade/Assay *(%Fe)*	Remarks
Measured*				
Indicated**				
Inferred				
TOTAL				

Indicate in Remarks column if resource is New, or Upgraded from Indicated or Inferred Resource
****Indicate in Remarks column if resource is New, or Upgraded from Inferred Resource***

3. Total Mineral Resource Inventory (A1 + A2 - B2)

Category	Tonnage/ Volume	Grade/Assay (%Ni)	Grade/Assay (%Fe)
Measured	23,286,941	0.90	47.15
	7,286,067	1.50	17.54
Indicated			
Inferred			
TOTAL	**30,573,008.00**	**1.2**	**32.345**

B. Ore Reserve Inventory

1. Previous Year (2025) Ore Reserve

Category	Tonnage/ Volume	Grade/Assay (%Ni)	Grade/Assay (%Fe)
Proved	13,182,554	1.2	40.0
	3,534,085	1.5	30.0
Probable	5,591,896	1.2	38.0
	3,809,158	1.5	33.0
TOTAL	**26,117,693**	**1.29**	**37.13**

2. Additional Ore Reserve Converted from Mineral Resource

Category	Tonnage/ Volume	Grade/Assay (%Ni)	Grade/Assay (%Fe)
Proved			
Probable			
TOTAL			

3. Ore Reserve Mined/Extracted this 2024

Category	Tonnage/ Volume	Grade/Assay (%Ni)	Grade/Assay (%Fe)
Proved	1,889,326	0.78	46.26
	83,164	1.21	25.23
Probable			
TOTAL	**1,972,490**	**0.79**	**45.37**

4. Total Remaining Ore Reserve (B1 + B2 - B3)

Category	Tonnage/ Volume	Grade/Assay (%Ni)	Grade/Assay (%Fe)
Proved	11,293,229	1.2	40.0
	3,450,921	1.5	30.0
Probable	5,591,896	1.2	38.0
	3,809,158	1.5	33.0
TOTAL	**24,145,203**	**1.29**	**37.13**

Method of Mineral Resource Estimation/Ore Reserve Computation:

☒ Geometric

- ☐ Triangle
- Weighting
  - Area Averaging
  - ☒ Polygon
  - ☐ Cross-Sectional
  - ☐ Others, please specify: _____

☐ Statistical

- ☐ Inverse-Distance
- ☐ Kriging
- ☐ Others, please specify: _____

☐ Others, please specify: _____

Computer Software Used (if any): Micro Lynx IDW Method

Reference/s Used in Mineral Resource Estimation/Ore Reserve Computation:
(Provide location map/s showing the exploration site/s)

☐ **Geological Inferences**	☐ **Geophysical**
Area Covered:	Type of Geophysical Method:
Spacing:	Area Covered:
No. of Samples Collected:	Spacing:
	Average Depth:
☐ **Trenching**	☐ **Test Pitting**
Area Covered:	Area Covered:
Spacing:	Spacing:
Total No. of Trenches Dug:	Average Depth:
Average Length & Width:	Total No. of Test Pits:
No. of Samples Collected:	No. of Samples Collected:
☐ **Auger Drilling**	☑ **Diamond Drilling**
Area Covered:	Area Covered: 100.25 ha
Spacing:	Spacing: 50 x 50 m
Average Depth:	Average Depth: 9
Total No. of Drill Holes:	Total No. of Drill Holes: 401
No. of Samples Collected:	No. of Samples Collected: 401
☐ **Previous Workings**	☐ **Others, please specify:**
Area Covered:	
Spacing:	
Average Depth:	
No. of Samples Collected:	

Factors/Parameters Used in:

Mineral Resource Estimation

Specific Gravity: _____
Cut-Off Grade: <1% Ni and Fe >=45%
Others, please specify: _____

I hereby certify that the foregoing information are true and correct to the best of my knowledge.

ENGR. ALFREDO D. CASTRO JR.
Printed Name and Signature of Competent Person
Company: Libjo Mining Corporation
Position : OIC Resident Mine Manager
Date : 7 January 2026

EDGARDO V. GARINGAL
Printed Name and Signature of President
/Authorized Representative

EAST COAST MINERAL RESOURCES COMPANY INC
Contractor/Permittee/Permit Holder/Operator

ACKNOWLEDGEMENT

Republic of the Philippines)
) S.S.

At Surigao City on this day JAN 07 2026 of _____ personally appeared before me:

Name	ID Number	Date of Issuance
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

who acknowledged to me that they executed the foregoing Report voluntarily and that the same is of their own free act and deed.

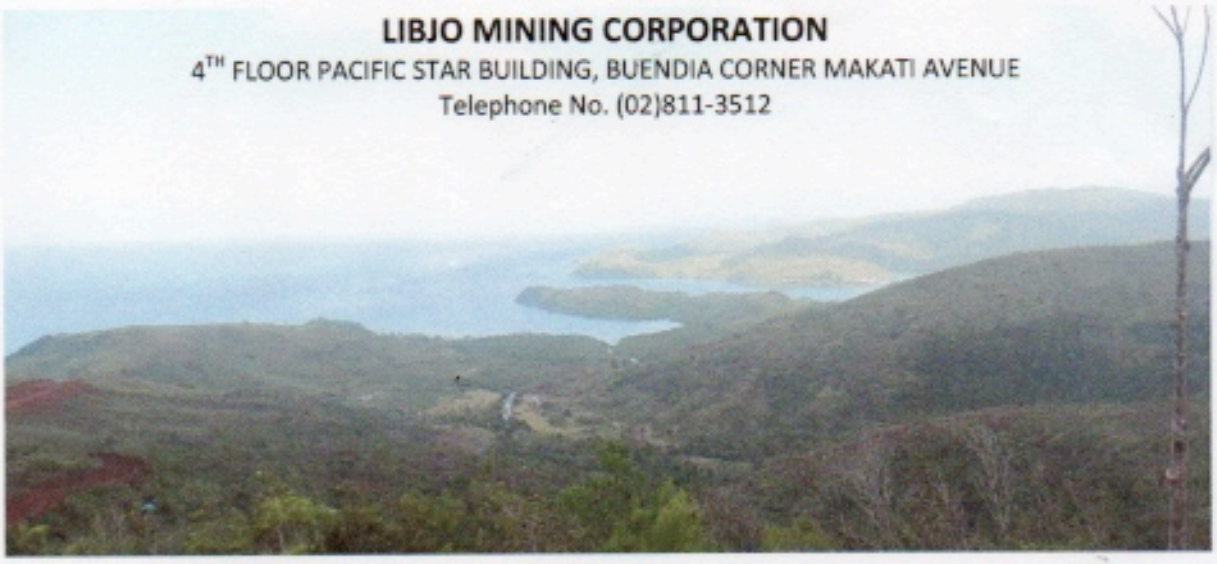
WITNESS MY HAND AND SEAL, on the date and place written above.

ATTY. MELLICENT C. ELANZA
NOTARY PUBLIC
Commission Expires Dec. 31, 2027
Attorney's Roll No. 57730
IBP No. 331850/ 07-29-2025
PTR No. 8662701Z / 01-5-2026
MCLE. Compliance No. VIII-0012878
Valid Until April 14, 2028
0131 Meehleib Bldg. Door 4, Rizal St.
Brgy. Washington, Surigao City 8400

NOTARY PUBLIC
PTR NO. _____
ISSUED ON _____

Doc. No. 003
Page No. 43
Book No. 7
Series of 2026

LIBJO MINING CORPORATION
4TH FLOOR PACIFIC STAR BUILDING, BUENDIA CORNER MAKATI AVENUE
Telephone No. (02)811-3512



EXPLORATION REPORT

FOR

LIBJO LATERITE NICKEL PROJECT

UNDER MPSA NO. 233 – 2007- XIII(SMR)

Municipalities of Libjo and Tubajon
Province of Dinagat Island

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COMPLIANCE STATEMENT
WITH THE PHILIPPINE MINERAL REPORTING CODE

The information in this report that relates to Exploration Results and Mineral Resources is based on information compiled by MR. RAFAEL R. LIWANAG, who is a member of the Geological Society of the Philippines.

Mr. Liwanag is an employee of YINYI Philippines Mining, Incorporated and was engaged by Libjo Mining Corporation for a definite period to prepare this report.

Mr. Liwanag has sufficient experience which is relevant to the style of mineralization and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2007 edition of the Philippine Mineral Reporting Code (PMRC) for Reporting Exploration Results, Mineral Resources and Ore Reserves.

Mr. Liwanag consents to the inclusion of the report on matters based on his information in the form and context which it appears.

Executive Summary:

The mineral property of Libjo Mining Corporation is situated in Barangays Imelda and Navarro, Municipality of Tubajon, and Barangays Navarro and Aguinaldo, Municipality of Libjo in the Province of Dinagat Island. This area is well within the central part of the Eastern Bicol-East Mindanao ophiolite belt that favors the formation of nickeliferrous deposits. The explored area which is the subject of this report covers a total area of 400 hectares within the 4,226 hectares tenement area covered by an approved Mineral Production Sharing Agreement denominated as MPSA No.2003- 2007- XIII (SMR) issued to East Coast Mineral Resources Inc., by the DENR on June 08, 2007.

The area was explored by Cagdianao Mining Corporation by way of Memorandum of Agreement with East Coast Mineral Resources Inc. in 2006 – 2011. On March 16, 2012, this agreement was terminated with a Mutual Rescission Agreement signed and executed by both parties which was registered with the MGB Caraga Regional Office No. XIII on March 26, 2012.

On June 8, 2012, East Coast Mineral Resources Inc. (ECMRI), entered into an Operating Agreement with LIBJO MINING CORPORATION (LMC). The Agreement is valid during the lifetime of the current MPSA subject to the renewal under such terms and conditions as the parties may stipulate/agree.

*Based on verified and validated drilling data from 2,506 drillholes at 25 x 25 meter grid interval and 241 drillholes at 100 x 100 meter grid interval and 31,690 samples gathered from them, grade modelling was conducted on Microlynx modelling software using Inverse Distance Squared Method, the project area has a measured mineral resource at 1%Ni economic cut-off grade of **30,085,000 million WMT** equivalent to **19,955,250 DMT** with average grades of **1.03 % Ni** and **40.93% Fe** distributed as follows:*

Limonite** : **23,768,881 wmt** equivalent to **15,449,773 dmt** at **0.90% Ni, 47.15% Fe
Saprolite** : **6,316,119 wmt** equivalent to **4, 105,477 dmt** at **1.50% Ni, 17.54% Fe

The Inferred ore resource of 9,549,898 WMT equivalents to 6,204,834 DMT at 0.86% Ni, 35.50% Fe, and 0.093% Co is subject to in-fill drilling at 50m x 50m and 25m x 25m to increase the level of confidence and upgrade them to measured resource classification. With a mine life of 10 years being projected in the Partial Declaration of Mining Project Feasibility considering a projected annual tonnage from 500,000 - 5,000,000 wmt, the computed mineral resources are sufficient to support LMC's Libjo Laterite Nickel Project.

1.0 Introduction

This Report on the Results of Exploration and Mineral Resources was prepared by the undersigned in partial fulfilment of the requirements for the Partial Declaration of Mining Project Feasibility (DMPF) for MPSA No. 233- 2007- XIII(SMR). Libjo Mining Corporation engaged the services of the author as a competent person in exploration results and mineral

resource reporting as required by MGB regulations. The author conducted field inspection of the exploration, sampling, laboratory analysis and resource computation procedures from September 24 to 28, 2013. During the week that followed, data evaluation, processing, orebody modelling, resource computation and validation, and report writing were completed.

The estimated mineral resources declared herein were computed based on the data obtained from the drilling exploration works conducted by Cagdianao Mining Corporation in 2006 to 2011 and Libjo Mining Corporation from October, 2012 up to the present as provided to the author by the Vice-president of Libjo Mining Corporation, Mr. Edgardo Caringal.

The exploration activities of Libjo Mining Corporation are still on-going and there is a great possibility that additional mineral resources would be blocked.

2.0 Location and Accessibility, Project Description and History of Mining Claims

2.1 Location and Accessibility

The project area is located at the northwestern section of Dinagat Island as shown by the regional map in Figure 2.1.1 and the topographic map of NAMRIA in Figure 2.1.2. It is within the administrative jurisdiction of Barangays San Antonio and Gen. Aguinaldo in Libjo and Barangays Imelda and Navarro in Tubajon in the Province of Dinagat. Libjo proper is approximately centered by Geographic Coordinates 10°19'50" North Latitude and 125°33'15" East Longitude. It is 58 kilometers 14° Northeast of Surigao City.

Figure 2.1.1: Regional Map of Caraga showing the Location of the Project Area

The area is accessible by boat from Surigao City through the Hinatuan passage. Travel time to the area by a commercial boat is approximately 3 hours. Surigao City can be reached from Manila by means of daily commercial flight or from Cebu City through a three times a week flight or daily scheduled vessel. Another alternative route is a 5 ½ hour drive from Butuan City, which is served by a daily flight from Manila.

2.2 Project Description

The **ECMRI** MPSA area denominated as MPSA No. MPSA No. 233- 2007- XIII(SMR) was issued by the Mines and Geosciences Bureau on June 08, 2007. The **ECMRI** property has a total land area of 4,226.27744 hectares and covers portion of Barangays Navarro and Imelda in the municipality of Tubajon, Barangays Aguinaldo and San Antonio in the municipality of Libjo, Province of Dinagat Islands. The following geographic coordinates bound the corners of the claim boundaries as plotted in the tenement map in Figure 2.2.1:

Table 2.2.1: Geographical Coordinates

Corner	Latitude (N)	Longitude (E)
1	10° 14' 23.50"	125° 30' 51.50"
2	10° 14' 45.00"	125° 31' 14.00"
3	10° 14' 45.00"	125° 31' 14.00"
4	10° 16' 00.00"	125° 35' 30.00"
5	10° 16' 00.00"	125° 35' 30.00"
6	10° 13' 00.00"	125° 35' 30.00"
7	10° 13' 00.00"	125° 32' 48.00"
8	10° 13' 04.00"	125° 32' 42.00"
9	10° 13' 07.00"	125° 32' 28.50"
10	10° 13' 02.50"	125° 32' 23.50"
11	10° 13' 00.00"	125° 32' 23.50"
12	10° 13' 00.00"	125° 32' 06.50"

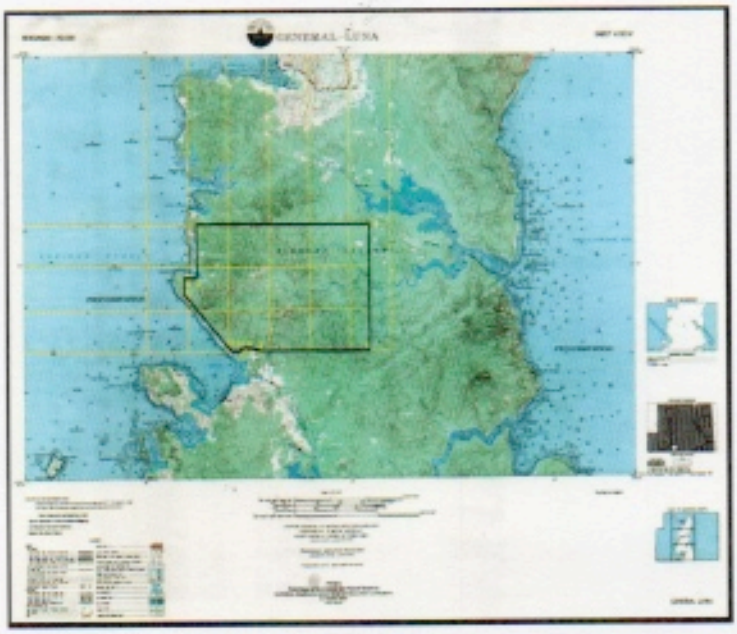

Figure 2.2.1: Tenement Map

The Libjo Nickel Laterite Mining Project is part of Parcel 3 of the Mineral Reservation declared through Presidential Proclamation No. 391 series of 1939 as shown in Figure 2.2.2. There are no known ancestral domain claims or applications within the MPSA.

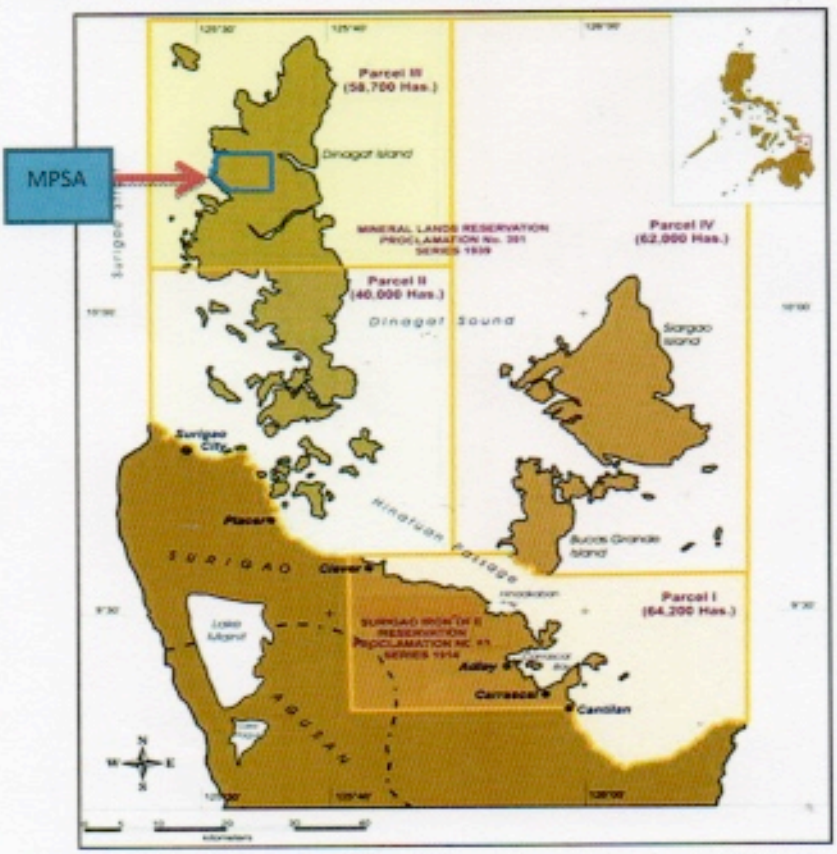

Figure 2.2.2: Map of the Mineral Land Reservation Proclamation No. 391Series of 1939

2.3 History of Mining Rights

The Mineral Production Sharing Agreement (MPSA) denominated as MPSA No. 233 – 2007 – XIII (SMR) was executed by and between the Philippine Government and East Coast Mineral Resources Inc., on June 08, 2007 for the exploration, sustainable development and commercial utilization of nickel, cobalt, chromite and other related mineral deposits existing within the contract area of 4,226.27744 hectares situated at Barangays Navarro and Imelda, municipality of Tubajon, Barangays Aguinaldo and San Antonio, Municipality of Libjo, Province of Dinagat Islands. The mineral claim is within Parcel 3 of the Mineral Reservation declared through Presidential Proclamation No. 391 series of 1939.

In 2006, East Coast Mineral Resources Inc. entered into a Memorandum of Agreement with Cagdianao Mining Corporation for the exploration, development and commercial utilization of nickel, chromite and other mineral deposits found within the mineral claim.

On March 16, 2012, The Operating Agreement with Cagdianao Mining Corporation was terminated. The Mutual Rescission Agreement which was signed and executed by both parties was registered to the MGB Caraga Regional Office No. XIII on March 26, 2012.

On June 8, 2012, East Coast Mineral Resources Inc. (ECMRI), referred to as "Claimowner" entered into an Operating Agreement with LIBJO MINING CORPORATION (LMC) referred to as "OPERATOR". LIBJO MINING CORPORATION, being financially and technically capable agreed to undertake the exploration, development and utilization of nickel and other mineral deposits found in the mineral property of East Coast covered by MPSA No. 233-2007- XIII (SMR). The Agreement is valid during the lifetime of the current MPSA subject to the renewal under such terms and conditions as parties may stipulate/agree.

The Operating Agreement was submitted to MGB Caraga Regional Office XIII on July 2, 2012 for registration. The approval of the Operating Agreement is still on process at the MGB Central Office.

On September 17, 2012, Libjo Mining Corporation employed the services of GEOCONSULTANT on to prepare the EIS needed for securing the Environmental Compliance Certificate (ECC). The Proponent is committed to implement the measures presented in the submitted Environmental Impact Statement (EIS), which are intended to protect and mitigate the Project's adverse impacts on community health, welfare and the environment.

The ECC that will soon be issued covers the mining and direct shipment of nickel-laterite ore covering the 4,226 hectares of MPSA No. 233- 2007- XIII(SMR) with annual mine production ranging from 500,000 wmt to as high as 5,000,000 wmt (Wet Metric Tons) of ore. The Project includes mining development, operation, maintenance and rehabilitation works, construction and operation of mine structures and support facilities such as haul roads,

stockyards, administration buildings, Staff /Guest House, Warehouse, Mechanical Building, Laboratory Building, Causeway, drainage system, waste dump areas, settling ponds/basins and other silt and erosion control infrastructures.

3.0 Climate, Topography, Drainage and Vegetation and Land Use Capability

3.1 Climate

The Study area falls under the Type II of the modified Coronas Classification of the Philippine Climate (***Figure 3.1.1***). It has no dry season and has a pronounced rain period from October to March, the greatest of which occurs during the month of January. The northeast monsoon prevails during the rainy months while the westerly winds prevail during the months of less rainfall. Heavy precipitation falls during the prevalence of the SE monsoon rain, which usually occurs between the months of January and April. Wettest month is January while driest month is May. The occurrence of El Niño alters this rainfall pattern.

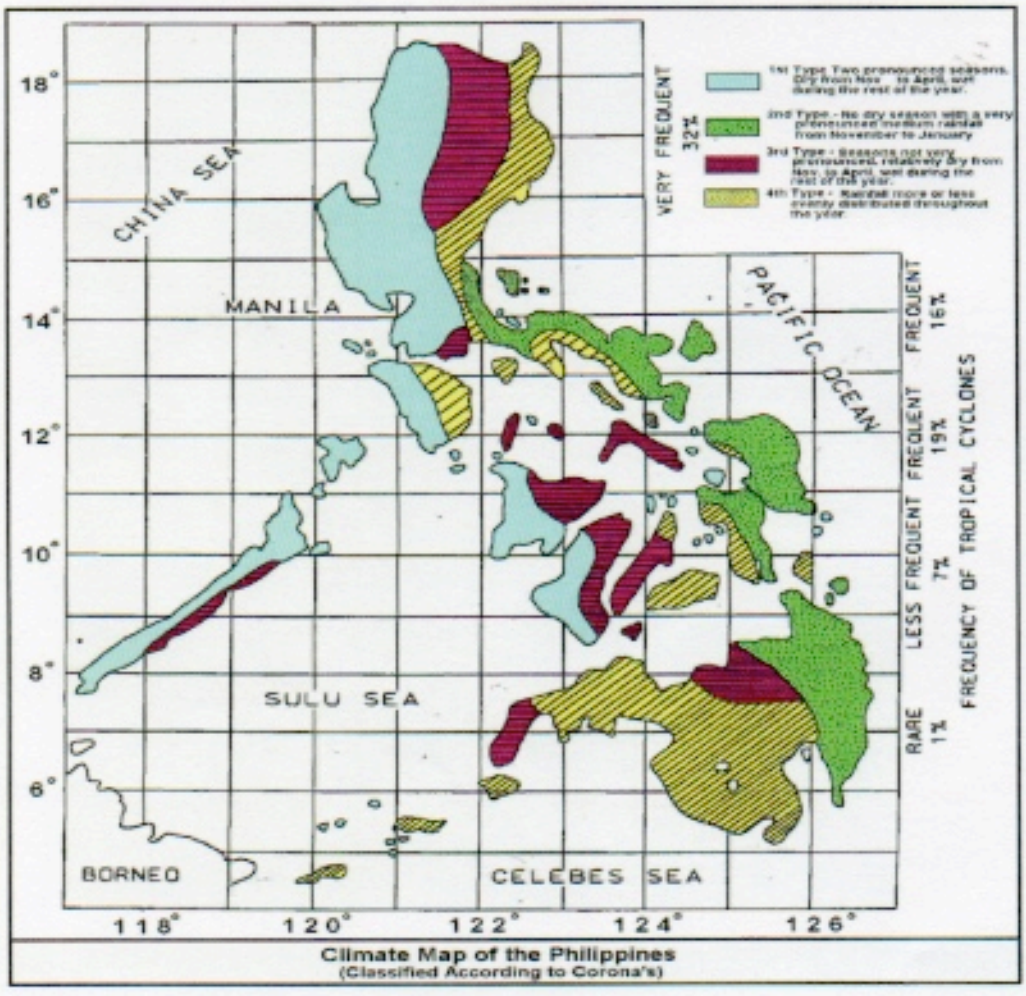

Figure 3.1.1: Climate Map of the Philippines

3.2 Topography, Drainage and Vegetation

The topography is described as slightly steep to almost rolling hills especially on top ridges, where lateritic materials are concentrated. The elevations range from 10 to 400 meters above sea level; portion of the area with steep slopes are mostly on the western side, while the eastern side, terrain is almost gentle.

The mining property is host to multiple watersheds but only one is considered large and this is the Malinao River Watershed. Others are medium-sized such as the Libjo Watershed which hosts the water source of the Libjo municipality, the Mangrove Watershed that includes a mangrove area in San Antonio, the Balete River Watershed which is adjacent to the proposed campsite of the company and the Layawan River Watershed which is located at the northwestern corner of the claim. The rest of the tenement is composed of smaller watersheds and mostly adjacent to the western coastline of the town. Some of the watersheds are discussed below.

The watershed of the river occupies the middle and eastern sections of the claim and has an area of more or less, 2,800 hectares. Characterized by a semi-elongated shape, the watershed is steeply sloping to rugged topography at the headwaters. Vegetation is relatively dense where secondary forest growths thrive. Massive erosion is absent in the entire watershed specifically where ore extraction has not taken place yet. Malinao River is a major drainage system in the municipality and its watershed covers more than one half of the MPSA-permitted area. The main channel emanates from the central portion of the claim, runs eastward and then empties into the Malinao Inlet. The main channel is more or less, 16 kilometres long, has an elevation difference of 366 m from the headwater of the main channel to the mouth, and a gradient of 0.23. The upstream segment of the river is located within the claim area. Three (3) major tributaries feed the mainstream and in turn, these tributaries catch the discharges of multiple smaller tributaries emanating from the proposed extraction areas of the project. The small tributaries belong to 4^{th} order streams.

Along the southeastern part of the municipality of Tubajon is mountainous, which covers almost all parts of Brgy. Imelda except a small portion along the coast. On the north, it is mostly rocky. Going southwest to the barangay Mabini, Navarro, and Diaz, the area is characterized by rolling hills, which gradually descend to level nearly level slope class, marshy and swampy, best suited for lowland rice production. The southern portion on the municipality is mountainous covered with commercial forest. Along the stretch of item coast line are mountains and hills of prominent indentions.

There are remnants of trees left in the area but these are mostly clustered in riparian zones and peaks of high mountains where access for loggers is difficult. Secondary forest growth is however robust. In areas underlain by thin soil cover, growth of plants is stunted probably due to the loss of nutrients when the primary forest growths were logged out or simply the inherent deprivation of the soil fertility.

A large portion of the project area is already denuded. The portions on the ridges have a secondary growth of vegetation, while at lower elevations areas are covered with shrubs, under brushes and cogon grasses.

The project site is a degraded shrubby brush land dominated by an irregular cover of dwarf trees and non-timber products. The vegetation can be classified under the subtype "vegetation on ultramafic rocks", these rocks usually contain high concentrations of magnesium and nickel but deficient in nutrients like potassium, therefore the vegetative quality is poor.

3.3 Land Use Capability

Based on the General Land Use of the province, the municipality is characterized by five (5) land uses namely Forested Area, Agricultural Area, Mining Area, Built Up Area and Others. The entire municipality is however covered by Presidential Proclamation No. 391 Series of 1939 which declared the area a Mineral Land Reservation covering an area of 58,700 has. Land use at the mining claim however only two of these uses are represented, Forestland and Others.

3.3.1 Forestland

This classification describes the area where secondary forest growths exist composed mostly of trees that survive the extreme condition offered by serpentine soil. Many species here have stunted growth which is a normal condition in an ultramafics environment. However, there are also tree species that are thriving well and had already produced lush vegetation especially in the interior where loggers find it difficult to do their illegal activities.

The forestland occupies about 80% of the mining property and Areas 1 and 3 are located within this land use classification. This will mean that some of the vegetative cover will be affected by ore extraction especially in Area 1. Please refer to Figure 7.1.1.

3.3.2 Other Land Uses

This refers to the different uses the land is exposed to. There are most located in the peripheries of forests and used sparingly for grazing, settlement, farming, and other miscellaneous uses. Vegetative cover is largely composed of grasses and shrubs, cash crops, fruit trees, Coconuts and some other trees.

This land use occupies about 20% of the property and is hosting Area 3.

4.0 Exploration History

The area was first explored by Cagdianao Mining Corporation in 2006 up to 2011 through a Memorandum of Agreement with East Coast Mineral Resources, Inc., for the exploration, development and utilization of nickel and other mineral deposit within the mineral property covered by an approved Mineral Production Sharing Agreement denominated as MPSA No. 233- 2007- XIII (SMR).

A total of 2,506 exploratory holes using YBM vibro machines were drilled by Cagdianao Mining Corporation during the period 2006, 2007 and 2011, wherein 2,265 holes were drilled at 25m x 25m grid interval and 241 holes at 100m x 100m grid interval. About 400 hectares of mineralized land was fully explored by Cagdianao Mining Corporation.

In October 2012, the exploration was continued by Libjo Mining Corporation when the Operating Agreement between East Coast Mineral Resources and Cagdianao Mining Corporation was terminated on March 16, 2012.

5. 0 Geological Setting

5.1 Regional Geology

Geotectonically, Dinagat Island and Surigao Del Norte, with its offshore islands in general, are located within the area of the Eastern Bicol-East Mindanao ophiolite belt, bounding on the East the NNW-SSE trending mobile (seismic) zone of the Philippine Archipelago (Fernandez, J.C., 1986). The Philippine Archipelago is characterized as an arc aggregate of plate convergence and comprises nine such ophiolite belts. These are spatially related to the principal subduction zones that have played a key role in the formation of the Philippine Islands. The southern part of Eastern Bicol-East Mindanao ophiolite belt coincides with the Eastern Mindanao Ridge, one of the alternating sequences of linear sub-parallel tectonic blocks and ridges characterizing the mobile zone of the Philippine Archipelago. The distribution of the ophiolite belts and some of the principal tectonic features of the country are shown in Figure 5.1.1.

As shown in Figure 5.1.1, the Eastern Mindanao Ridge is located between two major structures that influence the geology of the Philippine Archipelago: NNW-SSE trending Philippine Fault and Philippine Trench. These structures are located respectively west and east of the Eastern Mindanao Ridge. The prominent Philippine Fault, largely left-lateral strike-slip system runs from Northern Luzon to Southeastern Mindanao over a distance of more than 1,200 kilometers. The fault exhibits lateral displacements of from 40 to 100 kilometers and contains channel ways of intrusive with associated porphyry copper and epithermal gold mineralization. Quaternary volcanism associated with the fault is presently manifested as volcanic chains with accompanying geothermal activity. In the central and southern part of the Eastern Mindanao Ridge, the Philippine Fault forms the eastern boundaries of the Agusan-Davao Trough; a NNW-SSE trending basin of Eocene and younger sedimentary rocks about 50 kilometers wide and up to 6 kilometers thick.

The major component of the Philippine Fault in the north lies offshore of Surigao, with the major splay fault extending along Lake Mainit and Mayag River (Allen, 1962). East of the Mindanao Ridge, the Philippine Trench, also locally referred to as the Mindanao Deep (11,518m depth), is a west dipping active but geologically younger subduction zone wherein the southwestern margin of the Philippine Plate is being consumed.

Although no generally accepted synthesis of the region's tectonic evolution has yet been made, the main tectonic processes that led to present configuration of Eastern Mindanao Ridge include east and west opposed, inward-dipping subduction zones with collision of geological terrains, intermittently active in Mesozoic and Cenozoic times. The Eastern Mindanao Ridge has been interpreted by most previous workers as an inactive west-facing arc related to eastward subduction, with the paleo-trench lying west of Agusan-Davao Through (Hamilton, 1979; Moore and Silver, 1983 and Hawkins, et. al., 1985).

Basement rocks in the region are suites of Cretaceous basic metavolcanics and metamorphic rocks. The metavolcanic rocks are exposed locally in the Surigao mainland and the metamorphic rocks are represented mainly in Southern Dinagat Island by Nueva Estrella Schist (Sunga and Palaganas, 1986, JICA-MMAJ, 1990). These rocks probably represent the remnants of a primitive Cretaceous arc which collided with the proto-Philippine arc in early Tertiary times (JICA-MMAJ, 1990).

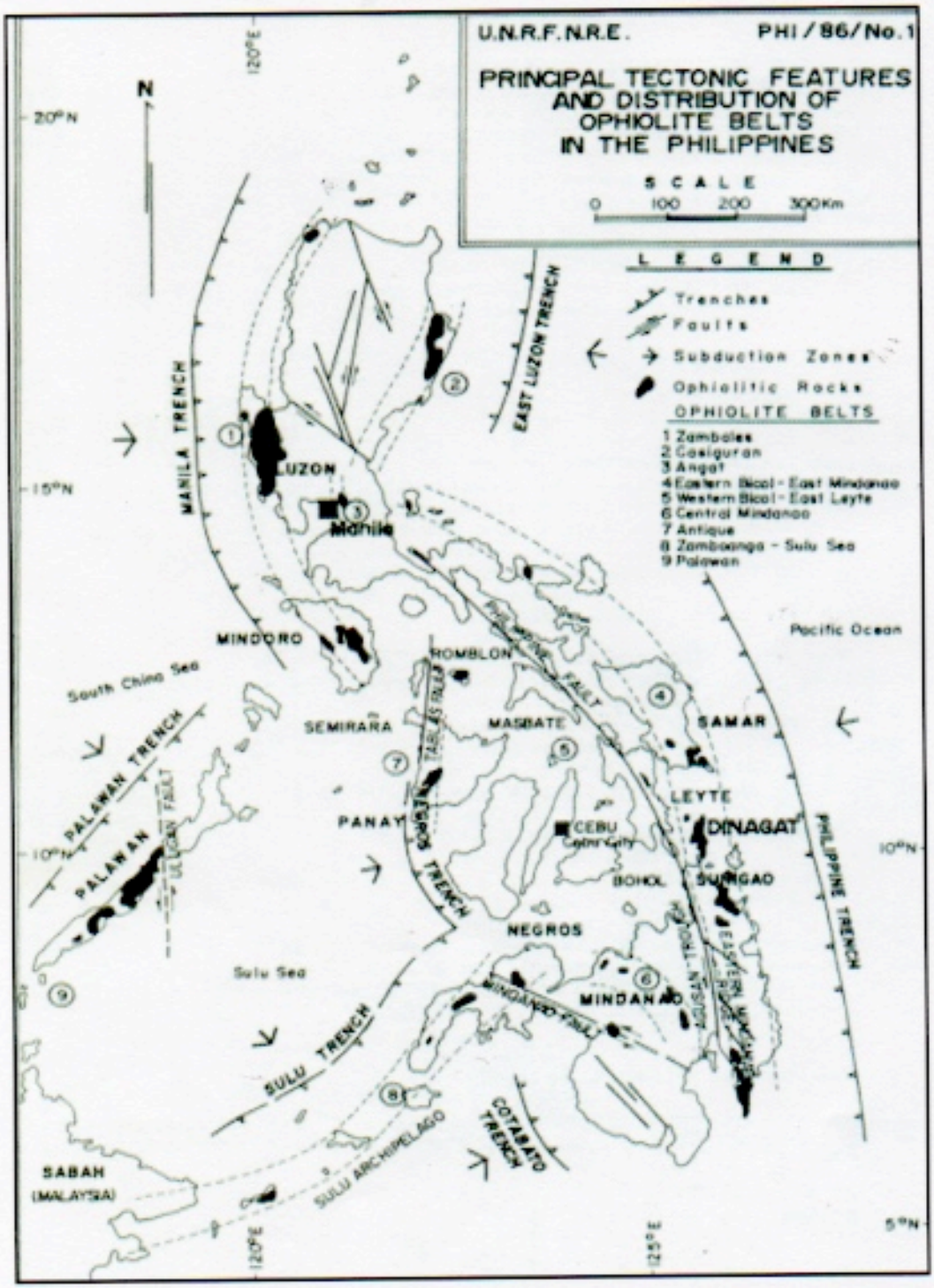

Figure 5.1.1: Principal Tectonic Plates and Distribution of Ophiolite Belts in the Philippines

The oldest post-ophiolite sediments recorded in the Surigao area, as well as in the Eastern Bicol-East Mindanao belt in general, are Eocene, clastic formations. In Surigao mainland, the Upper Eocene Mandalog Formation (Santos, et. al., 1962) consists of conglomerates with serpentinite and diabase detritus overlying unconformably serpentinites and serpentinized harzburgites. Similar conglomerates of comparable Eocene age lie unconformably on serpentinites in the neighboring province of Agusan del Norte. On Dinagat Island the undated conglomerates (Loreto Clastics) of probably Miocene age, are confined mainly over the ophiolite and partly over the Nueva Estrella Schist with an unconformable relationship. The Eocene conglomerates have a very restricted distribution and suggest prevailing erosional conditions in the region during the lower Tertiary.

Miocene to Pliocene time is characterized by vigorous deposition of clastic sediments, carbonates and volcano-clastics associated with basic to intermediate volcanism. A large portion of the eastern part of Surigao mainland is underlain by the Bacuag Formation (Santos, et al., 1962) of Lower Miocene age (DP)/UN/PHI-85-001). The formation consists of a thick succession of basaltic clastics and basalt flows, with interbedded limestone, mudstone, wackes and carbonaceous mudstones. The Bacuag Formation is unconformably overlain by the Mother lode Turbidites (Middle-Upper Miocene), consisting mainly of mudstones, siltstones and wackes with interbedded marls and limestones. This formation is confined to the northeastern part of Surigao mainland where it might had deposited in an oval-shape basin located between Surigao City and Masapelid Island.

The present complex structural pattern of the region results principally from the effect of comprehensive and tensional forces, produced by the two major structural features of the Philippines, between which the Eastern Mindanao Ridge and Dinagat Island are located. The north-northwesterly trend dominates in the area and is mainly reflected in the alignment of fold axis, major faults and blocks and partly in the strike of bedding. Severe deformations including tight folding, thrusting and overturning of layers characterize the ophiolite and basement rocks. Persistent subduction in the region generated also a series of thrust planes in these older lithologic units. The Tertiary Formations are gently folded but in close proximity to major faults they are highly deformed and cataclased. Rifting along the Philippine Fault caused block faulting and numerous faults of which the NNW-SSE systems are more common. Block faulting and recurrence along major faults are marked by the development of NNW-SSE trending horst and graben structures.

5.2 Geology of Dinagat Island

In the regional context, Dinagat and its islands are located in the central part of the Eastern Bicol-East Mindanao ophiolite belt and apparently represent the northwestern projection of Eastern Mindanao Ridge. With more than ninety percent of its area underlain by ophiolitic suite rocks the Dinagat Group of Islands constitutes the lowermost section of the eastern Mindanao Tectonic block and form part of a NW-SE trending horst extending from Bucas Grande Island and Carrascal area of Surigao mainland on the south, to Hibuson Island on the north. The Dinagat ophiolite has a K-Ar age of 84 m.y. corresponding to the Upper Cretaceous period. Ultramafic plutonic rocks with small amounts of pillow basalts and

sheeted diabase complex and only minor gabbro and pyroxenite dominate it. The bulk of ultramafics is made of Harzburgite tectonite grading upward through a layered Transition Zone into cumulate dunite masses. This Transition Zone consists of dunite and harzburgite interlayer and is the major host of economic chromite mineralization. The boundary between the Transition Zone and the Dunite can be easily recognized but the boundary between this Transition Zone and the Harzburgite tectonite is hardly delineated (**Figure 5.2.1**).

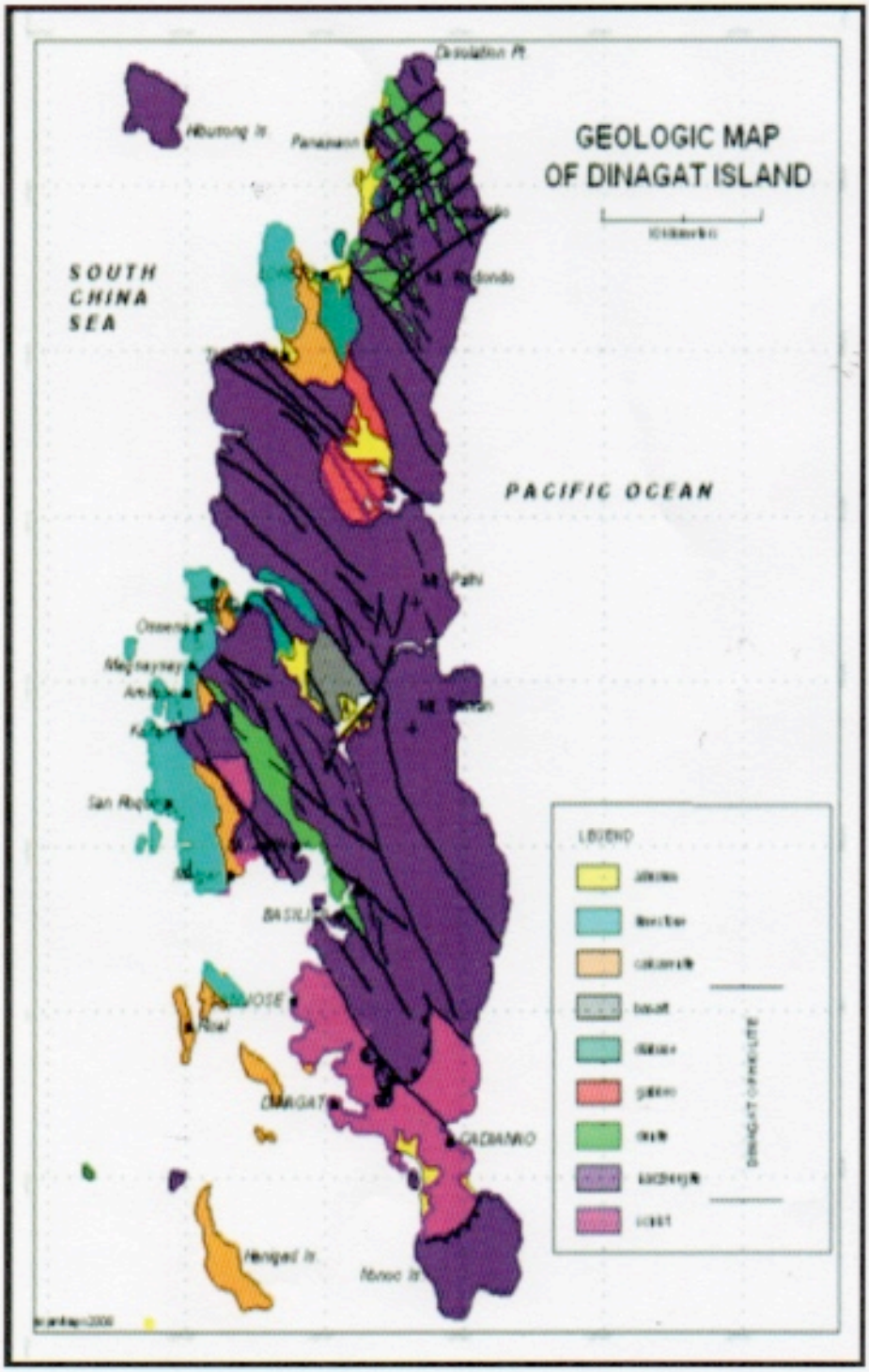

Figure 5.2.1: Geologic Map of Dinagat Island

Mafic cumulate members of the ophiolite are noticeably absent, except for small, local interlayer of pyroxenite, particularly within the Transition Zone and dunite masses. A small body of isotropic gabbro cuts the serpentinized dunite mass in the northern part of the island. A second small body of similar gabbro is associated with the diabase dyke swarms in Malinao valley. The sheeted diabase complex and spilitic pillow lavas occur as underthrusted sheets below the ultramafics, forming two prominent tectonic windows in the Loreto-Malinao and Albor-San Jose River valley, respectively. The relationship between these two principal ophiolite components as well as the absence of mafic cumulates suggests an imbricated sequence of slabs for the Dinagat ophiolite.

Although no generally accepted synthesis of the region's tectonic evolution has yet been made, the main tectonic processes that led to present configuration of Eastern Mindanao Ridge include east and west opposed, inward-dipping subduction zones with collision of geological terrains, intermittently active in Mesozoic and Cenozoic times. The Eastern Mindanao Ridge has been interpreted by most previous workers as an inactive west-facing arc related to eastward subduction, with the paleo-trench lying west of Agusan Davao Through (Hamilton, 1979; Moore and Silver, 1983 and Hawkins, et. al., 1985).

Basement rocks in the region are suites of Cretaceous basic metavolcanics and metamorphic rocks (Figure 5). The metavolcanic rocks are exposed locally in the Surigao mainland and the metamorphic rocks are represented mainly in Southern Dinagat Island by Nueva Estrella Schist (Sunga and Palaganas, 1986, JICA-MMAJ, 1990). These rocks probably represent the remnants of a primitive Cretaceous arc which collided with the proto-Philippine arc in early Tertiary times (JICA-MMAJ, 1990).

Overthrusting the basement rocks are Upper Cretaceous ophiolites of the Eastern Bicol-East Mindanao belt. The time of their emplacement was postulated by most previous workers to be Paleocene to Lower Eocene (DP/UN/PHI-85-001, JICA-MMAJ, 1990, Sunga and Palaganas, 1986). The ophiolite belt may be subdivided into three segments, namely the Eastern Bicol, Samar-Surigao and Pujada Peninsula. The Dinagat ophiolite together with the ultramafics in Hibuson, Nonoc, Hinatuan and Bucas Grande islands and Surigao mainland, falls within Samar-Surigao segment. The ophiolites in the three segments of the Eastern Bicol-East Mindanao belt can be very well correlated on the basis of their age, emplacement time and internal structure. They consist mainly of layered peridotite with minor gabbro, diabase and pillow lavas. (Hawkins, J., et. al., 1985, Garcia M.V. and Mercado J.M.O., 1981). Their present disposition is in the form of imbricated sequence of ophiolite slabs over Cretaceous greenstones, spilitic basalts, amphibolites and garnet-bearing amphibolite schists.

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In the southern part of the island, the ultramafic complex of the Dinagat ophiolite is overthrusting crystalline basement rocks of the Nueva Estrella Schist. On the basis of regional evidence, the emplacement of the Dinagat ophiolite to its present position over the Nueva Estrella Schist is interfered to be the result of an Early Eocene eastward detachment of ophiolite slabs, along the westward subduction zone of West Mindanao. Although no age data are available for Nueva Estrella Schist, it is inferred as an older cretaceous are fragment which collided with the Dinagat ophiolite during Early Tertiary. The schist forms a large tectonic window between San Jose and Cagdianao, in southern Dinagat.

Unlike Surigao Mainland, on Dinagat Island there is a conspicuous absence of thick sediments. Unconformably overlying the Dinagat ophiolite and the crystalline rocks of Nueva Estrella Schist are the Loreto Clastics (Lower Miocene), consisting of polymictic conglomerates and fine clastics, with lithic fragments of various ophiolite lithologies. A thickly bedded reef limestone (Mid. Miocene-Lower Pliocene), probably equivalent to Siargao Formation (JICA-MMAJ, 1990) overlies conformably the Loreto Clastics and marks the end of Tertiary deposition. These post ophiolite sediments fringe in places Dinagat Island along its western coast. Their overall distribution and dips point to deposition in shallow basin or irregular depressions in the ophiolite mass, marginal to a NNW-SSE trending principal basin, now submerged in the Surigao Straits.

The distinct gap in the geological record suggests repeated uplift of the ophiolite ground and prevailing erosional conditions during Lower Tertiary. The number of sedimentary cycles intervened between the emplacement of the ophiolites and deposition of the presently known Tertiary rocks cannot be determined. Loreto Clastics directly overlying the ophiolitic rocks incorporate in some localities water-worn pebbles and cobbles suggesting the reworking of some older conglomerates, also of serpentinite derivation. The discovery of reworked Eocene forams and Eocene limestone boulders in these conglomerates, on Nonoc Island (southernmost island of Dinagat) suggests deposition of Eocene sediments in the area but later removed by erosion (Wright et. al., 1958). Similarly the epithermal gold mineralization of Bale-Bale (Esperanza) hosted by a fault zone in dunite may be associated with eroded andesitic volcanics equivalent to those of Surigao mainland.

Quaternary and recent deposits consist of laterites, alluvium and shallow beach sediments. Thick mantles of ferruginous laterite developed over ultramafic rocks during a period of prolonged and widespread chemical weathering, probably active since Pleistocene. Several of these laterites constitute secondary nickel and chromite deposits. The confinement of these deposits to relatively lower ground suggests the present of distinct erosional levels not recognized by the present study. Alluvial and beach deposits are mostly confined to the principal river valleys and western embayment of the island, respectively. The morphology of the western coast of Dinagat and associations of raised beach deposit may consider as indicative of a relative slower submergence of this side of the island.

Structurally, low-magnitude folding and low-grade regional metamorphism in both ophiolite massive and post-ophiolite sediments characterize the island. High degree metamorphism and tight folding is restricted to the Nueva Estrella Schist. In general, the area is dominated by intense shearing, which resulted in wide breccia and cataclastic zones with local development of semi-schists in serpentinites.

A prominent structural feature in the area, however, is the presence of several NNW-SSE trending faults paralleling the Philippine Fault Zone and a set of thrust faults bringing lower members in juxtaposition with upper members of the ophiolite sequence. These groups of faults are cut by NE-SW trending faults resulting in a complex structural pattern (Figure 5.2.2).

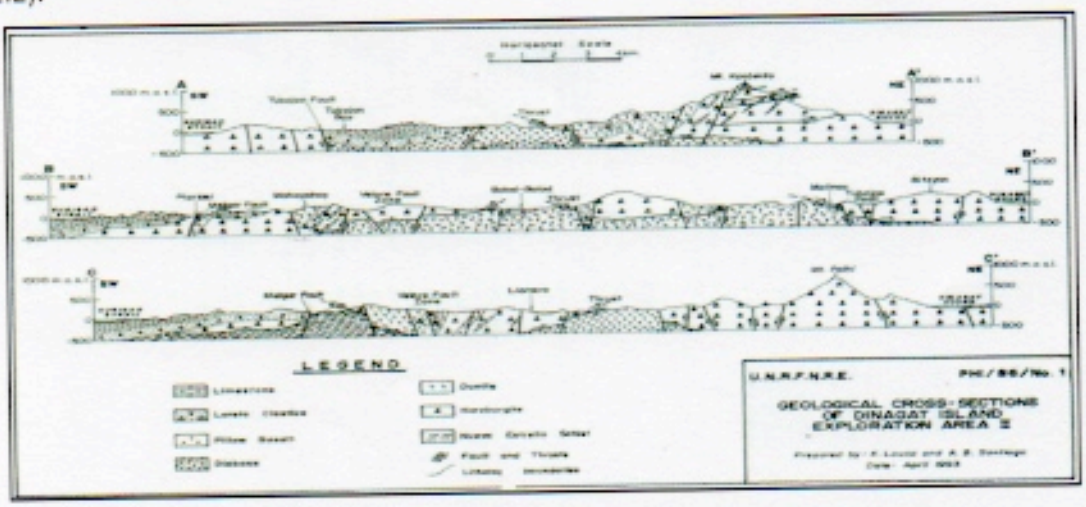

Figure 5.2.2: Geological Cross Section of Dinagat Island Exploration Area 2

5.3 Site Geology

The project the area is covered by residual soil. The soil is composed of the weathering products of different rock units situated in the elevated portions of the study area. Soils here come from ultramafic rocks preferably Serpentinized peridotite. Texture ranges from medium to coarse and generally silty to gravelly.

This area was subjected to folding and uplifting through tectonic movements based in ophiolite series. These kinds of rock are generally beneath the sequence because the minerals they are composed of are the first to crystallize and are stable under high temperature and pressure. These rocks are typically strongly warped and severely fractured.

In previous studies, the nomenclature given to the rock unit within this mining property differs in specificity. Sunga and Palaganas (1986) classified this unit as peridotite which according to the authors is highly serpentinized, coarse-grained and occasionally cut by diabase, micro gabbro, pyroxenite and anorthosite. The unpublished quadrangle map of MGB (General Luna Quadrangle, 1997) adopted this name and characterization. In the work of CP David (1994), he renamed this unit as residual harzburgite describing its mineralogy as composed of olivine, orthopyroxene, and minor clinopyroxene. AB Santiago (1996) again renamed this as harzburgite tectonite whose fabric displays the history of its deformation where tectonic movements might have played important role. Or the fabric may show continuous movement even in its solid state during the rock's formation. CP David's classification is mineralogy-based while AB Santiago's is structure-based.

6.0 Deposit Type and Mineralization

The tenement area is mineralized with nickel, chromite, cobalt and iron as determined by previous studies, prominent of which is the UNRFNRE (1986) report. Only nickel and iron are however the main interests of the company. These minerals are concentrated in considerable amount that may permit economic development. The process of concentration is called laterization, which is the conversion of a rock into soil by chemical weathering and the subsequent leaching out of nickel into the deeper section of the laterite profile. Ultramafics are the parent materials from where nickel laterites are normally produced. Under a tropical climate, at least three (3) layers of laterite are formed namely ferricrete, limonite, and saprolite. A typical section in a laterite deposit is illustrated in Figure 6.0.1

6.1 Nickel Mineralization

The tenement area is positively mineralized with laterite nickel and the mineralization is quite extensive. From the assay results in Table 6.2.1, the grades of nickel vary from 0.60% to 2.2% and averaging at 1.13 %. This range of average value is quite high especially if it will be complemented by high iron and cobalt grades. With high iron content, the cut-off grade of nickel may be lowered to 0.6%.

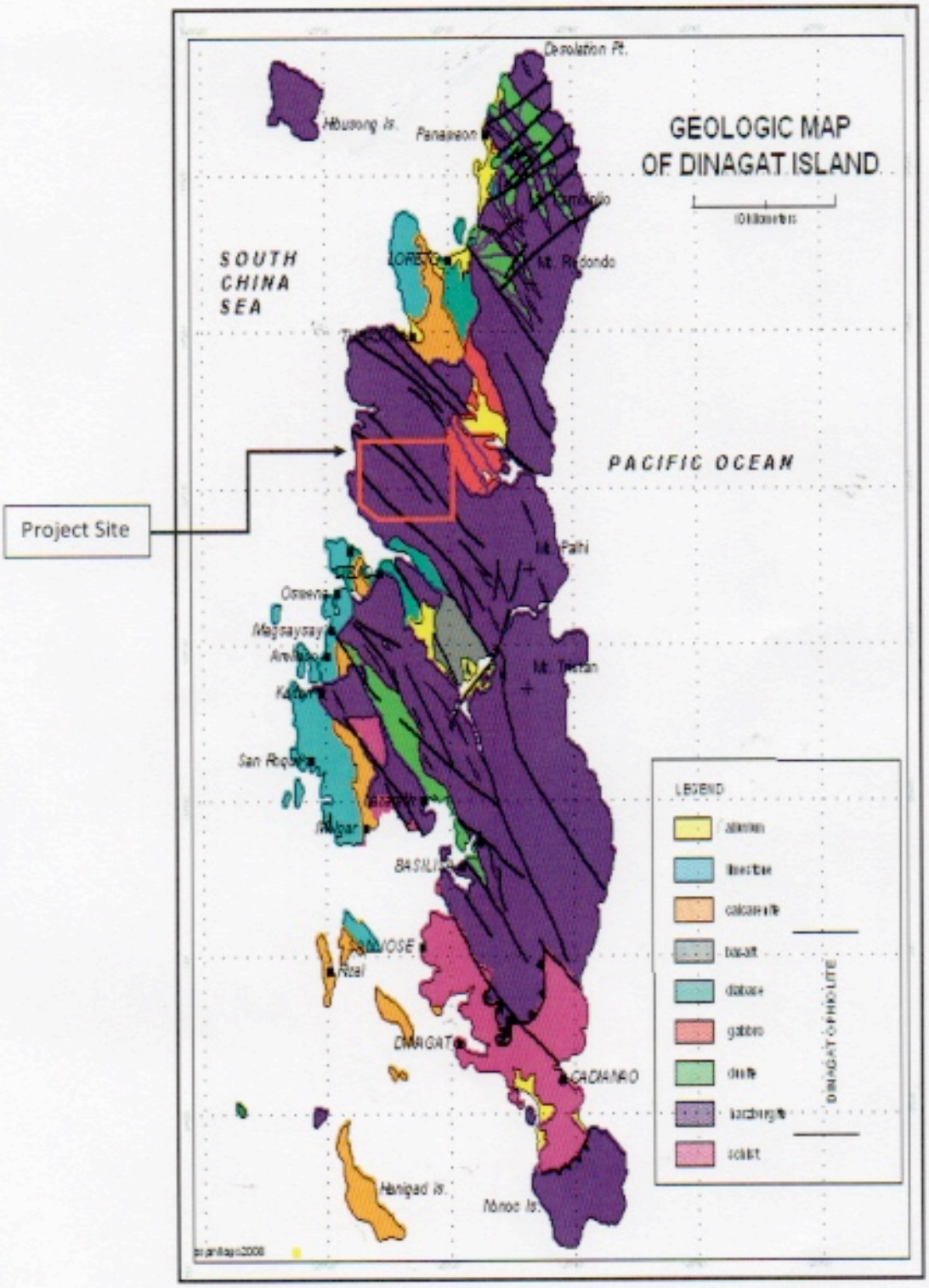

Figure 5.3.1: The Geology of the Dinagat Island showing the MPSA area (David CP, after Sunga and Palaganas, 1986)

6.2 Iron Mineralization

The iron mineralization in the property is also significant where assay values of 40% and above had been delineated. Iron nowadays commands a high price in the international market and one of the most coveted commodities. Thus, in nickel laterite deposits, the mere presence of iron alone may permit mining as long as the iron assay is high. At the mining property, iron is abundant but those areas with high assay values are concentrated in the upper layer of the limonite profile only and the Table 6.2.1 shows selected values ranging from 39.87% to 48.98% and averaging at 45.13%. This value can compensate the low-grade nickel.

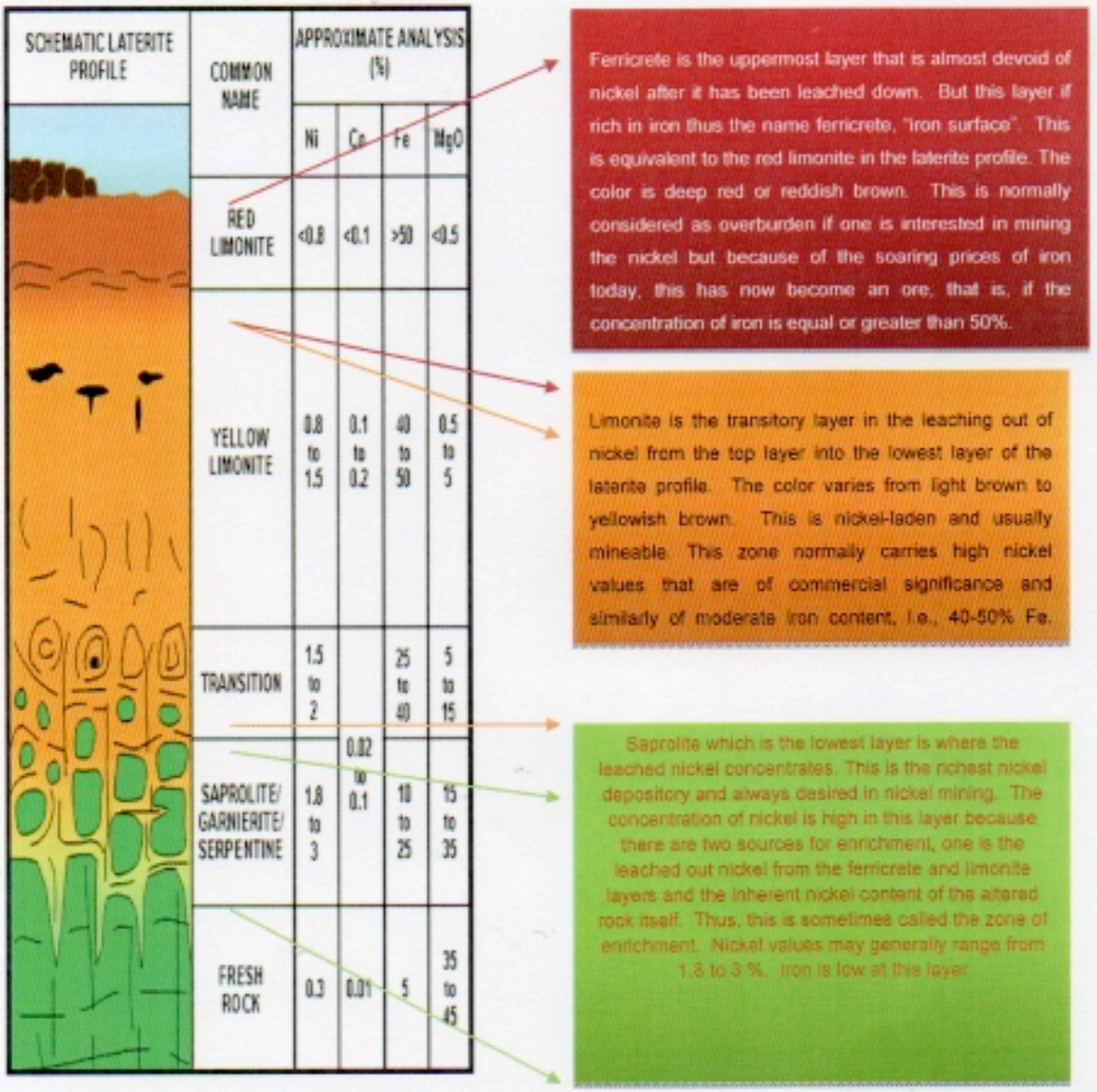

Figure 6.0.1: A typical section showing the different layers in a common nickel laterite soil profile

Table 6.2.1: Examples of Assay results of some samples taken from the northeastern corner of the tenement area

Hole	From	To	Ni	Co	Fe
1	-	0.90	0.64	0.041	47.02
1	0.90	1.90	0.84	0.067	47.93
1	1.90	2.90	0.60	0.125	48.72
1	2.90	3.90	0.71	0.165	48.54
1	3.90	4.90	0.95	0.115	45.60
1	4.90	5.90	0.44		13.37
1	5.90	6.90	0.98		6.99
1	6.90	7.90	0.47		6.15
1	7.90	8.90	0.82		8.42
2	-	1.17	1.28	0.066	42.84
2	1.17	2.17	1.45	0.103	44.26
2	2.17	3.17	1.08	0.110	46.79
2	3.17	4.17	0.97	0.060	26.43
2	4.17	5.17	1.50		11.19
2	5.17	6.17	1.33		10.91
3	-	0.78	0.96	0.027	43.53
3	0.78	1.78	1.16	0.050	47.16
3	1.78	2.78	1.29	0.085	48.98
3	2.78	3.78	1.22	0.170	48.62
3	3.78	4.78	1.12	0.177	47.57
4	-	1.13	0.61	0.031	42.23
4	1.13	2.13	0.75	0.051	45.64
4	2.13	3.13	0.83	0.061	47.11
4	3.13	4.13	0.87	0.810	47.92
4	4.13	5.13	0.95	0.080	46.37
4	5.13	6.13	1.18	0.120	46.99
4	6.13	7.13	1.24	0.125	46.80
4	7.13	8.13	1.30	0.123	46.20
4	8.13	9.13	1.33	0.186	46.01
4	9.13	10.13	1.34	0.172	46.58
4	10.13	11.13	1.35	0.222	46.38
4	11.13	12.13	1.67	0.247	45.31
4	12.13	13.13	1.88	0.277	44.83
4	13.13	14.13	1.87		19.43
5	-	1.24	0.66	0.057	43.74
5	1.24	2.24	0.73	0.041	45.45
5	2.24	3.24	1.01	0.056	47.21
5	3.24	4.24	1.13	0.095	47.89
5	4.24	5.24	1.32	0.081	48.23
5	5.24	6.24	1.29	0.098	46.53
5	6.24	7.24	1.15	0.077	48.02
5	7.24	8.24	1.30	0.098	47.31
5	8.24	9.24	1.55	0.169	47.34
5	9.24	10.24	1.74	0.119	47.88
5	10.24	11.24	1.65	0.136	37.86
5	11.24	12.24	1.97		16.83
5	12.24	13.24	1.79		14.21
5	13.24	14.24	1.79		10.09
5	14.24	15.24	1.84		14.34
5	15.24	16.24	1.84		12.65
5	16.24	17.24	1.60		9.73
5	17.24	18.24	1.04		8.14
5	18.24	19.24	0.94		7.54
5	19.24	20.24	0.74		7.76
5	20.24	21.24	2.22		8.75
5	21.24	22.24	0.75		5.23
6	-	0.61	0.62	0.038	38.85
6	0.61	1.61	0.91	0.062	44.07
6	1.61	2.61	1.07	0.087	45.50
6	2.61	3.61	1.19	0.125	45.72
6	3.61	4.61	1.17	0.150	46.48
6	4.61	5.61	1.12	0.144	45.86
6	5.61	6.61	1.10	0.097	33.18
7	-	1.20	0.47	0.024	39.87
7	1.20	2.20	0.66	0.083	44.59
7	2.20	3.20	0.84	0.095	46.19
7	3.20	4.20	0.74	0.154	47.05
7	4.20	5.20	0.86	0.138	47.78
7	5.20	6.20	0.80	0.159	47.18
7	6.20	7.20	1.09	0.162	46.03
7	7.20	8.20	1.29	0.122	44.16
7	8.20	9.20	1.58	0.081	31.85
7	9.20	10.20	1.85		11.35
7	10.20	11.20	1.61		8.77
7	11.20	12.20	1.96		12.61
7	12.20	13.20	0.99		10.17
7	13.20	14.20	1.05		11.18
7	14.20	15.20	0.84		8.51
7	15.20	16.20	1.06		8.16
7	16.20	17.20	1.30		12.92
7	17.20	18.20	1.03		10.33
7	18.20	19.20	0.70		9.26
8	-	0.95	0.54	0.036	42.00
8	0.95	1.95	0.64	0.042	47.09
8	1.95	2.95	0.81	0.074	47.33
8	2.95	3.95	1.07	0.098	48.11
8	3.95	4.95	1.13	0.153	48.16
8	4.95	5.95	1.03	0.157	44.57
9	-	1.25	0.69	0.056	46.29
9	1.25	2.25	0.97	0.148	47.32
9	2.25	3.25	0.78	0.224	47.19
9	3.25	4.25	0.95	0.153	48.45
9	4.25	5.25	0.96	0.135	48.77
9	5.25	6.25	1.41	0.250	47.75
9	6.25	7.25	1.78	0.176	47.12
9	7.25	8.25	1.36	0.227	45.74
10	-	0.65	0.44	0.021	44.69
10	0.65	1.65	0.77	0.041	47.24
10	1.65	2.65	0.66	0.057	48.44
10	2.65	3.65	0.98	0.143	47.97
10	3.65	4.65	1.08	0.130	48.94
10	4.65	5.65	1.60	0.125	48.13
10	5.65	6.65	1.26	0.220	47.82
10	6.65	7.65	1.09	0.209	47.88
10	7.65	8.65	1.05		16.07

6.3 Cobalt Mineralization

A complementary commodity, presence of cobalt in the area is also impressive, ranging in values from 0.021% to 0.810% and averaging about 0.12%.

Table 6.2.1: Examples of Assay results of some samples taken from the northeastern corner of the tenement area

Hole	From	To	Ni	Co	Fe
1	-	0.90	0.64	0.041	47.02
1	0.90	1.90	0.84	0.067	47.93
1	1.90	2.90	0.60	0.125	48.72
1	2.90	3.90	0.71	0.165	48.54
1	3.90	4.90	0.95	0.115	45.60
1	4.90	5.90	0.44		13.37
1	5.90	6.90	0.98		6.99
1	6.90	7.90	0.47		6.15
1	7.90	8.90	0.82		8.42
2	-	1.17	1.26	0.066	42.84
2	1.17	2.17	1.45	0.103	44.26
2	2.17	3.17	1.08	0.110	46.79
2	3.17	4.17	0.97	0.060	26.43
2	4.17	5.17	1.50		11.19
2	5.17	6.17	1.33		10.91
3	-	0.78	0.96	0.027	43.63
3	0.78	1.78	1.16	0.050	47.16
3	1.78	2.78	1.29	0.085	48.98
3	2.78	3.78	1.22	0.170	48.62
3	3.78	4.78	1.12	0.177	47.57
4	-	1.13	0.61	0.031	42.23
4	1.13	2.13	0.75	0.051	45.64
4	2.13	3.13	0.83	0.061	47.11
4	3.13	4.13	0.87	0.810	47.92
4	4.13	5.13	0.95	0.080	46.37
4	5.13	6.13	1.18	0.120	46.99
4	6.13	7.13	1.24	0.125	46.80
4	7.13	8.13	1.30	0.123	46.20
4	8.13	9.13	1.33	0.185	46.01
4	9.13	10.13	1.34	0.172	46.58
4	10.13	11.13	1.35	0.222	46.38
4	11.13	12.13	1.67	0.247	45.31
4	12.13	13.13	1.88	0.277	44.83
4	13.13	14.13	1.87		19.43
5	-	1.24	0.66	0.067	43.74
5	1.24	2.24	0.73	0.041	45.45
5	2.24	3.24	1.01	0.056	47.21
5	3.24	4.24	1.13	0.095	47.89
5	4.24	5.24	1.32	0.081	48.23
5	5.24	6.24	1.29	0.098	46.53
5	6.24	7.24	1.15	0.077	48.02
5	7.24	8.24	1.30	0.098	47.31
5	8.24	9.24	1.55	0.169	47.34
5	9.24	10.24	1.74	0.119	47.88
5	10.24	11.24	1.65	0.135	37.86
5	11.24	12.24	1.97		16.83
5	12.24	13.24	1.79		14.21
5	13.24	14.24	1.79		10.09
5	14.24	15.24	1.84		14.34
5	15.24	16.24	1.84		12.65
5	16.24	17.24	1.60		9.73

Hole	From	To	Ni	Co	Fe
5	17.24	18.24	1.04		8.14
5	18.24	19.24	0.94		7.54
5	19.24	20.24	0.74		7.75
5	20.24	21.24	2.22		8.75
5	21.24	22.24	0.76		6.23
6	-	0.61	0.82	0.038	38.85
6	0.61	1.61	0.91	0.062	44.07
6	1.61	2.61	1.07	0.087	45.50
6	2.61	3.61	1.19	0.125	45.72
6	3.61	4.61	1.17	0.150	45.48
6	4.61	5.61	1.12	0.144	45.88
6	5.61	6.61	1.10	0.097	33.18
7	-	1.20	0.47	0.024	39.87
7	1.20	2.20	0.66	0.083	44.59
7	2.20	3.20	0.84	0.095	46.19
7	3.20	4.20	0.74	0.154	47.05
7	4.20	5.20	0.86	0.138	47.78
7	5.20	6.20	0.80	0.159	47.18
7	6.20	7.20	1.09	0.162	46.03
7	7.20	8.20	1.29	0.122	44.16
7	8.20	9.20	1.68	0.081	31.85
7	9.20	10.20	1.85		11.35
7	10.20	11.20	1.61		8.77
7	11.20	12.20	1.96		12.61
7	12.20	13.20	0.99		10.17
7	13.20	14.20	1.05		11.18
7	14.20	15.20	0.84		8.51
7	15.20	16.20	1.06		8.16
7	16.20	17.20	1.30		12.92
7	17.20	18.20	1.03		10.33
7	18.20	19.20	0.70		9.26
8	-	0.95	0.54	0.036	42.00
8	0.95	1.95	0.64	0.042	47.09
8	1.95	2.95	0.81	0.074	47.33
8	2.95	3.95	1.07	0.098	48.11
8	3.95	4.95	1.13	0.153	48.16
8	4.95	5.95	1.03	0.157	44.57
9	-	1.25	0.69	0.056	46.29
9	1.25	2.25	0.97	0.148	47.32
9	2.25	3.25	0.78	0.224	47.19
9	3.25	4.25	0.95	0.153	48.45
9	4.25	5.25	0.96	0.135	48.77
9	5.25	6.25	1.41	0.260	47.75
9	6.25	7.25	1.78	0.176	47.12
9	7.25	8.25	1.36	0.227	45.74
10	-	0.65	0.44	0.021	44.69
10	0.65	1.65	0.77	0.041	47.24
10	1.65	2.65	0.66	0.057	48.44
10	2.65	3.65	0.98	0.143	47.97
10	3.65	4.65	1.08	0.130	48.94
10	4.65	5.65	1.60	0.125	48.13
10	5.65	6.65	1.26	0.220	47.82
10	6.65	7.65	1.09	0.209	47.88
10	7.65	8.65	1.05		16.07

6.3 Cobalt Mineralization

A complementary commodity, presence of cobalt in the area is also impressive, ranging in values from 0.021% to 0.810% and averaging about 0.12%.

7.0 Sampling Methodology and Approach

7.1 Diamond Drilling, Core Logging and Sampling Protocols

Drilling was previously undertaken by Cagdianao Mining Corporation in 2006, 2007 and 2011 using eight (8) YBM drilling machines on different areas shown in Figure 7.1.1 that include : Area 1 (North deposit) and in Area 3 (South deposit) while Libjo Mining Corporation started its exploration in October 2012 up to present in Area 2(West) and continuously exploring Area 3(South deposit) initially using two(2) YBM machines) and additionally acquired eight (8) YHP drilling machines (Photo 1) in December 2012. A total of ten (10) drilling machines are now exploring Area 2 and 3 spaced at 100m x 100m interval. The drill machines use BQ size (36.5mm core) tungsten carbide bits.

Core logging is done only by authorized geologists of the company on-site to make sure proper identification and recording of the important minerals and structures are done following the approved protocols. After core logging and recording, pictures of the samples are taken and the cores are prepared for sampling, based on the sample points marked by the geologist.

To make sure the complete laterite profile is intersected by the hole, It is a policy that the hole penetrates into the hard rock at least two meters before deciding to terminate a hole. The geologist therefore stays in the drill site to give the instruction to terminate the hole at the proper time.

Another standard procedure in drilling is the maintenance of the core recovery at more than 90%. When the average recovery of the core for a single hole does not reach 90%, the hole has to be redrilled until the target recovery is reached; otherwise, the drilling contractor will not be paid for the meterage drilled.

In the field, the whole drill core (BQ size) is taken for analysis and sampling is done at one (1) meter interval down the hole, except at lithological boundaries (limonite and saprolite zone) as marked by the geologist during the logging of the cores. The samples are then placed and sealed in prre-numbered polythelene bags, and brought to the site sample preparation laboratory, properly covered by "Chain of Cudtody" forms or documents.

At the sample preparation laboratory, the sealed samples are received and checked immediately for any deffects in the bags and completion based on the "Chain of Custody" documents. They are then sorted and prepared for drying. Sun drying, or oven drying (during rainy days) is done to remove the moisture. The dried samples are then crushed to about 5 mm size, blended and split using a Jones Splitter. One part of the sample (about 1 kilo) is brought to Surigao Mineral Laboratory Inc. for Ni and Fe analysis, and thte duplicate drill core samples are retained in the mine camp as reference and for future analysis.

Duplicate samples are taken every 25 samples by dividing the 1-meter interval sample into two using a sharp knife or painter's stainless palette. Standard samples with known values, ont he other hand are inserted every 50 samples. The duplicate and standard samples

samples are necessary to test the accuracy of the assaying methods or to test for possible errors in the analysis and sampling methods.

Figures 7.1.2 to 7.1.4 show some pictures of the drill machine and the recovery of the drill cores, while Figure 7.1.5 shows the flowsheet of the field sample preparation procedures.

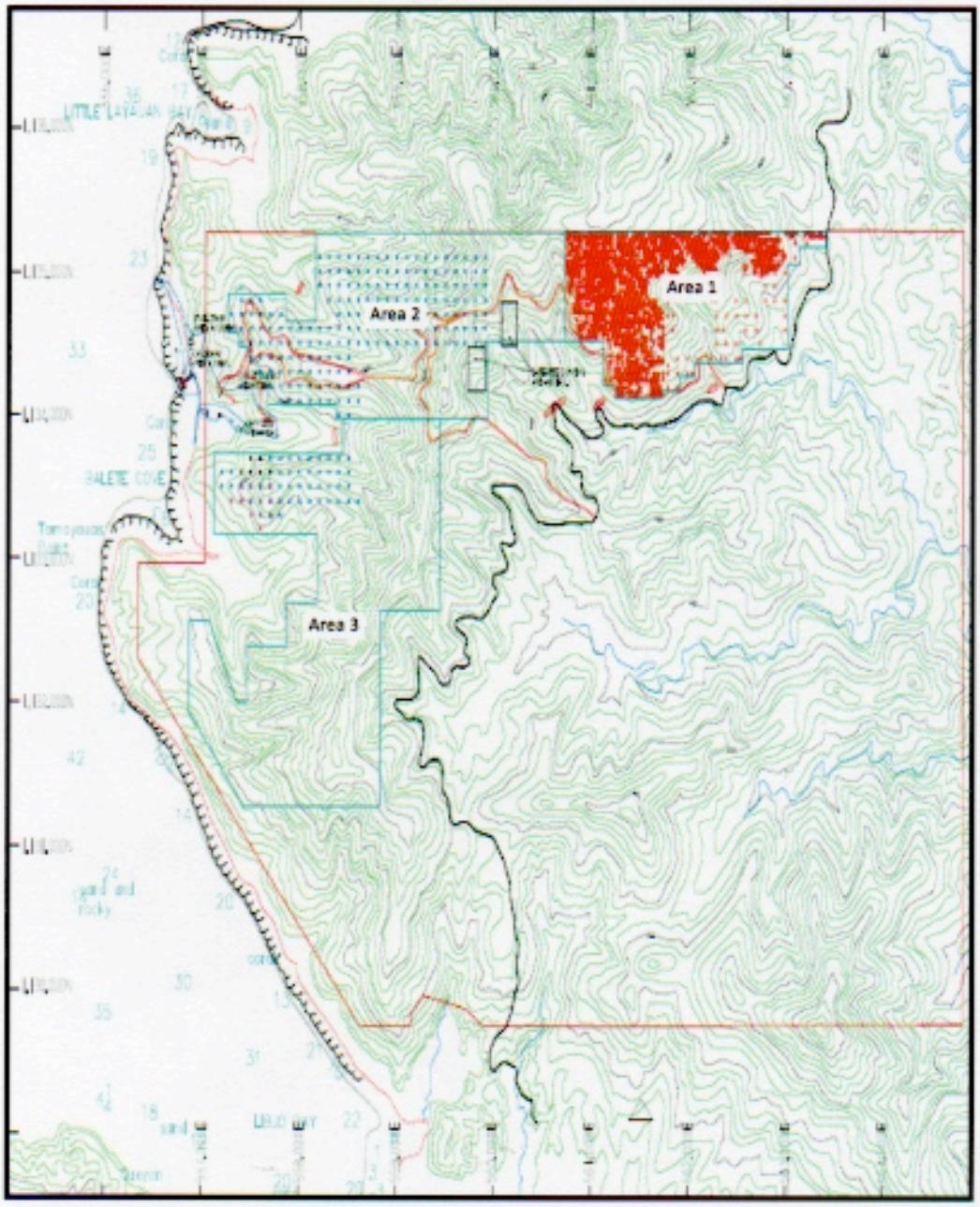

Figure 7.1.1: Location of drillhole clusters identified as Areas 1 to 3

Figure 7.1.2: YHP drill machine in operation

Figure 7.1.3: Recovery of drill core from core barrel

Figure 7.1.4: Close-up view of a filled core box

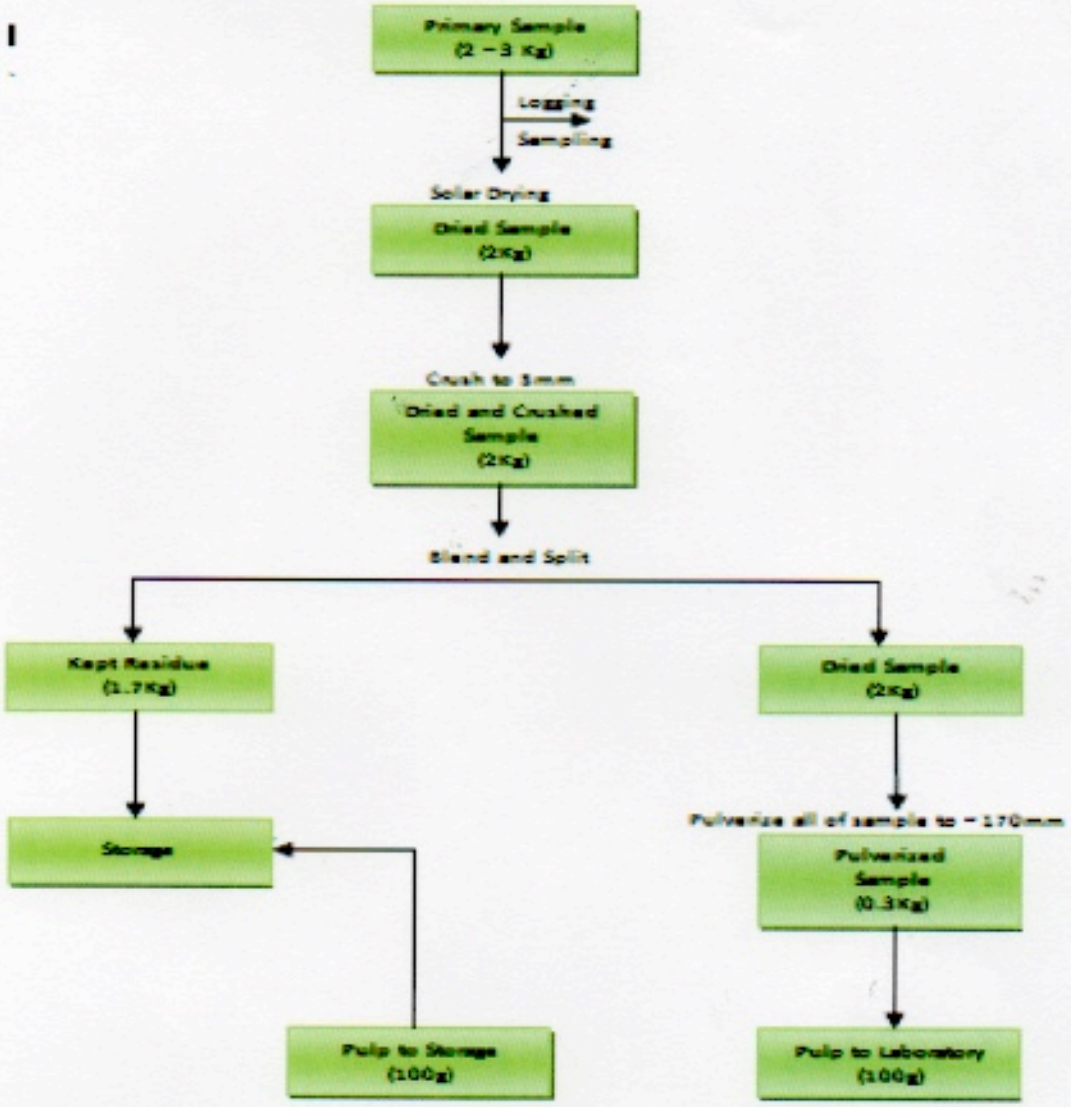

Figure 7.1.5: Sample preparation flowssheet

8.0 Sample Preparation, Analysis and Security

Sample preparation is carried out according to accepted protocols of each of the laboratories involved and as per type of sample and analyses required. The Flow charts/protocols for sample preparation of LMC and Surigao Mineral Laboratory Inc. (**SMLI**) is shown in Figure 8.0.1. The samples collected are sorted, dried, crushed and then pulverized to about 200 mesh. These are then repeatedly reduced using a stainless Jones Splitter, which is easy to clean to avoid contamination. Pulverized samples are rolled and

mixed using a clean mat until 1 kg. of material is obtained for shipping to Surigao Mineral Laboratory in Surigao City (SMLI) for analysis.

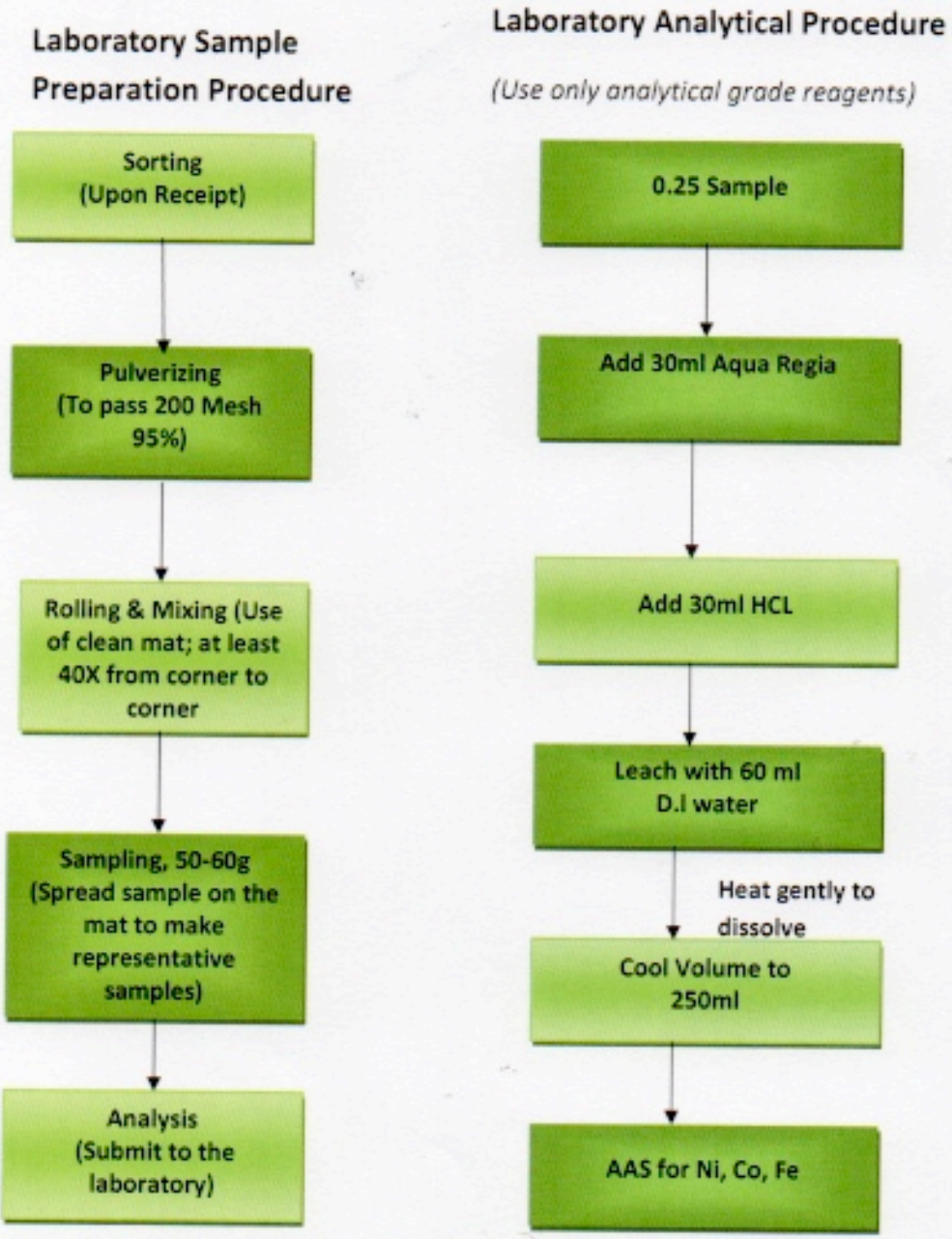

Figure 8.0.1: Flowsheet of Laboratory sample preparation and analytical procedures

The Surigao Minerals Laboratory, Inc. (**SMLI**) uses the **ATOMIC ABSORPTION Spectrophotometer** method of analysis. Atomic absorption spectrophotometry utilizes the phenomenon that atoms absorb radiation of particular wavelength. By atomic absorption

spectrophotometer, the metals in an ore sample can be analyzed. The basic structure of the machine is shown below:

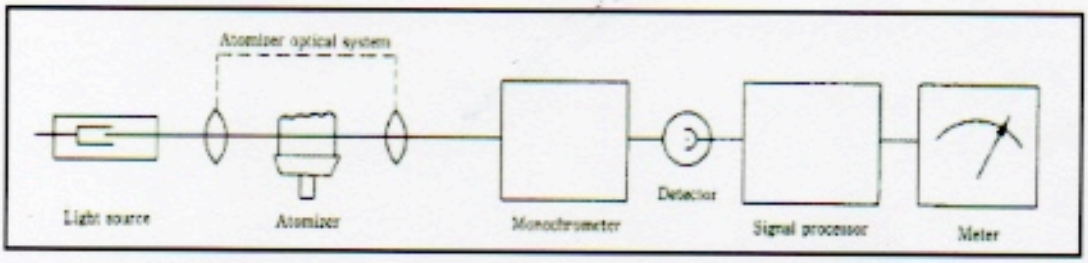

Figure 8.0.2: Basic structure of the Atomic Absorption Spectrometer

It consists of 4 basic structural elements; a light source (hollow cathode lamp), an atomizer section for atomizing the sample (burner for flame, graphite furnace for electrothermal atomization), a monochrometer for selecting the analysis wavelength of the target element, and a detector for converting the light into an electrical signal.

The hollow cathode lamp or the light source consists of a hollow cathode and an anode enclosed in a glass (quartz) tube and neon or argon gas is filled at around 10 Torr of pressure in it. The cathode is made of the element to be measured or its alloy, so it emits the light its wavelength is equal to that absorbed by the atoms of the sample.

The principle mentioned above can be applied to light absorption of "Free atoms". A "Free atom" means an atom not combined with other atoms. However, elements in the sample to be analyzed are not in the free state, and are combined with other elements invariably to make a so-called molecule. The combination must be cut off by some means to free the atoms. This is called atomization. The most popular method of atomization is dissociation by heat - samples are heated to a high temperature so that molecules are converted into free atoms. This method is classified into the flame method, in which a chemical flame is used as the heat source; and an electrothermal atomization method, in which a very small electric furnace is used. **SML** is using flame method and so elemental analysis of exploration samples are termed "...by FAAS" (...by Flame Atomic Absorption Method).

In flame atomic absorption spectroscopy (FAAS) a liquid sample is aspirated and mixed as an aerosol with combustible gases (acetylene and air or acetylene and nitrous oxide). The mixture is ignited in a flame of temperature ranging from 2100 to 2800 °C (depending on the fuel gas used). During combustion, atoms of the element of interest in the sample are reduced to the atomic state. A light beam from a lamp whose cathode is made of the element being determined is passed through the flame into a monochrometer and detector. Free, unexcited ground state atoms of the element absorb light at characteristic wavelengths; this reduction of the light energy at the analytical wavelength is a measure of the amount of the element in the sample.

8.1 Sample Analysis at SMLI Lab (QA/QC Protocols)

The Surigao Mineral Laboratory, Incorporated (SMLI) is a duly accredited laboratory in Surigao City. Libjo Mining Corporation engaged the services of SMLI to analyze all its samples with strict instructions to follow the QA/QC protocols in the conduct of the analyses to ensure accuracy and credibility of the results (data).

In every analysis, 3 to 5 standard samples are digested by four acids (HCl, HNO_3, $HClO_3$ & HF) together with the test samples. These standards are used to establish the calibration curve of the unit. Blank samples are also used. During the run of analysis, laboratory control standards (LCS) are also aspirated in every 3 test samples to check if there is a drift of absorbance of the unit.

The detection limits of Atomic Absorption Spectrometer (AAS) analytical method is
AAS Method : Detection Limits : Ni : 0 -3% ; Fe : 0 – 50%.

As a standard procedure for quality assurance, laboratory checks on samples analyzed by SMLI are made on every 25th sample and analyzed at Mc Phar/Intertek Laboratory and comparison of results is made. The objective of this is to check on accuracy and precision of work done by SMLI and identify any bias in grade analyses between the two laboratories.

Figure 8.1.1: Atomic Absorption Spectrometry

Figure 8.1.2: Sample Preparation

Figure 8.1.3: Sieving of Samples

Figure 8.1.4: Fabricated Oven

Figure 8.1.5: Electric Digital Balance

Figure 8.1.6: Electric Drying Oven

Figure 8.1.7: Pulp samples in labelled plastic bags ready for analysis

9.0 Mineral Resource Estimate

9.1 Area 1-2 - 3 Database

Data entry and database maintenance were undertaken by LMC's Engineering Department in Surigao Office under the supervision of Mr. Edgardo V. Caringal, VP-Operations and licensed geologist and the author as competent person, using MS Access. A database was created in MS Access incorporating all information such as hole ID, coordinates, collar elevation, intervals, depth, lithology, sample analyses, etc. The Database is grouped into three main tables: Collar, Sample and Survey tables. The Collar Table contains HoleID, Coordinates, Elevation, Projection and Total Depth; the Sample Table contains HoleID, SampleID, Lithology, DepthFrom, DepthTo, and Assays of Ni, Co, and Fe, including results of duplicates, check and standard samples; and the Survey Table contains HoleID, Azimuth, Dip and Total Depth. These table structures are necessary in the construction of the orebody model and calculation of mineral resources.

The resulting drillhole database contains 2,506 drill holes: 2,265 drillholes at 25 x 25 m and 241 drillholes at 100x 100 m with a total of 31,690 samples. Maps consisting of drill hole locations, geological field mapping and cross sections were generated using PTM Zone 5 projection. The distribution of drill holes are shown in Figure 9.1.1. The resource estimation was done by Mr. Basyang, Mine Engineering Statistician and assisted by Engr. Jared Johnson, LMC's Mining Engineer and OIC-Resident Manager using Microlynx and under the supervision of the VP- Operations and Geologist of the company and the author as competent person in exploration results and mineral resource reporting.

9.2 Integrity of Database

The drill hole database was constructed from data in Excel format. The engineer and the geologist who were assigned in the exploration of Cagdianao Mining Corporation in 2006, 2007 and 2011 and explored Area 1 and Area 3 are also the same persons who were hired and now under the employees of LMC. The chief chemist who was responsible for the assay of the drillhole samples was also hired by LMC. Mr. Edgardo V. Caringal, who was the Resident Mine Manager of Cagdianao Mining Corporation is now the VP-Operations of Libjo Mining Corporations. It is worthy to mention that the technical people in LMC have a very long experience in laterite deposits and previously connected with the ZAMORA group who was one of the pioneers in the nickel industry.

From October, 2012 up to the present, LMC has been exploring Area 2.

The MSExcel database is then imported into the MS Access Database within Microlynx Software in preparation for the database validation

9.3 Data Verification and Validation

The Microlynx Sample Manager module was used to verify and validate the sample database. The verification or validation procedures involve detecting the following:

Validating the existence of orphan holes or samples. This problem involves samples with no collar information or collar information without sample data. The validation process limited the dbase to 2,506 drill holes which have complete data after rectifying the following errors:

- Typographical errors in the drill hole collar and sample tables. One error was detected and corrected involving a Hole Id in the collar table which was different from the Hole Id in the sample table;

- Different collar depth and sample maximum run of a hole. In a sample database, one criterion that should be met to ensure that the samples will be processed by Microlynx is that the collar depth should be the same as the maximum hole run. This validation procedure is automatically executed by the sample verify data function. No errors were detected in the sample database;

- Lithological log validation. The lithological log validation ensures that the lithological codes are consistent. Errors of this form arise due to typographical mistakes. The lithological codes of the database are O (Overburden), High Fe Limonite (L1), Low Fe Limonite (L2), Low Grade Saprolite (S1), Medium Grade Saprolite (S3), High Grade Saprolite (S4) and Bedrock (Br). Any deviation from these codes will automatically prompt Microlynx to write the Hole Id into a Log table within its database so that the operator can trace and make corrections within the database easily. The validation results showed no error in this form.

After the corrections on the validation process, the cleaned and validated data was saved into the MS Access database format of Microlynx prior to statistical analysis.

The topographic database was composed of a digitized NAMRIA map where the contours are spaced at 20 meters. The map was scanned and then digitized in GIS software and then imported to Microlynx survey manager. Validation of the data was carried out by detecting duplicate points and cross strings which were removed when detected. Disaggregation then followed by removing regularly closed points to optimize triangulation time during surface generation. A detailed topographic survey was made to guarantee high accuracy.

9.4 Geological Zone and Boundary Delineation

Seven (7) geological zones were delineated using the automatic surface generation function of Microlynx based on the criteria below:

- Ore classification criteria:

Overburden (O) : (Cut off grade set at <1% Ni and Fe >15% <15%)
High Iron Limonite (L1) : (Cut off grade set at <1% Ni and Fe >=45%)
Low Iron Limonite (L2) : (Cut off grade set at >=1% <1.5% Ni and Fe >=25%)
Low Grade Saprolite (S1) : (Cut off grade set at >= 1% <1.5% Ni and Fe <25%)
Medium Grade Saprolite(S3) : (Cut off grade set at >=1.5% <2%Ni)
High Grade Saprolite (S4) : (Cut off grade set at >=2%Ni)
Bedrock (BR) : (Cut off grade set at <1% Ni and Fe <=15%)

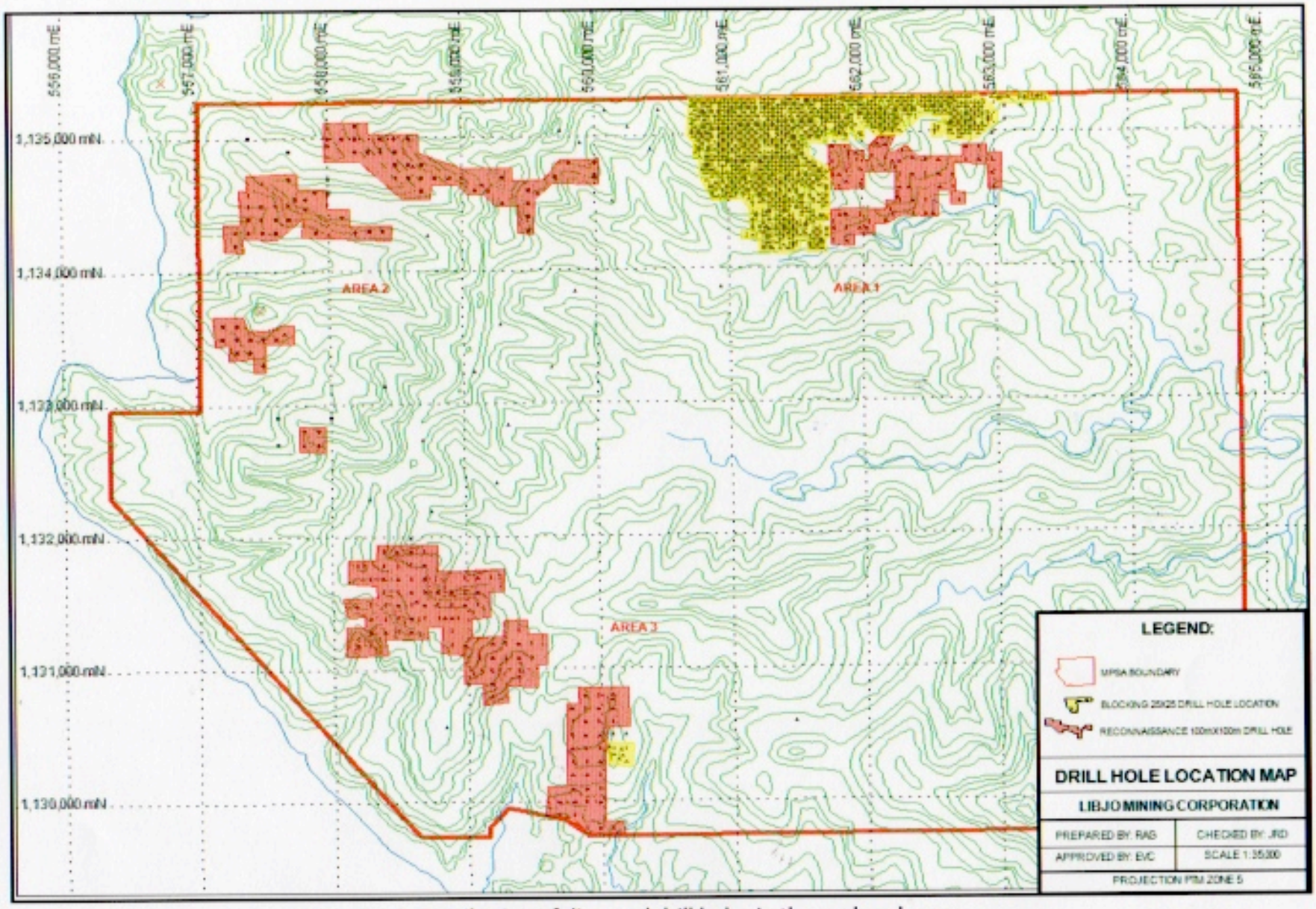

Figure 9.1.1: Distribution of diamond drill holes in the explored areas

The geologic contact at the bottom of each lithology was extracted into collar points and exported into survey manager. This was triangulated to produce a geological surface. Three (3) surfaces were generated namely limonite bottom, saprolite bottom and bedrock bottom. The overburden bottom was incorporated into the limonite zone due to limited thickness. The geological surfaces were then used to delimit the blocks according to lithology.

Geological model boundaries were generated by digitizing a closed string around the periphery of the drilled area and extrapolating by offsetting the string to around 100-meter distance. This became the lateral boundary for the block model.

9.5 Geological Statistics, Compositing and Thickness

After the geological surfaces were generated, samples belonging to their respective lithology were then filtered and a statistical analysis performed.

A geological compositing was executed to determine the thickness of the lithological zones. The tabulation of the statistical analysis of samples per lithology and thickness are as follows:

Table 9.5.1: Samples statistical Analysis

Item/Field	Ni	Fe	Co
source OVERBURDEN SAMPLES			
Data records read .....: 1279			
Basic Statistics			
Non-nul records	1279	1279	1068
Minimum value	0.1	15.05	0
Maximum value	1	44.97	0.37
Mean	0.63	28.85	0.1
Weighted Mean	0.64	28.5	0.11
Variance	0.04	68.75	0
Standard deviation	0.19	8.29	0.04
Std error of mean	0.01	0.23	0
Item/Field	Ni	Fe	Co
source LIMONITE SAMPLES			
Data records read .....: 5476			
Basic Statistics			
Non-nul records	5476	5476	5376
Minimum value	0.05	25.02	0
Maximum value	1.5	56.49	0.97
Mean	0.77	46.18	0.09
Weighted Mean	0.83	46	0.1
Variance	0.07	13.69	0
Standard deviation	0.27	3.7	0.05
Std error of mean	0	0.05	0

Item/Field	Ni	Fe	Co
source SAPROLITE SAMPLES			
Data records read .....: 1083			
Basic Statistics			
Non-nul records	1083	1082	411
Minimum value	1	5.51	0.03
Maximum value	2.99	48.97	0.36
Mean	1.52	18.08	0.1
Weighted Mean	1.52	18.14	0.1
Variance	0.15	81.97	0
Standard deviation	0.39	9.05	0.05
Std error of mean	0.01	0.28	0
Item/Field	Ni	Fe	Co
source BEDROCK COMPOSITE			
Data records read .....: 4306			
Basic Statistics			
Non-nul records	4306	4306	71
Minimum value	0	0	0.03
Maximum value	1	14.98	0.15
Mean	0.39	6.92	0.07
Weighted Mean	0.41	7.14	0.07
Variance	0.04	4.48	0
Standard deviation	0.2	2.12	0.03
Std error of mean	0	0.03	0

Typically Ni grades are <1% at surface and increase with depth to around 1.2% to 1.4% Ni at the base of the limonite. The saprolite boundary is typically marked by a sharp increase in Ni grade. The highest Ni grade usually occurs at the top of the saprolite and decreases with depth grading down to 1.0 to 0.5% Ni at the base of the saprolite or bedrock. Ni grades are more variable in the saprolite probably due to the occurrence of proportions of less enriched coarse rocks mixed with enriched saprolite fines. The occurrence of enriched stringers or boulder rims is also possible but has not been tested by separate analysis. Below this boundary the Ni decreases toward the bedrock interface. Other elements also display some change in average grade with depth as rocks become more common. Ni and Mg display the strongest vertical grade trend in the saprolite. The change in grade with depth for Mg is more pronounced than other elements. That is, Mg could be used to determine saprolite from bedrock. Bedrock grades are relatively consistent although some grade trend do persist in those samples classified as predominantly bedrock but which still contain some saprolite.

9.6 Cut-off Grades

The cut-off grades used for the limonite and saprolite for mineral estimation purposes are as follows:

High Iron Limonite (L1) : (Cut off grade set at <1% Ni and Fe >=45%)
Low Iron Limonite (L2) : (Cut off grade set at >=1% <1.5% Ni and Fe >=25%)
Low Grade Saprolite (S1) : (Cut off grade set at >= 1% <1.5% Ni and Fe <25%)
Medium Grade Saprolite(S3): (Cut off grade set at >=1.5% <2%Ni)
High Grade Saprolite (S4) : (Cut off grade set at >=2%Ni)

These cut-off grades are based on the ore classification as prepared by the Engineering and Mine Planning of LMC. They are based on the minimum specifications as required by the prevailing market conditions. Generally, the (L1) High Fe Limonite and (L2) Low Fe Limonite when blended will have an average grade of 0.90%Ni and 46% Fe which is the preferred material for the Chinese market. The (S1) low grade saprolite, (S2) medium grade saprolite and (S3) high grade saprolite are of small quantities since these types of grade are approaching the bedrock zone. This material termed as "saprolite" ore can be blended with the higher grade ore to produce a 1.4% minimum grade which is still acceptable in the Chinese market.

9.7 Mineral Resource Estimation – Block Modelling

After completion of data correction and boundary digitization, block modelling was then executed using microlynx functions. The block model parameters are shown below:

Table 9.7.1: Deposit Block model parameters (Area -1)

Item	North	East	Level
Block size	25	25	3
No. Sub-blocks	5	5	3
Origin-centroid	1134114.90	560555.61	48.5
No. Of Blocks	59	114	126

Table 9.7.2: Block model parameters for (Area 3)

Item	North	East	Level
Block size	100	100	3
No. Sub-blocks	20	20	3
Origin-centroid	1130789.90	558180.61	156.5
No. Of Blocks	13	14	56

Table 9.7.3: Block model parameters for Area -2

Item	North	East	Level
Block size	100	100	3
No. Sub-blocks	20	20	3
Origin-centroid	1129789.90	559530.61	30.5
No. Of Blocks	11	7	98

Block model cell generation (Block and Block_Ind Tables) was carried out by executing the subdivide cells by surfaces function. This function automatically creates an empty cell based on lithology (Figure 9.7.1). The vertical limits are the lithological surface points corresponding to the bottom breaks or domains that were extracted from the sample database. These points are triangulated to create a lithological surface. The horizontal limits are that model boundaries that were digitized and assigned a corresponding thickness.

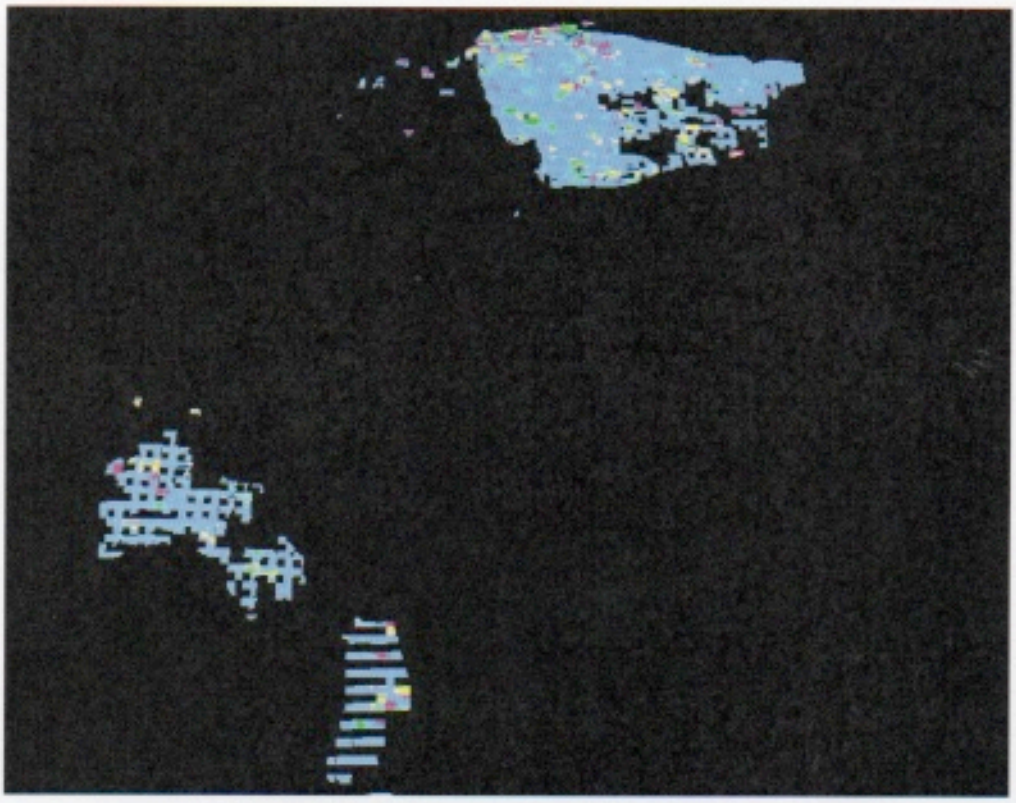

Figure 9.7.1: Block model with empty cells

Inverse Distance Weighing (IDW) technique was used for the grade estimation. This method was deemed appropriate owing to the topographical feature within the deposit which will warrant a simple estimation method as against a more robust but more complex estimation such as ordinary or indicator kriging in unfolded samples. The exponential weighing power of 2 and seach radii enumerated in Table 9.7.2 as listed were used.

Table 9.7.2: Search Radius for Block Model Grade Interpolation (in meters)

Block					
Pass	North	East	Level	Limonite	Saprolite
1	37.5	37.5	3	Measured	Measured
2	100	100	3	Inferred	Inferred

The minimum and maximum sample points used to interpolate the block grades were 1 and 5, respectively.

A wet dentsity of 1.62 wmt/cubic meter was used for limonite and saprolite, respectively. This was based on LMC's density tests. The said density is slightly below the actual densities observed from existing nickel mines in Dinagat/Surigao. It is anticipated that estimation of tonnage wil be slightly under-estimated.

Top cutting was not used in all the variables as the coefficient of variation of nickel laterite deposits are generally less than 1. This indicates that the samples have high spatial correlation which can be easily modeled even by polygonal methods depending on the spacing of the holes.

The topographic map of the area was based on NAMRIA map at 20m interval (Figure 0.7.2). This was gridded to from a surface, and interpolated to produce topagraphy with 3-m contour interval.

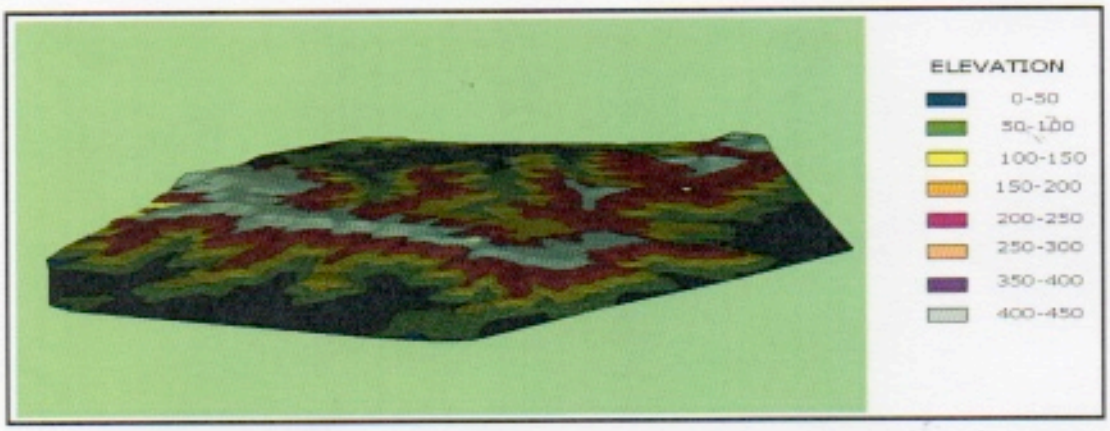

Figure 9.7.2: 3DTopographic surface based on NAMRIA map

9.8 Mineral Resource Classification

The classification of the mineral resources should be based on the degree of confidence on the data used as basis of computation. With this principle in mind, and considering the other criteria listed in the PMRC guidelines, the mineral resources in the property were classified as follows

Measured Mineral Resource: Refers to the nickel laterite resource that has been drilled to an average grid of 25m x 25m.

Indicated Mineral Resource: Refers to the nickel laterite resource that has been drilled to an average grid of 50m x 50m.

Inferred Mineral Resource: Refers to the nickel laterite resource that has been drilled to an average grid of 100m x 100m.

Considering the above-listed criteria, the mineral resources of Areas 1, 2 and 3 were computed and the resulting tonnages and grades are enumerated in the following tables:

Table 9.8.1: Measured Resource

Classification	Measured Resource (25m x 25m)					
	Tonnage (WMT)	$\%H_2O$	Tonnage (DMT)	Grade (%Ni)	Grade (%Fe)	Grade (%Co)
Limonite			Area 1 (North Deposit)			
L1	17,572,220	35	11,421,943	0.80	48.08	0.110
L2	6,196,661	35	4,027,830	1.19	44.50	0.120
Sub-total	23,768,881	35	15,449,773	0.90	47.15	0.113
Saprolite						
S1	3,361,946	35	2,185,265	1.22	13.44	0.080
S3	2,342,177	35	1,522,415	1.69	23.09	0.060
S4	611,996	35	397,797	2.31	18.86	0.070
Sub-total	6,316,119	35	4,105,477	1.50	17.54	0.072
Total	**30,085,000**	**35**	**19,555,250**	**1.03**	**40.93**	**0.104**

Table 9.8.2: Inferred Resource

Classification	Inferred Resource (100m x 100m)					
	Tonnage (WMT)	$\%H_2O$	Tonnage (DMT)	Grade (%Ni)	Grade (%Fe)	Grade (%Co)
Limonite			Area 3 (South Deposit)			
L1	6,331,487	35	4,115,467	0.64	47.00	0.103
L2	1,212,813	35	788,328	1.14	40.94	0.100
Sub-total	7,544,300	35	4,903,795	0.72	46.03	0.103
Saprolite						
S1	2,350,054	35	1,527,535	1.17	11.18	0.076
S3	524,475	35	340,909	1.70	17.98	0.068
S4	37,584	35	24,430	2.12	13.13	0.061
Sub-total	2,912,113	35	1,892,873	1.28	12.43	0.074
Total	10,456,413	35	6,796,668	0.88	36.67	0.095
Classification	**Inferred Resource (100m x 100m)**					
	Tonnage (WMT)	**$\%H_2O$**	**Tonnage (DMT)**	**Grade (%Ni)**	**Grade (%Fe)**	**Grade (%Co)**
Limonite			Area 2 (West Deposit)			
L1	34,323	35	22,310	0.56	47.54	0.100
L2	12,025	35	7,816	1.02	32.19	0.085
Sub-total	46,348	35	30,126	0.68	43.56	0.096
Saprolite						
S1	146,000	35	94,900	1.21	12.21	0.074
S3	103,825	35	67,486	1.52	14.23	0.071
S4	18,150	35	11,798	2.11	13.31	0.070
Sub-total	267,975	35	174,184	1.39	13.07	0.073
Total	314,323	35	204,310	1.29	17.56	0.076
Grand Total	10,770,736	35	7,000,978	0.89	36.11	0.094

As can be noticed, no indicated resource was computed because there were no diamond drill holes drilled at 50 x 50 meter interval grids. Likewise, the Inferred Ore resource will not be included in the Feasibility Study for it needs an in- fill drilling of 50m x 50m to increase the level of confidence. Thus, only the measured resource shall be considered for mining in the partial declaration of mining project feasibility

9.9 Block Model Validation

Upon completion of the grade interpolation, a block model validation was carried out on Area 1 by Trend Analysis to check the block model grades as against the sample grade of the drill holes. The Trend Analysis simply filters out block grades that lies within a particular coordinate (North, East and Level) constrain and compares them to the corresponding sample grade s from the drill holes which are also within the same coordinate constrain.

10.0 Conclusions and Recommendations

Based on accepted exploration protocols, Libjo Mining Corporation conducted a diamond drilling exploration at Areas 1, 2 and 3 of MPSA-233- 2007- XIII(SMR). The resulting measured mineral resource of 30,085,000 wmt with average grades of 1.03% Nickel and 40.93% Fe as validated accordingly, will last for a 10-year mine life considering a programmed 3 million wmt/year production. This calls for the opening of the project since this grade is suitable for the requirement of most Chinese buyers to supply the nickel pig iron processing plants in China. However, the ore resource is too small to put up a nickel smelting plant.

However, the company should continue exploring Area 2, Area 3 to be able to convert the more than 10 million wmt of computed inferred resources here, and other adjacent areas for there is great possibility that additional ore resource would be blocked considering that out of 4,226 hectares total area, only 400 hectares or 9.5% of the area is explored. These inferred resources cannot be included in the Feasibility Study unless they are drilled at closer interval to increase the level of confidence.

This Exploration Report was prepared by the undersigned in partial fulfilment of the requirements for the Partial Declaration of Mining Project Feasibility (DMPF) for MPSA No. 233- 2007- XIII(SMR). The estimated mineral resources declared herein were computed based on the data obtained from the drilling exploration works conducted by Cagdianao Mining Corporation in 2006 to 2011 and Libjo Mining Corporation from October, 2012 up to the present.

11.0 Bibliography

Geological Map of Dinagat Exploration Area 2 by K. Louca and A.B. Santiago. Revised 1993. U.N.R.F.N.R.E Phil/86/No.1

Libjo Mining Corporation, Environmental Impact Statement Report, Main Report Vol. I (GEOENVIRONMENTAL CONSULTANCY, INC)

Regional Geology of Dinagat Island, U.N.R.F.N.R.E Phil/86/No.1 Louca and A.B. Santiago. Revised 1993

MINES AND GEOSCIENCES BUREAU, 1982. Geology and Mineral Resources. Vol. I

Fernandez, Juanito C., Geology and Mineral Resources of the Philippines, Volume 1, First Edition 1981, Bureau of Mines and Geo-Sciences, Manila, 1982

Environmental Protection Guidelines, United Nations Revolving Fund Natural Resources Exploration (UNRFNRE), New York, 1993

Prepared by:

RAFAEL R. LIWANAG
Registered Geologist Number 512
Competent Person for Exploration Results and Mineral Resource Reporting
CP Number 11-08-01

CURRICULUM VITAE

PERSONAL DATA

Name :	**RAFAEL R. LIWANAG**
Age :	58 years old
Sex :	Male
Date of Birth:	24 October 1955
Birthplace:	Atlag, Malolos, Bulacan
Civil Status:	Married with five (5) children
Name of Spouse:	Vilma M. Cajipo-Liwanag
Address:	Cattleya St., Blk-17, Lot 25, Phase 2, V and G Subdivision Tacloban City, Leyte, Tel: (053) 3275196; 09175971476
Languages/Dialects Spoken:	Filipino, English, Ilonggo, Waray-Waray; Cebuano

ELIGIBILITY & PROFESSIONAL AFFILIATION

Professional Eligibility: Philippine Registered Geologist
PRC License No. 512, Granted on January, 1978

Competent Person (CP) for Exploration Results and Mineral Resource Reporting No. 11-08-01 granted by the Geological Society of the Philippines on August, 2011

Professional Affiliation: Accredited Pollution Control Officer, DENR-EMB, Region VI, DENR-EMB, Region VIII

Former member, Provincial Mining Regulatory Board Negros Occidental

Member, Geological Society of the Philippines
Member, Pollution Control Association of the Philippines Region VIII Chapter, Tacloban City

EDUCATION AND HONORS RECEIVED

Graduate Studies: Master of Science in Rural Development
Aklan State University Regional Graduate Studies Consortium
Negros State College of Agriculture Center
Kabankalan City, Negros Occidental
37 units, thesis preparation in progress

College: Mapua Institute of Technology, Intramuros, Manila
Bachelor of Science in Geology, 1977

High School: Marcelo H. del Pilar High School, Malolos, Bulacan
Graduate, 1972; 11th honors in a class of 1,500

Elementary: Atlag Elementary School, Atlag, Malolos, Bulacan
Graduate, 1968; valedictorian in a class of 250

BRIEF SUMMARY OF FIELDS OF EXPERIENCE

COPPER, *Porphyry*	Sipalay Mine, Negros Occidental Open Pit Operation and Exploration
	Carmen (Toledo) Mine Open Pit and Underground Mine Operation
COPPER, *Massive Sulfide (Kuroko) and Carboniferous*	Bagacay Mine, Samar Open Pit and Underground Operations and Exploration
GOLD, *Epithermal:*	Kibungan, Benguet, Geological Investigation
	Balasan and Sara, Iloilo, Geological Investigation
	Agusan del Norte, Geological Investigation
	Columbio and Tampakan, South Cotabato Geological Investigation and Exploration
	Sipalay and Cauayan, Negros Occidental, Exploration
CHROMITE, *Lens, Vein and Laterite:*	Puerto Princesa, Palawan Open pit and Underground Operations and Exploration
	Acoje Mines, Zambales Open Pit and Underground Operations and Exploration
	Pigcawayan, North Cotabato Geological Investigation and Exploration
NICKEL, *Nickeliferous Laterite:*	Bataraza, Palawan Exploration
	Nonoc Island, Surigao del Norte Open Pit Operation
	Berong, Quezon, Palawan Exploration and Open Pit Operation
IRON, *Magnetite Sand*	Nicua Corporation MacArthur, Mayorga, Javier, Lapaz, Dagami, Burauen, Tanauan, Palo, Tolosa, Sta. Fe, Leyte Magnetite Sand Exploration, Mining
PYRITE, *Massive Sulfide:*	Bagacay Mine, Samar, Open Pit Operation and Exploration
MANGANESE, *Sedimentary Manganese:*	Kabankalan and Cauayan, Negros Occidental Geological Investigation and Exploration
COAL, *Lignitic & Sub-Bituminous Coal:*	Bagacay Mine, Samar Open Pit and Underground Operations and Exploration
	Giporlos and LLorente, Eastern Samar Open Pit Operation and Exploration
MARBLE & Limestone	Maasin, Sarangani Province Open Pit Operation & Exploration

SILICA, *Bull Quartz and Silica Sand:*	Balasan and Sara, Iloilo, Geological Investigation Ayungon, Negros Oriental, Open Pit Operation Maasin, Sarangani Province, Exploration
ENGINEERING GEOLOGY AND ROCK MECHANICS, *Slope Stability Analysis, Design and Monitoring:*	Sipalay, Negros Occidental Open Pit Mine Slopes, Waste Dumps and Tailings Pond Dikes Engineering Geological and Geohazard Assessment (EGGA) for the Commercial Complex of Leadland Corporation at Brgy. Lupo, Altavas, Aklan and St. Matthew and St. Paul Subdivisions of BAPA Realty Corporation at Victorias and Talisay Cities, Negros Occidental, respectively, and Forest Hills Subdivision, Mansilingan, Bacolod City
ENVIRONMENTAL MANAGEMENT, *Environmental Impact Assessment and Monitoring:*	Sipalay, Negros Occidental Open Pit Operation, Copper Beneficiation Plant and Tailings and Solid Waste Disposal, Environmental Enhancement & Rehabilitation MacArthur, Leyte Open Pit magnetite Sand Mining and Processing Plant
COMPUTER APPLICATION:	GEMCOM (GEMS) and WHITTLE-4D Mining Software, Engineering Geology Software (ROCKWARE, DIPS, SLOPE, etc.), GIS Software (MAPINFO) MS Office (Word, Excel, Powerpoint) WINDOWS and other software)

DETAILS OF WORK EXPERIENCE

YINYI Philippines Mining, Inc
19th Floor Picadilly Star Bldg.
4th Ave & 27th St., Bonifacio Global City
Taguig City
July, 2012 to present

Position/Period	Duties/Responsibilities
Assistant Manager, Project Development and Exploration	Responsible for the evaluation and acquisition of mining projects. Heads the team conducting due diligence, validation and verification of reported mineral resources and assets of prospective projects and provides intelligent assessment and recommendations for negotiation.

NICUA CORPORATION
Tacloban City, Leyte
Head Office: 3rd floor, Bloomingdale Plaza Building, Capitolyo, Pasig City
August 2007 to July, 2012

Geology & Exploration Manager and Pollution Control Officer	Responsible for the efficient planning and implementation of exploration programs, ore resource evaluation (GEMS), and assists in mine planning activities. As Pollution Control Officer, prepares requirements for environmental and other related permits and regular in-house reports as well as monitoring and regulatory reports required by the concerned government agencies. During the development and operation phases, directly reports to and assists the Executive Vice President in the mine development planning and in the implementation of mining, processing and mine rehabilitation activities.

BERONG NICKEL CORPORATION
Berong, Quezon, Palawan
Head Office: Philam Building, Dela Rosa St., Legaspi Village, Makati City
January to August, 2007

Senior Mine Geologist — Responsible for the efficient supervision of the Geology Department, particularly the mine geology and exploration activities including mine face sampling, grade control, stockpile management and ore reconciliation.

TMM MANAGEMENT, INCORPORATED
Head Office: Philam Building, Dela Rosa St., Legaspi Village, Makati City
November, 2005 to December 31, 2006

Project Geologist — As project Geologist of the Berong Nickel Project in Berong, Quezon, Palawan, was responsible for the efficient management of all exploration and pre-operation activities of the project.

ATLAS CONSOLIDATED MINING AND DEVELOPMENT CORPORATION
(Now Carmen Copper Corporation)
Lutopan, Toledo Copper Project
Head Office: Quad Alpha Centrum Building, Pioneer St., Pasig City
February, 2005 to November, 2005

Resident Geologist — Responsible for the efficient ore resource evaluation during the feasibility stage of the mine rehabilitation of the mine. Activities included the data management of all ACMDC orebodies in Toledo City and the evaluation of the corresponding ore resources.

"G" HOLDINGS, INCORPORATED
Sipalay Mine
Minesite: Sipalay, Negros Occidental
Head Office: 2283 Pasong Tamo Extension, Makati City
2001 to 2005

Chief Geologist and Pollution Control Officer
Minesite Operation
2001 to 2005

Responsible for the efficient rehabilitation of abandoned waste dumps, tailings ponds and mining areas and formulation and implementation of pollution control and slope stability programs. Also responsible for the evaluation of remaining ore reserves and preparation of feasibility studies for the possible resumption of mine operations and the preparation of documents relative to the acquisition and maintenance of mining rights.

MARICALUM MINING CORPORATION
Sipalay Copper Operations
Minesite: Sipalay, Negros Occidental
Head Office: 2283 Pasong Tamo Extension, Makati City
November, 1986 to 2001

Chief Geologist and Pollution Control Officer
Minesite Operation
1987 to present

Responsible for the efficient management of the Geology Department. Work includes planning and implementation of diamond drilling and geological mapping programs for both exploration and development and slope stability analysis; interpretation of data, computation of ore reserves; design of mining slopes; design, implementation and monitoring of slope stability measures; reconciliation of mining tonnage and ore reserves; environmental impact studies, rehabilitation program design and implementation and monitoring and acquisition and maintenance of mining rights.

Staff Geologist
Makati Head Office
1986 to 1987

Responsible to the Senior Vice-President for the efficient monitoring of the exploration, development and mining programs and acquisition and maintenance of mining rights.

NONOC MINING & INDUSTRIAL CORPORATION
2283 Pasong Tamo Extension, Makati City
1984 to 1986

Project In-Charge
Giporlos Coal Project
Giporlos, Eastern Samar
1985 to 1986

Responsible for the efficient management of the coal exploration and development project. Involved in the detailed geological mapping, diamond drilling, feasibility studies and preparation of development plans for the project.

Staff Geologist
Makati Head Office
1984 to 1985

Responsible for the efficient planning and monitoring of the exploration, development and mining programs and acquisition and maintenance of mining rights and service contracts of the company's operating divisions (Nonoc Nickel Refinery in Surigao del Norte, Bagacay Copper/Pyrite/Coal mines in Western Samar and Giporlos Coal Project in Eastern Samar), sister companies (Maricalum Copper Mine in Sipalay, Negros Occidental and Island Cement Operations in Antipolo, Rizal) and other new prospects.

MARINDUQUE MINING & INDUSTRIAL CORPORATION
Bagacay Copper Operations and Coal Exploration Project
Minesite: Bagacay, Hinabangan, Western Samar
Head Office: 2283 Pasong Tamo Extension, Makati City
1979 to 1984

Chief Geologist
Minesite Operations
1979 to 1984

Responsible to the General Manager and Consultant-Geologist for the efficient planning, implementation and management of the exploration and development programs. Involved in the detailed geologic mapping, test pitting, trenching and diamond drilling, geological interpretation and evaluation of ore reserves and reconciliation of mining tonnage against ore reserves. During the period was designated Project-In-Charge of the different copper, pyrite and coal exploration projects:

PALAWAN CONSOLIDATED MINING CO., INC.
Irauan Chromite Project
Minesite: Irauan, Puerto Princesa, Palawan
Head Office: 2283 Pasong Tamo Extension, Makati City
1977 to 1979

Resident Geologist
Minesite Operations
1977 to 1979

Responsible to the Consultant-Geologist for the efficient planning and implementation of exploration programs. Involved in the detailed exploration of lateritic sand chromite and massive chromite lenses and veins by creek and road cut mapping, test pitting, trenching and diamond drilling. Work included detailed sampling and logging of exploration workings, evaluation of reserves and assisting in the preparation of development plans.

Student Trainee
Palawan Chromite Project
March to June, 1976

Field training in detailed geological mapping, test pit, trench and diamond drill core logging and sampling and actual processing of laterite chromite sand and computation of ore reserves.

SPECIAL TRAININGS and SEMINARS ATTENDED

Hands-on Training on GEMS mining software given by GEMS Services, Canada at ACMDC-Lutopan

ACMDC-Lutopan Minesite, 2005

Seminar-Workshop on ISO-14000 for Pollution Control Officers given by PICAPI and DENR-6
Punta Villa, Iloilo City, October 15 - 16, 1999

Seminar-Workshop on Environmental IEC Given by the Mines and Geo-Sciences Bureau
Petrolab, Quezon City, June 22 - 27, 1999

Philippine Mining Centennial Conference and Technical Seminar
Philippine Plaza Hotel and World Trade Center, February 10 - 14, 1999

Orientation Seminar-Workshop for Multi-Partite Monitoring Team
Mambucal Mountain Resort, Murcia, Negros Occidental, February 8 - 10, 1999

Training Course on Best Environmental Practices in Philippine Mining given by URSG Woodward Clyde
Baguio Country Club, Baguio City, July 28 - August 1, 1998

Seminar on Environmental Successes in Philippine Mining
Bureau of Soils and Water Management, Quezon City, June 24 - 25, 1998

Forum on the Environment and the Industry given by the Chamber of Mines and MGB-6
L' Fisher Hotel, Bacolod, November 23, 1997

Forum on Mining, Geology and the Environment given by the Chamber of Mines and MGB-6
Sarabia Manor, Iloilo City, August 4, 1997

Public Consultative Meetings on the Proposed Amendments to the Implementing Rules and Regulations of the Mining Act of 1995
Cebu City - 22 August 1996
Quezon City - 20 September 1996

People's Congress on Environmental Issues
Punta Villa, Iloilo City, April 20 - 21, 1996

In-House Hands-on Training on the Use and Application of GEMCOM Orebody Modeling and Mine Planning Software Including Whittle 4D Given by GEMCOM Services, Inc. of Canada
Sipalay Mine, Negros Occidental, 1994 to 1997 (one to two sessions per year, one week per session)

Training Course on Applied Mining Geostatistics Given by Snowden & Associates and GEMCOM Services, Inc. of Canada
Manila Midtown Hotel, 23 to 27 March 1992

Seminar-Workshop on Safety and Environmental Protection Practices of Operating Mines and 38th Annual National Mine Safety and Accident Prevention Conference
Asian Institute of Tourism Hotel, Quezon City, 20 to 23 November 1991

Hands-on Training on the Use and Application of GEMCOM Software PC-XPLOR and PC-MINE for Geological Modeling and Mine Planning given by GEMCOM Services Inc. of Canada
Compulab, Makati City, 30 April to 11 May 1991

In-house Hands-on Training on the Use and Application of Various Engineering Geology Software (Rockware, SLOPE, DIPS, etc.)
Sipalay Mine, Negros Occidental, 1991 to 2002 (tutorial and self-study)

In-house Hands-on Training on the Use and Application of Various Word Processors, Windows, Spreadsheet, ACAD and other Graphics Software
Sipalay Mine, Negros Occidental, 1991 to 2002 (tutorial and self-study)

Seminar-Workshop and Annual and Semi-Annual Regional Convention of the Pollution Control Association of the Philippines (PICAPI), Region VI Chapter
Iloilo City, every June and December, 1990 to present

Annual Seminar and General Membership Convention of the Geological Society of the Philippines
Quezon City, 1990 to present

Training Course on Slope Stability Problems in Open Cast Mines Given by the European Economic Community (EEC), the Mines & Geo-Sciences Bureau and ASEAN
PETROLAB, Mines & Geo-Sciences Bureau, Quezon City, 24 April to 11 May 1989

Seminar-Workshop on Geology and Exploration of Gold Deposits
Intercontinental Hotel, Manila, 22 to 24 February 1989

Lecture-Seminar on Applied Hydrology and Introduction to Groundwater Resources given by DENR, Region VII
Lahug, Cebu City, 01 to 04 December 1988

Hands-on Training on Petrography and Electron Microprobe X-Ray Analysis (EPMA)
PETROLAB, Mines & Geo-Sciences Bureau, Quezon City, 25 April to 06 May 1988

Various In-House Seminars on Management, Safety and Loss Control, First Aid, etc.
Maricalum Mining Corporation, Sipalay Mine, Negros Occidental, 1987 to 2002

Bench Drilling Seminar
Atlas Copco, Philippines, October, 1986

RP-US Coal Symposium
Philippine Plaza Hotel, Manila
February, 1983

REFERENCES

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Pasig City
Tel. 02-63143943

CERTIFIED TRUE AND CORRECT:

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03 October 2013
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GSP Accredited CP No. 11-08-01