



LABORATORY TEST REPORT NO. 105424

Manila, 26 July 2007
Page 1 of 1
L-07-3534

RESULTS OF ANALYSIS

CLIENT :
ADDRESS :

DATE RECEIVED : 17-July-2007
DATE REPORTED : 26-July-2007

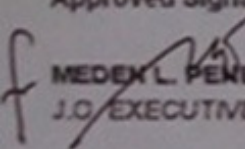
Analysis based on sample(s) submitted by shipment/delivery corresponds to sample(s) submitted nor does SGS Phils., Inc. guarantee that sample(s) submitted is a (are) random preparation of the shipment/delivery. SGS Phils., Inc. does not guarantee that

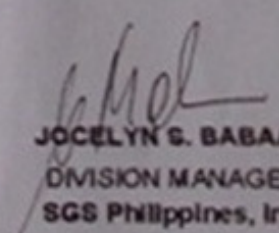
The information stated in this report is derived from the results of testing procedure carried out in accordance with the instructions of our Client, and/or our assessment of such results on the basis of any technical standards, trade custom or practise, or other circumstances which should in our professional opinion be taken into account.

LAB NO	SAMPLE NAME ANALYSIS NAME	CLIENT REFERENCE RESULT(S)	METHODOLOGY
09960	MANGANESE MANGANESE (Mn)	48.8 %	Titrimetry

This report will be kept on file for six months from date of issue.

Approved Signatories:


MEDEL L. PENEYRA
J.O. EXECUTIVE - Natural Resources


JOCELYN G. BABAAN
DIVISION MANAGER
SGS Philippines, Inc.



**Department of Environment and Natural Resources
Mines and Geosciences Bureau -RO5**

April 14, 2008
MLSS-09-2008

Engr. Leopoldo P. Badiola
Spvg. Environmental Mgt. Specialist
Office of the Governor,
Daet, Camarines Norte

Sir:

Attached herewith is the requested Area Status and Clearance for Small Scale Mining Permit Application of Serapio A. Espalmado covering an area of 6.4282 hectares located at Bgy. Batobalani, Paracale, Camarines Norte.

For your information.

Very truly yours,

REYNOLDO A. JUAN
Regional Director

c.f
Mr. Serapio A. Espalmado
Bgy. Bagongbayan, Jose Panganiban,
Camarines Norte



AREA STATUS AND CLEARANCE

Kind of Application : Small Scale Mining Permit Application
Applicant : Serapio A. Espalmado
Area Location : Bgy. Batobalani, Paracale, Camarines Norte
Area Size : 6.4282 Hectares
Area Status :

On February 1, 2005, a request for area status and clearance of this SSMP application was received by this Office thru the indorsement letter of Engr. Leopoldo Badiola of ENRO-LGU, Camarines Norte dated January 28, 2005. On February 23, 2005, the applicant, thru Engr. Badiola was advised to rectify the submitted sketch map due to the discrepancy noted on the technical description of the applied area.

Compliance to our letter dated February 23, 2005 was just received on January 10, 2008. However, prior to that date (January 10, 2008), several mining right applications were received by this Office as follows:

1. Exploration Permit Application denominated as EXPA-000066-V of Bi Col Minerals, Inc. registered with MGB-V on August 8, 2006. EXPA-000066-V is currently under process.
2. SSMPA of Homer-Galicia for which an Area Status and Clearance was issued by MGB-V on July 26, 2007.
3. SSMPA of Henry Bandalas for which an Area Status and Clearance was issued by MGB-V on July 26, 2007.

Based on our records, projection and plotting on our control maps and Area Status and Clearance issued to the abovementioned mining applicants, the area subject of this SSMP applications has no conflict with the Exploration permit application of Bi Col Minerals, Inc. denominated as EXPA-000066-V and two(2) SSMPAs namely Homer Galicia and Henry Bandalas at the time the request for Area Status and Clearance was received by MGB-V.

Area Clearance:

Approved _____
Comments _____

This Area Status and Clearance for the subject Small Scale Mining Permit Application is issued this 14th day of April 2008.

REYNULFO A. JUAN
Regional Director

REPUBLIC OF THE PHILIPPINES
Province of Camarines Norte
Municipality of Paracale
BARANGAY BATOBALANI

C E R T I F I C A T I O N

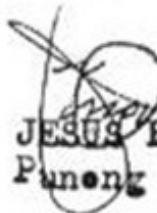
TO WHOM IT MAY CONCERN:

This is to certify that Mr. SERAPIO A. ESPALMADO had presented his proposed SMALL SCALE MINING PROJECT at sitio Sunmakin, Bgy. Batobalani, Paracale, Camarines Norte to my constituents thru a public hearing conducted last April 5, 2008.

This is to certify further that my constituents fully understood the presented project and the work programs presented by the mentioned proponent.

This certifies furthermore that my constituents had no objection whatsoever for the proposed mining activity.

This certification is issued upon the request of the said SERAPIO A. ESPALMADO as a requirement for the small scale mining permit application this 8th day of April 2008 at Bgy. Batobalani, Paracale, Camarines Norte.


JESUS H. ENOVA
Punong Barangay