

PHILIPPINE MINING DEVELOPMENT CORPORATION

MONITORING REPORT OF PERFORMANCE TARGETS

MFO	Indicator	Formula	Baseline	2014								
				1st Quarter		2nd Quarter		Revised Full Year Target	3rd Quarter		4th Quarter	
			2013	Target	Actual	Target	Actual		Target	Actual	Target	Actual
Operation and management of state-owned mining projects	Number of active awarded mining tenements under the following phases	Number of active mining tenements over total number of awarded mining tenements	65% (17/26)	65% (16/26)	65% (17/26)	65% (16/26)	65% (17/26)		65% (16/26)	65% (16/26)	65% (16/26)	
	Exploration		15	11	15	11	15		11		11	
	Development		0	1	0	0	0		0		0	
	Production		2	4	2	2	2		2		2	
	Priority Tenements											
	San Fernando Limestone (Cebu)	Pass or Fail	Secure approval of the Mining Feasibility Study		1. Continuing coordination with the operator and facilitation with MGB RO7 for the completion of the mandatory requirements in filing the DMPF. 2. Provided technical assistance to the Operator Mabuhay Filciment, Inc. (MFI) in coordinating with the Local Government Units in San Fernando, Cebu to secure Municipal and Baranggay endorsement for the project, one of the requirements in filing the DMPF.	Secure Ore Transport Permit	1. Regular and continuous coordination of PMDC and MFI with the LGU–Municipal and Baranggay level. 2. MFI is scheduled to present mining work plan to the three impact Baranggays and secure their endorsement.					

Hernani Chromite (Eastern Samar)	Pass or Fail	Complete submission of all documents and requirement for ECC and Partial Mining Feasibility to DENR	Secure Environment al Compliance Certificate (ECC)	<p>1. PMDC continuously coordinated with the Mines and Geosciences Bureau regarding the status and release of the Environmental Compliance Certificate (ECC) for the project.</p> <p>2. The ECC approval is still pending since CY 2013. DENR – EMB issued the ECC, however, a clearance from the DENR Secretary is needed before the ECC can be released to the proponent. EMB had already recommended the approval of the ECC, no action from the Office of the DENR Secretary.</p> <p>3. Based on most recent coordination with the concerned agencies, it was learned that the DENR Secretary is seeking evaluation/comments from the MGB before providing the clearance on the approval of ECC.</p> <p>4. PMDC made several follow-ups with MGB regarding the status of its evaluation/comments. The evaluation/comments is still pending at the Office of the MGB Director since November 2013.</p> <p>5. PMDC set an appointment with the MGB Director last January 17, 2014 to fast track its evaluation/comments. The meeting was attended by Atty. Mondragon-PMDC President; Legal Officer Atty. Tolentino and Project Management Dept. Manager Engr. Herrero. However, on the last minute, MGB Director was not able to</p>		<p>MGB Director released an opinion to the DENR Secretary re Approval of ECC application. MGB Director opined that the Masada operation should secure an Exploration Permit and MPSA prior to the application on an ECC.</p> <p>PMDC is currently pursuing discussions with MGB and DENR regarding the MGB's opinion that PMDC has still to secure an Exploration Permit and MPSA, which Executive Order No. 79 put on hold or under moratorium, and PMDC's stand that DENR DAO No. 05-2007 is an exercise by DENR of its mandate under R.A. 7942 and thus there is no need for PMDC to secure Exploration Permit and MPSA.</p>		Secure approval of Partial Mining Feasibility Study in 3 <sup>rd</sup> Quarter		Secure OTP in Q4	
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			<p>accommodate them due to a meeting he is attending at the DENR Office. The said meeting was then cancelled and re-scheduled on January 23, 2014.</p> <p>6. On January 23, 2014 meeting, the PMDC inquired with the MGB Director the status of PMDC mining projects that requires evaluation and comment from the MGB particularly the ECC of Hernani Chromite Project. The MGB Director confirmed that the evaluation/comments is already at his Office for his review. The said evaluation/comments for the said project is positive and may recommend issuance of the ECC.</p> <p>7. PMDC continued to follow-up the ECC status of the Hernani Chromite Project. As of end of 1<sup>st</sup> Quarter of CY 2014 said ECC is not yet issued. The evaluation/comments from the MGB Director, as required by the DENR Secretary is still pending at the Office of the MGB Director.</p>							
Pinamungahan Limestone (Cebu)	Pass or Fail	Complete submission of all documents for ECC and completion of the Exploration Work Program	<p>1. PMDC continues to coordinate with Century Peak Corporation (CPC), Operator of the project, and DENR – EMB with the status of the ECC approval.</p> <p>2. PMDC also advised CPC to process and start completing the requirements for the filing of the DMPF while awaiting the approval of the ECC.</p> <p>3. PMDC technical staffs reviewed, evaluated and site verified the Annual Accomplishment Report for CY 2013.</p>	Secure ECC	An additional study was required by EMB. However, companies that are technically capable of conducting the study is not available in the Philippines. CPC is looking on procurement of services outside of the Philippines.				Complete submission of all documents for Partial DMPF	



Submission by PMDC to PMO of all the necessary data for the settlement of issues in North Davao assets	Pass or Fail		N/A			N/A					
Presentation to the Privatization Council of draft settlement agreement on North Davao assets											
Submission by PMDC to GCG of the preliminary draft of comprehensive action plan for the PMDC 729 Area in DMRA	Pass or Fail		N/A			N/A					
Amount of revenue generated (in P Millions)	Amount of revenue generated	130M	31M	21.795M (67%)	31M	5.06M (Note: The bulk of revenue is expected to be generated starting 3 <sup>rd</sup> Quarter due to ECC approval for Dinagat.)				125	
Number of beneficiaries of CSR programs/projects implemented in Diwalwal and Dinagat	Number of beneficiaries of CSR programs/projects implemented	Education: 300 pupils  Coordinated with concerned LGUs on the implementation of project		<b>Education:</b> 1. PMDC personnel submitted to the Department of Education-ComVal Office last March 5, 2014 the Design, Technical Plans and Program of Work for the Project, "Donation of Two-Unit Classroom to Mt. Diwata Elem. School" for their approval. 2. PMDC staffs conducted an actual site visit of the identified area for the two-unit classroom to be constructed in Brgy. Sombrado, Basilisa, Dinagat Is. 3. On-going processing of School Kits for Donation to		<b>Education and Health:</b> 1. School supplies were distributed to a total of 800 pupils from the Diwalwal Mineral Reservation Area in Monkayo, Compostela Valley and Parcel 2B in Basilisa, Dinagat Islands. 2. Multi-vitamins were also distributed to several barangays in Basilisa as additional CSR activity. 3. The PMDC Board approved the budget for construction of school building. Execution of bidding process to commence on the 3 <sup>rd</sup> Quarter.				Education: 800 pupils  Water system: 200 households	

					800 pupils from selected schools in Diwalwal Mineral Reservation Are (DMRA), Compostela Valley and Basilisa, Dinagat Islands.							
					<b>Water System:</b> 1. Water System design submitted by the Municipal Engineering of Basilisa, Dinagat Islands. 2. PMDC staffs conducted an actual site validation of the area to assess the proposed area for the water system project.							
	Operator's compliance to Regulatory Laws Rating with certification under oath of PMDC's CEO	Number of compliant operators/projects over total number of operators/projects	81.82%								70%	
	Percentage of shipments of minerals accepted by the buyer as validated by MGB	Number of accepted shipments over total number of shipments	100%	N/A	No shipments for 1 <sup>st</sup> Qtr 2014	100%	100% 2/2 shipments					
	Number of hectares reforested	Number of hectares reforested	Preparatory Works	20 hectares	1. PMDC conducted series of Consultation Meetings with partner agencies, the tribal council and the beneficiaries involved in the project. 2. On-going finalization of implementation procedures and guidelines.		1. PMDC conducted series of Consultation Meetings with partner agencies, the tribal council and the beneficiaries involved in the project. 2. Implementation Procedures/Guidelines are finalized and submitted to the NCIP-ComVal Office for review.					
Developing of new mining tenements	Number of new mining tenements verified for possible bidding	Number of new mining tenements verified for possible bidding	6		PMDC coordinated with several government agencies, (MGB, NCIP, LGUs, etc.) to ascertain issues within the target mining tenement i.e. presence of IP, presence of protected areas, geo-hazard information and others.		1. PMDC coordinated with several government agencies, (MGB, NCIP, LGUs, etc.) to ascertain issues within the target mining tenement i.e. presence of IP, presence of protected areas, geo-hazard information and others. 2. Conducted on site verification				15	

						of Calayan Island						
	Number of new jobs generated based on new projects	Number of jobs generated			Project dependent – no project is in operation pending issuance of ECC by the DENR Secretary.		Project dependent – no project is in operation pending issuance of ECC by the DENR Secretary.				200	

*Note:* The above number of Objective/s for each Perspective and the number of Measure/s for each Objective is indicative only for purposes of presentation. The actual number of Objectives and Measures will come from the GOCC.

Updates on Strategic Initiatives

[Insert Updates per Strategic Initiative / Status of Identified Milestones]

Guidelines in Accomplishing the Monitoring Report (Form 2):

- 1. Under “Perspective”, “Objective” and “Measure” columns: the number of Perspectives, Objectives and Measures is not limited to the sample shown on this template. Information must be consistent with the Strategy Map.
- 2. Under “Baseline” column: values must be actual/historical figures for Full Calendar Year 2012.
- 3. Under “2013” columns: values must be cumulative, such that the 4<sup>th</sup> Quarter Target reflects the Full Year Target.
- 4. On “Revised Full Year Target” column: this will only be filled up on midyear during the period of renegotiation. If there are amendments, write the new Full Year Target as agreed upon with the GCG during the renegotiation. If there are no amendments, write down the original Full Year Target the same as the 4<sup>th</sup> Quarter Target.
- 5. Negative variance indicator: all Actual values that are less than the Targets must be in red font, except if the Targets are intended to be decreasing.