

FCF Minerals Corp.

Setting the Standard in Social and Environmental Responsibility



Platinum Achievement Award: Photograph shows FCF Minerals Corporation executives (from left to right: Leo Sosa, Runruno Project Manager; Rizaldy Palomaria, SVP for Operations; Ernesto Mendoza, SVP for Corporate Affairs; Peter Draper, Chief Operating Officer and Gary Powell, Executive Director) receiving the Platinum Award from the Department of Environment and Natural Resources Secretary Lito Atienza (second from right), Mines and Geosciences Bureau Director Horace Ramos (extreme right), and the Chamber of Mines of the Philippines President Mr. Benjamin Philip Romualdez (extreme left).

Last year, FCF's SVP of corporate and social responsibility, Dr Ernesto Mendoza, and his wife were honoured at the international and prestigious Mining Journal awards ceremony in London, England, for their work in assisting the community at Runruno recover from the effects of Super Typhoon "Paeng" in November 2006.

At the time of the relief operation, Barangay Captain Dodoy Rafael said on national radio: "It was a time when the Company showed not only its genuine concern for us but more so its decisiveness to be a responsible corporate citizen who is by our side especially in times of emergencies".

In August this year, FCF then became the latest recipient of the Kabalikawit Award (Industry Category) for Region 2 by the Technical Education and Skills Development Authority (TESDA) for its outstanding skills development and training work with the Runruno Livelihood Foundation in Runruno, Quezon, Nueva Vizcaya.

And only last month during the Presidential Mineral Industry Environment Award (PMIEA) ceremonies at the 55th Annual Mine Safety and Environment Conference (ANMSEC), FCF received the Platinum Award (Exploration Category) in recognition of its exemplary performance in environmental management. In the same event, FCF's Runruno Project was also awarded 1st Runner Up (Exploration Category) in the Mining Forest Contest nationwide which is under the "Adopt-A-Mountain, Adopt-A-Mining Forest" program. The award was given based primarily on the nursery operations, extent of planted areas and their protection and maintenance within their exploration permit area. To date, FCF has potted 226,351 plants; has planted 42,119 plants with an average survival rate of 86% covering a total area of around twenty two hectares.

Gary Powell, director of FCF Minerals Corp., is elated at the significance of these awards to the company and the people that work tirelessly to make it successful. "It's very significant that we've got these awards," he says. "It shows that we have been recognized as a company that is trying to do its best for the environment and demonstrates our commitment to social and environmental responsibility."

Even as they are called a "mining" company, FCF is actually more of an "exploration" company. With very limited funding and no revenue stream to speak of to fund corporate social responsibility (CSR) projects, they still recognize the importance of the commitment to environmental and social responsibilities. "When we raise money for exploration, we make sure we are raising enough money for looking after the community and environment as well," Powell adds.

FCF is owned by Metals Exploration Plc., a United Kingdom-based company, listed on the AIM board of the London Stock Exchange in October 2004, by Peter Draper and Powell who have both been resident in the Philippines for over 10 years. Draper, a former drilling company owner, had extensive knowledge of the various mineralized districts of the Philippines from carrying out drilling contracts, and Powell, a geologist, was previously managing director of an Australian company that had exploration projects in the country until the late 1990s. Since then, Powell has acted as a consultant to various companies operating in the Philippines, including

working on the feasibility study for the Masbate Gold project. He and Draper have also been involved with their private exploration company during the times when most explorers left the country.

The Runruno Project is located 200 miles north of Manila in the mineral rich province of Nueva Vizcaya. The area has been known to be abundant in gold and base metals since the early 1960s and has enjoyed a varied exploration history. Metals Exploration, through FCF, commenced drilling operations at the Runruno deposit in November 2005 and has undertaken extensive scientific and geological surveys since, with extremely encouraging results. In fact the parent Company has just released the results of a positive Scoping Study for the development of the project.

The CSR program of FCF is its continuing commitment to behave ethically and contribute to economic development while improving the quality of life of its stakeholders and society at large. It is beyond the statutory obligations (Mining Act of 1995) and is a voluntary gesture of a corporate citizen endeavoring to become a positive neighbor that makes a difference in the lives of the people in the local community.

Even when funds were an issue at the very start of the formerly small company, FCF knew even then that success was dependent on how they treated the environment and the communities they planned to enter. Powell continues, "We



Kabalikawit Award: Ms. Chevy Albo, SVP for Finance and Dr. Ernesto Mendoza, SVP for Corporate Affairs, receiving the trophy for the award from Director General of TESDA MR. AUGUSTO L. SYJUCO JR.

see that as one of the key elements when developing a project. It's not about just having a gold or copper resource. There are three key elements to a project. One, is the resource itself. Then there's the environment and the community. It's like a triangle. If you're missing one point in that triangle, then the project just doesn't work."

The company is committed to acting as a positive and responsible neighbour to the communities that they work within. The organisation recognises that the key to future success lies in the establishment of strong and lasting relationships with local stakeholders, and acknowledges its responsibilities to its host communities. These are the values at the heart of the Runruno Foundation.

The company, in its goal to help the host community increase their net enrollment for primary and secondary education in the area, sponsors some educators in most of the schools. Before the exploration work program of the Company, Runruno and its neighboring barrios had only two existing Day Care Centers (preparatory school for

In a business that directly affects the natural environment and community of people it works in, a balance must be struck in order for the company to grow – and let the elements that it touches to evolve with it.

In that context it is worth highlighting the work done by FCF Minerals Corporation at its Runruno Project in Quezon Nueva Vizcaya which has been attracting a series of awards and recognition both nationally and internationally.



Mining Forest Award: Photograph shows FCF Minerals Corporation executives (second from the left Rizaldy Palomaria, SVP for Operations; Ernesto Mendoza, SVP for Corporate Affairs; Peter Draper, Chief Operating Officer and Gary Powell, Executive Director) receiving the Mining Forest Award from the Department of Environment and Natural Resources Assistant Secretary for Field Operations Engr. Jeremias Dolino (extreme left).

children aged five to six years). To date, there are nine (9) existing Day Care Centers within Runruno and all the Day Care Center facilities and teacher salaries in Runruno, are fully sponsored by the company. Enlisted malnourished kids in all these Day Care Centers also receive free snacks during their classes. Finally, RLF also subsidizes the salaries of seventeen (17) other Day Care Centers' teacher salaries within the town of Quezon. In the primary and intermediate levels, FCF fully sponsors nine (9) teacher salaries, and in the Secondary level, FCF fully sponsors ten (10) teacher salaries. The company also gives full scholarship to deserving students in the tertiary level. To date, there are three (3) students who are enjoying this privilege, and are enrolled in the following courses: BS Metallurgical Engineering, BS Mining Engineering and BS Geodetic Engineering. Lastly, the company also sponsors technical and vocational trainings.

The project is involved with a diverse range of community-based activities and is structured in such a way that each village has its own dedicated community adviser. Livelihood programs include the enhancement of skills of the local people and the use of natural materials in the area. The advisers concentrate on developing

the skills and confidence of the inhabitants of a particular area and each runs a cluster-specific production project such as a bakery, citrus processing operation, soft broom making, and agribusiness programs like pig, duck, goat, chicken dispersal as well as mushroom production, organic farming and fishpond project (tilapia). The company also financially assists in the acquisition and maintenance of basic infrastructures in the area: the building of three (3) hanging bridges, maintenance of road, potable water systems and irrigation systems, school construction materials and the building of barangay clinic.

Taking care of the environment, helping the community and running a successful company is a formula that has proven itself time and time again. All it takes is dedication, hard work and a clear-cut path to what you want people to see your company as. Powell notes that their awards and accolades are nothing if not for the tireless efforts of every single employee in their organization, "Even though we went up on stage and were presented the awards, we've actually accepted them on behalf of all the people that put the work in. We didn't really do the work because it was the guys on the ground who performed the tasks. We're very proud of the people who actually laboured and exerted all their efforts in doing an excellent job."

Corporate Social Responsibility



Livelihood Project - Bread Making



Livelihood Project - Tailoring



Soft Broom Project



Nursery Projects



Health and Nutrition Program



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