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Canadian mining subsidiary in hot water

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Inquirer

Posted date: October 19, 2007

PUERTO PRINCESA CITY, Philippines -- The Environmental Management Bureau (EMB) of the Department of Environment and Natural Resources (DENR) recently cited a nickel mining firm operating in Narra, southern Palawan for illegal construction of a mining road.

The agency also denied allegations they have been coddling the company despite complaints of violations raised by local residents and non-government organizations.

EMB regional director Rey Villafuerte told the Philippine Daily Inquirer (parent company of INQUIRER.net) they have issued a notice of violation against Narra Nickel and Development Corporation following complaints raised by local residents on its road construction and mining activities.

Narra Nickel is a subsidiary of the Canadian company MBMI Resources Inc., which is facing its own woes in the TSX Ventures Exchange in British Columbia for violation of disclosure policies.

"We have served them [Narra Nickel] a notice of violation but it is up to the provincial government whether to stop their operations because that is a matter of mining operations which is the jurisdiction of the Provincial Mining and Regulatory Board [PMRB]," Villafuerte said.

The Palawan NGO Network (PNNI) has criticized the DENR and PMRB for allegedly failing to act on the violations committed by the company despite the investigation reports submitted by local environment officials.

"We have reasons to believe that PMRB and probably even the DENR is deliberately ignoring these reports and allowing the company to operate night and day on their stockpiling activities despite clear ECC violations," Cleofe Bernardino, PNNI executive director, said.

Engineer Andronico Baguyo, technical staff head of the PMRB, however said they are not aware of any notice of violations issued against the company.

He also passed the responsibility of acting on the complaint to the DENR.

"Wala kaming copy ng notice of violation at saka DENR ang dapat mag-implement nyan [We don't have a copy of the notice of violation, and it is up to the DENR to implement that]," Baguyo said.

Bernardino claimed that Narra Nickel was ignoring its citation because the company wanted to complete its first shipment using its small scale mining permit.

"They are bent on making shipment in order to boost confidence among their shareholders in Canada following their debacle with the stock exchange," Bernardino said.

Trading of MBMI shares at the VSX Exchange had been halted since September 24 following the issuance of a cease trade order by Canadian regulators against the company for violating rules on making public disclosures regarding the status of the mining project.

MBMI finances and claims to have acquired control of the mining tenement holdings of Narra Nickel and several other Philippine companies in Palawan and Samar operating under a small scale mining permit issued by the provincial government.

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