

UK P&I CLUB



# LP Bulletin

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## Bulletin 790 - 10/11 - Recent attacks on Nickel mines - Philippines

**The Port of Surigao, Mindanao, Philippines and the nickel ore mines in the surrounding areas have been experiencing sporadic attacks by the New Peoples Army (NPA)**

The Club has received worrying reports from our correspondent in the Philippines of attacks by armed political dissidents in the Philippines hoping to extort money from the nickel mines in the south of the country.



On Monday 3<sup>rd</sup> October it was reported that violent attacks on three nickel ore mines in the Surigao Del Norte region of Mindanao had taken place by the New Peoples Army (NPA). Two of the attacks were at large scale mining facilities. The local press reported that Taganito Mining Corp. (TMC), Taganito HPAL Nickel Corp. and Platinum Group Metals Corp. (PGMC) had refused to give in to the NPA demand for a “revolutionary tax” which prompted the attacks.

The mines have made statements saying they hope to be back in operation within a few weeks. Loading of vessels has continued at other mines in the area at their designated anchorages.

The NPA is the armed movement of the Communist Party of the Philippines (CPA). The CPA is an outlawed party in the Philippines and was designated as a foreign terrorist organization by the United States in August 2002 and by the European Union in November 2005.

While government troops have been deployed to the area, the troubles in the region go back decades. The President of the Philippines has ordered his Cabinet's security cluster to conduct a threat assessment on all mining firms in Surigao and nearby provinces.

In a statement released a Thursday 6<sup>th</sup> October the NPA stated the attacks on the three mines in Surigao del Norte would serve as a warning to other companies violating rebel policies.

*"The revolutionary movement will not hesitate to severely punish other mining companies if they continuously disregard these policies, We are serious and determined to protect our patrimony, sovereignty and general welfare and interests of the people and the environment. We will use full potential of the revolutionary movement to carry out these just policies".*

The NPA has named further mines for future attacks however these are located in Southern region of Mindanao and include the \$5.9 billion Tampakan project in South Cotabato province, considered Southeast Asia's largest undeveloped copper-gold prospect. However there have been no further attacks to date.

In the latest update to these attacks the Club's Correspondent offered this report

#### QUOTE

"The areas around Surigao where loading is normally undertaken are remote and away from main mine offices and infrastructure (the three attacked were on the coast of mainland Mindanao) where operations are on deserted islands with very limited equipment. The mines which were attacked had considerable infrastructure, administration buildings, laboratories, depot for heavy equipment, in the case of TMC in the process of building a smelting plant. The rebels (NPA), hit these targets to cause financial damage to the owners of the mines, including blowing up local tugs, barges and landing craft. There have been no reports of international ships being attacked in the action. In regards to one of the attacked mines PGMC, then they have brought in additional dump trucks, backhoe's and landing craft and can resume some loading operations however limited as the actual mine infrastructure was bombed. The cargo on the other hand is undamaged given it resembles red earth with boulders."

"Loading continues at many of the mines and at the moment all is quiet, however it would be prudent that Masters and crews of vessels loading in the area remain cautious and alert. Last Monday demonstrated that the NPA can attack at anytime, anywhere in considerable numbers, it is to be remembered that people were shot and killed during the attacks, the situation is a serious one. The NPA threatened more attacks, albeit to the South at the copper and gold mines."

"We continue to monitor the area and keep the club and owners with vessels in the vicinity updated."

#### UNQUOTE

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