PARCEL III

WITH VERIFIED NICKEL RESOURCES
WITH ESTIMATED TOTAL NICKEL RESERVES, VALUED AT USD 338M

CONSISTING OF **163.9601** HECTARES
LOCATED IN BARANGAY DIMALUADE AND ADJACENT TO NICKEL ASIA CORP. - GEOGEN CORPORATION'S ISABELA NICKEL MINING PROJECT
MUNICIPALITY OF DINAPIGUE, ISABELA, CAGAYAN VALLEY 3336
(REGION II)

Parcel III is a thoroughly explored and researched area for nickel ore. It is located along the ophiolite belt that extends northward to Palanan, Isabela. Several companies had done semi-detailed to detailed exploration in the area to define the nickel-Iron resources in and around the area. There is an operating mine (GEOGEN CORP./NICKEL ASIA CORP.) that presently conducts an on-going operation just adjacent to Parcel III.

Mining area is situated in Barangay Dimaluade. The following geographic coordinates define the boundary of the Parcel III:

Parcel -III TECHNICAL DESCRIPTION		
Corner	Latitude	Longitude
1	16°38'00.00"	122°19'30.00"
2	16°39'00.00"	122°19'30.00"
3	16°39'00.00"	122°20'00.00"
4	16°38'00.00"	122°20'00.00"
Area = 163.9601 hectares		

GMDI- has completed a total of 115 drill holes covering an area of about 70 hectares. The remaining 80 hectares is programmed to be drilled in the first quarter of next year under the

newly renewed Exploration Permit. These remaining areas to be drilled are considered highly potential and will definitely increase the geologic resources already defined and established.

From the 115 drilling core logs, the nickeliferous laterite varies in thickness from 3.0 to 22.0 meters. The average thickness is roughly 12.0 meters. The highest nickel grade is 2.12%.

Using the above parameters, it can readily be assumed that the overall geologic resource potential contained in the *163.9601* hectares is estimated at *15,366,511 MT* with an average grades of 1.20 Ni**%.** Assuming that the prevailing rate per ton of laterite ore in the world market is **USD 22.0** then the value of the deposit will translate in the total amount of more than **USD 338** million.

Out of the 115 drill holes completed, sixty nine (69) drill holes were prioritized and drilled mainly inside the delineated twenty four (24) hectares to be used for the planned application of Partial Declaration for Mining Project Feasibility Study (**PDMPFS**). Core samples were submitted for analysis at Ostrea Laboratory Services and INTERTEK. Results of analysis of drill holes samples were treated statistically using the parameters adapted by the company. Details of the ore resources estimation of the drilled areas are as tabulated below.

Table 1

24 HECTARES PARTIAL MINING OF AREA - A - MINEABLE RESERVE
25m x 25m

GRADE	Ave. Grade	Tonnage (MT)
Ni (%) (1.75 & above)	1.93	13,620
Ni (%) (1.20 - 1.74)	1.38	115,370
Low Ni (0.60 - 1.19) High Fe (46% & above)	0.91 49.44	65,620
Low Ni (0.60 - 1.19) Low Fe (45.99% & below)	0.87 34.94	386,700
Very Low Ni (0.59 & below) High Fe (46% & above)	0.56 47.33	2,440
Very Low Ni (0.59 & below) Low Fe (45% & below)	0.38 17.51	163,840

Table 2

24 HECTARES PARTIAL MINING OF AREA - A - MEASURED RESERVE
50m x 50m

GRADE	Ave. Grade	Tonnage (MT)
Ni (%) (1.75 & above)	1.93	55,250
Ni (%) (1.20 - 1.74)	1.38	461,500
Low Ni (0.60 - 1.19) High Fe (46% & above)	0.91 49.44	263,250
Low Ni (0.60 - 1.19) Low Fe (45.99% & below)	0.87 34.94	1,546,840
Very Low Ni (0.59 & below) High Fe (46% & above)	0.56 47.33	9,750
Very Low Ni (0.59 & below) Low Fe (45% & below)	0.38 17.51	655,360

Table 3

DRILLED AREA - A OUTSIDE THE 24-HECTARES PARTIAL MINING - INDICATED RESOURCES
100m x 100m

GRADE	Ave. Grade	Tonnage (MT)
Ni (%) (1.75 & above)	1.86	169,000
Ni (%) (1.20 - 1.74)	1.41	1,277,900
Low Ni (0.60 - 1.19) High Fe (46% & above)	0.87 49.54	705,000
Low Ni (0.60 - 1.19) Low Fe (45.99% & below)	0.87 33.18	2,268,000
Very Low Ni (0.59 & below) Low Fe (45% & below)	0.37 16.94	1,916,200

For the **70** hectares drilled area, a total geologic resource of ***3,126,511 MT*** or **2,092,641 MT** with an average grade of **1.45 % Ni** and **1,033,870 MT** with an average grade **of 0.88 % Ni** and **49.47 % Fe** as indicated on the above Table no .1, 2, & 3 have been estimated.

This amount of tonnage is already enough requirements to support the application for the Partial Declaration of Mining Project Feasibility.

To date, most of the mandatory requirements for the Partial Declaration of Mining Project Feasibility Study (PDMPFS) have been submitted while the evaluation and processing for the issuance of the Environmental Compliance Certificate (ECC) by the Environmental Management Bureau (EMB) Central Office is expected to be finished soon.

(Data for additional drilling input is in progress)