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Republic of the Philippines  
SECURITIES AND EXCHANGE COMMISSION  
EDSA, Mandaluyong, Metro Manila

CERTIFICATE OF FILING OF  
CERTIFICATE OF INCREASE OF CAPITAL STOCK

S.E.C. Reg. No. 13690B

TO ALL TO WHOM THESE PRESENTS MAY COME, GREETINGS:

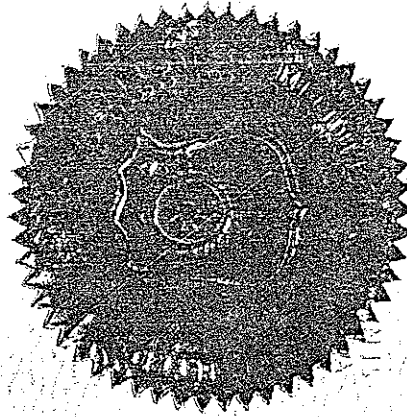
THIS IS TO CERTIFY that the certificate of increase of capital stock of the

ABCAR-PARAGON MINING CORPORATION

3,300,000,000 Common  
2,000,000,000 Preferred

copy annexed, from P 53,000,000.00, divided into ..... each to P 453,000,000.00 .....  
as shares of the par value of P 0.01 ..... each to P 453,000,000.00 .....  
divided into 2,000,000,000.00 P shares of the par value of P 0.01 .....  
each, approved by a vote of the shareholders owning or representing at least two-  
thirds of the outstanding capital stock at a meeting held on ..May..2.....  
19 88, certified to by the Chairman and the Secretary of the Stockholders' meeting,  
and a majority of the Board of Directors of the corporation, was filed in this Office  
on the ..... day of ...April....., 19 88. In accordance with  
the provision of Section 38 of the Corporation Code of the Philippines, Batas  
Pambansa Blg. 68, approved on May 1, 1980, and attached to the other papers pertain-  
ing to said corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the seal of  
this Commission to be affixed at Mandaluyong, Metro-Manila, Philippines this 10th day  
of April....., in the year of Our Lord nineteen hundred and eighty-nine.



*[Signature]*  
CORAZON I. MORANDO  
Director  
Corporate and Legal Dept.

CERTIFICATE OF INCREASE OF CAPITAL STOCK

OF

ABCAR PARAGON MINING CORPORATION

WE, the undersigned, being (i) the majority of the members of the Board of Directors of ABCAR-PARAGON MINING CORPORATION (the "Corporation"), (ii) the Chairman of the Special Meeting of the stockholders of the Corporation held on May 2, 1988 at its principal office at the 7th Floor, Champaca Building, 162 Alfaro Street, Salcedo Village, Makati, Metro Manila and (iii) the Secretary of the aforesaid stockholders' meeting, do hereby certify as follows:

I

The stockholders' meeting was duly called and held for the purpose of increasing the authorized capital stock of the Corporation from FIFTY THREE MILLION PESOS (P53,000,000) to FOUR HUNDRED FIFTY THREE MILLION PESOS (P453,000,000). For this purpose, all the requirements of Sections 16 and 38 of Batas Pambansa Blg. 68, otherwise known as the Corporation Code of the Philippines have been complied with.

II

At the stockholders' meeting held on May 2, 1988, the stockholders owning and representing at least two-thirds (2/3) of the outstanding capital stock of the Corporation approved the resolution adopted by the Board of Directors of the Corporation at its meeting duly called and held on April 26, 1988. The said resolution reads as follows:

"RESOLVED, that the stockholders of ABCAR-PARAGON MINING CORPORATION approve the increase of the authorized capital stock of the Corporation from P53,000,000 divided into:

(i) common stock consisting of 3,300,000,000 shares of the par value of P0.01 each share, and

(ii) preferred stock consisting of 2,000,000,000 shares of the par value of P0.01 each share

to P453,000,000 divided into:

(i) common stock consisting of Three Billion Three Hundred Million (3,300,000,000) shares of the par value of P0.01 each share, and

*Subir*  
*Spencer*  
*M*  
*Morgan*

III

At the time of the Special stockholders' meeting, the stockholders listed in Annex "A" held the number of shares (with a par value of P0.01 each) indicated after their respective names.

IN WITNESS WHEREOF, we have signed this Certificate of Increase of Capital Stock, this 21<sup>st</sup> day of July, 1988 at Makati, Metro Manila.

A T T E S T :

*Percival Ewan Waugh*

PERCIVAL EWAN WAUGH  
Chairman of the Stockholders Meeting and Director

*Mia G. Gentugaya*  
MIA G. GENTUGAYA  
Corporate Secretary

*Ernesto M. Caringal*  
ERNESTO M. CARINGAL  
Director

*Edmundo M. Tolentino*  
EDMUNDO M. TOLENTINO  
Director

*Victoriano A. Miguel*  
VICTORIANO A. MIGUEL  
Director

REPUBLIC OF THE PHILIPPINES )  
MAKATI, METRO MANILA ) S.S.

SUBSCRIBED AND SWORN to before me this 21<sup>st</sup> day of July, 1988, in Makati, Metro Manila, Philippines; affiants exhibiting to me their respective residence tax certificates and passports as follows:

<u>Name</u>	<u>Res. Cert./ Passport No.</u>	<u>Date/Place Issued</u>
PERCIVAL EWAN WAUGH	PP N264245E	10-17-85/Newport, Gwent
MIA G. GENTUGAYA	11356487	1-25-88/Makati, MM
ERNESTO M. CARINGAL	2189615	3-10-88/Makati, MM
VICTORIANO A. MIGUEL	11356488	1-25-88/Makati, MM
EDMUNDO M. TOLENTINO	11686281	2-29-88/Quezon City

Doc. No. 234;  
Page No. 48;  
Book No. 177;  
Series of 1988.

*Jose A. Racho*  
JOSE A. RACHO  
NOTARY PUBLIC  
UNTIL DECEMBER 31, 1988  
PTR NO. 272163  
JAN. 6, 1988  
PASIG, METRO MANILA

[certi-abcar/2c]

ANNEX A  
[CERTIFICATE OF INCREASE]

STOCKHOLDERS OF ABCAR-PARAGON MINING CORPORATION  
AS OF MAY 2, 1988

<u>STOCKHOLDER</u>	NO. OF SHARES	
	COMMON	PREFERRED
Edmundo M. Tolentino	419,999,999	400,000,000
Aurora B. Caringal	330,000,000	400,000,000
Ernesto M. Caringal	90,000,000	
Azucena F. Tolentino	20,000,000	
Feliciano R. Belmonte	20,000,000	
Pargold Mining Corporation	659,999,999	600,000,000
Percival E. Waugh	1	
Paragon Resources NL	659,999,999	600,000,000
Gordon Smith	1	
Victoriano A. Miguel	1	
Total number of shares		
	2,200,000,000	2,000,000,000
Total number of shares subscribed and outstanding		
		4,200,000,000

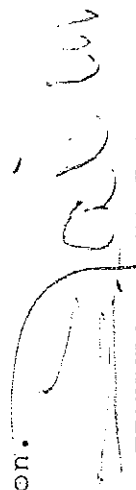
*Subit*

REPUBLIC OF THE PHILIPPINES)  
MAKATI, METRO MANILA ) S. S.

TREASURER'S AFFIDAVIT

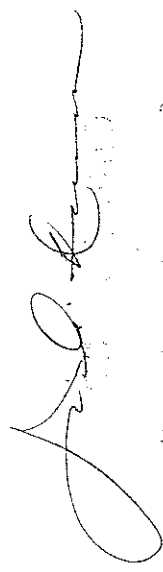
I, EDMUNDO M. TOLENTINO, of legal age, Filipino citizen and with office address at 7th Floor, Champaca Building, 162 Alfaro Street, Salcedo Village, Makati, Metro Manila after having been duly sworn to in accordance with law, do hereby depose and say:

1. That I am the duly elected and qualified Treasurer of ABCAR-PARAGON MINING CORPORATION (the "Corporation"), a corporation duly organized and existing under the laws of the Philippines with principal office located at 7th Floor, Champaca Building, 162 Alfaro Street, Salcedo Village, Makati, Metro Manila;
2. That of the increase of Four Hundred Million Pesos (P400,000,000.00) in the authorized capital stock of the corporation, Two Hundred Eighty Million Pesos (P280,000,000.00) worth of Class B preferred shares have been subscribed, of which Eighty Million Twenty Thousand Pesos (P80,020,000) have been paid in cash by the subscribers, representing a fresh and additional paid in capital of the Corporation; and
3. That, accordingly, I hereby certify that at least 25% of the increase in the authorized capital stock of the corporation has been subscribed and at least 25% of the total subscription has been paid in cash for the benefit and to the credit of the Corporation.

  
EDMUNDO M. TOLENTINO  
Treasurer

SUBSCRIBED AND SWORN to before me this 2nd day of Feb, 1988 in Makati, Metro Manila affiant exhibiting to me his Residence Certificate No. 11886281 issued at Quezon City on February 29, 1988.

Doc. No. 256  
Page No. 57  
Book No. 11  
Series of 1988.



Notary Public  
Makati, Metro Manila