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The mystery of Michael de Guzman

Four wives, nine children and one gigantic mining scandal are all part of the legacy left by Bre-X geologist Michael de Guzman. But it's hard to separate fact from fiction, even life from death, in the lore of gold mining's true man of mystery.

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QUEZON CITY, Philippines -- Four wives, nine children and one gigantic mining scandal are all part of the legacy left by Bre-X geologist Michael de Guzman. But it's hard to separate fact from fiction, even life from death, in the lore of gold mining's true man of mystery. Ten years ago, they gathered to bury a brother, husband, father and friend.

Today, they just want to bury speculation he's still living.

Whether dead or alive, the mystery surrounding Michael de Guzman endures.

Sitting inside a McDonald's restaurant in chaotic Quezon City, Jojo de Guzman says his brother, the man at the centre of the Bre-X Minerals scam, is gone -- at least in the heart of his family.

"My brother is dead," declares Jojo. "We do not know the exact reason why he is, but my family has accepted his demise."

"It is final for us," adds younger brother Laurence, who slept beside Michael's casket the night before the funeral at a local cemetery. "Mike is the one buried in Holy Cross."

The myths surrounding Michael de Guzman are worthy of a Hollywood script, complete with money, love and betrayal.

They've only deepened in the decade since he reportedly fell out the doors of an Alouette III helicopter high above the Borneo jungle.

At the time, life for the 41-year-old geologist was wearing thin as he juggled four wives and families, none of whom knew about each other.

He was diagnosed with hepatitis B and about to face tough questions about why a large independent mining company couldn't find gold at a remote site that was supposedly among the world's biggest deposits.

In March 1997, Indonesian police ruled de Guzman's death a suicide, even though his body wasn't recovered for days and had decomposed beyond recognition.

During the surreal period that followed, he was fingered as the mastermind of a tampering scam that convinced the world Bre-X controlled a 70-million ounce gold discovery at its Busang site.

Yet, nothing is straightforward in the shadowy life of Michael de Guzman.

In the days following his death, the National Bureau of Investigation in the Philippines had trouble matching his fingerprints and identifying the corpse.

Today, the Indonesian doctor who did an autopsy on the body says he can't be certain the remains he examined a decade ago belonged to the Bre-X exploration manager.

Another forensic scientist, known as the Sherlock Holmes of the Philippines, reviewed the case for the family and believes de Guzman was tortured and murdered, likely for information about the gold site.

Then there's his love life, a sordid tale in its own right -- four wives with nine children between them, scattered across Southeast Asia.

One Indonesian woman who had two kids with the polygamist claims de Guzman is alive and has deposited money into her bank account. A Filipina, who first wed de Guzman, remains convinced he's dead. She faithfully visits his gravesite at the Holy Cross cemetery in Quezon City.

It's a conviction shared by another woman -- de Guzman's third wife -- who maintains the body she identified through photographs 10 years ago was her husband.

Industry insiders spanning the oceans have their own conspiracy theories.

But in the Philippines, those who were closest to de Guzman are certain he died a decade ago.

Some family members only wish they could stop the rumours whirling around his life, death and \$4-million stock fortune.

"I really wish I could speak with him and ask him what really happened," says Jojo.

"I don't think we'll ever know the truth."

Born in Manila on Valentine's Day, 1956, Michael de Guzman was the fifth of 12 children.

Being the eldest son in a devout Catholic family, the responsibility of helping out financially fell to de Guzman, a role he took on by selling newspapers and flowers from an early age.

His father, Simplicio, earned a good living as a geodetic engineer but there were many mouths to feed.

De Guzman followed in his father's footsteps, studying geology at Adamson University. By 1977, he was hired straight out of school by Benguet Corp., a large gold mining firm. Within 10 years, he was promoted to head up the company's geology department.

"He was very good, a very intelligent and industrious guy," says Rene Aquino, 53, de Guzman's former boss at Benguet's Acupan mine.

In those years, de Guzman was a good employee and seen as generous with subordinates. His integrity was solid and his life consisted of work and family, which soon grew to include six children with wife, Tess.

"When we were together at Acupan, Mike was a one-woman man," says Aquino, who was surprised to learn his friend wed three more times without obtaining any divorces.

By the late 1980s, the world's economy slumped. Gold took off as investors sought refuge in the valuable mineral.

Many Filipino geologists sought bigger paycheques in Indonesia, where much of the inhospitable rainforest was terra incognita, or unknown territory for miners.

"The price of gold was high so everybody was talking of greener pastures," says geologist Bobby Ramirez, who was later named in a forensic investigative report as a co-conspirator with de Guzman in the Bre-X tampering scam.

After spending a decade with Benguet, de Guzman headed for the swampy forests of what was dubbed the Pacific Rim of Fire.

Trouble loomed on Indonesia's steamy horizon. In 1990, Pelsart Resources fired de Guzman for using company funds to buy food and furniture for a woman, according to the report by Forensic Investigative Associates (FIA).

Yet, his reputation as a geologist was apparently unharmed.

One thing is certain -- de Guzman enjoyed tramping through the jungle, looking at rocks in search of fortune.

"When he would come back from Indonesia, he would talk about his work," says younger brother, Laurence.

"He was very excited."

Two years after the Pelsart incident, de Guzman and long-time colleague John Felderhof were prospecting for an Australian firm in a remote area known as Busang on Borneo island.

The specks of gold that de Guzman reported after a one-week site investigation would soon dazzle Canadian David Walsh, a man "looking to put some romance" into the junior mining companies he ran from his Calgary basement.

By 1993, de Guzman was heading up the site for Walsh's Bre-X Minerals as the company's exploration manager in Indonesia.

At one point, it appeared as though the Canadians were preparing to pull the plug on the expensive -- and fruitless -- exploration.

De Guzman pleaded with Felderhof for more time and soon, Busang's drilling results turned up stunning levels of gold.

"We almost closed the property," de Guzman told Fortune Magazine in 1997, before the scandal erupted.

"In December 1993, John said, 'Close the property,' and then we made the hit."

From that point on, it's believed drilled core samples pulled from the ground were salted with shavings from jewelry and panned gold, manufacturing a motherlode.

The one-time Canadian penny stock was soon riding high.

De Guzman became a millionaire four times over, having cashed in stock options.

Major gold companies, along with the children of Indonesia's ruthless dictator Suharto, began trying to get their hands on Bre-X's pot of gold.

Outsiders were intrigued by the stunning exploration results, but wanted to conduct their own drilling.

For his part, de Guzman's personality took on a darker side and, by several accounts, he grew increasingly unpredictable.

A partnership with U.S. mining giant Freeport-McMoRan was soon inked, and as it drilled the site in early 1997, de Guzman and key Bre-X executives attended a mining conference in Toronto.

In the weeks leading up to the Canadian trip, de Guzman called his mother several times, saying evil spirits were invading him.

"Look at my body, they are using black magic on me," his mother later told investigators. "Pray for me mom, they want to kill me."

While contemplating death, de Guzman was living it up in Toronto. Almost every night, he headed to a local strip club, For Your Eyes Only, striking up a friendship with an exotic dancer.

Already married to four women in four different places, he took her flowers and proposed, unsuccessfully.

A few days later de Guzman was on his way back to Indonesia, summoned there by Freeport-McMoRan. The U.S. company found insignificant amounts of gold in Busang, an area touted as one of the biggest deposits in the world.

They wanted answers. But de Guzman would never make it back.

On March 18, 1997, de Guzman arrived in Balikpapan, where the helicopter used by Bre-X was supposed to whisk him the next day to the mining camp.

That night, he went to a karaoke restaurant, belting out two or three tunes, including Paul Anka's My Way.

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He appeared in good spirits, colleagues told forensic investigators. At 6 a.m. the next day, de Guzman called on his co-workers to get him a new set of clothes, because his were wet.

De Guzman said he had fallen asleep in the bathtub after drinking an entire bottle of cough medicine.

"I should not have done this. This is the second time," de Guzman reportedly told fellow Bre-X metallurgist Rudy Vega.

"It was my impression Michael had tried to commit suicide that night," Vega said in a statement to investigators.

Four hours later, de Guzman boarded a chopper bound for Busang for the showdown with Freeport officials. Roughly 20 minutes into the flight, pilot Edy Tursono heard a pop and loud bang. The helicopter dipped slightly and he looked back to see what was happening.

The door was open.

De Guzman was gone.

In the back of the helicopter, police found a plastic shopping bag containing two sets of handwritten notes, one addressed to Bernhard Leode, a Bre-X accountant whom de Guzman barely knew.

"Mentally, he was not in good shape," says Leode, who has copies of de Guzman's last wishes.

Anyone hoping for answers from the suicide notes was disappointed.

Instead, de Guzman indicated he killed himself to escape the suffering of hepatitis B, even though he had just contracted the virus and medical documents suggested it wasn't serious.

"God bless you all. No more stomach pains!! No more back pains!!" the notes said.

Five days later, a body was found deep in the swamps of the jungle, lying face down, covered in leeches and maggots. Indonesian police took fingerprints, but authorities in the Philippines had difficulty matching them against documents to make a positive identification.

Vega, among the last to see de Guzman alive, had no doubt it was his boss. The body was dressed in the same shirt and pants that de Guzman was wearing when he boarded the chopper.

In the days that followed, Lilis de Guzman -- whom he'd married a year earlier -- saw photographs of the corpse and was convinced it was her husband. Though his face was not recognizable, there was a distinctive lump on the shoulder that she knew well.

"There is no uncertainty," Lilis says in an interview at her Samarinda home. "I believe he is dead."

A week after de Guzman apparently jumped, Dr. Daniel Umar was summoned to his post at A. Wahab Syahrani Hospital in Samarinda to conduct an autopsy.

The badly decayed body came wrapped in plastic, offering few clues as to what had happened. Internal organs in the chest and abdomen were gone. Many of the bones were broken.

"The liver and heart was gone, too," Umar recalls. "It's possible it is the result of an animal bite, but it's difficult to identify because the condition is very (decayed)."

The genitals had disappeared in the decomposition, says Umar. Others later extrapolated that de Guzman's organs were cut clean off. A two-hour autopsy led Umar to conclude death was consistent with a fall from a helicopter.

Indonesian police ruled it a suicide. RCMP later travelled to Indonesia as part of a criminal probe into Bre-X and studied the death. After conducting several interviews, reviewing police reports, photographs and examining the autopsy, Mountie Perry Kuzma endorsed the Indonesian findings.

"There wasn't anything in my mind indicating anything other than suicide," Kuzma, a retired homicide investigator in Calgary, now says. "I'm really comfortable he's gone and it was suicide."

The funeral of de Guzman at the Holy Cross cemetery should have been the end of the intrigue, putting a bizarre life to rest.

Instead, it was just the beginning.

Many people believe de Guzman is alive and living off his Bre-X fortune.

Reported sightings still trickle in to the Calgary trustee handling the Bre-X bankruptcy, while his rumoured

hiding places include everywhere from Malta to Brazil.

In the Philippines, the latest story is that de Guzman is living with the daughter of a sultan in the Bahamas.

And a decade later, not even Umar is sure the body he examined in Samarinda was de Guzman's.

Umar, who had conducted only a handful of autopsies at the time and wasn't yet a forensic specialist, says he accepted the body was de Guzman's because that's what police told him.

Today, he would collect DNA and make a positive identification himself.

"The autopsy was done not to find out whose body it is, but to justify the way he died," says Umar.

"It could be . . . (de) Guzman is still alive."

Indeed, second wife Genie de Guzman claims she has twice received money from Michael since he vanished. In a 2005 interview with journalist John McBeth, Genie said six weeks after her husband reportedly jumped to his death, he called her home and spoke to a maid.

"Mike said it was just after dawn where he was and that he had just woken up," she said.

A message was relayed that Genie should check her bank account. When she did, the woman found \$200,000 US.

Genie claimed she'd received a faxed notice from Brazil of an additional deposit of \$25,000 in 2005. The money had been sent on Valentine's Day -- de Guzman's birthday.

Though she couldn't produce the deposit slips proving her claim,

McBeth believed her.

"I don't think there is anyone in this town who believes he's dead," says McBeth, still a reporter in Jakarta.

"It makes no sense a man would go through this elaborate scam and only have an exit strategy that involved jumping out of a helicopter."

Likewise, a senior government minister in Indonesia doubts the body pulled from the jungle was de Guzman. Simon Sembiring says it's simply too convenient for him to die just as the fraud was uncovered.

"I believe he's still alive," says Sembiring, Indonesia's Director General of Geology and Minerals.

But those who expect de Guzman to resurface are wrong, according to anthropologist Jerome Bailen.

Bailen, known as the Sherlock Holmes of the Philippines, led a team of three investigators who probed the case for the family. The report, obtained by the Herald, theorizes de Guzman was forced to divulge confidential information about Busang, compelled to write his final will and suicide notes before being executed.

His body was then tossed from the helicopter to make it look like a suicide. The death was a convenient way to silence anyone else with knowledge of the salting scam, Bailen surmises.

The investigation team, which included a medical doctor and second anthropologist, pored over dozens of documents.

Among them were photos of the decayed body, which they say reveal marks around the neck and back.

The group suggests evidence shows de Guzman was strangled garrote-style while restrained in a chair.

They claim de Guzman had been previously abducted by the Indonesian military before his death, seeking information about Bre-X.

The Bailen report questions whether de Guzman's internal organs were eaten by animals, and instead suggests they were removed along with the genitals to desecrate the body.

The suicide notes misspelled his Filipina wife's nickname and were rife with grammatical errors, even though de Guzman was fluent in English.

"Is this de Guzman's way of signalling that the large scrawling he wrote -- or was 'made to write' -- on the yellow pad paper were not earnestly his?" the reports asks.

The 23-page study intimates de Guzman was a scapegoat in an intricate scam, serving as the fall guy for others.

"The real cause and manner of death of Mr. Michael de Guzman could never be ruled as suicide," the report concludes.

Every week, Tess de Guzman makes the short trek through the chaotic streets of Quezon City, from her modest home to the nearby Holy Cross Memorial Park Cemetery. Its well-manicured grounds stand in contrast to the squatter town built next to it.

According to a groundskeeper, Tess arrives in the morning and stays after dark, cleaning the large mausoleum where her husband is entombed in a marble-covered cement casket.

Other family members gather there on other special dates, such as de Guzman's birthday or the anniversary of his death.

The oldest surviving son maintains his family didn't receive a penny of the fortune the geologist made selling his Bre-X shares. And life insurance couldn't be collected because the death was ruled suicide.

"In reality, none of the supposed 'riches' of Michael ever saw its way to our (or Tess's) bank accounts. Most of them are/were in Indonesia," says Jojo.

Extended family members have helped support Tess, who had six children to raise when her husband disappeared.

Three have graduated college and three more are still in school. It has been hard for all of them, says Jojo.

"If there's one thing I would love to tell the world, it's that we lost a brother," he says.

As for the speculation their brother is alive, Laurence de Guzman has heard it before. He recently searched for someone spreading new "lies" in Manila about his brother, trying to stamp them out before they gained currency.

But Laurence doesn't need proof about what happened.

He saw his brother's corpse just before it was buried -- not cremated as is often reported, one of the many misconceptions about the case. Though he couldn't recognize the face, Laurence knew it was his oldest brother the moment he saw the hands and feet.

"One hundred per cent, I am very sure it was Michael," he says simply.

Jojo, vice-president of the country's largest appliance company, doesn't care whether Michael was guilty or innocent of the Bre-X hoax.

Though there are many opinions about whether the Bre-X explorer was pushed or fell to his death, Jojo maintains his brother didn't deserve to die like that -- "even if he did something bad."

Today, Jojo just wants to see his brother rest in peace so the family can move on.

"Truth in its most profound meaning lies in your heart," he adds.

"It doesn't actually matter what the world says. Deep in my heart I know he's gone."

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