September 1, 2021

ATTY. CLIFFORD E. CHUA

Counsel for Marcopper Mining Corporation Chua Lim & Associates Unit 304, The Orient Square Building, F. Ortigas Jr. Road, Ortigas Center, Pasig City 1603

RE: Other Lawful Purposes Lease Agreement (OLPLA) No. 002
(Bodega and Port Facilities)

Dear Atty. Chua,

This refers to your letter dated August 24, 2021 to the undersigned regarding the alleged trespass and illegal takeover of Marcopper's property.

Records show that a letter (Notice to Vacate) dated August 06, 2021 was addressed to Mr. Teodoro G. Bernardino, President, Marcopper Mining Corporation (MMC) regarding the lease contract, *OLPLA No. 002*, which **expired on December 31, 2020**, covering an area of 17,655 hectares public land in Barangay Balogo, Sta. Cruz, Marinduque. Attached for your reference and guidance is a copy of OLPLA No. 002 as Annex "A".

In the same letter, MMC was given thirty (30) days upon receipt thereof, to vacate the area, and thereafter the Asset Management Team (AMT) of the Office, pursuant to Section 7.3 of DAO No. 2020-09, will start to secure the area, prepare and implement a protection and management plan, and conduct a comprehensive assessment to determine the best land use in accordance with prevailing laws, rules and regulations.

Contrary to your allegations that there was a "trespass and illegal takeover together with persons equipped with assault rifles of the property of our client, Marcopper Mining Corporation, on August 09, 2021 and subsequent dates", please be informed that on August 9, 2021, the undersigned and her staff, together with the representatives from the Provincial Government of Marinduque, Atty. Rommel Fernandez, and from the Philippine National Police – Marinduque, proceeded to the site in order to furnish a copy of the Notice to Vacate. The team also requested the presence of Barangay Balogo Officials, namely Punong Barangay Rizal Redugerio and Kagawad Reynaldo M. Peregrin.

Further, the allegation or imputation of trespass is misplaced considering the said property is owned by the State, while our office, the DENR as an agent of the State was exercising the attributes of ownership over the said property, specifically the port area and other adjoining premises. Service of Notice to Vacate is a valid exercise of the DENR of its mandate and cannot be considered trespass and illegal takeover.

We trust that you have been properly informed.

Very truly yours,

IMELDA M. DIAZ OIC-PENR Officer

Noted by:

MARIA LOURDES G. FERRER, CESO III Regional Executive Director, MIMAROPA Region

Copy furnished:

Mr. Teodorico G. Bernardino President, Marcopper Mining Corporation

The Honorable Secretary, DENR

The Undersecretary for Field Operations

The Undersecretary for Mining and Muslim Affairs

The Director, Forest Management Bureau

The Director, Legal Affairs Service

 ${\it The Regional Executive Director-MIMAROPA Region}$

The Governor, Provincial Government of Marinduque

The Honorable Speaker, House of Representatives