

Copy for Atty. G. Villanueva

Republic of the Philippines
Department of Agriculture and Natural Resources
BUREAU OF FORESTRY
Manila

D-29, Lands
Other Lawful Purposes (Rodega and Port
Facilities Site) Lease Agreement No. 2
Marcopper Mining Corporation (Sta. Cruz, Marinduque) August 13, 1969

Marcopper Mining Corporation
6th Floor V. Madrigal Bldg.
Ayala Ave., Makati, Rizal

Gentlemen:

We are furnishing you herewith your copy of Other Lawful
Purposes (Rodega and Port Facilities Site) Lease Agreement No. 2
duly approved and signed by the Secretary of Agriculture and Natural
Resources.

Very truly yours,

For the Director of Forestry:

JUAN B. RAVELO
Asst. Chief, Forest Land Uses
Division

Copies furnished:
D.F., Sta. Cruz, Marinduque
D.F. Reg.-2, Manila
Prov. Treas., Marinduque
Lun. Treas., Sta. Cruz, Marinduque
Director, Bureau of Records Management, Manila
DAIR - (forwarded)
Chief, Records Section D.F., Manila

IMPORTANT TO CHIEF RECORDS SECTION:

The original copy of the above document is herewith forwarded
to you for safekeeping in compliance with the Memorandum, dated February
3, 1969 of the Director of Forestry.

R A V E L O

Republic of the Philippines
Department of Agriculture and Natural Resources
BUREAU OF FORESTRY
Manila

OTHER LAWFUL PURPOSES (BODEGA & PORT FACILITIES SITE)
LEASE AGREEMENT NO. 2

of

MARCOPPER MINING CORPORATION
(Lessee)

Sta. Cruz, Marinduque
(Location of Area)

This agreement made and entered into by and between the Secretary of Agriculture and Natural Resources for and in behalf of the Republic of the Philippines, hereinafter called the Party of the First Part, and Marcopper Mining Corporation represented by C. B. FOSTER, a domestic Corporation, duly organized and existing under the laws of the Republic of the Philippines and duly licensed to transact business therein with postal address at 6th Floor, V. Madrigal Building, Ayala Avenue, Makati, Rizal, hereinafter referred to as the Party of the Second Part.

WITNESSETH

That the Party of the First Part, as Secretary of Agriculture and Natural Resources, acting under the authority of Section 1838 and Act No. 2711, known as the Revised Administrative Code, as amended, hereby leases to the Party of the Second Part 17.655 hectares of public forest land for Bodega and Port Facilities purposes for a period of Twenty Five (25) years to expire on June 30, 1994, which is located in the Barrio of Balogo, Municipality of Sta. Cruz, Province of Marinduque, Philippines, the description and boundaries of which are shown in the attached sketch which forms a part of this lease agreement. (Please see back)

This lease agreement is subject to the Forest Laws, Forestry Administrative Orders and Regulations, promulgated or which may be promulgated thereunder and to the following terms and conditions:

By: *[Signature]*
AUG 8 1989
C. B. FOSTER
Executive Vice-President
(Party of the Second Part)
Witness: *[Signature]*
JESSE M. OLIVERA
Acting Chief, Forest Land Uses Division

[Signature]
FERNANDO LOPEZ
Secretary of Agriculture & Natural Resources
(Party of the First Part)
Witness: *[Signature]*

Witness: USE H. CLAVERT
Acting Chief, Forest Land Uses Division

I. The Party of the Second Part agrees to construct on the land covered by this agreement such buildings and/or accessories pertinent to the operation or purposes for which this lease is granted;

II. The lease herein granted shall be confined within the perimeter of the parcel of land described herein and no other parcel of public forest land shall be utilized by the herein Party of the Second Part without first securing therefor the prior permission of the Party of the First Part of the Director of Forestry;

III. The area leased herein is a public forest land to the best knowledge and belief of the parties herein and accordingly, the Party of the First Part shall not be responsible for any loss suffered by the Party of the Second Part in case the land is declared private property of another or otherwise reduced, modified, amended or cancelled as a result of prior and existing valid private claims or interest therein;

IV. The decision of the Director of Forestry as to the exact location and boundaries of the area covered by this lease agreement shall be final:

V. Before constructing any building of permanent character on the area granted, permission must first be secured from the Director of Forestry, who shall prescribe the conditions under which it shall be constructed;

VI. The annual rental shall be at the rate of TEN PESOS (P10.00) per hectare or fraction thereof; PROVIDED that this rental charge shall be good only until such time as the land and its improvements shall have been appraised or reappraised by the Director of Forestry, in which case the annual rental shall be based on not less than 3% and 1% of the appraised or reappraised value of the land and improvements thereon, respectively;

MARCOPPER MINING CORPORATION

By:

1989

FERNANDO LOPEZ

Secretary of Agriculture & Natural Resources
(Party of the First Part)

C. B. FOSTER

Executive Vice-President
(Party of the Second Part)

Witness:

Jose R. Cleva

Witness:

Jose R. Cleva
Acting Chief, Forest Land Uses Division

VII. The annual rental shall be paid by the Party of the Second Part without waiting for any call therefor, on or before the first day of July of each year after the execution and during the continuance of this lease agreement. For failure to pay without justifiable cause the rentals and surcharges within one year after the regular rental had become due and payable shall be sufficient reason for the cancellation of this lease agreement;

VIII. No refund shall be made of the annual rental as are covered by this lease agreement due to its cancellation before its expiration either through the request of the Party of the Second Part or for violation of any of the terms and conditions of this lease agreement or of the Forest Laws and Regulations;

IX. As a guaranty for the faithful performance of an/or compliance with the Forest Laws and Regulations and the terms and conditions of the lease agreement and the payment of the rental charge thereof, the Party of the Second Part has posted a cash bond in the amount of THREE HUNDRED SIXTY PESOS (P360.00) and agrees that the said bond, upon his failure to fulfill all and singular the conditions and requirements herein set forth or made part hereof, be retained by the Republic of the Philippines to be applied, as far maybe, to the satisfaction of the obligations assumed thereunder;

X. Complete sanitary measures within the leased area should be strictly observed to insure protection of watershed values;

XI. This lease agreement shall terminate upon the death of the Party of the Second Part. However, a lease may,

MARCOPIER MINING CORPORATION

By: *[Signature]*

FERNANDO LOPEZ

Secretary of Agriculture & Natural Resources
(Party of the First Part)

C. B. FOSTER

Executive Vice-President
(Party of the Second Part)

Witness: *[Signature]*

[Signature]

Witness:

Acting Chief, Forest Land Uses Division

upon application within sixty (60) days from the date of death of the Party of the Second Part, be issued to his surviving heirs if duly qualified to hold a lease in accordance with requirements of existing regulations on the matter;

XII. The Party of the Second Part, upon the expiration or cancellation of this lease, shall not acquire any right by virtue of the said lease or claim reimbursement for the expenses incurred for improvements of whatever kind he may have introduced upon the land;

XIII. Upon the cancellation of the lease through fault of the Party of the Second Part, the improvements existing thereon shall revert to, and become the property of the Government. In case the same is granted to another permittee or lessee, such improvements shall be appraised accordingly and the new grantee shall either rent or pay the Government the price thereof;

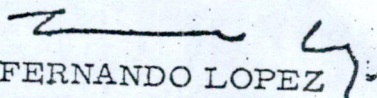
XIV. If the lease is cancelled through the delinquency of the Party of the Second Part the Government may sell the improvements existing on the area leased, if there be any, and the Party of the Second Part shall be entitled to the reimbursement of the proceeds from the sale after deducting the sum due the government and the expenses incurred in the said sale and in the issuance of the permit or lease;

XV. Upon the expiration or cancellation of this lease, the Party of the Second Part may at the discretion of the Director of Forestry or the Secretary of Agriculture and Natural Resources, be allowed to hold the land for a period not exceeding ninety (90) days only for the purpose of removing temporary improvements and putting the land to its original condition;

XVI. This lease agreement is non-transferable and non-negotiable except as provided in Forestry Administrative Order No. 21, dated September 18, 1954 and supersedes Other Lawful Purposes (Bodega & Port Facilities Site) Permit No. 124 granted to the Party of the Second Part on February 21, 1968.

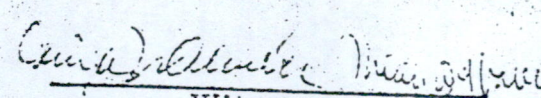
Quezon City, Philippines, AUGUST 6 1969, 1969.

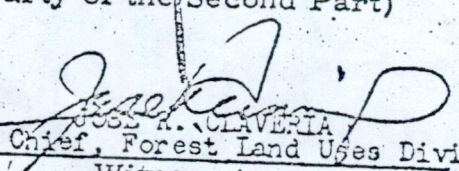
For and in behalf of the
Republic of the Philippines


FERNANDO LOPEZ
Secretary of Agriculture
and Natural Resources

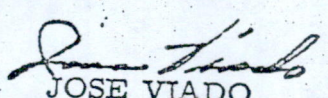
MARCOPPER MINING CORPORATION


C. B. ROSTER
Executive Vice-President.
(Party of the Second Part)


Witness


JOSE R. CLAVERIA
Acting Chief, Forest Land Uses Division
Witness

Attested by:


JOSE VIADO
Acting Director of Forestry

ACKNOWLEDGMENTS

REPUBLIC OF THE PHILIPPINES)
CITY OF MANILA

In the City of Manila, this 6th day of June 1969, before me, a Notary Public, for and in the said City, personally appeared Marcopper Mining Corporation represented by CHARLES B. FOSTER with Residence Certificate No. A-42 issued on January 18, 1969, at Makati, Rizal personally known to me and to me known to be the one who executed the foregoing instrument and who acknowledged to me that the same is his free act and deed.

This document is an Other Lawful Purpose (Bodega & Port Facilities Site) Lease Agreement covering one (1) parcel of public forest land consists of 4 pages including one (1) sketch/plan and each page is signed in my presence by the Party of the Second Part and his witness and bears my notarial seal.

WITNESS MY HAND AND OFFICIAL SEAL on the date and place first above written.

JOSE C. VILLANUEVA
Notary Public
Until December 31, 1970

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Page No. 5
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REPUBLIC OF THE PHILIPPINES)
QUEZON CITY

In the City of Quezon, this 7th day of August 1969, before me, a Notary Public, for and in the said City, personally appeared FERNANDO LOPEZ, Secretary of Agriculture and Natural Resources, with Residence Certificate No. A-000002 issued on January 2nd, 1969 at Manila for in representation of the Republic of the Philippines, personally known to me and to me known to be the one who executed the foregoing instrument and who acknowledged to me that the same is his free act and deed of the Government which he represents.

This document, which is an Other Lawful Purposes (Bodega & Port Facilities Site) Lease Agreement covering one (1) parcel of public forest land consists of 7 pages including one (1) sketch/plan and each page is signed by the Party of the First Part and his witness and bears my notarial seal.

WITNESS MY HAND AND OFFICIAL SEAL, in the date and place first above written.

Notary Public
DOMINO M. JAMER
NOTARY PUBLIC
Until December 31, 1970

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Page No. 53
Book No. 10
Series of 19 69

MARCOPPER MINING CORPORATION

C. B. FOSTER
Executive Vice President
(Party of the Second Part)

Witness:

By: AUG 5 1969

FERNANDO LOPEZ
Secretary of Agriculture & Natural Resources
(Party of the First Part)

Witness:

2. The term of this lease shall automatically expire on July 3, 1974, should the lessee fail to prove that at least 60% of its capital stock belong to Philippine citizens, in case this becomes the final policy and decision on the Philippine Government on or before July 3, 1974; however, should the Philippine Government decide on a different policy and/or decision on the matter on or before July 3, 1974, it is understood that the term of these leases shall be subject in all cases to whatever final policy and/or decision that it shall adopt on the matter on or before July 3, 1974.

The term of this lease shall automatically expire on July 3, 1974, should the lessee fail to prove that at least 60% of its capital stock belong to Philippine citizens, in case this becomes the final policy and decision on the Philippine Government on or before July 3, 1974; however, should the Philippine Government decide on a different policy and/or decision on the matter on or before July 3, 1974, it is understood that the term of these leases shall be subject in all cases to whatever final policy and/or decision that it shall adopt on the matter on or before July 3, 1974.

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Republic of the Philippines
Department of Environment and Natural Resources
FOREST MANAGEMENT BUREAU
Diliman, Quezon City

Dist. File No. _____ A. No. _____
Station File No. _____ Application for RENEWAL PERMIT/LEASE
OTHER LAWFUL PURPOSES (BODEGA & PORT FACILITIES SITE)
LEASE AGREEMENT No. 2

Makati, MM - August 31, 1993
(Place and Date)

The Director
Forest Management Bureau
Diliman, Quezon City

1. In accordance with the laws and regulations governing the use and occupation of public forest lands with which I shall familiarize myself and to which strict compliance is hereby promised:

I, Pablo P. Paulino, VP-Finance & Adm. of Marcopper Mining Corporation have the honor to apply for renewal of above- permit/lease (1) to occupy and use upon approval thereof 17.658 hectares, are as follows:

Province of <u>Marinduque</u>	N. _____
Municipality of <u>Sta. Cruz</u>	E. _____
Barrio of <u>Balogo</u>	S. _____
Sitio of <u>Kay Serna.</u>	W. _____

(If applicant is a corporation or partnership attached hereto a copy of article of incorporation or partnership duly registered with and certified as true and correct copy thereof by the Securities and Exchange Commission).

2. This area will be planted with (Fill up if application is for tree farm, industrial tree and other plantation permit or lease) For Bodega and Port Facilities Site

3. I have this land examined/inventoried and found it within "NO" ("NO" or give the number of squatters or claimants. In case some claims code up later, I agree to have my area, if approved to me be amended to exclude meritorious claim either before or after, I am granted the permit or lease. I have conspicuously marked on the ground the corner of the lands, posting signedboards thereon, and cause the blazing (at least 2 meters wide) of the boundaries thereof. Within this area the following improvements and signs of occupation are found:
Please see attached present status of the subject area.

Claimed by: n/a
P. O. Address: n/a

4. I am This is a corporation duly organized and existing under the laws of the years of age, citizen of the n/a by birth Philis. nationalization/treaty. Date and place of birth n/a

5. I am single/married and the name of my wife/husband is n/a
(Wife applicant must attach hereto marital consent of husband who should state why this application and the permit applied for should not be in his name).

Nearest other relative: n/a
P. O. Address: n/a

Forest
D.F. O.C.
Station. INSPECT AREA COVERED BY
THIS APPLICATION. SUBMIT REPORT
B.F.D. FORM No. 24-2.

? 19
The Director, Forest Management Bureau
Duplicate copy retained for inspection.
Report will be submitted on BFD Form
No. 24-2.

(see attached 1992 annual report)

6. I am _____ a government employee my occupation/position (1) is _____ my income is _____ per month/annum (1) my employee is _____ (if government employee and this application is not pasture permit or lease, applicant must attach to this application a written permission of his Department Head to lease for lands under the Forest law).

7. My available working capital which I will immediately invest for the operation of the permit/lease (1) the moment it is granted to me is ₱ _____ in cash on hand on deposit with _____ n/a Bank under Deposit Book No. _____ n/a real and other property registered or recorded in my name age (enumeration giving tax number and assessed value of each. If land, give area in hectares).

8. I am not dummy of, or in collusion with, any person, association, partnership or corporation. If this application is approved, I will submit affidavits to this effect before a permit or lease is granted me.

9. The animals I now own which will be placed in this area immediately after I get the permit/lease are (Kind and number), _____ n/a

10. Other forestry application submitted by me, my wife/husband or father/mother (give names) are _____ n/a

11. Special use permit and lease and/or application in which I am financially interested (give kind, number or permittee or lease and location by Municipality and Province), _____ n/a

12. My relationship with Forest Officer Mr. _____ n/a

13. I understand that anything I have said in the application that is not in accordance to facts, or any commission of facts thereof, shall if so facts cause the rejection of this application and/or cancellation of any permit or lease that may be issued to me and I shall have no right to claim reimbursement for any expenses incurred or for any improvement which I agree, shall be forfeited in favor of the government. I also agree that priority hereof shall begin from the date the enclosures required thereunder are received by the Director, Forest Management Bureau, if not originally filed with this application.

14. I understand that the filing of this application convey no right to enter, occupy or clear the land until a permit or lease is issued to me by the Director, Forest Management Bureau or the Secretary, Department of Environment and Natural Resources.

15. I understand that the cutting, collecting and removing of forest product or the felling of trees existing in the land is not included in this application and that in case it is necessary, I shall obtain a license or permit for it, or I shall respect those granted to other person by the Director, Forest Management Bureau.

16. Application fee of _____ in Cash payable to the Director of Forest Management Bureau, is herewith enclosed (see schedule of application fees, rentals, etc., or consult any local forest officer). I agree that this fee shall NOT be refundable anymore.

6th Floor, Vicente Madrigal Bldg., MARCOPPER MINING CORPORATION:
Ayala Avenue, Makati, MM

Postal Address: -

REPUBLIC OF THE PHILIPPINES
Province of Metro Manila : S. S.
Municipality of Makati

Signature of Applicant
PABLO P. PAULINO
Vice President
Finance & Administration

SUBSCRIBED AND SWORN to before me this 3rd day of September 1993, Affiant exhibited to me his/her Residence Certificate Number A-17640923 issued at Makati, MM on February 24, 1993

Doc. No. 19
Page No. 5
Book No. 18
Series of 1993

TEODULO C. GABOR, JR.

Notary Public

Until December 31, 1993
PTR No. 9993608

Makati, Jan. 29, 1993

(see attached 1992 annual report)

6. I am _____ a government employee my occupation/position (1) is _____ my income is _____ per month/annum (1) my employee is _____ (if government employee and this application is not pasture permit or lease, applicant must attach to this application a written permission of his Department Head to lease for lands under the Forest law).

7. My available working capital which I will immediately invest for the operation of the permit/lease (1) the moment it is granted to me is ₱ _____ in cash on hand on deposit with _____ n/a Bank under Deposit book No. _____ n/a real and other property registered or recorded in my name age (enumeration giving tax number and assessed value of each. If land, give area in hectares).

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6th. Floor, Vicente Madrigal Bldg., MARCOPPER MINING CORPORATION:
Ayala Avenue, Makati, MM

Postal Address: _____

REPUBLIC OF THE PHILIPPINES
Province of Metro Manila : S. S.
Municipality of Makati

Signature of Applicant
PABLO P. PAULINO
Vice President
Finance & Administration

SUBSCRIBED AND SWORN to before me this 3rd. day of September 1993, Affiant exhibited to me his/her Residence Certificate Number A-17640923 issued at Makati, MM on February 24, 1993

Doc. No. 19
Page No. 5
Book No. 18
Series of 1993

TEODULO C. GABOR, JR.

Notary Public

Until December 31, 1993

PTB No. 9993608

Makati, Jan. 29, 1993

Republic of the Philippines
Department of Environment and Natural Resources
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Diliman, Quezon City

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Makati, MM - August 31, 1993
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Municipality of <u>Sta. Cruz</u>	E. _____
Barrio of <u>Balogo</u>	S. _____
Sitio of <u>Kay Serna</u>	W. _____

(If applicant is a corporation or partnership attached hereto a copy of article of incorporation or partnership duly registered with and certified as true and correct copy thereof by the Securities and Exchange Commission).

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3. I have this land examined/inventoried and found it within "NO" ("NO" or give the number of squatters or claimants. In case some claims code up later, I agree to have my area, if approved to me be amended to exclude meritorious claim either before or after, I am granted the permit or lease. I have conspicuously marked on the ground the corner of the lands, posting signed boards thereon, and cause the blazing (at least 2 meters wide) of the boundaries thereof. Within this area the following improvements and signs of occupation are found:

Please see attached present status of the subject area.

Claimed by: n/a

P. O. Address: n/a

4. I am _____ years of age, citizen of the n/a by birth Philis.
nationalization/treaty. Date and place of birth n/a

5. I am single/married and the name of my wife/husband is n/a
(Wife applicant must attach hereto marital consent of husband who should state why this application and the permit applied for should not be in his name).

Nearest other relative: n/a

P. O. Address: n/a

Forest
D.F. O.C.
Station. INSPECT AREA COVERED BY
THIS APPLICATION. SUBMIT REPORT
B.F.D. FORM No. 24-2.

? 19
The Director, Forest Management Bureau
Duplicate copy retained for inspection.
Report will be submitted on BFD Form
No. 24-2.