

Receiving copy



Republic of the Philippines
Department of Environment and Natural Resources
PENRO Marinduque

August 6, 2021

MR. TEODORO G. BERNARDINO
President
MARCOPPER MINING CORPORATION (MMC)
Andrews Avenue, General Aviation Area
Domestic Airport Road, Pasay City

Sir:

We would like to inform you that pursuant to the provisions of **DENR Administrative Order (DAO) No. 2020-09**, specifically, **Section 7** thereof which states, in part, that:

Section 7. Procedures for the Management of Areas Covered with Cancelled/Terminated, Expiring, and Expired Tenurial Instruments

Section 7.1 xxx a notice shall be issued to the tenurial instrument holder to vacate the area upon the expiration.

Based on records, the lease contract, **OTHER LAWFUL PURPOSES LEASE AGREEMENT – FMB No. 2**, covering a 17,655-hectare public land in Balogo, Sta. Cruz, Marinduque, of which your company was the lessee, expired on **December 31, 2020**.

In view thereof, we are giving you a period of thirty (30) days upon receipt of this notice, to vacate the area, and thereafter, the Asset Management Team (AMT) of our 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.

We are hoping that you will give this matter your preferential and utmost attention and we expect your cooperation in the smooth transition hereof. Otherwise, we will be constrained to file appropriate charges against you in court to protect the interests of the government.

Truly yours,


IMELDA M. DIAZ
OIC – PENRO Officer

Copy furnished:

The Honorable Secretary, DENR

The Undersecretary for Field Operations, DENR


The Regional Executive Director, DENR MIMAROPA Region

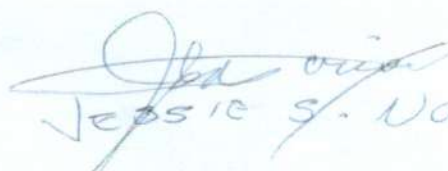
The Director, Forest Management Bureau

The Regional Director, Mines and Geosciences Bureau - MIMAROPA Region

The Governor, Provincial Government of Marinduque

The Honorable Speaker, House of Representatives

P/B 
RIZAL REDUERIO
8-9-21 d


JESSIC S. NACION
Aug. 9-2021



August 12, 2021

MEMORANDUM

FOR : The Regional Executive Director
DENR-MIMAROPA Region

THRU : The Assistant Regional Director for Technical Services

FROM : The OIC-PENR Officer

SUBJECT : **ISSUANCE OF NOTICE TO VACATE TO MARCOPPER MINING CORPORATION (MMC) RELATIVE TO THE EXPIRED OLPLA NO. 002 (BODEGA AND PORT FACILITIES) SITUATED IN BRGY. BALOGO, STA. CRUZ, MARINDUQUE**

Relative to the above subject and pursuant to the provisions of DAO 2020-09 dated June 05, 2020 entitled: **"GUIDELINES ON THE MANAGEMENT OF CANCELLED OR TERMINATED, EXPIRING, AND EXPIRED TENURIAL INSTRUMENT"**, we would like to inform you that this Office issued the necessary Notice To Vacate to Marcopper Mining Corporation in relation to the expired OLPLA No. 002 (Bodega and Port Facilities) covering an area of 17.655 hectares situated in Brgy. Balogo, Sta. Cruz, Marinduque.

Based on the records from the Forest Management Bureau (FMB), the said OLPLA No. 002 had expired way back on June 30, 1994. Records also revealed that an application for renewal was filed on September 9, 1993, but the FMB is bereft of any record of its approval, hence, they presumed disapproved. Assuming however that said application for renewal was approved, the another period of twenty five (25) years to complete the maximum of fifty (50) years as allowed by the Constitution, has already been lapsed last December 31, 2020.

Relative thereto, on August 09, 2021, OIC- PENR Officer Imelda M. Diaz 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 serve the Notice to Vacate duly signed by PENRO Diaz dated August 06, 2021. The Team requested the presence of Barangay Balogo Officials in the person of Punong Barangay Rizal Redogerio and Kagawad Reynaldo M. Peregrin.

The Notice was properly served by PENRO Diaz and was received peacefully by certain Jessie Nacion, the security guard on duty. The company was given thirty (30) days within which to vacate the area and to remove improvements, structures and equipment they installed thereon. Thereafter, physical takeover and final assessment of the previously leased area will be undertaken by this Office to be initiated by the Asset Management Team (AMT).

Please find attached copy of Notice to Vacate duly received by Mr. Nacion as well as the photographs taken during the event.

For information, record and further instruction.


IMELDA M. DIAZ

Cf: The Undersecretary for Field Operations, DENR
The Director, Forest Management Bureau



September 18, 2020

MEMORANDUM

FOR : The Regional Executive Director
DENR MIMAROPA Region

THRU : The Assistant Regional Director for Technical Services

FROM : The OIC-PENR Officer

SUBJECT : **STATUS OF OLP NO. 002 (BODEGA AND PORT FACILITIES SITE) OF MARCOPPER MINING CORPORATION LOCATED IN BRGY. BALOGO, STA. CRUZ, MARINDUQUE**

BACKGROUND:

During the regular monitoring and investigation conducted by PENRO Marinduque in the area of Brgy. Balogo, Sta. Cruz, Marinduque, it was discovered that the abandoned Bodega/Warehouse of Marcopper in Balogo Pier is within public land and allegedly under lease contract between DENR and Marcopper. Since the transaction of Marcopper was directly handled at the Central Office, old records are presumed at the FMB or Central Office. Thus, PENRO Marinduque made a query to FMB on November 27, 2019 as to the status of the OLP No. 002. Also to know the exact location of the leased area.

Other Lawful Purposes (OLP) No. 002 (Bodega and Port Facilities Site) was granted to Marcopper Mining Corporation on August 7, 1969 covering an area of 17.655 hectares of public land situated in Brgy. Balogo, Sta. Cruz, Marinduque.

Based on records, OLP No. 002 had expired on June 30, 1994. An application for renewal was filed by Marcopper Mining Corporation also in 1994 but no record whether said application was approved or not.

Further, the Provincial Government of Marinduque represented by Governor Presbitero J. Velasco, Jr., has a proposal to include the Balogo Port Area and the adjacent parcels of land claimed by Marcopper identified as Lot Nos. 5143 & 5836 in the establishment of Marinduque Economic Zone (MAREZ) under House Bill 8551 of Congressman Lord Allan Q. Velasco of the lone District of Marinduque.

FINDINGS (BASED ON AVAILABLE RECORDS OF PENRO):

1. In a Memorandum dated March 11, 1998 by then Forest Management Bureau Director Jose D. Malvas, Jr., it was mentioned that OLP No. 002 (renewal) was forwarded to the Office of then DENR Secretary Victor O. Ramos for his approval under Memorandum dated January 16, 1996. It was mentioned also that no record on the approval of renewal of said Lease Agreement (*Copy of the memorandum is attached for reference*).



15 April 1997

MEMORANDUM

FOR : The Head Executive Assistant

FROM : The Director

SUBJECT : Application for renewal of the OLP (Bodega and Port Facilities) Lease Agreement No. 002 of Marcopper Mining Corporation situated in Balogo, Sta. Cruz, Marinduque.

Referred herewith is the letter dated March 05, 1997 of Mr. Teodoro C. Gabor, Jr., Vice President, Marcopper Mining Corporation, following-up their above-subject application which was forwarded to the DENR Secretary under our Memorandum dated January 15, 1996 (copy attached).

Advice to the concerned party is hereby requested for their guidance.

JOSE D. MALVAS, JR.

D6-Marcopper
Ega 04/08/97

6 4/16



4/16
4/16/97
4/16

426

364

125

FOR

STAMP

DATE

7 3/12

WPC 3/12

3/12
3/11

124-3

11 March 1998



MEMORANDUM

104

FOR : THE UNDERSECRETARY FOR LEGAL AND
LEGISLATIVE AFFAIRS AND ATTACHED AGENCIES

FROM : THE DIRECTOR

SUBJECT : 1998 ANNUAL RENTAL OF THE PROPOSED OTHER LAWFUL
PURPOSES (BODEGA AND PORT FACILITIES) LEASE
AGREEMENT NO. 0002 (RENEWAL) OF MARCOPPER MINING
CORPORATION SITUATED IN STA. CRUZ, MARINDUQUE.

DOCUMENT
ATTACHED : Letter dated January 13, 1997 of Mr. T.C. Gabor,
President, Marcopper Mining Corporation.

This refers to the letter dated January 13, 1998 of Mr. T.C. Gabor, President, Marcopper Mining Corporation regarding the payment of the annual rental for CY 1998 of the above-subject proposed OLP Lease Agreement No. 0002 (renewal).

It is worthy to mention, that the expired OLP Lease Agreement No. 0002 of Marcopper Mining Corporation was applied for renewal and was forwarded to the Secretary for his consideration/approval/signature under our Memorandum dated January 14, 1996. To date, this Office has no record on the approval of the renewal of OLP Lease Agreement No. 0002. Despite the expiration of the lease, however, the lessee continues his occupation over the expired lease area even if the said renewal application is under process.

As a consequence of their continuous application, Marcopper Mining Corporation is requesting that the payment of the ₱454,419.85 annual rental for CY 1998 become due and demandable only on or before the end of March 1998 without surcharges, even if their renewal application has not been given due consideration. Please be informed that Paragraph VIII of the terms and conditions of the proposed OLP Lease Agreement provides, among others, that payment of annual rental shall be due on the first week of January of every year. Thereafter, the annual rental is subject to 10% surcharge from January 7 to March 31.

In view of the above considerations, the FMB Legal Division indicated that the DENR cannot effect the collection of the rental in view of the non-renewal of the Lease Agreement. We would like to seek a second opinion from your Office if DENR can collect the payment for rental by MARCOPPER Mining Corporation considering that this company continuously used and occupy the forestlands even with the expired lease agreement.


JOSE D. MALVAS, JR.


612-01/sartop
e31/02-25-98



ARCOPPER MINING CORPORATION
6TH FLR., V. MADRIGAL BLDG., 6793 AYALA AVENUE, MAKATI, METRO MANILA 1226, PHILIPPINES * TELS. 810-2081/810-2086

January 23, 1997

The Honorable Director
Forest Management Bureau
Department of Environment and Natural Resources
Diliman, Quezon City

S i r :

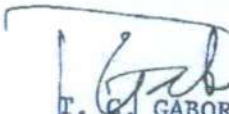
Re: 1997 Annual Rental of OLP (Bodega
and Port Facilities Site) Lease
Agreement No. 2

In compliance with the terms and conditions of the
above-captioned agreement, enclosed is our Manager's Check
No. 0318418 dated January 22, 1997, in the amount of
P454,419.85 as full payment of the 1997 annual rental of the
said property located at Balogo Sta. Cruz, Marinduque.

We wish to inform you also that up to this writing
we have not yet received the copy of the agreement duly signed
by the Secretary of DENR.

Please acknowledged receipt hereof.

Very truly yours,


T. G. GABOR, JR.
Vice President
Legal and Human Resources
Officer-In-Charge

Encl: a/s
aoc....

FOREST AND WILDLIFE DIVISION	
ACTION SHEET	
STAMP ONLY ON FILE COPY	
INITIAL	DATE
Division Chief	<i>[Signature]</i> 6/22
Asst. Division Chief	<i>[Signature]</i>
File No.	120 500 P280-132

21 June 2000

MR. ALBERTO O. CUARTERON

Asst. Corporate Secretary
MARCOPPER Mining Corp.
Andrews Avenue, corner
Tramo Street, Pasay City



Sir:

This is to acknowledge receipt of your letter dated 15 May 2000, informing this Office of the new address of your company and to inform you of the present arrears of your company covering an area of 17,655 ha. under Other Lawful Purposes (Bodega and Port Facilities), amounting to Two Million Three Hundred Sixty Two Thousand Nine Hundred Eighty Three Pesos & 22/100 (P 2,362,983.22) as itemized below:

Rental CY 1998	454,419.85
100% surcharge	454,419.85
Rental CY 1999	454,419.85
100% surcharge	454,419.85
Rental CY 2000	454,419.85
20% surcharge	90,883.97
TOTAL	2,362,983.22

Early settlement with this Office of the above amount will be highly appreciated.

Very truly yours,

AL RASHID ISHMAEL, al-Hadj.
Director

d36-cuarteron
rbc(248)06-07-00

Republic of the Philippines
Department of Environment and Natural Resources
OFFICE OF THE SECRETARY
Visayas Avenue, Diliman, Quezon City

OTHER LAWFUL PURPOSES LEASE AGREEMENT
(Bodega and Port Facilities)
FMB NO. 2

Of

MARCOPPER MINING CORPORATION
(Lessee)

Balogo, Sta. Cruz, Marinduque
(Location of the Area)

This Agreement made and entered into by and between the Secretary of Environment and Natural Resources for and in behalf of the Republic of the Philippines hereinafter called the LESSOR and MARCOPPER MINING CORPORATION with Office address at 6th Floor V. Madrigal Bldg., 6793 Ayala Ave., Makati, M. M. herein referred to as LESSEE.

WITNESSETH

That LESSOR, as Secretary of Department of Environment and Natural Resources, acting under the authority of Section 1838 and Act No. 2711, known as the Revised Administrative Code, as amended and Section 57 of P.D. 705 as amended, hereby issue to the LESSEE 17.655 hectares of public land for OTHER LAWFUL PURPOSES (Bodega and Port Facilities) for a period of twenty five (25) years to expire on December 31, 2020 located at Balogo, Sta. Cruz, Marinduque the description and boundaries shown in the attached sketch map which forms part of this LEASE AGREEMENT, subject to the following conditions:

I. This LEASE AGREEMENT is subject to existing pertinent Forest Laws, rules and Regulations, and those that may be promulgated hereafter;

II. The LESSEE 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;

III. 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 LESSEE without first securing therefor the prior permission of

Marcopper Mining Corporation

by:

John E. Loney
JOHN E. LONEY
President & CEO

LESSEE

VICTOR O. RAMOS
Secretary

Witness

Witness

Witness

Witness

the LESSOR or the Director of Forest Management Bureau. Communal Forest, Communal Pasture and other especially reserved forest lands are excluded from this lease and shall not be used even if found inside the area covered by this LEASE AGREEMENT;

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

V. The decision of the Director of Forest Management Bureau as to the exact location and boundaries of the area covered by this LEASE AGREEMENT shall be final;

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

VII. The annual rental shall be ₱254,419.80 effective CY 1995 until December 31, 2000; THEREAFTER, the rental charge shall be based on the assessment/reappraisal of the land under lease and its improvements to be determined by the Director of Forest Management Bureau for the first 5-year period and every five years thereafter; PROVIDED, that the annual rental shall not be less than 3% and 1% of the assessed/reappraised value of the land and improvements therein, respectively;

VIII. The annual rental shall be paid by the LESSEE without waiting for any call therefor, on or before the first week of January of each year after the execution and during the continuance of this LEASE AGREEMENT. For failure to pay annual rental on the date due, the LESSEE shall be penalized by additional charges as follows:

Rentals paid within January 9 to March 31 -	10% surcharge
Rentals paid within April 1 to June 30 -	20% surcharge
Rentals paid within July 1 to September 31 -	30% surcharge
Rentals paid within October 1 to December 31 -	50% surcharge
Rentals paid one year after due date -	100% surcharge

IX. Failure to pay the rental and surcharges within one year after the regular rental had come due and payable without justifiable cause shall be sufficient reason for the cancellation of the LEASE AGREEMENT;

VICTOR D. RAMOS
Secretary

Witness

Witness

Marcopper Mining Corporation

by:

JOHN E. LONE
President & CEO

LESSEE

Witness

Witness

X. No refund shall be made on the annual rentals as covered by this LEASE AGREEMENT due to its cancellation before its expiration either through the request of the LESSEE or for violation of any of the terms and condition of the LEASE AGREEMENT or of the Forest Laws and Regulations;

XI. As a guarantee of the faithful performance of and/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 LESSEE shall post a cash bond in the amount of NINE HUNDRED EIGHT THOUSAND EIGHT HUNDRED THIRTY NINE PESOS AND 70/100 (P908,839.70) and agrees that the said bond, upon his failure to fulfill all and singular the condition and requirements herein set forth or made part thereof, be confiscated by the Republic of the Philippines;

XII. The LESSEE shall not cut trees within the leased area specially within thirty (30) meters along banks of rivers/creeks; Tree planting shall be done twenty (20) meters strip along banks of rivers/creeks; Protect water resources in the area from all forms of pollution, protect unique and endangered species of plants and animals;

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

XII. This LEASE AGREEMENT shall terminate upon the abolition of the Corporation;

XIII. The LESSEE upon the expiration or cancellation of this lease, shall not acquire any right by virtue of the said lease of claim or whatever kind the lessee has introduced upon the land.

XIV. Upon cancellation of the lease through fault of the LESSEE, 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 improvement shall be appraised accordingly and new grantee shall either rent or pay the government the corresponding price thereof;

XV. Upon the expiration or cancellation of this LEASE, the LESSEE may at the discretion of the Director of Forest Management Bureau or the Secretary of Environment and Natural Resources be allowed to hold the land for the period of not exceeding ninety (90) days only for the purpose of removing temporary improvements and putting the land to its original conditions;

Marcopper Mining Corporation
by:

John E. Loney
JOHN E. LONEY
President & CEO

VICTOR O. RAMOS
Secretary

Witness

[Signature]
Witness
[Signature]

XVI. The privilege granted as well as terms and conditions thereof shall be subject to any and all modifications or alterations which Congress may adopt pursuant to Sec. 2, Art. 12 of the 1987 Constitution:

XVII. This LEASE CONTRACT may be terminated earlier than the date indicated wherein upon violation of any of the above cited terms and condition or in the interest of the public:

XVIII. This LEASE AGREEMENT is non-transferable and non-negotiable except as provided in Presidential Decree No. 705 as amended.

Quezon City, Philippines _____, 18_____.

For in behalf of the
Republic of the Philippines

VICTOR O. RAMOS
Secretary

WITNESSES:

Marcoopper Mining Corporation
By:

✓ *John E. Loney*
JOHN E. LONEY
President & CEO
LESSOR

[Signature]
[Signature]

Recommended By:

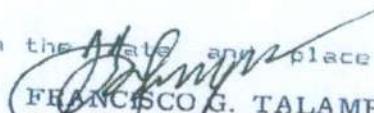
[Signature]
JOSE D. MALVAS, JR.
Director

REPUBLIC OF THE PHILIPPINES)
CITY OF MAKATI : S.S.
)


In the City of Makati this 14th. day of September 19 95
before me a Notary Public for and in the City appeared JOHN
E. LONEY with Residence Certificate No. 5601589
issued on January 28, 19 95 at the City of Makati, ~~XX~~
personally known to me to be the one who executed the foregoing
and who acknowledge to me that the same is his free act and deed.

This document is an Other Lawful Purposes Lease Agreement
FMB No. _____ covering _____ hectares parcel of public forest land
consisting of five (5) pages, including one (1) sketch and each
page is signed by the LESSEE and his witnesses; and bears my
Notarial Seal.

Witness my hand and Official Seal, on the _____ date and place
first above written.


FRANCISCO G. TALAMPA
NOTARY PUBLIC
Until Dec. 31, 1996

DOC. NO. 85
PAGE NO. 18
BOOK NO. X
SERIES OF 1995

Marcopper Mining Corporation PTR No. 9453117
By: 
JOHN E. LONEY
President & CEO
LESSEE
Makati City
Jan. 31, 1995

REPUBLIC OF THE PHILIPPINES)
GUEZON CITY : S. S.
)

In Quezon City, this _____ day of _____ 19____, a Notary
Public for and in the City, personally appeared VICTOR O. RAMOS
Secretary of Environment and Natural Resources with Residence
Certificate No _____ issued on _____, 19____ at _____
on _____, Philippines personally known to me
and known to be the one who executed the foregoing instrument and
who acknowledge to me that the same is his free act and deed on
behalf of the government he represents.

This document is OTHER LAWFUL PURPOSES LEASE AGREEMENT
FBM NO. _____ covering _____ hectares parcel of public forest
lands consisting of four (4) pages including one (1) sketch plan
and each page is signed by the LESSOR and his witnesses and bears
my Notarial Seal

Witness my hand and Official Seal on the _____ date and place
first above written.

NOTARY PUBLIC

DOC. NO. _____
PAGE NO. _____
BOOK NO. _____
SERIES OF _____

VICTOR O. RAMOS
Secretary