

MLA No. MRD-5
Date Filed: September 25, 1975

MLC No. MRD- 509

Date Granted: DEC - 6 1988

Area: 442.4818 hectares

Term of Lease: TWENTY FIVE (25) years

MINING LEASE CONTRACT

WHEREAS, an application for a Mining Lease Contract has been filed on September 25, 1975 with the Director of Mines and Geo-Sciences under and pursuant to Presidential Decree No. 463, as amended, and the rules and regulations promulgated thereunder.

By: ORO DEVELOPMENT CORPORATION
Address: 3780 Cuenco Street, Makati Metro Manila
Now Camaching, Doña Remedios Trinidad, Bulacan Sibul, San Miguel, Bulacan, Luzon

covering mineral lands situated in Iron, etc.
(minerals):

WHEREAS, the applicant has been found to possess satisfactory financial resources and technical competence to be qualified under said Presidential Decree to be granted a mining lease:

WHEREAS, the Director of Mines and Geo-Sciences has caused as required by law the publication of the notice of application to lease the mineral land applied for; and

WHEREAS, there being no pending or subsisting adverse claim against the aforesaid Mining Lease Application, this Lease is now in order;

WHEREFORE, this Mining Lease Contract made and entered into this day of DEC - 6 1988, 19____, by and between:

SECRETARY
THE REPUBLIC OF THE PHILIPPINES, represented by the MINISTER OF ENVIRONMENT & NATURAL RESOURCES:
Honorable EULGENCIO S. FACTORAN, JR. as the LESSOR, and

ORO DEVELOPMENT CORPORATION

as the LESSEE,

WITNESSETH:

1. The LESSOR, for and in consideration of the rentals, covenants, and agreements hereinafter contained, to be paid, kept, and performed by the LESSEE, has leased, let, and demised, and DOES HEREBY LEASE, LET, AND DEMISE unto the said LESSEE. the following mining claim/s, particularly described in the corresponding declaration/s of location, and in the field notes and plan/s approved by the Director of Mines and Geo-Sciences, filed with the aforesaid application for lease comprising an aggregate area of 442.4818 hectares with appurtenances thereunto of right belonging, lying, and being situated and described as follows:

Name of Claim/s	Date Registered	Location	Minerals
"MARIO", "MELY", "IKE", "TOM", "MARIO-1", "MELY-1" (MLS-340-D to MLS-345-D)	March 24, 1975 -do- -do-	Barrio- (Sibul-(now Camaching) Mpty.- San Miguel (now Doña Remedios Trinidad) Prov. - Bulacan Island- Luzon.	IRON, ETC.

Amos G. ...

W

ORIGINAL

Bounded:

NORTH: Public Land;

EAST: Public Land and Angat Watershed Reservation;

SOUTH: Public Land;

WEST: Public Land.

and more specifically described with regard to boundary lines, corners, topographic features, relative position, and metes and bounds in Mineral Lands Survey Plan No. _____
MLS-340-D to MLS-345-D

and technical descriptions thereof, attached to and made as integral part of the application.

2. TO HAVE AND TO HOLD the said described premises unto the said LESSEE for the full term of the lease for TWENTY FIVE (25) () years from and including the date of this Mining Lease Contract, renewable under such terms and conditions as may be provided for by law and the regulations at the time of the renewal.

3. The LESSEE shall pay for the privilege of exploring, developing, mining, extracting and disposing of all the mineral deposits on and underneath the lands covered by this Lease, an annual rental per hectare or fraction thereof pursuant to the National Internal Revenue Code (Commonwealth Act No. 466, as amended), the first annual rental to be due and payable in advance on the date of the granting of the Lease and, at the same time every year thereafter during the life of the Lease or any renewal thereof, and a royalty pursuant to the provisions of said Act.

4. In case mining is carried on within private lands, the Lessee shall indemnify the private landowner of the actual damages caused by the mining operation as well as the reasonable rentals for the use of the said premises, all rentals to be due and payable pursuant to existing laws, decrees and regulations.

5. The LESSEE shall pay real estate tax on all buildings and other improvements built on the land leased at the rate and in the manner all other real estate taxes are paid under the Assessment Law (Commonwealth Act 470, as amended).

6. The rentals, royalties and taxes required to be paid on mining claims and minerals shall be payable in accordance with the provisions of Presidential Decree No. 463, and other laws existing at the time of the execution of this Lease Contract and/or in accordance with whatever rates of rentals, royalties and taxes that may be prescribed by law hereafter. Lessee shall submit to the Director copies of receipt of such payment and the names of the mining claims, lease number and the names of persons, partnerships or corporations for which such payment has been made. Failure to submit copies of such receipt information or document shall be deemed as non-payment of same and may cause the cancellation of the lease contract.

7. Failure to pay the required annual rentals or royalties, taxes and fees for a period of thirty (30) days after demand, or for two (2) consecutive years without such demand, shall cause this Lease to lapse and the mining claim or claims, with respect to which such failure to pay was made, shall thereupon be open to relocation and lease by other persons qualified to locate and lease mining claims under the provisions of Presidential Decree No. 463, as amended, in the same manner as if no location and lease of the same had ever been made, unless the LESSEE, his heirs, executors, administrators, assigns, or legal representatives shall have paid all such annual rentals, royalties, taxes and fees due and have resumed work on the mining claim or claims after such failure and before such relocation: Provided, That no person who may be delinquent in the payment of any rentals, royalties, taxes or fees on any mining claim or claims held under this Lease may directly or indirectly relocate the same or any portion thereof; and Provided, further, That nothing herein contained shall preclude the Government from collecting any rental, royalties, taxes or fees, together with the corresponding interests and surcharges, that may be due. Failure to pay real estate tax required under paragraph 5 hereof, shall subject the LESSEE to the same liabilities as provided for in Commonwealth Act No. 470.

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8. The LESSEE hereby waives all rights to notice or demand provided for in Section 2, Rule 70, of the Rules of Court of the Philippines as well as all other periods of grace for payment of royalties and rentals. The LESSEE hereby further waives any right to any reduction of rent on account of any loss or damage suffered by reason of extraordinary unforeseen fortuitous events.

9. This Lease hereby grants unto the LESSEE, his successors or assigns, the right to extract and utilize for their own benefit all mineral deposits within the boundary lines of the mining claim/s covered by this Lease continued vertically downward.

10. It is specially covenanted and agreed that the lands covered by this Lease shall be used for mining purposes only and for the exclusive benefit of the LESSEE, but should the LESSEE use or attempt to use the premises or permits them to be used for purposes other than for mining, or directly or indirectly for the benefit of any other person or entity not qualified to acquire a mining lease, then and in this event this Lease shall at once terminate, and all the rights and interest in said Lease shall be forfeited, and all improvements made by the LESSEE in the premises shall vest in and become the property of the Republic of the Philippines, unless the LESSOR shall find sufficient cause to waive the rescission and forfeiture arising from a violation of the conditions herein prescribed.

11. This Lease is made subject to the easements of the coast police and other easements provided for by the provisions of Articles 502 to 518 Chapter I, Title IV of the Civil Code of the Philippines, and to the provisions of Sections 56, 57, 58, and 59, Chapter XI, and to the penal provisions of Sections 75 to 89, inclusive, Chapter XIV, of Presidential Decree No. 463, as amended, and to any law or laws now existing or which may hereafter be enacted or decreed, and to all easements and other rights acquired by owners of adjacent lands and those bordering upon the foreshore or marshy lands. This Lease is likewise subject to the condition that the LESSOR may, for public interest or benefit, construct roads, trails, bridges, tunnels, canals, ditches, trenches, railroad, in or through the area covered by this Lease for use of the army, the public, or any branch or office of the Government of the Republic of the Philippines.

12. This Lease may be revoked at any time after due notice whenever deemed necessary or convenient for public purposes, i. e., shipping, navigation, etc., in the discretion of the President of the Philippines; and that during the life of the Lease, the public use of the shores and of the space of three (3) meters wide along the waterfront measured in-shore from the high water mark and the salvage easement provided for by the Spanish Law of Waters of 1866 shall not be impaired.

13. The LESSOR reserves the right to grant or use such easement in, over, through, under, or upon lands so leased as may be necessary to the working of the same, or other mineral lands as well as the right to lease, sell, or otherwise dispose of the surface of the land embraced within this Lease under existing law or laws insofar as said surface is not necessary for use by the LESSEE in extracting and removing the mineral deposits from the land covered by this Lease or in beneficiation of the ores extracted therefrom, or from any other mining claim; or to issue such permits for easements herein provided to be reserved and to permit the use of the land covered by this Lease, as may be necessary for the construction and maintenance of mills, mining camps, or other works incident to the mining and milling operations on the lands covered by this Lease or on any other mineral lands.

14. The LESSEE shall perform annual work obligations on the claims covered by this Lease, the value of which shall not be less than ₱100.00 per hectare per calendar year, provided that in the case of a lease covering a group of two or more adjoining claims leased or held in common, the LESSEE may concentrate all the annual work obligations on any or more of several contiguous or geologically related mining claims in one province,

Approved

[Signature]

Anna O. [Signature]

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if it can be shown to the Director of Mines and Geo-Sciences that each concentration of work will be most advantageous and beneficial in the development and operation of said mining claims: PROVIDED, That any expenditure in any calendar year in excess of the minimum amount required for work obligations per hectare may be carried forward and credited to the work obligations of the group claims for the succeeding year or years: PROVIDED, further, That, if the expenditure incurred for any claim is less than that required in any year, the difference shall be paid to the Bureau of Mines and Geo-Sciences which shall accrue to its Mines Special Funds. The LESSEE shall submit proof of compliance with the annual work obligations by filing a sworn statement with the Director of Mines and Geo-Sciences or his duly designated deputy within sixty (60) days from the end of the year in which the work obligations is required, in the form prescribed for the purpose. Failure on the part of the LESSEE to file such proof of compliance for two (2) consecutive years shall cause the forfeiture of all rights to the mining claims covered by this Lease.

15. The LESSEE shall not sublet the whole or any part of the premises covered by this Lease, nor assign this Lease without permission in writing of the LESSOR, first had and obtained; in this case, only to persons, partnerships or corporations having the qualifications required of LESSEES under existing laws.

16. The LESSEE fully understands and agrees that the land herein described is leased and demised subject to the provisions of the Mineral Resources Development Decree of 1974 (Presidential Decree No. 463, as amended), National Internal Revenue Code (Commonwealth Act No. 466, as amended), and Assessment Law (Commonwealth Act No. 470, as amended), and shall comply with the provisions of the said laws, as well as with those that may hereafter be enacted and decreed, and the rules and regulations promulgated including the policing and sanitation of mines, pollution control, easement, drainage, disposal of waste and tailings, water-rights, rights-of-ways, right of government survey and inspection, the levying and collection of rentals, royalties and taxes, the protection of the interests of the Government and the promotion of the public welfare, and other necessary means to their economic utilization, as well as such rules for the purpose of insuring the exercise of reasonable diligence, skill and care in the mining operation, and prevention of undue waste on the land covered by this Lease, and shall particularly comply with the provisions of Section 91 of Presidential Decree No. 463, as amended.

17. The LESSEE fully understands and agrees to submit to the Director of Mines and Geo-Sciences within fifteen (15) days after the end of each calendar month a report under oath of the production of the previous month showing the different kinds of ores and minerals extracted, the quantities thereof shipped, the amount stockpiled after the shipment, the name of the mining claim/s from where taken, and a full and complete statement of the work done on or underground in the area covered by this Lease, and such other information required in the prescribed form. The LESSEE is required to submit a report whether or not there is production for a given period.

18. Whenever the LESSEE fails to comply with any provision of Presidential Decree No. 463, as amended, and Commonwealth Acts Nos. 466 and 470, both as amended, and the rules and regulations promulgated thereunder, or any of the covenants herein, the LESSOR may declare this Lease cancelled and, after having given thirty (30) days notice in writing to the LESSEE, may enter and take possession of said premises, and said LESSEE shall be liable for all unpaid rentals, royalties and taxes due the Government on the lease up to the time of the forfeiture or cancellation, in which event, the LESSEE hereby covenants and agrees to give up the possession of the property leased.

19. The LESSEE may, at any time during the life of this Lease, apply for the cancellation of the same, and surrender the property leased whenever, because of force majeure, or for other cause, it is impossible to continue profitable mining operations thereon, and thereupon said LESSEE shall pay all rentals, royalties and taxes then due, including payments corresponding to the unexpired period of the current year of the LEASE. Upon the termination of this Lease or of any extension thereof, any property of the LESSEE not removed from the premises within one year thereafter shall become the property of the LESSOR.

Approved

[Signature]

James A. Amador

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20. The statements made in the application for this Lease shall be considered as essential conditions and parts of this Lease and any false statement or omission of facts in said application, if known or if truly or completely stated at the time of the filing of said application would have caused the denial of the same, shall give a right to the LESSOR to rescind this contract and to forfeit all amounts already paid and the improvements made or existing on the area covered by this Lease.

21. The covenants, provisions, clauses, and conditions of this Lease shall extend to and be binding upon the successor or successors of the LESSOR, and to and upon the successors, executors, administrators, legal representatives, and assigns of the LESSEE and they are hereby legally bound.

22. This Lease shall terminate and expire on the DEC - 5 20 13 day of _____, 19____, unless renewed or sooner terminated under the provisions hereof, and no presumption of renewal or continuance beyond that day can arise, the LESSEE hereby waiving all rights in this respect of implied renewal conferred by Article 1670 of the Civil Code of the Philippines.

23. If for any reason this lease is terminated or cancelled, the LESSEE shall deliver to the Director of Mines and Geo-Sciences for file the official copy or copies of this contract which the LESSEE may have.

24. The Director of Mines and Geo-Sciences shall be notified in writing by the LESSEE of any change of address as long as this Lease is in force. Failure to receive any notices to be made by reason of any change of address shall be deemed as waiver of such notice.

25. So much of the provisions of existing Decrees, Laws, Presidential Proclamations and Letters of Instructions which are related to mining are deemed as incorporated to and made part of this mining lease contract.

IN WITNESS WHEREOF, these presents are hereunder signed and sealed for the LESSOR, by the Minister of Natural Resources, upon the recommendation of the Director of Mines and Geo-Sciences, and for the LESSEE, by _____, in the City of Manila, Philippines, this DEC - 6 1988 day of _____.

26. That the privileges granted as well as the terms and conditions thereof, shall be subject to any and all modifications or alterations which Congress may adopt pursuant to Section 2, Article XII of the 1986 Constitution.

27. Two conditions are added to the lease contract (1) that the holders of certificates of stewardship contract covering areas within the mining claims of the lessee shall be protected and compensated for damages they may suffer as a consequence of the mining activities of the Oro Development Corporation and (2) no location, prospecting exploration of mineral resources inside or within the Angat Watershed Reservation shall be allowed.

Vertical handwritten notes on the left margin, including "Oro Development Corporation" and "Mineral Resources".

ORO DEVELOPMENT CORPORATION

FOR THE REPUBLIC OF THE PHILIPPINES,
LESSOR

LESSEE

By: Tomas Q. Soriano
TOMAS Q. SORIANO
(President)

Fulgencio S. Factoran, Jr.
Secretary of

Environment and ~~Ministry~~ of Natural Resources

1547-300-12

TAN

RECOMMENDED BY:

Guillermo R. Balce

GUILLERMO R. BALCE
Director of Mines & Geo-Sciences

SIGNED IN THE PRESENCE OF:

[Signature]

[Signature]

ACKNOWLEDGMENT

REPUBLIC OF THE PHILIPPINES)

TOMAS Q. SORIANO

Before me appeared _____ exhibiting to me his Residence Certificate No. 9737319, issued at San Miguel, Bulacan March 30 1988, known to me and to me known to be the same person who executed the foregoing document, and acknowledged to me that the same is his free and voluntary act and deed and the free and voluntary act and deed of the entity he represents, as LESSEE, and for purposes therein specified. The said instrument, consisting of EIGHT pages, including the page on which this acknowledgment is written, is a Mining Lease Contract covering certain mining claim/s described therein, and is signed by the LESSEE and his two witnesses on the left hand margin of each and every page thereof.

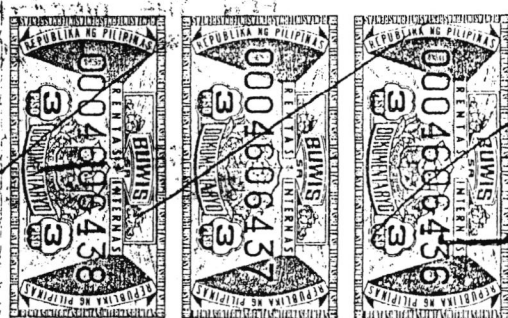
WHEREFORE, I have hereunto set my hand and affixed my notarial seal this _____ day of _____, 19____ in _____

[Signature]
BRIDGET B. BONETE-VALENTON
NOTARY PUBLIC

My Commission Expires on December 31, 1988
P.T.R. No. PTR NG 21358 MALATI, 19____
Place of Issuance ISSUED ON: JAN 4, 1988

Affixed P 9.00 Doc. Stamps

DOC. No. 393
PAGE No. 80
BOOK No. 111
SERIES OF 1988



DEED OF ASSIGNMENT
OF MINING CLAIMS UNDER
MINING LEASE CONTRACT
(MLC) NO. MRD-509

KNOW ALL MEN BY THESE PRESENTS:

This Agreement entered into on June 29, 2010 at Quezon City by and between:

ORO DEVELOPMENT CORPORATION, a domestic corporation duly organized under and by virtue of the laws of the Philippines with principal place of business at 1273 Batangas corner Faraday Streets, Makati City, Metro Manila, represented in this instance by its President, AURELIA MA. S. HERNANDEZ, and hereinafter referred to as the First Party.

-and-

ORE ASIA MINING AND DEVELOPMENT CORPORATION, a domestic corporation duly organized and existing under and by virtue of the laws of the Philippines with principal place of business at Km.53, National Highway, Barangay Tulo, Calamba, Laguna, Philippines, represented in this instance by its President, JAMES G. ONG, and hereinafter referred to as the Second Party

W I T N E S S E T H: That -

WHEREAS, the First Party is the Claimholder and Lessee under Mining Lease Contract (MLC) No. MRD-509 granted by the Republic of the Philippines on December 5, 1988 covering 442 hectare area with mineral deposits located in Brgy. Camachin, Doña Remedios Trinidad, Bulacan, more particularly described as "MARIO", "MELY", "IKE", "TOM", "MARIO-1", and "MELY-1" and technically drawn in Mineral Lands Survey Plan No. MLS-340-D to MLS-345-D.

WHEREAS, the right to the possession, use, enjoyment of, and the right to extract mineral deposits within, 397 hectares of the area covered by the Mining Lease Contract has been extended by the First Party through a Mines Operating Agreement dated September 5, 2006 to the Second Party.

WHEREAS, the First Party has also engaged Royal Picanto Mining Corporation as the mining operator over twenty (20) hectares of the above Mining Lease Contract under a Mines Operating Agreement dated March 3, 2006.

WHEREAS, under a subsequent Mines Operating Agreement dated January 6, 2009, the First Party granted to the Second Party the right of possession, enjoyment and operation over twenty-five (25) additional hectares of the Mining Lease Contract.

Aurelia M. S. Hernandez

James G. Ong

WHEREAS, the First Party through a Board Resolution dated May 24, 2010 and Stockholders' Certificate dated May 24, 2010 issued with the consent of Stockholders' representing at least two thirds (2/3) of its outstanding shares, has deemed it advisable and desirable to relinquish, waive and assign all its rights, obligations and responsibilities over the entire 442 hectares of its mining claims under the Mining Lease Contract (MLC) No. MRD-509 to the Second Party which is willing and desirous to accept such assignment.

WHEREAS, the Second Party is a mining contractor and operator financially and technically qualified to exercise the rights and privileges and to perform the obligations and responsibilities of the First Party under the Mining Lease Contract (MLC) No. MRD-509.

WHEREAS, this assignment of mining claims is warranted under Section 15 of the Mining Lease Contract and shall be submitted to the Secretary of the Department of Environment and Natural Resources for his permission and approval in writing.

NOW, THEREFORE, for and in consideration of the premises and the mutual covenants and stipulations hereunder set forth, the Parties hereto hereby agree to this assignment under the following terms and conditions, thus:

1. THE SCOPE

1.1 This agreement covers and embraces the entire area technically described under the Mining Lease Contract (MLC) No. MRD-509 as "MARIO", "MELY", "IKE", "TOM", "MARIO-1", "MELY-1", confined within the boundary lines, corners, topographical features, relative position and metes and bounds in Mineral Lands Survey Plan No. MLS-340 to MLS-345-D, thus:

ENTIRE "MARIO"

Bounded by the following geographic coordinates:

N15 - 04 - 43.73;	E121 - 08 - 26.68
N15 - 05 - 00.00;	E121 - 08 - 26.68
N15 - 05 - 00.00;	E121 - 08 - 30.00
N15 - 04 - 43.73;	E121 - 08 - 30.00

N15 - 04 - 30.00;	E121 - 08 - 45.00
N15 - 04 - 37.50;	E121 - 08 - 45.00
N15 - 04 - 37.50;	E121 - 09 - 00.00
N15 - 04 - 30.00;	E121 - 09 - 00.00

ENTIRE "MELY"

Bounded by the following geographic coordinates:

N15 - 04 - 30.00;	E121 - 08 - 30.00
N15 - 04 - 45.00;	E121 - 08 - 30.00
N15 - 04 - 45.00;	E121 - 09 - 00.00
N15 - 04 - 30.00;	E121 - 09 - 00.00

N15 - 04 - 43.73;	E121 - 08 - 26.68
N15 - 05 - 00.00;	E121 - 08 - 26.68
N15 - 05 - 00.00;	E121 - 08 - 30.00
N15 - 04 - 43.73;	E121 - 08 - 30.00

James O. ...
...
...
...

N15 - 04 - 45.00;	E121 - 09 - 00.00
N15 - 04 - 37.50;	E121 - 09 - 00.00
N15 - 04 - 37.50;	E121 - 08 - 30.00
N15 - 04 - 45.00	E121 - 08 - 30.00

N15 - 04 - 30.00;	E121 - 08 - 45.00
N15 - 04 - 30.00;	E121 - 08 - 30.00
N15 - 04 - 37.50;	E121 - 08 - 30.00
N15 - 04 - 37.50;	E121 - 08 - 45.00

ENTIRE "IKE", "TOM", "MARIO-1", and "MELY-1",
(Pls. get technical description)

1.2 The entire area covered under this agreement includes the 397 hectare area technically described under the Mines Operating Agreement signed by the First Party in favor of the Second Party on September 5, 2006, as well as the areas covered by other operating agreements signed by the First Party.

2. CONSIDERATION

2.1 By virtue of this agreement, the Second Party shall pay, and the First Party shall accept, a consideration price of Php 50,375,000.00 payable as follows:

2.1.1 Php 2,000,000.00 upon signing hereof

2.1.2 Php 7,000,000.00 upon notice of approval hereof and permission in writing by the Secretary of the Department of Environment and Natural Resources.

2.1.3 Php 41,375,000.00, covered by eight (8) postdated checks covering a period of eight (8) consecutive months starting from date of notice of issuance of the DENR permission in writing, breakdown as follows:

Php5,625,000.00/month for the 1st to 7th month

Php2,000,000.00 for the 8th month

2.2 The consideration indicated above is exclusive of the 12% Value Added Tax, if applicable, but subject to the 5% Expanded Withholding Tax. The Second Party shall add the Value Added Tax to the amount of the consideration agreed. The First Party shall remit the payment to the Bureau of Internal Revenue, and shall submit the proof of payment to the Second Party. The Second Party shall withhold the applicable Expanded Withholding Tax and shall issue to the First Party the corresponding creditable withholding tax certificate.

3. TERMS AND CONDITIONS

3.1 Under this agreement, the First Party shall relinquish, waive and assign in favor of the Second Party the mining claims "MARIO", "MELY", "IKE", "TOM" "MARIO-1" and "MELY-1" as technically described in Mineral Lands Survey Plan, No. MLS-340-D to MLS-345-D and as technically reproduced under Paragraph 1.1 above.

3.2 The Second Party recognizes the validity of the mining rights of the First Party granted by the Republic of the Philippines by virtue of the Mining Lease Contract No. MRD-509, and views all challenges, legal or otherwise, as being without legal basis.

3.3 The Second Party shall hold harmless and free the First Party from any demand, claim, action and/or suit that may be filed by a third party in connection with this Deed of Assignment, and shall pay whatever damages or award that may be adjudged by any court, administrative body, government agency/instrumentality and/or arbitrator in favor of a third party in connection with this Deed of Assignment.

3.4 The First Party shall help and assist the Second Party in any and all challenges, attacks, disputes, controversies, proceedings, suits, and actions and the like, lodged or may be lodged against any of the parties hereto by reason of this Deed of Assignment. The Second Party shall answer for any and all expenses in connection thereto, including attorneys fees, and the costs of suit or action.

3.5 The Second Party shall recognize and give effect to the rights, benefits and obligations granted and/or imposed by the First Party on Royal Picanto Mining Corporation under the Mines Operating Agreement of 3 March 2006, up to the expiration of Mining Lease Contract MRD-509 or up to the end of 2013, whichever comes later.

3.6 By means of this assignment of mining claims, the Second Party shall assume not only the rights conferred to, but also all the obligations and responsibilities imposed by the Lessor upon the First Party Lessee under the Mining Lease Contract (MLC) No. MRD-509.

3.7 The Second Party shall undertake:

3.7.1 To perform the obligation to pay to the Lessor the annual rental per hectare stipulated and reckoned under Paragraph 3 of the Mining Lease Contract until the expiration of the Mining Lease Contract for the privilege granted to the Lessee of exploring, developing, mining, extracting, and disposing of all mineral deposits on and underneath the area covered by the Mining Lease Contract.

3.7.2 To perform the obligation to indemnify private landowners of damages caused by the mining operations to, as well as reasonable rentals for the use of, private lands in case mining is carried on within private lands.

3.7.3 To pay the royalties, taxes and fees required under mining laws, rules and regulations existing at the time of the execution of the Mining Lease Contract (MLC) No. MRD-509 and at the time of execution hereof and the Lessor shall not be precluded from collecting any rental, tax or fee, due together with all interests and surcharges due. To waive all rights to notice or demand provided for under Section 2, Rule 70 of the 1997 Rules of Civil Procedure as well as periods of grace for payment of royalties and rentals. To comply with the obligations of the Lessee under the Mining Lease Contract (MLC) No. MRD-509, to use the lands covered in the lease for mining purposes only and for the exclusive benefit of the Second Party, precluding any use of the lands for other purposes and assignment to any third party not qualified to operate the mining area.

3.7.4 To bind itself to the provisions under the Mining Lease Contract regarding easement rights reserved to the Lessor under Paragraph 11 and 13 of the Mining Lease Contract.

3.7.5 To perform the annual work obligations on the claims as prescribed under Paragraph 14 of the Mining Lease Contract.

James

Mrs. L. S. S. S. S.

James

3.7.6 To comply with the provisions of prevailing mining laws, internal revenue and assessment laws in respect of the mining claims subject of this assignment, as prescribed under Paragraph 16 of the Mining Lease Contract.

3.7.7 To submit to the Director of the Mines and Geosciences Bureau within 15 days after the end of each calendar month a report under oath of the production of the previous month showing the different kinds of ores and minerals extracted, the quantities thereof shipped, the amount stockpiled after the shipment as prescribed under Paragraph 17 of the Mining Lease Contract.

3.7.8 To satisfy any liability established under Paragraph 18 of the Mining Lease Contract in case the Lessor terminates the Mining Lease Contract and takes possession of the mining area subject hereof.

3.7.9 To surrender the mining area subject hereof to the Director of the Mines and Geosciences Bureau upon termination or expiration of the Mining Lease Contract.

3.7.10 Under this assignment of mining claims, the Second Party, its successors or assigns shall have the right to extract and utilize for its own benefit, all mineral deposits within the boundary lines of the mining claims covered by the Mining Lease Contract (MLC) No. MRD-509 and vertically downward.

4. DOCUMENTS, TOPOGRAPHICAL AND GEOLOGICAL, MAPS/SKETCHES, MINING STUDIES/REPORT.

4.1 Upon execution hereof, the First Party shall turn over the possession of all available copies of the Mining Lease Agreement No. MRD-509, as well as all available documents/papers issued by the DENR/MGB in relation to the mining claims covered by the Mining Lease Contract, all topographical and geological maps/sketches of the mining claims, Mineral Lands Survey Plan No. MLS-340-D to MLS-345-D and all studies conducted and prepared thereon, all in its custody.

4.2 It shall be the obligation of the Second Party to turn over all documents/papers covered by, and received under, this provision to the Lessor upon expiration or termination of the Mining Lease Contract (MLC) No. MRD-509 or of its renewal/extension.

5 EFFECTIVITY

5.1 This agreement shall take effect upon signing hereof, but conditioned upon the issuance of the permission and approval in writing of the Secretary of the Department of Environment and Natural Resources/Director of the Mines and Geosciences Bureau as required under the Mining Lease Contract (MLC) No. MRD-509.

5.2 Subject to the permission in writing of the Secretary of the Department of Environment and Natural Resources, the exercise of rights and performance of obligations under this agreement by the Second Party shall remain and continue in force and effect until the expiration or termination of the Mining Lease Contract (MLC) No. MRD-509 or of its renewal/extension.

6 CONVERSION TO OTHER MODES OF MINERAL AGREEMENT

6.1 The First Party shall relinquish and waive all its rights to object to any application for the conversion of the Mining Lease Contract to other modes of mineral agreement under Republic Act No. 7942.

James O. ...

James O.

[Signature]

6.2 The First Party shall have no right and interest of whatever nature in the other mode of mineral agreement that may be issued to the Second Party over the mining claims subject hereof.

6.3 This agreement shall preclude any interpretation that the First Party and Second Party are partners, or joint venturers, or joint operators, or joint managers of any operation to be conducted over the mining claims, either under the approved Mining Lease Contract or under other modes of mineral agreement.

7 ADVERSE CLAIMS

7.1 Any adverse claim filed any of the parties hereto against this assignment shall be hauled and resolved in accordance with the principles set forth under Par. 3.2, 3.3 and 3.4 above.

8 SETTLEMENT OF DISPUTES AND CONTROVERSIES

8.1 Any and all disputes and controversies arising from interpretation of any provision hereof shall be settled through friendly consultations.

8.2 In case no such friendly settlement is possible, the same disputes and controversies shall be settled, as the case may be, by an administrative action with the Secretary of the Department of Environment and Natural Resources, or by mediation, arbitration or alternative disputes resolution as provided for under existing and prevailing laws on the matter.

IN WITNESS WHEREOF, the Parties have hereunto fixed their signatures on the date and at the place written above.

ORO DEVELOPMENT CORPORATION

First Party

By:


AURELIA MA. S. HERNANDEZ
President

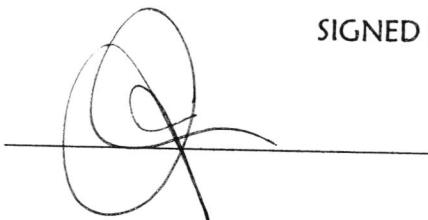
ORE ASIA MINING AND DEVELOPMENT CORPORATION

Second Party

By:


JAMES G. ONG
President

SIGNED IN THE PRESENCE OF:





ACKNOWLEDGMENT

REPUBLIC OF THE PHILIPPINES)
Quezon City)S.S.

BEFORE ME, a Notary Public for and in the above jurisdiction personally appeared, and whose identities were ascertained by me in accordance with the 2004 Rules on Notarial Practice upon their presentment of government-issued documents of identification, as follows, to wit:

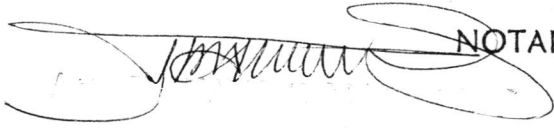
<u>Name</u>	<u>Gov't.-issued Document</u>	<u>Name of Agency</u>
JAMES G. ONG	Passport No. ZZ198383	01/09/06 at DFA
AURELIA MA. S. HERNANDEZ	Passport No. XX2997821	02/11/09 at DFA

known to me and to me known to be the same persons who executed the foregoing instrument and they acknowledged to me that the same is their free, voluntary act and deed as well as the free act and deed of Oro Development Corporation, Ore Asia Mining and Development Corporation and Royal Picanto Mining Corporation that they respectively represent and that they are fully authorized to execute this agreement.

This instrument refers to a Deed of Assignment of Mining Claims under Mining Lease Contract (MLC) No. MRD-509 consisting of seven (7) pages, including this page on which this acknowledgment is written, signed by the Parties and their instrumental witnesses at each and every page hereof.

WITNESS MY HAND AND SEAL, on the date and at the place above written.

Doc. No. 203 ;
Page No 47 ;
Book No. XXXVII ;
Series of 2010.


NOTARY PUBLIC
Commission Expires: May 01, 2010
Notary Public for the Philippines
P.O. Box 81/3825/64 - 2, 2010 QC

James G. Ong

Aurelia M. S. Hernandez

James G. Ong

[Signature]