

MINERAL PRODUCTION SHARING AGREEMENT
No. 264-2008-VII

This **MINERAL PRODUCTION SHARING AGREEMENT** is made and entered into in Quezon City, Philippines, this _____ day of JUL 09 2008 by and between:

THE REPUBLIC OF THE PHILIPPINES, herein referred to as the **GOVERNMENT**, represented in this act by the Secretary of the Department of Environment and Natural Resources, with offices at the Department of Environment and Natural Resources Building, Visayas Avenue, Diliman, Quezon City

and

ATLAS CONSOLIDATED MINING AND DEVELOPMENT CORPORATION, and ANATOLIA JACA, ASTERIO BUQUERON, CRISTETA C. BAGANO, LUCILA PASCUAL, MERCEDES AYTONA, REGINA DE VERA, RICARDO A. VERCHES AND BIGA COPPER MINES, INC., as represented herein by **ATLAS CONSOLIDATED MINING AND DEVELOPMENT CORPORATION** hereinafter collectively referred to as the **CONTRACTOR**, a corporation duly organized and existing under the laws of the Republic of the Philippines, with office at 7th F, Quad Alpha Centrum No. 125 Pioneer St., Mandaluyong City, Metro Manila, and represented in this act by its Chairman and President, Mr. Alfredo C. Ramos, as authorized by its Board of Directors (please refer to ANNEX "A")

WITNESSETH :

WHEREAS, the 1987 Constitution of the Republic of the Philippines provides in Article XII, Section 2 thereof that all lands of the public domain, waters, minerals, coal, petroleum and other natural resources are owned by the State and that their exploration, development and utilization shall be under the full control and supervision of the State;

WHEREAS, the Constitution further provides that the State may directly undertake such activities, or it may enter into a Co-Production, Joint Venture, or Mineral Production Sharing Agreement with Filipino citizens, or cooperatives, partnerships, corporations or associations at least sixty per centum of whose capitalization is owned by such citizens;

WHEREAS, pursuant to Republic Act No. 7942, otherwise known as "The Philippine Mining Act of 1995," which took effect on 09 April 1995, the Secretary of the Department of Environment and Natural Resources is authorized to enter into Mineral Production Sharing Agreements in furtherance of the objectives of the Government and the Constitution to bolster the national economy through sustainable and systematic development and utilization of mineral lands;

WHEREAS, Atlas Consolidated Mining and Development Corporation, is a mining lessee and mining applicant, and Anatolia Jaca, Asterio Buqueron, Cristeta C. Bagano, Lucila Pascual, Mercedes Aytona, Regina de Vera, Ricardo A. Verches and Biga Copper Mines, Inc., are mining applicants under previous mining laws;

M

R

BR

WHEREAS, Anatolia Jaca, *et. al.*, have authorized ACMDC in filing and securing approval of their mining applications pursuant to their operating agreements with ACMDC;

WHEREAS, the Government desires to avail itself of the financial resources, technical competence and skill, which the Contractor is capable of applying to the mining operations of the project contemplated herein;

WHEREAS, the Contractor desires to join and assist the Government in the initial rational exploration and possible development and utilization for commercial purposes of *copper, gold and other associated mineral deposits* existing in the Contract Area (as herein defined);

WHEREAS, the Contractor has access to all the financing, technical competence, technology and environmental management skills required to promptly and effectively carry out the objectives of this Agreement;

NOW, THEREFORE, for and in consideration of the foregoing premises, the mutual covenants, terms and conditions hereinafter set forth, it is hereby stipulated and agreed as follows:

SECTION I

SCOPE

- 1.1. This Agreement is a Mineral Production Sharing Agreement entered into pursuant to the provisions of the Act and its implementing rules and regulations. The primary purpose of this Agreement is to provide for the rational exploration, development and commercial utilization of *copper, gold and other associated mineral deposits* existing within the Contract Area, with all necessary services, technology and financing to be furnished or arranged by the Contractor in accordance with the provisions of this Agreement. The Contractor shall not, by virtue of this Agreement, acquire any title over the Contract/Mining Area without prejudice to the acquisition by the Contractor of the land/surface rights through any mode of acquisition provided for by law.
- 1.2. The Contractor shall undertake and execute, for and on behalf of the Government, sustainable mining operations in accordance with the provisions of this Agreement, and is hereby constituted and appointed, for the purpose of this Agreement, as the exclusive entity to conduct mining operations in the Contract Area.
- 1.3. The Contractor shall assume all the exploration risk such that if no minerals in commercial quantity are developed and produced, it will not be entitled to reimbursement.
- 1.4. During the term of this Agreement, the total value of production and sale of minerals derived from the mining operations contemplated herein shall be accounted for and divided between the Government and the Contractor in accordance with Section VIII hereof.

BR

↑

↻

SECTION II

DEFINITIONS

As used in this Agreement, the following words and terms, whether singular or plural, shall have the following respective meaning:

- 2.1. Act refers to Republic Act No. 7942, otherwise known as the "Philippine Mining Act of 1995."
- 2.2. Agreement means this Mineral Production Sharing Agreement.
- 2.3. Associated Minerals mean other ores/minerals, which occur together with the principal ore/mineral.
- 2.4. Bangko Sentral means Bangko Sentral ng Pilipinas.
- 2.5. Budget means an estimate of expenditures to be made by Contractor in mining operations contemplated hereunder to accomplish the Work Program for each particular period.
- 2.6. Bureau means Mines and Geosciences Bureau.
- 2.7. Calendar Year or Year means a period of twelve (12) consecutive months starting with the first day of January and ending on December 31, while "Calendar Quarter" means a period of three consecutive months with the first calendar quarter starting with the first day of January.
- 2.8. Commercial Production means the production of sufficient quantity of minerals to sustain economic viability of mining operations reckoned from the date of commercial operation as declared by the Contractor or as stated in the feasibility study, whichever comes first.
- 2.9. Constitution or Philippine Constitution means the 1987 Constitution of the Republic of the Philippines adopted by the Constitutional Convention of 1986 on October 15, 1986 and ratified by the People of the Republic of the Philippines on February 2, 1987.
- 2.10. Contract Area means the area onshore or offshore delineated under the Mineral Production Sharing Agreement subject to the relinquishment obligations of the Contractor and properly defined by latitude and longitude or bearing and distance.
- 2.11. Contract Year means a period of twelve (12) consecutive months counted from the Effective Date of this Agreement or from the anniversary of such Effective Date.
- 2.12. Contractor means Atlas Consolidated Mining and Development Corporation and Anatolia Jaca, Asterio Buqueron, Criteta Bagano, Lucila Pascual, Mercedes Aytona, Regina de Vera, Ricardo Verches and Biga Copper Mines, Inc. as represented herein by Atlas Consolidated Mining and Development Corporation or their respective assignee(s) or assignees of interest under this Agreement: Provided, That the assignment of any of

such interest is accomplished pursuant to the pertinent provisions of the implementing rules and regulations of the Act.

- 2.13. Declaration of Mining Project Feasibility means a document proclaiming the presence of minerals in a specific site, which are recoverable by socially acceptable, environmentally safe and economically sound methods specified in the Mine Development Plan.
- 2.14. Department or DENR means the Department of Environment and Natural Resources.
- 2.15. Director means the Director of Mines and Geosciences Bureau.
- 2.16. Effective Date means the date of execution of this Agreement by the Contractor and by the Secretary on behalf of the Government.
- 2.17. Environment means all facets of man's surroundings: physical, ecological, aesthetic, cultural, economic, historic, institutional and social.
- 2.18. Exploration means searching or prospecting for mineral resources by geological, geophysical and geochemical surveys, remote sensing, test pitting, trenching, drilling, shaft sinking, tunneling or any other means for the purpose of determining the existence, extent, quality and quantity of mineral resources and the feasibility of mining them for profit.
- 2.19. Exploration Period shall mean the period from the Effective Date of this Agreement, which shall be for two (2) years, renewable for like periods but not to exceed a total term of six (6) years for nonmetallic minerals and eight (8) years for metallic minerals, subject to the pertinent provisions of the implementing rules and regulations of the Act.
- 2.20. Force Majeure means acts or circumstances beyond the reasonable control of the Contractor including, but not limited to war, rebellion, insurrection, riots, civil disturbances, blockade, sabotage, embargo, strike, lockout, any dispute with surface owners and other labor disputes, epidemics, earthquake, storm, flood or other adverse weather conditions, explosion, fire, adverse action by the Government or by any of its instrumentality or subdivision thereof, act of God or any public enemy and any cause as herein described over which the affected party has no reasonable control.
- 2.21. Foreign Exchange means any currency other than the currency of the Republic of the Philippines acceptable to the Government and the Contractor.
- 2.22. Government means the Government of the Republic of the Philippines or any of its agencies and instrumentalities.
- 2.23. Gross Output means the actual market value of the minerals or mineral products from each mine or mineral land operated as a separate entity, without any deduction for mining, processing, refining, transporting, handling, marketing or any other expenses: Provided, That if the minerals or mineral products are sold or consigned abroad by the Contractor under C.I.F. terms, the actual cost of ocean freight and insurance shall be

↑

A

SR

deducted: Provided further, That in the case of mineral concentrates which are not traded in commodity exchanges in the Philippines or abroad such as copper concentrate, the actual market value shall be the world price quotation of the refined mineral products contained thereof prevailing in the said commodity exchanges, after deducting the smelting, refining, treatment, insurance, transportation and other charges incurred in the process of converting mineral concentrates into refined metal traded in those commodity exchanges.

- 2.24. Mine Development refers to work undertaken to prepare an ore body or a mineral deposit for mining, including the construction of necessary infrastructure and related facilities.
- 2.25. Minerals mean all naturally occurring inorganic substances in solid, liquid, gas or any intermediate state excluding energy materials such as coal, petroleum, natural gas, radioactive materials and geothermal energy.
- 2.26. Mineral Products mean materials derived from mineral ores/rocks and prepared into marketable state by metallurgical processes which include beneficiation, cyanidation, leaching, smelting, calcination and other similar processes.
- 2.27. Mining Area means that portion of the Contract Area identified by the Contractor as defined and delineated in a Survey Plan duly approved by the Director/Regional Director concerned for purposes of development and/or utilization and sites for support facilities.
- 2.28. Mining Operations means mining activities involving exploration, feasibility study, environmental impact assessment, development, utilization, mineral processing and mine rehabilitation.
- 2.29. Notice means notice in writing, telex or telecopy (authenticated by answer back or confirmation received) addressed or sent as provided in Section 16.2 of this Agreement.
- 2.30. Ore means naturally occurring substance or material from which a mineral or element can be mined and/or processed for profit.
- 2.31. Pollution means any alteration of the physical, chemical and/or biological properties of any water, air and/or land resources of the Philippines, or any discharge thereto of any liquid, gaseous or solid wastes or any production of unnecessary noise or any emission of objectionable odor, as will or is likely to create or render such water, air, and land resources harmful, detrimental or injurious to public health, safety or welfare or which will adversely affect their utilization for domestic, commercial, industrial, agricultural, recreational or other legitimate purposes.
- 2.32. Secretary means the Secretary of the Department of Environment and Natural Resources.
- 2.33. State means the Republic of the Philippines.
- 2.34. Work Program means a document which presents the plan of major mining operations and the corresponding expenditures of the Contractor in its Contract Area during a given period of time, including the plan and

expenditures for development of host and neighboring communities and of local geoscience and mining technology, as submitted and approved in accordance with the implementing rules and regulations of the Act.

SECTION III

TERM OF AGREEMENT

- 3.1. This Agreement shall have a term of twenty-five (25) years from Effective Date, and may be renewed thereafter for another term not exceeding twenty-five (25) years. The renewal of this Agreement, as well as the changes in the terms and conditions thereof, shall be upon mutual consent by the parties. In the event the Government decides to allow mining operations thereafter by other Contractor, this must be through competitive public bidding. After due publication of notice, the Contractor shall have the right to equal the highest bid upon reimbursement of all reasonable expenses of the highest bidder.

SECTION IV

CONTRACT AREA

- 4.1. Size, Shape, and Location of Contract Area - This Agreement covers a Contract Area of approximately Six Hundred Forty-Eight and 0159/10,000 (648.0159) hectares in 9 parcels, situated in Toledo City, Cebu, and bounded by the following geographical coordinates (please refer to ANNEX "B" - 1:50,000 scale Location Map/Sketch Plan):

A. For the Whole Area:

CORNERS	LATITUDE	LONGITUDE
1	10° 18' 43.018"	123° 43' 05.196"
2	10° 18' 53.035"	123° 42' 37.399"
3	10° 18' 43.859"	123° 42' 34.028"
4	10° 18' 53.874"	123° 42' 06.231"
5	10° 19' 21.402"	123° 42' 16.344"
6	10° 19' 24.741"	123° 42' 07.078"
7	10° 20' 05.819"	123° 42' 22.170"
8	10° 20' 06.317"	123° 42' 17.371"
9	10° 20' 45.161"	123° 42' 21.489"
10	10° 20' 44.142"	123° 42' 31.296"
11	10° 20' 09.300"	123° 42' 27.602"
12	10° 20' 03.943"	123° 42' 42.467"
13	10° 19' 54.767"	123° 42' 39.095"
14	10° 19' 51.429"	123° 42' 48.361"
15	10° 20' 09.781"	123° 42' 55.105"
16	10° 20' 03.103"	123° 43' 13.637"
17	10° 20' 17.883"	123° 43' 15.480"
18	10° 20' 21.386"	123° 43' 15.480"
19	10° 20' 21.386"	123° 43' 23.608"
20	10° 20' 30.001"	123° 43' 23.608"
21	10° 20' 30.000"	123° 43' 27.366"
22	10° 20' 17.882"	123° 43' 27.783"

23	10° 20' 17.883"	123° 43' 15.480"
24	10° 20' 03.103"	123° 43' 13.637"
25	10° 19' 35.576"	123° 43' 03.522"
26	10° 19' 38.914"	123° 42' 54.256"
27	10° 19' 29.738"	123° 42' 50.884"
28	10° 19' 26.400"	123° 43' 00.150"
29	10° 19' 35.576"	123° 43' 03.522"
30	10° 19' 32.236"	123° 43' 12.788"
31	10° 19' 41.412"	123° 43' 16.159"
32	10° 19' 38.074"	123° 43' 25.425"
33	10° 19' 28.898"	123° 43' 22.053"
34	10° 19' 32.236"	123° 43' 12.788"
35	10° 19' 23.060"	123° 43' 09.416"
36	10° 19' 19.722"	123° 43' 18.682"
37	10° 19' 28.898"	123° 43' 22.053"
38	10° 19' 25.558"	123° 43' 31.319"
39	10° 19' 29.029"	123° 43' 32.595"
40	10° 19' 29.029"	123° 43' 35.238"
41	10° 19' 48.558"	123° 43' 35.237"
42	10° 19' 48.558"	123° 43' 45.097"
43	10° 20' 08.087"	123° 43' 45.096"
44	10° 20' 09.292"	123° 43' 44.555"
45	10° 20' 09.403"	123° 43' 47.840"
46	10° 20' 12.820"	123° 43' 47.722"
47	10° 20' 12.953"	123° 43' 51.664"
48	10° 20' 15.880"	123° 43' 51.564"
49	10° 20' 19.494"	123° 43' 57.359"
50	10° 20' 48.770"	123° 43' 56.351"
51	10° 20' 48.664"	123° 43' 53.222"
52	10° 20' 50.640"	123° 43' 53.222"
53	10° 20' 50.641"	123° 44' 03.082"
54	10° 20' 40.877"	123° 44' 03.083"
55	10° 20' 40.877"	123° 44' 12.943"
56	10° 20' 35.736"	123° 44' 12.944"
57	10° 20' 35.059"	123° 44' 11.297"
58	10° 20' 26.040"	123° 44' 15.076"
59	10° 20' 22.298"	123° 44' 05.969"
60	10° 20' 17.801"	123° 44' 07.853"
61	10° 20' 14.572"	123° 44' 02.207"
62	10° 20' 06.116"	123° 44' 07.137"
63	10° 20' 01.234"	123° 43' 58.598"
64	10° 19' 52.777"	123° 44' 03.528"
65	10° 19' 47.895"	123° 43' 54.989"
66	10° 19' 39.439"	123° 43' 59.919"
67	10° 19' 29.706"	123° 43' 42.821"
68	10° 19' 22.220"	123° 43' 40.585"
69	10° 18' 54.691"	123° 43' 30.470"
70	10° 18' 58.031"	123° 43' 21.204"
71	10° 18' 39.679"	123° 43' 14.461"

Area: **648.0159 hectares**

f

R

BR

B. PARCEL – 1

Contractor : ACMDC		
Area : 546.2330 Hectares		
CORNER	LATITUDE	LONGITUDE
1	10°18' 43.859"	123°42'34.028"
2	10°18' 53.874"	123°42' 06.231"
3	10°19' 21.402"	123°42' 16.344"
4	10°19' 24.741"	123°42' 07.078"
5	10°20' 05.819"	123°42' 22.170"
6	10°20' 06.317"	123°42' 17.371"
7	10°20' 45.161"	123°42' 21.489"
8	10°20' 44.142"	123°42' 31.296"
9	10°20' 09.300"	123°42' 27.602"
10	10°20' 03.943"	123°42' 42.467"
11	10°19' 54.767"	123°42' 39.095"
12	10°19' 51.429"	123°42' 48.361"
13	10°20' 09.781"	123°42' 55.105"
14	10°20' 03.103"	123°43' 13.637"
15	10°20' 17.883"	123°43' 15.480"
16	10°20' 21.386"	123°43' 15.480"
17	10°20' 21.398"	123°43' 27.662"
18	10°20' 18.527"	123°43' 27.761"
19	10°20' 17.882"	123°43' 27.783"
20	10°20' 17.884"	123°43' 25.341"
21	10°20' 17.883"	123°43' 15.480"
22	10°20' 03.103"	123°43' 13.637"
23	10°19' 35.576"	123°43' 03.522"
24	10°19' 38.914"	123°42' 54.256"
25	10°19' 29.738"	123°42' 50.884"
26	10°19' 26.400"	123°43' 00.150"
27	10°19' 35.576"	123°43' 03.522"
28	10°19' 32.236"	123°43' 12.788"
29	10°19' 41.412"	123°43' 16.159"
30	10°19' 38.074"	123°43' 25.425"
31	10°19' 28.898"	123°43' 22.053"
32	10°19' 32.236"	123°43' 12.788"
33	10°19' 23.060"	123°43' 9.416"
34	10°19' 19.722"	123°43' 18.682"
35	10°19' 28.898"	123°43' 22.053"
36	10°19' 32.236"	123°43' 12.788"
37	10°19' 28.898"	123°43' 22.053"
38	10°19' 25.558"	123°43' 31.319"
39	10°19' 29.029"	123°43' 32.595"
40	10°19' 29.029"	123°43' 35.238"
41	10°19' 32.512"	123°43' 35.238"
42	10°19' 38.793"	123°43' 35.237"
43	10°19' 42.712"	123°43' 35.237"
44	10°20' 19.494"	123°43' 57.359"

✓

✗

BR

45	10°20' 26.230"	123°43' 57.127"
46	10°20' 26.230"	123°43' 59.089"
47	10°20' 26.230"	123°44' 00.026"
48	10°20' 26.230"	123°44' 04.321"
49	10°20' 31.317"	123°44' 2.190"
50	10°20' 35.059"	123°44' 11.297"
51	10°20' 26.040"	123°44' 15.076"
52	10°20' 22.298"	123°44' 5.969"
53	10°20' 22.601"	123°43' 59.671"
54	10°20' 22.645"	123°43' 58.762"
55	10°20' 20.244"	123°43' 58.572"
56	10°20' 19.494"	123°43' 57.359"
57	10°19' 42.712"	123°43' 35.237"
58	10°19' 38.162"	123°43' 37.891"
59	10°19' 29.706"	123°43' 42.821"
60	10°19' 22.220"	123°43' 40.585"
61	10°18' 54.691"	123°43' 30.470"
62	10°18' 58.031"	123°43' 21.204"
63	10°18' 39.679"	123°43' 14.461"
64	10°18' 53.035"	123°42' 37.399"

C. PARCEL - 2

Contractor : Asterio Buqueron		
Area : 13.7760 Hectares		
CORNER	LATITUDE	LONGITUDE
1	10°20' 04.798"	123°43' 45.114"
2	10°20' 08.087"	123°43' 45.096"
3	10°20' 09.292"	123°43' 44.555"
4	10°20' 09.403"	123°43' 47.840"
5	10°20' 12.820"	123°43' 47.722"
6	10°20' 12.953"	123°43' 51.664"
7	10°20' 15.880"	123°43' 51.564"
8	10°20' 17.694"	123°43' 54.483"
9	10°20' 19.494"	123°43' 57.359"
10	10°20' 20.244"	123°43' 58.572"
11	10°20' 22.645"	123°43' 58.762"
12	10°20' 22.298"	123°44' 05.969"
13	10°20' 17.801"	123°44' 07.853"
14	10°20' 14.572"	123°44' 02.207"
15	10°20' 12.128"	123°43' 57.933"
16	10°20' 09.689"	123°43' 53.667"
17	10°20' 04.807"	123°43' 45.128"

h

BR

R

D. PARCEL - 3

Contractor : Anatolia Jaca		
Area : 25.9377 Hectares		
CORNER	LATITUDE	LONGITUDE
1	10°19' 34.556"	123°43' 51.380"
2	10°19' 43.044"	123°43' 46.429"
3	10°19' 48.559"	123°43' 43.214"
4	10°19' 48.558"	123°43' 45.097"
5	10°19' 53.559"	123°43' 45.097"
6	10°19' 56.383"	123°43' 50.038"
7	10°20' 01.234"	123°43' 58.598"
8	10°20' 09.689"	123°43' 53.667"
9	10°20' 14.572"	123°44' 02.207"
10	10°20' 06.116"	123°44' 07.137"
11	10°20' 01.234"	123°43' 58.598"
12	10°19' 56.383"	123°43' 50.038"
13	10°19' 47.895"	123°43' 54.989"
14	10°19' 39.439"	123°43' 59.919"

E. PARCEL - 4

Contractor : Cristeta C. Bagano		
Area : 18.0360 Hectares		
CORNER	LATITUDE	LONGITUDE
1	10°19' 29.706"	123°43' 42.821"
2	10°19' 38.162"	123°43' 37.891"
3	10°19' 43.044"	123°43' 46.429"
4	10°19' 47.895"	123°43' 54.989"
5	10°19' 56.383"	123°43' 50.038"
6	10°20' 01.234"	123°43' 58.598"
7	10°19' 52.777"	123°44' 03.528"
8	10°19' 47.895"	123°43' 54.989"
9	10°19' 43.044"	123°43' 46.429"
10	10°19' 34.556"	123°43' 51.380"

F. PARCEL - 5

Contractor : Biga Copper Mines, Inc.		
Area : 21.7797 Hectares		
CORNER	LATITUDE	LONGITUDE
1	10°20' 26.230"	123°43' 57.127"
2	10°20' 29.253"	123°43' 57.022"
3	10°20' 31.112"	123°43' 56.958"
4	10°20' 40.876"	123°43' 56.622"
5	10°20' 48.770"	123°43' 56.351"
6	10°20' 48.664"	123°43' 53.222"
7	10°20' 50.640"	123°43' 53.222"
8	10°20' 50.641"	123°44' 03.082"
9	10°20' 40.877"	123°44' 03.083"
10	10°20' 40.877"	123°44' 12.943"
11	10°20' 35.736"	123°44' 12.944"

12	10°20' 35.059"	123°44' 11.297"
13	10°20' 31.684"	123°44' 03.083"
14	10°20' 31.317"	123°44' 02.190"
15	10°20' 31.112"	123°44' 02.276"
16	10°20' 26.230"	123°44' 04.321"

G. PARCEL – 6

Contractor : Lucila Pascual		
Area : 10.1033 Hectares		
CORNER	LATITUDE	LONGITUDE
1	10°19' 38.162"	123°43' 37.891"
2	10°19' 42.712"	123°43' 35.237"
3	10°19' 47.920"	123°43' 35.237"
4	10°19' 48.558"	123°43' 36.353"
5	10°19' 48.559"	123°43' 43.214"
6	10°19' 48.558"	123°43' 45.097"
7	10°19' 53.559"	123°43' 45.097"
8	10°20' 04.798"	123°43' 45.114"
9	10°20' 04.807"	123°43' 45.128"
10	10°19' 56.383"	123°43' 50.038"
11	10°19' 53.559"	123°43' 45.097"
12	10°19' 48.558"	123°43' 45.097"
13	10°19' 48.559"	123°43' 43.214"
14	10°19' 43.044"	123°43' 46.429"

H. PARCEL - 7

Contractor : Mercedes Aytana		
Area : 0.03327 Hectare		
CORNER	LATITUDE	LONGITUDE
1	10°19'48.558"	123°43' 36.353"
2	10°19' 47.920"	123°43' 35.237"
3	10°19' 48.558"	123°43' 35.237"

I. PARCEL – 8

Contractor : Regina de Vera		
Area : 8.9831 Hectares		
CORNER	LATITUDE	LONGITUDE
1	10°20' 01.234"	123°43' 58.598"
2	10°19' 56.383"	123°43' 50.038"
3	10°20' 04.807"	123°43' 45.128"
4	10°20' 09.689"	123°43' 53.667"

✓

✓

BR

J. PARCEL - 9

Contractor : Ricardo A. Verchez		
Area : 3.1432 Hectares		
CORNERS	LATITUDE	LONGITUDE
1	10°20' 21.386"	123°43' 23.608"
2	10°20' 30.001"	123°43' 23.608"
3	10°20' 30.000"	123°43' 27.366"
4	10°20' 28.286"	123°43' 27.425"
5	10°20' 21.398"	123°43' 27.662"

SECTION V

EXPLORATION PERIOD

5.1. Timetable for Exploration - The Contractor shall commence Exploration activities not later than three (3) months after the Effective Date for a period of two (2) years, renewable for like periods but not to exceed a total term of six (6) years for nonmetallic minerals and eight (8) years for metallic minerals, subject to annual review and approval by the Director in accordance with the implementing rules and regulations of the Act.

5.2. Renewal of Exploration Period - In case the Contractor opts for a renewal of its Exploration Period, it shall file prior to the expiration thereof, a renewal application in the Mines and Geosciences Bureau Central Office, accompanied by the mandatory requirements stipulated in the implementing rules and regulations of the Act. The Director may grant the renewal of the Exploration Period on condition that the Contractor has substantially complied with the terms and conditions of the Agreement.

In cases where further exploration is warranted beyond the six (6) - or eight (8)-year period and on condition that the Contractor has substantially implemented the Exploration and Environmental Work Programs as verified by the Bureau, the Director may further grant renewal of the Exploration Period: Provided, That the Contractor shall be required to set up a performance surety equivalent to the expenditure requirement of the Exploration and Environmental Work Programs.

5.3. Work Programs and Budgets - The Contractor shall strictly comply with the approved Exploration and Environmental Work Programs together with their corresponding Budgets (please refer to ANNEXES "C" and "D").

The amount to be spent by the Contractor in conducting Exploration activities under the terms of this Agreement during the Exploration Period shall be in the aggregate of not less than that specified for each of the Contract Years, as follows:

  