

MEMORANDUM OF AGREEMENT

This Memorandum of Agreement (the "Agreement") made and entered into this _____ at _____, by and between:

CARMEN COPPER CORPORATION, a corporation duly organized and existing under and by virtue of the laws of the Republic of the Philippines with principal office address at the 5F Five E-com Center, Palm Coast Ave. corner Pacific Drive, Mall of Asia Complex, Pasay City, and mine site at Brgy. Don Andres Soriano, Toledo City, Cebu, represented herein by its President and CEO, Mr. ROY O. DEVERATURDA, hereinafter referred to as the "FIRST PARTY"

-and-

The Barangay Local Government Units (BLGU) of Toledo City, namely:

1. Barangay Don Andres Soriano, represented herein by its Barangay Captain, Hon. JOSE JEFFREY R. CABRERA;
2. Barangay Biga, represented herein by its Barangay Captain, Hon. PEDRO H. SEPADA, Jr.;
3. Barangay LO-AY, represented herein by its Barangay Captain, Hon. JUNALYN ALICABA;
4. Barangay Media Once, represented herein by its Barangay Captain, Hon. HILARIO L. ALFEREZ;
5. Barangay Bagacay, represented herein by its Barangay Captain, Hon. RAMON B. RAGODOS;
6. Barangay Bunga, represented herein by its Barangay Captain, Hon. LEONARDO V. ORALDE;
7. Barangay Bulongan, represented herein by its Barangay Captain, Hon. FERLITA P. DAVID;
8. Barangay Campo 8, represented herein by its Barangay Captain, Hon. WILFREDO L. OBESO;
9. Barangay Cantabaco, represented herein by its Barangay Captain, Hon. BERNARDO B. VILLARIN;
10. Barangay Camban-ug, represented herein by its Barangay Captain, Hon. MANUEL P. MADRID;
11. Barangay Don Juan Climaco, Sr., represented herein by its Barangay Captain, Hon. WALTER N. LAO;
12. Barangay General Climaco, represented herein by its Barangay Captain, Hon. RICHARD D. CANDILADA;
13. Barangay Landahan, represented herein by its Barangay Captain, Hon. EDWIN C. BAUGBOG;

14. Barangay Pangamihan, represented herein by its Barangay Captain, Hon. MILAGROS B. ABAD;
15. Barangay Poog, represented herein by its Barangay Captain, Hon. CLARIZA Z. ALFEREZ;
16. Barangay Sam-ang, represented herein by its Barangay Captain, Hon. ZOSIMO P. VERANO; and
17. Barangay Subayon, represented herein by its Barangay Captain, HON. FLORANTE N. LARIBA.

are all local government units duly organized and existing under and by virtue of the laws of the Republic of the Philippines, situated in Toledo City, Cebu, collectively referred to as the "SECOND PARTY"

RECITALS:

- A. The First PARTY prepared its Five (5)-Year Social Development and Management Program (SDMP) and the corresponding Annual SDMP (ASDMP) based on the specific provisions of Sections 57-58 Chapter X, *Development of Mining Communities, Science and Mining Technology* of Republic Act (RA) No. 7942, otherwise known as the "Philippine Mining Act of 1995" and Sections 134-136-F Chapter XIV, *Development of Mining Communities, Sciences and Mining Technology* of the Department of Environment and Natural Resources Administrative Order (DAO) No. 2010-21 entitled, "Consolidated DAO for the Implementing Rules and Regulations of RA No. 7942".
- B. The SDMP objectives are guided by the principles of sustainable development, improvement of the human well-being, sustenance of the improvements over time and equity in access to the opportunities and in the distribution of costs and benefits. Specifically, the SDMP aims:
 1. To meet the basic needs of the mining communities, enhance the human welfare and prevent/reduce social ills;
 2. Optimize the advancement of human resources which includes grassroots development and people empowerment to attain a self-help, self-reliant and self-managed community;
 3. Provide opportunities for a self-sustained livelihood thus decreasing dependency on the benefits derived from the mining and mineral processing companies;
 4. Promote conservation and intellectual use/management of the environment vis-a-vis the community and mining activities; and
 5. Protect the social-cultural values amidst improved economic condition and human advancement
- C. The FIRST PARTY also developed programs for the advancement of mining technology and geosciences and for Information, Education and Communication (IEC) for greater public awareness and understanding of responsible mining which are covered in the 5-year SDMP and ASDMP;

D. Pursuant to its 5-yr SDMP and ASDMP, the FIRST PARTY shall assist in the development of the SECOND PARTY which consists of its Host and Neighboring Communities with the goal of promoting the general welfare of the people living therein;

E. The FIRST PARTY is required to submit to the MGB-RO No. VII a sworn statement of its previous year's 1.5% Operating Costs (OC) within sixty (60) days after the end of each calendar year to implement its SDMP out of which (i) 75% of the 1.5% OC is allotted for the Development of Host and Neighboring Community/s (DHNC), (ii) 15% of 1.5% is allocated for IEC, and (iii) 10% of 1.5% for the Development of Mining Technology and Geosciences (DMTG) pursuant to (DAO 2010-21 Sec. 134 par. 1 & 2 thereof);

F. Under DAO 2010-21, the PARTIES are mandated to enter into a Memorandum of Agreement (MOA) which shall be registered with the Mines and Geosciences Bureau Regional Office No. VII (MGB-RO No. VII) to ensure the implementation of the various Programs/Projects/Activities (P/P/As).

NOW, THEREFORE, for and in consideration of the foregoing premises, the parties do hereby mutually declare and agree on the following:

SECTION 1 DUTIES AND RESPONSIBILITIES OF THE FIRST PARTY

FIRST PARTY shall:

- 1.1 Provide funds for the implementation of the approved Programs/Projects/Activities (P/P/As) to be identified in the ASDMP;
- 1.2 Take the lead in the implementation of the P/P/As through its designated Community Relations Officer together with various sector representatives;
- 1.3 Monitor the implementation of the P/P/As and evaluate the implemented P/P/As;
- 1.4 Adhere to the reporting requirements as specified by the DENR AO No. 2010-21;
- 1.5 Facilitate planning workshop for the formulation of the required 5-year SDMP and ASDMP together with the SECOND PARTY and other related stakeholders; and
- 1.6 Suspend or cancel the P/P/As and/or the implementation of the P/P/As in the event that there is a question on the viability of the P/P/As and/or lack of support from the concerned or pertinent SECOND PARTY. In such case, the P/P/As or its implementation may be deviated at the discretion of the FIRST PARTY. In the event of suspension or cancellation of a particular P/P/A due to any of the afore stated reasons, a different P/P/A may be pursued/implemented subject to the endorsement of and supported with a barangay resolution from the concerned BLGU, and provided further that the same is consistent with the 5-yr. SDMP and duly approved by the MGB RO No. VII.

SECTION 2 DUTIES AND RESPONSIBILITIES OF THE SECOND PARTY

SECOND PARTY shall:

- 2.1 Provide pertinent primary and secondary data to the FIRST PARTY in relation to the formulation and implementation of the 5-Year and ASDMP;
- 2.2 together with the FIRST PARTY jointly implement the approved ASDMP;
- 2.3 Provide coordinating efforts for every ASDMP related activities;
- 2.4 Ensure and encourage community support to each and every SDMP undertaking;
- 2.5 Wholly support the FIRST PARTY's SDMP implementation based on its operating costs.
- 2.6 Discourage mass and violent action against the FIRST PARTY that may result in the temporary to full stoppage of its operations. (DELETE)

SECTION 3
LIMITATIONS

Should there be instances of mass and/or violent actions against the FIRST PARTY (and likewise, force majeure) that may result in the temporary or full stoppage of its business operations, the FIRST PARTY shall have the right to suspend, cancel, limit or stop the implementation of the P/P/As covered in this Agreement.

SECTION 4
LIABILITY

SECOND PARTY shall be liable to the FIRST PARTY for misappropriation of funds intended for the P/P/As and maintenance of the same including its operationalization.

SECTION 5
AMENDMENTS

Except for Section 1.6 above, other amendments and modification to this Agreement may be initiated by either party and shall take effect upon mutual written agreement.

SECTION 6
ADDITIONAL TERMS

- 6.1 The SECOND PARTY shall not assign its rights and obligations under this Agreement without the written consent of the FIRST PARTY.
- 6.2 SECOND PARTY shall hold FIRST PARTY, its affiliates, officers, directors, stockholders, employees and/or agents, free and harmless from and against any losses, claims, damages, liabilities, expenses, and/or costs of litigation, resulting from or arising out of its performance of its obligations pursuant to this Agreement. SECOND PARTY further agrees to indemnify FIRST PARTY, its affiliates, officers, directors, stockholders, employees and/or agents, for losses, claims, damages, liabilities, expenses, and/or costs of litigation, which they may suffer as a result of, or arising from SECOND PARTY's performance of its obligations under this Agreement.
- 6.3 If any part of this Agreement is held to be invalid or unenforceable, such determination shall not invalidate any other provision not affected thereby. In such event, the parties shall negotiate in good faith to amend the provision found to be invalid or unenforceable such that the same can be implemented in accordance with law and the original intention embodied in this Agreement.

6.4 No provision of this Agreement shall be considered waived by either party except when such waiver is given in writing.

6.5 This Agreement shall constitute the entire agreement between the Parties with respect to the subject matter hereof. Any prior understanding or representation of any kind preceding the date of this Agreement shall not be binding on either party except to the extent incorporated in this Agreement.

6.6 This Agreement, when executed, shall constitute the binding obligations of the parties and their successors-in-interest.

6.7 This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original, but all of which together shall constitute but one and the same instrument.

SECTION 7
CONFIDENTIALITY

SECOND PARTY shall comply with the Data Privacy Agreement duly signed by herein parties and attached integrally as Annex "A" hereof.

SECTION 8
EFFECTIVITY

This Agreement shall take effect upon execution hereof and receipt by the FIRST PARTY of the CERTIFICATE OF APPROVAL of the Five (5) - YEAR SDMP from the MGB RO No. VII and remains effective for a period of Five (5) Years unless earlier terminated or revoked at the discretion of the FIRST PARTY upon service of fifteen (15) day written notice.

In WITNESS WHEREOF, the parties hereto have affixed their respective signatures this March 4, 2020 in Toledo City, Cebu, Philippines.

CARMEN COPPER CORPORATION
FIRST PARTY

By:

ROY O. DEVERATURDA
President and CEO

SECOND PARTY


By:

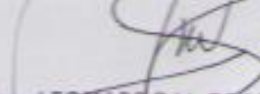
Hon. JOSE JEFFREY R. CABRERA
Barangay Captain

Hon. PEDRO H. SEPADA, JR.
Barangay Captain


Hon. JUNALYN ALICABA
Barangay Captain

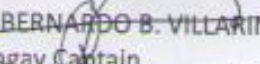
Hon. HILARIO L. ALFEREZ
Barangay Captain



Hon. RAMON B. RAGODOS
Barangay Captain

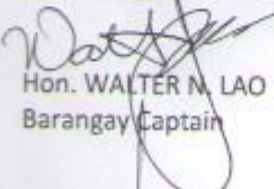

Hon. LEONARDO V. ORALDE
Barangay Captain

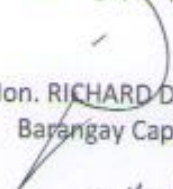
Hon. FERLITA P. DAVID
Barangay Captain


Hon. WINFREDO L. OBESO
Barangay Captain



Hon. BERNARDO B. VILLARIN
Barangay Captain


Hon. MANUEL P. MADRID
Barangay Captain

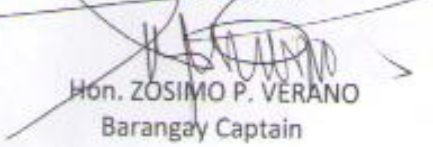

Hon. WALTER M. LAO
Barangay Captain

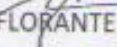

Hon. RICHARD D. CANDILADA
Barangay Captain

Hon. EDWIN C. BAUGBOG
Barangay Captain

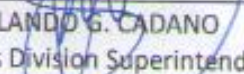

Hon. MILAGROS B. ABAD
Barangay Captain


Hon. CLARIZA Z. ALFEREZ
Barangay Captain

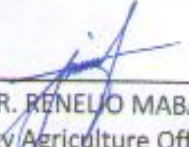

Hon. ZOSIMO P. VERANO
Barangay Captain


Hon. FLORANTE N. LARIBA
Barangay Captain

With Our Conformity:


DR. ORLANDO G. CADANO
Schools Division Superintendent
Department of Education, Toledo City


DR. BONITO F. ZANORIA
Health Officer
Toledo City Health Office


MR. RENELO MABAO
City Agriculture Officer
Department of Agriculture, Toledo City

Signed in the presence of:

HON. MARJORIE PERALES
City Mayor
Toledo City, Cebu

ENGR. LORETO B. ALBURO
Regional Director
DENR-Mines and Geosciences Bureau
Regional Office No. VII

IGNACIO B. ALBURO
AVP-Safety, Health, Environment,
Community Relations and CorpCom
Carmen Copper Corporation

CATHERINE C. FONTANOZA
Chief Legal Counsel
Carmen Copper Corporation

ACKNOWLEDGEMENT

REPUBLIC OF THE PHILIPPINES)

Province of Cebu) S.S.

City of Toledo)

BEFORE ME, this March 4, 2020 at Toledo City, Cebu, Philippines, personally appeared the following:

Name	Competent Evidence of Identity	Date and Place of Issue
Roy O. Deveraturda	Passport No.1981052A	Feb.21, 2017/DFA, Manila
Pedro H. Sepada, Jr.		
Jose Jeffrey R. Cabrera	<u>907-92-002853</u>	<u>MARCH 14, 2020</u>
Junalyn Alicaba		
Hilario L. Alferez		
Ramon B. Ragodos		
Leonardo V. Oralde		
Ferlita P. David		
Wilfredo L. Obeso		
Bernardo B. Villarín		
Manuel P. Madrid		
Walter N. Lao		
Richard D. Candilada		
Edwin C. Baugbog		
Milagros B. Abad		
Clariza Z. Alferez		
Zosimo P. Verano		
Florante N. Lariba		

know to me to be the same persons who executed the foregoing instrument and they acknowledged to me that the same is their free and voluntary act and deed and that of the entity they respectively represent.

This instrument consisting of seven (7) pages, including the page on which this acknowledgement is written, has been signed in the left margin of each and every page thereof by the herein Parties and their witnesses, and sealed with my notarial seal.

IN WITNESS WHEREOF, I have hereto set my hand on the day, year and place above-written.

Doc No. _____

Page No. _____

Book No. _____

Series of 2020.