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RE: EXTENSION OF THE TERM OF THE  
FINANCIAL OR TECHNICAL ASSISTANCE  
AGREEMENT NO. 02-95-XI (AMENDED)  
GRANTED TO SAGITTARIUS MINES, INC.

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### ORDER

**WHEREAS**, on March 22, 1995, Financial or Technical Assistance Agreement (FTAA) No. 02-95-XI was executed by and between the Philippine Government and WMC (Philippines), Inc. (WMC) covering a contract area of 99,387 hectares located in the Provinces of South Cotabato, Sultan Kudarat, Sarangani and Davao del Sur;

**WHEREAS**, the FTAA granted WMC the exclusive right to explore, develop and commercially utilize copper, gold and other associated mineral deposits that may be discovered in the contract area for a term of 25 years, renewable for like period;

**WHEREAS**, in 1997, certain private groups filed a case in the Supreme Court challenging the constitutionality and legality of FTAA No. 02-95-XI, which was resolved in favor of the said FTAA in 2004;

**WHEREAS**, on December 18, 2001, the Department of Environment and Natural Resources (DENR) issued the Order approving the transfer of the FTAA from WMC to Sagittarius Mines, Inc. (SMI) pursuant to the Deed of Absolute Sale of Shares of Stocks executed by WMC Resources International Pty. Ltd. (WMC Resources), which owned all the shares of WMC, and SMI;

**WHEREAS**, after subsequent relinquishments by SMI, the contract area was reduced to 23,571 hectares;

**WHEREAS**, during the period from CY 2006 to 2014, various peace and order problems and civil disturbances were experienced by SMI in the pursuit of its operations in the contract area;

**WHEREAS**, the Partial Declaration of Mining Project Feasibility filed by SMI in 2006 shows, among others, the economic viability of pursuing mining operations in the contract area by open pit mining method;

**WHEREAS**, on June 9, 2010, Ordinance No. 4, Series of 2010, was enacted the *Sangguniang Panlalawigan* of the Province of South Cotabato declaring ban on open pit mining method in the said province;

**WHEREAS**, in 2008, the Department of Agrarian Reform awarded Ce of Land Ownership Award (CLOAs) to various entities covering ab' hectares of land situated in the contract area;

**WHEREAS**, on April 15, 2016, FTAA No. 02-95-XI was amended the 4,968.6766-hectare area covered by SMI's Exploration Permit as EP-000001-08-XI and that as a result thereof, the said redenominated as No. 02-95-XI (Amended).

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