No. 56 of 2014.

Mining (Ok Tedi Mine Extension (Eleventh Supplemental) Agreement) Act 2014.

Certified on: 23 DEC 2014.
Mining (Ok Tedi Mine Extension (Eleventh Supplemental) Agreement) Act 2014.

ARRANGEMENT OF SECTIONS.

1. Compliance with constitutional requirements.
2. Interpretation.
3. Act binds the State.
4. Approval of Agreements.
6. Execution of CMCA Extension Agreements and other acts binding.
8. Tax Status of Foundation.

SCHEDULE 1.

SCHEDULE 2.
No. 56 of 2014.

An Act

entitled

*Mining (Ok Tedi Mine Extension (Eleventh Supplemental) Agreement) Act 2014.*

Being an Act to provide for the approval and implementation of the Ok Tedi Mine Extension (Eleventh Supplemental) Agreement relating to the development of mineral deposits at Mount Fubilan in Western Province, and for related purposes,

MADE by the National Parliament.

1. **COMPLIANCE WITH CONSTITUTIONAL REQUIREMENTS.**

   (1) This Act, to the extent that it regulates or restricts a right or freedom referred to in Subdivision III.3.C *(qualified rights)* of the *Constitution*, namely -

   (a) the right to freedom from arbitrary search of person or property and entry of premises, conferred by Section 44; and

   (b) the right to freedom from conscience, thought and religion and the practice of a person's religion and beliefs, including freedom to manifest and propagate a person's religion and beliefs in such a way as not to interfere with the freedom of others, conferred by Section 45; and

   (c) the right to freedom of expression and publication conferred by Section 46; and

   (d) the right peacefully to assemble and associate and to form or belong to, or not to belong to, political parties, industrial organisations and other associations conferred by Section 47; and

   (e) the right to freedom of choice of employment in any calling for which a person has the qualifications (if any) lawfully required conferred by Section 48; and

   (f) the right to protection from unjust deprivation of property conferred by Section 53,

   of the *Constitution* is a law that is made under Section 38 of the *Constitution* for the purpose of giving effect to the public interest in public safety, public order, public welfare.

   (2) For the purposes of any Organic Law from time to time and for the time being implementing Part VIA of the *Constitution*, it is hereby declared that each of the following Acts relates to a matter of national interest:

   (a) the *Mining (Ok Tedi Agreement) Act* (Chapter 363A); and

   (b) the *Mining (Ok Tedi Supplemental Agreement) Act* (Chapter 363A); and

   (c) the *Mining (Ok Tedi Second Supplemental Agreement) Act* (Chapter 363B); and

   (d) the *Mining (Ok Tedi Third Supplemental Agreement) Act* (Chapter 363C); and

   (e) the *Mining (Ok Tedi Fourth Supplemental Agreement) Act* (Chapter 363D); and

   (f) the *Mining (Ok Tedi Fifth Supplemental Agreement) Act* (Chapter 363E); and

   (g) the *Mining (Ok Tedi Sixth Supplemental Agreement) Act 1986*; and

   (h) the *Mining (Ok Tedi Agreements) (Amendment) Act 1986*; and

   (i) the *Mining (Ok Tedi Seventh Supplemental Agreement) Act 1986*; and
Mining (Ok Tedi Mine Extension (Eleventh Supplemental) Agreement)

(j) the Mining (Restated Eight Supplemental Agreement) Act 1995; and
(k) the Mining (Ok Tedi Mine Continuation (Ninth Supplemental) Agreement) Act 2001; and
(l) the Mining (Ok Tedi Mine Continuation (Tenth Supplemental) Agreement) Act 2013,

and it is further declared that this Act deals with a matter of urgent national importance.

2. INTERPRETATION.
(1) Unless otherwise defined in this Act, words and expressions which are given a certain meaning in the Principal Agreement or in the Ok Tedi Mine Extension (Eleventh Supplemental) Agreement are used in this Act with the same meanings.

(2) In this Act, unless the contrary intention appears -
“CMCA Extension Agreement” means each of the agreements between the company and specified communities which are set out in Schedule 2;
“Foundation” means the Ok Tedi Development Foundation Limited referred to in Clause 6 of the Ninth Supplemental Agreement;
“Mine Closure and Decommissioning Code” means the document contained in Schedule 3 to the Mining (Ok Tedi Mine Continuation (Ninth Supplemental Agreement) Act 2001;
“Ninth Supplemental Agreement” means the agreement scheduled to the Mining (Ok Tedi Mine Continuation (Ninth Supplemental Agreement) Act 2001;
“principal agreement” means the agreement a copy of which is set out in the Schedule to the Mining (Ok Tedi Agreement) Act (Chapter 363) as varied, amended, and supplemented by the agreements respectively set out in the Schedules to the Acts referred to in Sections 1(4)(Z>, (c), (d), (e), (f), (g), (i), (f), (k) and (l) and by the Ok Tedi Mine Extension (Eleventh Supplemental) Agreement;
“Ok Tedi Mine Extension (Eleventh Supplemental) Agreement” means the supplemental agreement a copy of which is set out in Schedule 1.

3. ACT BINDS THE STATE.
This Act binds the State.

4. APPROVAL OF AGREEMENTS.
(1) The Ok Tedi Mine Extension (Eleventh Supplemental) Agreement is approved and has effect according to its tenor.

(2) The CMCA Extension Agreements, including all schedules and annexures to the agreements, are approved and have effect according to their tenor.

5. EFFECT IN RELATION TO LAWS OF PAPUA NEW GUINEA.
(1) The Ok Tedi Mine Extension (Eleventh Supplemental) Agreement, including all schedules and annexures to the agreements, has the force of law for the full term provided for and applies notwithstanding -
(a) anything to the contrary in any other law in force in the country; or
(b) that the agreement might, but for this Act, be wholly or partly unenforceable.

(2) The CMCA Extension Agreements, including all schedules and annexures to the agreements, have the force of law for the full term provided for and apply notwithstanding -
(a) anything to the contrary in any law in force in the country; or
(b) that any such agreement might, but for this Act, be wholly or partly unenforceable.
Mining (Ok Tedi Mine Extension (Eleventh Supplemental) Agreement)

(3) Nothing in this Act affects the operation of the Mining (Ok Tedi Restated Eighth Supplemental Agreement) Act 1995.

(4) The CMCA Extension Agreements represent the final and binding agreement between the parties to the agreement on compensation and benefits payable to such of them as are affected by the Project and the extension of the Project's operation as contemplated in the CMCA Extension Agreements.

(5) The fact that the Company has entered into the CMCA Extension Agreements does not derogate from the effect of the releases contained in and the compensation regime established by the Mining (Ok Tedi Agreement) Act (Chapter 363) (as amended and supplemented) in relation to any community which does not enter into such an agreement.

(6) The Fairness of Transactions Act 1993 has no application to any agreement given the force of law by this Act or by any of the Acts referred to in Section 1(4).

(7) A party to the Ninth Supplemental Agreement or the Ok Tedi Mine Extension (Eleventh Supplemental) Agreement or other beneficiary of a provision of a Community Mine Continuation Agreement or a CMCA Extension Agreement may enforce that provision as if it were a party to that Community Mine Continuation Agreement or CMCA Extension Agreement, as the case may be.

6. EXECUTION OF CMCA EXTENSION AGREEMENTS AND OTHER ACTS BINDING.

(1) The signature or other execution of a CMCA Extension Agreement by a person representing or purporting to represent a community or clan, or that person's delegate, binds all of the members of that community or clan to that CMCA Extension Agreement notwithstanding:
   (a) that there is no express authority for that person to sign or execute the CMCA Extension Agreement on behalf of the members of the community or clan concerned; or
   (b) that not all representatives of the relevant community or clan have signed or otherwise executed the CMCA Extension Agreement; or
   (c) that not all members of the community are parties to the CMCA Extension Agreement; or
   (d) any requirement of the underlying law.

(2) The acts and deeds of a person described in Subsection (1) in respect of any matter referred to in the relevant CMCA Extension Agreement bind each person on behalf of whom that person purports to be acting, and where a person purports to be acting on behalf of the whole of that person's community or clan, that person's acts and deeds bind each existing and future member of that person's community or clan, including, without limitation, children and persons who are subsequently born into, or who subsequently join, that community or clan.

7. MINE CLOSURE AND DECOMMISSIONING CODE.

The Mine Closure and Decommissioning Code is amended as follows:
   (a) Section 3.5(b) is amended by substituting the number and word “6 months” for the number and word “12 months”; and
   (b) Section 3.6(a) is amended by substituting the number and word “2 years” for the number and word “3 years”.

- 3 -
8. TAX STATUS OF FOUNDATION.
Section 11(2) of the Mining (Ok Tedi Mine Continuation (Ninth Supplemental) Agreement) Act 2001 is repealed and replaced with the following:

“For the purposes of the Goods and Services Tax Act 2003 -
(a) tax on all supplies made by the Foundation shall be charged at zero percent; and
(b) all supplies to the Foundation shall be zero rated and the Foundation shall receive a refund of all tax it has paid to the Internal Revenue Commission on purchases, including tax paid on imported goods, since the Foundation’s commencement of operations.”.

9. SCHEDULES.
Schedules 1 and 2 of this Act are attached as Annexures “A” and “B” respectively.

I hereby certify that the above is a fair print of the Mining (Ok Tedi Mine Extension (Eleventh Supplemental) Agreement) Act 2014 which has been made by the National Parliament.

[Signature]
Acting Clerk of the National Parliament.
23 DEC 2014

I hereby certify that the Mining (Ok Tedi Mine Extension (Eleventh Supplemental) Agreement) Act 2014 was made by the National Parliament on 26 November, 2014 by an absolute majority in accordance with the Constitution.

[Signature]
Acting Speaker of the National Parliament.
23 DEC 2014
ANNEXURE “A”

SCHEDULE 1. OK TEDI MINE EXTENSION (ELEVENTH SUPPLEMENTAL AGREEMENT).
The Independent State of Papua New Guinea
Mineral Resources Ok Tedi No. 2 Limited
Ok Tedi Mining Limited

Ok Tedi Mine Extension (Eleventh Supplemental) Agreement
Tuesday 25th November, 2014

His Excellency, Grand Chief Sir Michael Ogio, GCL, GCMG, KSt.J
Governor General of Papua New Guinea
Government Haus,
P.O. BOX 79
KONEDOBU
National Capital District

Your Excellency,

SUBJECT: LETTER OF LEGAL CORRECTNESS ELEVENTH SUPPLEMENTARY

1. Your Excellency, the attached Contract for your signature is between the Independent State of Papua New Guinea and OK Tedi Mining Ltd.

2. The purpose of the Eleventh Supplementary Agreement is to extend the application of Community Mine continuation Agreement.

3. The Community Continuation Agreement represents the final and boundary Agreement between the parties thereto on compensation and benefits.

4. The NEC in its Decision No. 360/2014 of meeting No.10/2014 25th November 2014 noted the content of the Statutory Business Paper No 158/2013 and approved for your Excellency to execute the Eleventh Supplementary Agreement, on behalf of the Independent State of Papua New Guinea (State).

5. Your Excellency, I have considered in detail the terms of the contract and the supporting documents and certify that they are satisfactory and legally in order and there are no adverse or detrimental effects against the State.

6. Your Excellency, this letter is to advise you to execute the contract for and on behalf of the State pursuant to Section 47 (1) (a) of the Act upon receipt of advice from the NEC.

Yours sincerely,

DANIEL ROLPAGAREA
State Solicitor
ADVICE TO THE GOVERNOR-GENERAL

Your Excellency,

You are hereby informed that on the 25th day of November, 2014, the National Executive Council did decide to advise you to enter into and execute on behalf of the State, with Mineral Resources No. 2 Limited and Ok Tedi Mining Limited the Ok Tedi Mine Extension (Eleventh Supplemental) Agreement,

in accordance with the attached Contract Agreement.

Chairman
National Executive Council
Date: 25th November 2014
The State and OTML have determined that Mine Extension is technically and financially feasible, and the State and the affected communities have determined that Mine Extension is socially and economically desirable. **Error! Bookmark not defined.**

The parties wish to amend the Principal Agreement accordingly.

1 **DEFINITIONS AND INTERPRETATION**
   1.1 Definitions
   1.2 Definitions in Principal Agreement
   1.3 Interpretation

2 **CONDITION PRECEDENT**
   2.1 Substantial Variation to Principal Agreement
   2.2 Operation of Agreement

3 **EFFECT ON AND OF OTHER LAWS**

4 **MINE LIFE EXTENSION**

5 **STATE ACQUISITION AND OWNERSHIP OF FACILITIES (Principal Agreement Clause 21)**

6 **TAXATION (Principal Agreement Clause 23)**

7 **RATES AND DUTIES (Principal Agreement Clause 25)**

8 **MARKETING AND CONTRACTS (Principal Agreement Clause 27)**

9 **ADDITIONAL PROSPECTS (Principal Agreement Clause 47)**

10 **OK TEDI DEVELOPMENT FOUNDATION LIMITED**

11 **FURTHER ASSURANCES**

12 **ENTIRE AGREEMENT**

13 **COSTS AND STAMP DUTY**

14 **AMENDMENT**

15 **SEVERANCE**

16 **GOVERNING LAW**

17 **COUNTERPARTS**
This Agreement is made on *21st August 2014*

Parties

1 The Independent State of Papua New Guinea (the *State*)

2 Mineral Resources Ok Tedi No. 2 Limited, a company incorporated in Papua New Guinea (*MROT No. 2*)

3 Ok Tedi Mining Limited, a company incorporated in Papua New Guinea (the *Company*)

Recitals

A The parties wish to amend the Principal Agreement accordingly.

It is agreed as follows.

1 DEFINITIONS AND INTERPRETATION

1.1 Definitions

The following definitions apply unless the context requires otherwise.

*Approved Proposals* has the meaning given in Clause 1 of the Principal Agreement.

*First Supplemental Agreement* means the agreement scheduled to the Mining (Ok Tedi Agreement) Act (Chapter 363A).

*Ok Tedi Mine* means the Project as defined in the Principal Agreement.

*Principal Agreement* means the agreement scheduled to the *Mining (Ok Tedi Agreement) Act 1976* (as amended and supplemented).

*Tabubil Township* means the town facilities constructed and maintained by the Company in accordance with the Principal Agreement.

1.2 Definitions in Principal Agreement

Unless otherwise defined in this Agreement, words and expressions which are given a particular meaning in the Principal Agreement are used in this Agreement with the same meaning.

1.3 Interpretation

Headings are for convenience only and do not affect interpretation. The following rules apply unless the context requires otherwise.
(a) The singular includes the plural and conversely.

(b) If a word or phrase is defined, its other grammatical forms have a corresponding meaning.

(c) A reference to a person includes a corporation, trust, partnership, unincorporated body or other entity, whether or not it comprises a separate legal entity.

(d) A reference to a clause, schedule or annexure is a reference to a clause of, or schedule or annexure to, this Agreement.

(e) A reference to an agreement or document (including a reference to this Agreement) is to the agreement or document as amended, supplemented, novated or replaced, except to the extent prohibited by this Agreement or that other agreement or document, and includes the recitals, schedules and annexures to that agreement or document.

(f) A reference to writing includes any method of representing or reproducing words, figures, drawings or symbols in a visible and tangible form.

(g) A reference to a party to this Agreement or another agreement or document includes the party's successors, permitted substitutes and permitted assigns (and, where applicable, the party's legal personal representatives).

(h) A reference to legislation or to a provision of legislation includes a modification or re-enactment of it, a legislative provision substituted for it and a regulation or statutory instrument issued under it.

(i) A reference to an agreement includes any undertaking, Agreement, agreement and legally enforceable arrangement, whether or not in writing, and a reference to a document includes an agreement (as so defined) in writing and any certificate, notice, instrument and document of any kind.

(j) A reference to an asset includes any real or personal, present or future, tangible or intangible property or asset (including Intellectual Property) and any right, interest, revenue or benefit in, under or derived from the property or asset.

(k) Mentioning anything after includes, including, for example, or similar expressions, does not limit what else might be included.

(l) Nothing in this Agreement is to be interpreted against a party solely on the ground that the party put forward this Agreement or a relevant part of it.

(m) A month means a calendar month.

(n) A reference to time is to the time in Port Moresby, Papua New Guinea.
2 CONDITION PRECEDENT

2.1 Substantial Variation to Principal Agreement
The Parties declare that this Agreement constitutes a material or substantial alteration of the Principal Agreement and accordingly under clause 42.2 of the Principal Agreement the State must as soon as is reasonably practicable introduce and sponsor in the National Parliament a Bill for an Act to approve this Agreement, such Bill to be in a form agreed by the Parties.

2.2 Operation of Agreement
This Agreement, other than this clause 2, has no effect until the Bill referred to in clause 2.1 is passed as an Act and comes into operation.

3 EFFECT ON AND OF OTHER LAWS
This Agreement shall have the force of law for the Term and shall apply notwithstanding anything to the contrary in any other law in force in Papua New Guinea.

4 STATE ACQUISITION AND OWNERSHIP OF FACILITIES (Principal Agreement Clause 21)
The Principal Agreement is amended by deleting Clause 21.

5 MARKETING AND CONTRACTS (Principal Agreement Clause 27)
Clause 27.1(b) of the Principal Agreement is deleted.

6 OK TEDI DEVELOPMENT FOUNDATION LIMITED
Clause 6.8(b) of the agreement scheduled to the Mining (Ok Tedi Mine Continuation (Ninth Supplemental) Agreement) Act 2001 is amended by substituting the expression "K1 million" for the expression "100,000 Kina, or such higher number as approved by the Secretary of the department responsible for treasury matters."

7 FURTHER ASSURANCES
Each Party must do anything (including executing agreements and documents) that is necessary or desirable to give full effect to this Agreement and/or any document or agreement contemplated by this Agreement, and the transactions contemplated by this Agreement and/or any document or agreement. Without limitation, each Party will do so promptly at and in accordance with the request of the other Party or Parties.

8 ENTIRE AGREEMENT
This Agreement contains the entire agreement of the Parties with respect to its subject matter. It sets out the only conduct relied on by the Parties and supersedes all earlier conduct and prior agreements and understandings between the Parties connection with its subject matter.
COSTS AND STAMP DUTY

Each Party must bear its own costs arising out of the negotiation, preparation and execution of this Agreement. All stamp duty (including fines, penalties and interest) payable on or in connection with this Agreement must be borne by Participants in proportion to their respective Participating Interests.

AMENDMENT

This Agreement may be amended only by another agreement executed by all parties.

SEVERANCE

Any provision of this Agreement that is prohibited or unenforceable will be ineffective in to the extent of the prohibition or unenforceability. That will not invalidate the remaining provisions of this Agreement nor affect the validity or enforceability of that provision.

GOVERNING LAW

This Agreement is governed by the laws of the Independent State of Papua New Guinea and the Parties submit to the non-exclusive jurisdiction of the courts exercising jurisdiction there.

Nothing in this Clause affects the operation of Clause 38 of the Principal Agreement.

COUNTERPARTS

This Agreement may be executed in any number of counterparts. All counterparts together will be taken to constitute one instrument.

Executed as an Agreement in Port Moresby

SIGNED for and on behalf of the
Independent State of Papua New
Guinea by Sir Michael Ogio, GCMG,
KCStJ, Governor General, acting with and
in accordance with the advice of the
National Executive Council, in the
presence of:

Witness Signature

Print Name
The Common Seal of MINERAL RESOURCES No. 2 LIMITED was affixed in the presence of:

[Signature]

Directors Signature

[Print Name]

Print Name

The Common Seal of OK TEDI MINING LIMITED was affixed in the presence of:

[Signature]

Directors Signature

[Print Name]

Print Name

[Signature]

Director/Secretary Signature

[Print Name]

Print Name
ANNEXURE “B”

SCHEDULE 2. CMCA EXTENSION AGREEMENT
MINE AREA VILLAGES.
CMCA EXTENSION AGREEMENT
MINE AREA VILLAGES

THIS CMCA EXTENSION AGREEMENT is made as of the 21st day of December, 2012

BETWEEN:
OK TEDI MINING LIMITED (the "Company")
AND
EACH OF THE MEMBERS OF THE COMMUNITIES OF:

1. Atemkit
2. Bultem
3. Finalbin
4. Kavorabip
5. Migalsimbip
6. Wangbin

or such of them whose representatives execute this Agreement (the "Communities").

WHEREAS:
A. The Parties executed the Community Mine Continuation Agreement, which was intended to operate until the expected cessation of mining in approximately 2011.
B. The Company has subsequently investigated the potential for extending the economic life of the Mine, but at a lower rate of production, by means of Open Pit Cut Back and Underground Operations.
C. The Communities and the Company have engaged in Consultations about whether it is the Communities' preference for the Mine to extend operations for a further period with the Open Pit Cut Back and Underground Operations or cease mining in or about 2013.
D. Subject to the Condition Precedent, the Parties wish to record their respective commitments to facilitate the Open Pit Cut Back and Underground Operations and to extend the term of the Community Mine Continuation Agreement.
E. For the Company and the State to decide that the Open Pit Cut Back and Underground Operations are economically viable, there must be reasonable certainty as to the cost of the operations, including compensation and benefits to the Communities, and the Parties
therefore intend this CMCA Extension Agreement to be the complete, final and binding basis on which the Parties agree to support the extended operation of the Mine by means of the Open Pit Cut Back and Underground Operations.

F. The State has agreed to give this agreement the force of law by enacting the Act.

THE PARTIES AGREE AS FOLLOWS:

1. DEFINITIONS

In this Agreement, including the Recitals, the following definitions apply unless the context requires otherwise:

"Act" means an Act of the National Parliament which, among other things, meets the objectives described in Schedule 2.

"Additional Compensation and Benefits Package Agreement" means the agreement with that title between the Company and the members of each of:

(a) Atemkit Village dated on or about 21 April 1997;
(b) Bultem Village dated on or about 14 April 1997;
(c) Kavorabip Village dated on or about 14 July 1997;
(d) Migalsimbib Village dated on or about 14 April 1997; and
(e) Wangbin Village dated on or about 1 May 1997.

"CMCA Extension Agreements" means the agreements between the Company and the Interested Communities by which each Interested Community gives its informed consent to the extension of operations of the Mine, and includes this Agreement.

"Community Mine Continuation Agreement" or "CMCA" means the agreement on the terms set out and substantially in the form of the Pro Forma Community Mine Continuation Agreement between the Parties scheduled to the Mining (Ok Tedi Mine Continuation (Ninth Supplemental) Agreement) Act 2001 and:

(a) in relation to Atemkit Village, means the agreement executed for an on behalf of the members of Atemkit Village on 21 December 2001;
(b) in relation to Bultem Village, means the agreement executed for an on behalf of the members of Bultem Village on 21 December 2001;
(c) in relation to Finalbin Village, means the agreement executed for an on behalf of the members of Finalbin Village on 5 April 2004;
(d) in relation to Kavorabip Village, means the agreement executed for an on behalf of the members of Kavorabip Village on 21 December 2001; and
in relation to Migalsimbip Village, means the agreement executed for an on behalf of the members of Migalsimbip Village on 24 December 2001.

"Condition Precedent" means the condition precedent in Clause 3.

"Consultations" means the meetings and discussions that have taken place between officers of the State, the Company and the Community in which the Company has presented information to the Community regarding the opportunities and costs of extension of Mine operations. Further particulars of the Consultations are contained in Schedule 1.

"Downstream Communities" means the collective residents of the villages in the Highway, Lower Ok Tedi, North Ok Tedi, Middle Fly and South Fly areas.

"Environmental Predictions" means the Environmental Predictions contained in the CMCA, subject to the following revisions:

(a) in relation to the expected effects of Mine operations resulting in trees losing leaves and dying, the maximum area likely to be affected is revised from 1,350 km$^2$ to 2,395 km$^2$; and

(b) the expected effects of copper contained in sediment from the Mine are revised and replaced with the following:

"Copper"

The sand that comes from the Mine contains small amounts of copper. The concentration of copper in the sand is likely to decrease if the Mine operations are extended due to the treatment of tailings waste and other mitigation strategies, but it may slow down the growth rates in some plants and animals that live in the water. However, it is not expected to be harmful to people or fish."

"Interested Communities" means the collective residents of the villages in the Mine area, Highway area, Lower Ok Tedi, North Ok Tedi, Middle Fly and South Fly.

"Mine" means the mine operated by the Company pursuant to the Mining (Ok Tedi Agreement) Act (as amended and supplemented).

"Open Pit Cut Back" means the mining of waste rock from the West wall, the North-east wall and the East wall of the Mine pit for the purpose of gaining access to and mining ore bodies located there under.

"Parties" means the Company and the Community severally.

"Settlement Agreement" means the two documents headed respectively Terms of Settlement and Settlement Agreement both dated 7 June 1996 and executed by or on behalf of Rex Dagi and others of the first part and the Company and others of the second part by which litigation concerning the Mine was terminated.

"State" means the Independent State of Papua New Guinea.

"Termination Date" means 31 December 2014 or such later date as nominated by the Company in writing in accordance with Clause 3.
"Underground Operations" means the mining of ore bodies within the Mine pit using underground or sub-surface mining techniques and methods.

2. INTERPRETATION

In this Agreement unless the context requires otherwise:
(a) monetary references are references to Papua New Guinea currency unless otherwise specifically expressed;
(b) the headings do not affect the interpretation or construction;
(c) words importing the singular include the plural and vice versa;
(d) words importing gender include the other gender;
(e) references to a person include a corporation and vice versa;
(f) references to a Recital, Clause, Schedule or Annexure are to a Recital, Clause, Schedule or Annexure or part thereof of this Agreement; and
(g) the Recitals form part of this Agreement.

3. CONDITION PRECEDENT

3.1 This Agreement is conditional on and shall be of no force or effect unless on or before the Termination Date the National Parliament has enacted the Act and all CMCA Extension Agreements have been given the force of law thereunder.

3.2 This condition precedent is for the sole benefit of the Company, which may prior to the Termination Date:
(a) elect to waive reliance on it; or
(b) postpone the Termination Date to a nominated date.

4. PARTIES DEEMED TO BE BOUND BY THE CMCA

4.1 The Parties agree that the Company and each member of Wangbin Village shall be deemed to have acceded to and is bound by the CMCA so far as may be applicable, including without limitation clauses 3 to 14 (inclusive) of the CMCA, on and from 4 June 2009.

4.2 For avoidance of doubt, the Parties agree and affirm that:
(a) the Company shall not pay; and
(b) each member of Wangbin Village shall not be entitled to receive, make any claim or demand, institute proceedings or take any action for,
any amount payable by the Company under and in accordance with the CMCA prior to the
date each member of Wangbin Village is deemed to have acceded to the CMCA pursuant
to Clause 4.1.

5. OPERATION OF THIS AGREEMENT AND THE CMCA

5.1 The Parties affirm the CMCA and agree to its extend its term commensurate with the term
of this Agreement.

5.2 The CMCA and this Agreement shall be read and construed together as one agreement but
in the event of conflict this Agreement shall prevail.

6. COMMUNITY CONSULTATIONS REGARDING EXTENSION OF MINE
OPERATIONS

6.1 The Parties acknowledge that:

(a) the Consultations have taken place for the purpose of exchanging information and
views regarding the Environmental Predictions and the implications for the
Communities of closure or extension of the operations of the Mine;

(b) the Consultations have given the clan leaders within the Communities the
opportunity to make representations to the Company and the State in connection
with the review undertaken for the purposes of Clause 29G of the agreement
scheduled to the Mining (Ok Tedi Agreement) Act (Chapter 363) (as amended and
supplemented);

(c) the Consultations were intended by the Parties to ensure that any decision made by
the Communities regarding the extension of the operations of the Mine is made on
the basis that all relevant information known to the Company concerning the
social, economic and environmental consequences, both beneficial and detrimental,
of extension of the operations of the Mine or closure of the Mine, has been made
available to the Communities; and

(d) a decision by the State and the Company to extend operation of the Mine will have
the properly informed consent of the Communities.

6.2 The Communities acknowledge that all information requested by them in the course of the
Consultations has been provided by the Company and that the Company has acted in good
faith in the Consultations.

7. COMMITMENT TO SUSTAINABLE DEVELOPMENT & CO-OPERATION

7.1 The Parties agree that the greater part of future benefits passing from the Company to the
Communities over the remaining life of the Mine should be committed to investment in
training, infrastructure and development, including without limitation projects and programmes for the development of women and children within the Communities, that will provide an improved economic base for the Communities.

7.2 The Communities will co-operate with the Company to ensure the efficient and uninterrupted operation of the Mine, in recognition of the Company's commitments and the benefits that the Mine provides to the Communities, the Western Province and the State.

7.3 Should a dispute arise between the Communities and the Company, the Communities agree to directly consult in good faith with the Company, the Fly River Provincial Government and the National Government to achieve resolution of that dispute.

8. COMMUNITIES' COMMITMENTS

8.1 The Communities, having considered:

(a) the information disclosed to them in the Consultations;

(b) the likely social, environmental and economic implications for themselves of the extended operations of the Mine (including the Company's commitments) in light of the Environmental Predictions; and

(c) the likely social, environmental and economic implications for themselves of the closure of the Mine in or around 2013,

have concluded and affirm that, subject to this Agreement, it is in the Communities' interest that the Mine operations should be extended rather than cease.

8.2 The Communities acknowledge that their decision is made in the knowledge or belief that:

(a) the extended operation of the Mine may result in increased environmental impacts for the Downstream Communities, including those described in the Environmental Predictions, and that closure of the Mine may result in reduced environmental impacts;

(b) the economic opportunities offered by the Company's commitments represent to the Communities an acceptable trade off for the environmental impacts of the extended operation of the Mine; and

(c) it is fair and proper that the Downstream Communities receive compensation and benefits commensurate with the Environmental Predictions.

8.3 The Communities:

(a) represent and warrant to the Company that they will not demand or seek additional compensation and benefits to match those to be provided to the Downstream Communities;
represent and warrant to the Company that, subject to the Company's commitments, it is their decision that the Mine operations should be extended by the Open Pit Cut Back and Underground Operations;

(c) represent and warrant that the persons signing this Agreement for and on behalf of the Communities have the power and authority to do so and that this Agreement will be valid and binding on each member of the Communities; and

(d) acknowledge that the Company will be acting in reliance upon these representations and warranties in the event that the Mine operations are extended.

9. COMMUNITIES' RELEASES

9.1 The Communities agree that this CMCA Extension Agreement is the complete, final and binding basis on which they agree to support the extension of the Mine operations by the Open Pit Cut Back and Underground Operations, and without derogating from the effect of the releases contained in and the compensation regime established by the Mining (Ok Tedi Agreement) Act (Chapter 363) (as amended and supplemented), the Settlement Agreement and any other releases between the Parties, hereby release and discharge the Company, the Company's shareholders and their respective associated corporations, directors, officers, employees and agents and former directors, officers, employees and agents from all and any demands and claims arising directly or indirectly from the operation of the Mine or any associated works, and without limiting the generality of the foregoing that release and discharge includes and extends to:

(a) the disposal by the Company of tailings and waste;
(b) dredging, storage and release of dredged material;
(c) occurrences or circumstances contemplated by or more adverse than or in excess of the Environmental Predictions;
(d) the Settlement Agreement; and
(e) any public statement concerning the Mine made by the Company or the Company's shareholders.

9.2 The benefit of the releases and discharges provided by the Communities under this Agreement is held by the Company in trust for itself and each of the other persons in whose favour the releases and discharges are expressed to apply.

10. REVISED ADDITIONAL COMPENSATION AND BENEFITS PACKAGE

10.1 Subject to Clause 12:

(a) the Parties have reviewed the Additional Compensation and Benefits Package Agreement and have agreed that the Company will make annual payments to the
Community members and spend on infrastructure, construction and social business development projects in the Communities, in total, the amounts shown in Schedule 3;

(b) the Company will make additional annual payments described in Schedule 3:

(i) to each member of Migalsimbip Village in full compensation for past, present and future inconvenience in relation to the use of the Ok Menga river and its banks; and

(ii) to each member of Wangbin Village in full compensation for past, present and future inconvenience in relation to the use of all land upon which the Tabubil town and related facilities have been established, developed and are maintained by the Company in accordance with the Mining (Ok Tedi Agreement) Act (as amended and supplemented); and

(c) in addition to the payments under paragraph 10.1 (a) and (b), the Company shall make the additional annual payments described in Schedule 4 to the respective village development fund of each Community.

10.2 Save as provided in this Clause 10, the Additional Compensation and Benefits Package is affirmed.

10.3 The Company shall use its best endeavours to assist the Communities source third party funds for additional village infrastructure works and shall assist with the design and costing of other infrastructure works that will promote the long term development in the Mine area.

11. RELATIONSHIP OF REVISION OF COMPENSATION PAYABLE TO DOWNSTREAM COMMUNITIES TO ENVIRONMENTAL PREDICTIONS

The Communities acknowledge that if the environmental effects of the extended operation of the Mine exceed the Environmental Predictions, the Company may be obliged to revise the compensation and benefits of the Downstream Communities taking into account the environmental impacts not contemplated in the Environmental Predictions. The Communities acknowledge and agrees that if such a revision is made, the Communities will remain bound by Clause 10 and will not seek or demand compensation or benefits to match those provided to the Downstream Communities.

12. TIMING OF PAYMENTS

12.1 Subject to the following clauses, the payments pursuant to Clause 10 shall:

(a) commence on 1 January 2015 or such later date as determined by the Company in its sole discretion; and

(b) be paid by the Company to the Communities in the fourth quarter of each calendar year.
12.2 The timing of payments by the Company pursuant to Clause 10 shall be subject to the continuous compliance by the respective recipients with all of their obligations under this Agreement, and in particular Clauses 7, 8 and 9. In the event of non-compliance with any provision of this Agreement, in particular Clauses 7, 8 and 9, the payment otherwise due to the non-complying recipients shall be deferred without interest until the due date for the next succeeding annual payment, subject always to the recipients' compliance with this Agreement, in particular Clauses 7, 8 and 9, in the intervening period. In the event of further non-compliance in the intervening period, both payments shall be deferred on the same terms as applied to the first deferred payment. The same principles shall also be applied in respect of subsequent non-compliance with this Agreement, in particular Clauses 7, 8 and 9. Any deferred payment subsisting at the date of closure of the Mine will be paid by the Company to the village development fund.

12.3 Notwithstanding Clauses 12.1 to 12.2 inclusive if the Mine ceases to operate the Company's obligation to make payments pursuant to Clause 10 will also cease.

13. WAIVER

The failure of any Party to enforce, at any time, any of the provisions of the Agreement shall not be construed to be a waiver of the provision or any part thereof or the right of any party thereafter to enforce each and every part of the provision in respect of any subsequent default or breach.

14. REPRESENTATIONS AND WARRANTIES

Except as expressly stated in this Agreement, no representation, inducement or warranty was, prior to the execution of this Agreement, given or made by one of the Parties hereto with the intent of inducing any other Party to enter into this Agreement, and any representations, inducements or warranties that may have been so given are hereby denied and negated.

15. COMMUNICATIONS

15.1 Any formal communications by the Parties concerning this Agreement shall be deemed to have been made:

(a) in the case of the Company, if signed by the Managing Director of the Company; or

(b) in the case of the Communities, if signed by a village councillor.
15.2 Any formal communication shall be in writing and may be delivered either personally, or transmitted by facsimile to the person, or persons referred to in Clause 15.1.

15.3 Any formal communication shall be deemed to have reached the other Party:
(a) in the case of personal delivery, when received by the relevant person referred to in Clause 15.1; or
(b) in the case of facsimile, as soon as transmission is confirmed.

16. REVIEW OF OPERATION OF AGREEMENT

16.1 Subject to this Agreement, the Parties may after the expiration of five years from the Termination Date, meet to review the operation of this Agreement (the "Review Date"). Thereafter, any subsequent review of the operation of this Agreement may be conducted at intervals of not less than five years from the Review Date (the "Next Review Date").

For avoidance of doubt, the Parties are not obliged to review the operation of this Agreement.

16.2 The Parties agree that:
(a) a review under this Clause 16 shall not include a review or renegotiation of, or amend, vary, alter or revoke, an essential term of this Agreement; and
(b) each of the following is an essential term of this Agreement:
   (i) Clause 3;
   (ii) Clause 6;
   (iii) Clause 7;
   (iv) Clause 8;
   (v) Clause 9;
   (vi) Clause 10, except as to whether the annual payments described in Schedule 4 should be made solely to the Community members rather than to the village development fund (or vice versa);
   (vii) Clause 11
   (viii) Clause 12.1(a);
   (ix) Clause 12.2; and
   (x) Clause 12.3.

16.3 If the Communities wish to request a review of this Agreement, the Communities must notify the Company in writing not less than six months before the proposed Review Date or the Next Review Date (as the case may be) and provide reasons for requesting a review under this Clause 16.
16.4 Upon receipt of a notice in accordance with Clause 16.3, the Company, acting reasonably, may accept or reject the request and shall notify the Communities of the reasons for its decision.
The Company commenced consultations with the Interested Communities in connection with the proposed extension of Mine operations in June 2009. Between 15 June and 18 July 2009, the Company held meetings with each Interested Community to generally discuss the proposed extension of Mine operations. During these meetings, each Interested Community elected a person to represent each village (the village representatives) for the purpose of liaising and engaging in discussions with the Company with respect to matters relating to the proposed extension of Mine operations.

On 14 to 28 October 2009, the Company held further meetings with the village representatives, during which it was agreed that:

(a) for purposes of efficiency, the village representatives would nominate delegates from among themselves (the regional delegates) to attend and engage in discussions with the Company. The regional delegates included three women from each Interested Community, each of whom was appointed purposely to represent the interests of women and children within the communities;

(b) all information provided by the Company to the regional delegates regarding the proposed extension of Mine operations must be circulated among the village representatives, then to each Interested Community. This allowed greater participation by all members of the Interested Communities and gave each person an opportunity to raise issues, queries and concerns, or request any further information considered relevant to assist the Interested Communities to make an informed decision as to whether they would like the Mine to continue or cease operations; and

(c) all meetings between the Company, the regional delegates, the village representatives and the Interested Communities would be chaired by independent facilitators, with logistical assistance by the Company where required, to promote a conducive environment for freedom of expression, exchange of views, concerns, issues and discussion of matters relevant to the proposed extension of Mine operations.

Between 19 November 2009 and 11 January 2010, at the request of the village representatives, the Company arranged for all village representatives to visit the Mine site, the mill and the facilities at Bige.

On 17 to 18 March 2010, the Company held meetings with the regional delegates at which it provided conceptual information regarding the proposed extension of Mine operations. Between 3
to 29 May 2010, the Company held separate meetings with the village representatives and the Interested Communities to circulate this information and obtain feedback and comments.

In meetings held with the regional delegates on 15 to 16 July 2010, the Company provided information regarding:

• feasibility and environmental studies; and
• the proposed compensation to be paid by the Company,

in connection with the proposed extension of Mine operations. This information was disseminated to the village representatives and the Interested Communities in meetings held between 1 August to 4 September 2010.

The Company provided further updates of the feasibility and environmental studies to the regional delegates in meetings held between 25 October to 28 November 2010 and on 30 to 31 March 2011. At the meetings held on 30 to 31 March 2011, the Company presented a draft report from an independent environmental reviewer and a copy the draft CMCA Extension Agreement for consideration and discussion.

Between 6 May to 1 June 2011, all information provided to the regional delegates were disseminated to the village representatives and the Interested Communities.

On 6 December 2011, the Company provided the regional delegates with progress reports regarding the feasibility and environmental studies. The updated information was disseminated to the village representatives and the Interested Communities in meetings held between 13 February to 19 March 2012.

In meetings held between 30 April to 30 May 2012, the Company provided the regional delegates with:

• a revised proposal regarding the compensation to be paid by the Company to each Interested Community;
• further updates regarding the feasibility and environmental studies; and
• an updated draft of the CMCA Extension Agreement.

In addition, representatives from Ok Tedi Development Foundation Limited and PNG Sustainable Development Program Limited provided information concerning development projects undertaken and proposed to be undertaken by each entity. This information was disseminated to the village representatives and the Interested Communities in meetings held between 20 August and 2 September 2012.

A final round of meetings were held with the Interested Communities between 5 November to 6 December 2012, leading to the conclusion of the CMCA Extension Agreements, which were executed by the village representatives for and on behalf of the Interested Communities.

Independent observers attended all meetings between the Company and the regional delegates.
MINING (OK TEDI EXTENSION (TENTH SUPPLEMENTAL) AGREEMENT) ACT

1. Recognises the involvement of the local communities in the Consultations and their expressed views regarding the continued operation of the Mine and containing the agreement between the State, Mineral Resources Ok Tedi No. 2 Limited, PNG Sustainable Development Program Limited and Ok Tedi Mining Limited that the operation of the Mine should be extended.

2. Approves and gives the force of law to the compensation and other arrangements under the CMCA Extension Agreements, including the finality of those compensation arrangements.
## SCHEDULE 3

**ATEMKIT VILLAGE**

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## SCHEDULE 4

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### Village Development Fund

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## WANGBIN VILLAGE

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<td>TOTAL</td>
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IN WITNESS WHEREOF this Agreement has been executed by the Parties.

Executed for and on behalf of Ok Tedi Mining Limited by:

Director Signature
Nigel Parker
Managing Director and CEO

Secretary Signature
Brett Young
Company Secretary

ATEMKIT VILLAGE

Signed for and on behalf of each member of Atemkit Village in the presence of:

Signature
Jerry Musolok
Print Name

Signature
Casper Sokim
Print Name

Signature
Stanley Nabaimu
Print Name

Witness Signature
Rose Mark
Print Name

Witness Signature
Rose Mark
Print Name

Witness Signature
Rose Mark
Print Name
### BULTEM VILLAGE

Signed for and on behalf of each member of Bultem Village in the presence of:

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<thead>
<tr>
<th>Signature</th>
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<tbody>
<tr>
<td>John Wanim</td>
<td>Alice Mumuyong</td>
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<tbody>
<tr>
<td>Brian Yapi</td>
<td>Donna Wanim</td>
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<tr>
<td>Mike Atieng</td>
<td>Matilda Wanim</td>
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| Print Name | |
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### KAVORABIP VILLAGE

Signed for and on behalf of each member of Kavorabip Village in the presence of:

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<tr>
<td>Joel Dangkim</td>
<td>Clara Fred</td>
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FINALBIN VILLAGE

Signed for and on behalf of each member of Finalbin Village in the presence of:

Signature
Mark Tunoim
Print Name

Signature
Moses Kurasim
Print Name

Signature
Clara Fred
Print Name

Signature
Christine Babona
Print Name

Signature
Aniok I. Kirokim
Print Name

Signature
Kelly Bineng
Print Name

Signature
Tony Itulam
Print Name

Signature
Elly Henry
Print Name

Signature
Elly Henry
Print Name

Signature
Elly Henry
Print Name
MIGALSIMBIP VILLAGE

Signed for and on behalf of each member of Migalsimbip Village in the presence of:

Signature
Amos Kiki
Print Name

Signature
Sani Karimnak
Print Name

Signature
Selok Baiap
Print Name

WANGBIN VILLAGE

Signed for and on behalf of each member of Wangbin Village in the presence of:

Signature
Thomas Uneng
Print Name

Signature
Anora Wenis
Print Name
Mark Wenis
Print Name

Anora Wenis
Print Name

Timothy John
Print Name

Anora Wenis
Print Name
CMCA EXTENSION AGREEMENT
SOUTH FLY - DUDI

THIS CMCA EXTENSION AGREEMENT is made as of the 29th day of Nov., 2012

BETWEEN:
OK TEDI MINING LIMITED (the “Company”)

AND
EACH OF THE MEMBERS OF THE COMMUNITIES OF

1. Daware
2. Katatai
3. Kadawa
4. Koabu
5. Baramura
6. Madame
7. Mutam
8. Parama
9. Severemabu
10. Sui
11. Tirio No. 1 (Madiri)
12. Tirio No. 2
13. Wederehiamo
14. Aduru (Somogi)
15. Sepe / Auti
16. U'uwo
17. Tapila/Bugumo

or such of them whose representatives execute this Agreement, of the South Bank in the South Fly region of the Western Province (together the “Communities”).
WHEREAS:

A. On or about 7 December 2001 the Parties executed the Community Mine Continuation Agreement, which was intended to operate until the expected cessation of mining in approximately 2011.

B. The Company has subsequently investigated the potential for extending the economic life of the Mine, but at a lower rate of production, by means of Open Pit Cut Back and Underground Operations.

C. The Communities and the Company have engaged in Consultations about whether it is the Communities' preference for the Mine to extend operations for a further period with the Open Pit Cut Back and Underground Operations or cease mining in or about 2013.

D. Subject to the Condition Precedent, the Parties wish to record their respective commitments to facilitate the Open Pit Cut Back and Underground Operations and to extend the term of the Community Mine Continuation Agreement.

E. For the Company and the State to decide that the Open Pit Cut Back and Underground Operations are economically viable, there must be reasonable certainty as to the cost of the operations, including compensation and benefits to the Communities, and the Parties therefore intend this CMCA Extension Agreement to be the complete, final and binding basis on which the Parties agree to support the extended operation of the Mine by means of the Open Pit Cut Back and Underground Operations.

F. The State has agreed to give this agreement the force of law by enacting the Act.

THE PARTIES AGREE AS FOLLOWS:

1. DEFINITIONS

In this Agreement, including the Recitals, the following definitions apply unless the context requires otherwise:

"Act" means an Act of the National Parliament which, among other things, meets the objectives described in Schedule 2.

"CMCA Extension Agreements" means the agreements between the Company and the Interested Communities by which each Interested Community gives its informed consent to the extension of operations of the Mine, and includes this Agreement.

"Community Mine Continuation Agreement" or "CMCA" means the agreement between the Parties made as of 7 December 2001.

"Condition Precedent" means the condition precedent in Clause 3.

"Consultations" means the meetings and discussions that have taken place between officers of the State, the Company and the Communities in which the Company has
presented information to the Communities regarding the opportunities and costs of extension of Mine operations. Further particulars of the Consultations are contained in Schedule 1.

"Dudi Development Trust" means the trust of that name established in conjunction with the CMCA.

"Environmental Predictions" means the Environmental Predictions contained in the CMCA, subject to the following revisions:

(a) in relation to the expected effects of Mine operations resulting in trees losing leaves and dying, the maximum area likely to be affected is revised from 1,350 km² to 2,395 km²; and

(b) the expected effects of copper contained in sediment from the Mine are revised and replaced with the following:

"Copper

The sand that comes from the Mine contains small amounts of copper. The concentration of copper in the sand is likely to decrease if the Mine operations are extended due to the treatment of tailings waste and other mitigation strategies, but it may slow down the growth rates in some plants and animals that live in the water. However, it is not expected to be harmful to people or fish."

"Interested Communities" means the collective residents of the villages in the Mine area, Highway area, Lower Ok Tedi, North Ok Tedi, Middle Fly and South Fly.

"Mine" means the mine operated by the Company pursuant to the Mining (Ok Tedi Agreement) Act (as amended and supplemented).

"Open Pit Cut Back" means the mining or waste rock from the West wall, the North-east wall and the East wall of the Mine pit for the purpose of gaining access to and mining ore bodies located there under.

"Parties" means the Company and the Communities severally.

"Settlement Agreement" means the two documents headed respectively Terms of Settlement and Settlement Agreement both dated 7 June 1996 and executed by or on behalf of Rex Dagi and others of the first part and the Company and others of the second part by which litigation concerning the Mine was terminated.

"State" means the Independent State of Papua New Guinea.

"Termination Date" means 31 December 2014 or such later date as nominated by the Company in writing in accordance with Clause 3.

"Underground Operations" means the mining of ore bodies within the Mine pit using underground or sub-surface mining techniques and methods.
2. INTERPRETATION

In this Agreement unless the context requires otherwise:

(a) monetary references are references to Papua New Guinea currency unless otherwise specifically expressed;

(b) the headings do not affect the interpretation or construction;

(c) words importing the singular include the plural and vice versa;

(d) words importing gender include the other gender;

(e) references to a person include a corporation and vice versa;

(f) references to a Recital, Clause, Schedule or Annexure are to a Recital, Clause, Schedule or Annexure or part thereof of this Agreement; and

(g) the Recitals form part of this Agreement.

3. CONDITION PRECEDENT

3.1 This Agreement is conditional on and shall be of no force or effect unless on or before the Termination Date the National Parliament has enacted the Act and all CMCA Extension Agreements have been given the force of law there under.

3.2 This condition precedent is for the sole benefit of the Company, which may prior to the Termination Date:

(a) elect to waive reliance on it; or

(b) postpone the Termination Date to a nominated date.

4. COMMUNITIES DEEMED TO BE BOUND BY THE CMCA

4.1 The Parties agree that:

(a) each member of U'uwo village shall be deemed to have acceded to and is bound by the CMCA on and from 9 March 2011; and

(b) each member of Sepe / Auti village shall be deemed to have acceded to and is bound by the CMCA on and from the date this Agreement is executed for and on behalf of the members of Sepe / Auti village,

including without limitation clauses 3 to 25 (inclusive), 28 and 32 of the CMCA.

4.2 For avoidance of doubt, the Parties agree and affirm that:

(a) the Company shall not pay; and

(b) each member of U'uwo village and Sepe / Auti village shall not be entitled to receive, make any claim or demand, institute proceedings or take any action for,
any amount payable by the Company under and in accordance with the CMCA with respect to the period from the commencement of the CMCA to the respective date each member of U'uwō village and Sepe / Auti village is deemed to have acceded to the CMCA pursuant to Clause 4.1.

5. OPERATION OF THIS AGREEMENT AND THE CMCA

5.1 The Parties affirm the CMCA and agree to extend its term commensurate with the term of this Agreement.

5.2 The CMCA and this Agreement shall be read and construed together as one agreement but in the event of conflict this Agreement shall prevail.

6. COMMUNITY CONSULTATIONS REGARDING EXTENSION OF MINE OPERATIONS

6.1 The Parties acknowledge that:

(a) the Consultations have taken place for the purpose of exchanging information and views regarding the Environmental Predictions and the implications for the Communities of closure or extension of the operations of the Mine;

(b) the Consultations have given the clan leaders within the Communities the opportunity to make representations to the Company and the State in connection with the review undertaken for the purposes of Clause 29G of the agreement scheduled to the Mining (Ok Tedi Agreement) Act (Chapter 363) (as amended and supplemented);

(c) the Consultations were intended by the Parties to ensure that any decision made by the Communities regarding the extension of Mine operations is made on the basis that all relevant information known to the Company concerning the social, economic and environmental consequences, both beneficial and detrimental, of extension of the operations of the Mine or closure of the Mine, has been made available to the Communities; and

(d) a decision by the State and the Company to extend the operation of the Mine will have the properly informed consent of the Communities.

6.2 The Communities acknowledge that all information requested by them in the course of the Consultations has been provided by the Company and that the Company has acted in good faith in the Consultations.
7. COMMITMENT TO SUSTAINABLE DEVELOPMENT & CO-OPERATION

7.1 The Parties agree that the greater part of future benefits passing from the Company to the Communities over the remaining life of the Mine should be committed to investment in training, infrastructure and development, including without limitation projects and programmes for the development of women and children within the Communities, that will provide an improved economic base for the Communities.

7.2 The Communities will co-operate with the Company to ensure the efficient and uninterrupted operation of the Mine, in recognition of the Company's commitments and the benefits that the Mine provides to the Communities, the Western Province and the State.

7.3 Should a dispute arise between the Communities and the Company, the Communities agree to directly consult in good faith with the Company, the Fly River Provincial Government and the National Government to achieve resolution of that dispute.

8. COMMUNITIES COMMITMENTS

8.1 The Communities, having considered:
   (a) the information disclosed to them in the Consultations;
   (b) the likely social, environmental and economic implications for themselves of the extended operation of the Mine (including the Company's commitments) in light of the Environmental Predictions; and
   (c) the likely social, environmental and economic implications for themselves of the closure of the Mine in or around 2013,

have concluded and affirm that, subject to this Agreement, it is in the Communities' interest that the Mine operations should be extended rather than cease.

8.2 The Communities acknowledge that their decision is made in the knowledge or belief that:
   (a) the extended operation of the Mine may result in increased environmental impacts including those described in the Environmental Predictions, and that closure of the Mine may result in reduced environmental impacts, and
   (b) the economic opportunities offered by the Company's commitments represent to the Communities an acceptable trade off for the environmental impacts of the extended operation of the Mine.

8.3 The Communities:
   (a) represent and warrant to the Company that, subject to the Company's commitments, it is their decision that the Mine operations should be extended by the Open Pit Cut Back and Underground Operations;
(b) represent and warrant that the persons signing this Agreement for and on behalf of the Communities have the power and authority to do so and that this Agreement will be valid and binding on each member of the Communities; and

(c) acknowledge that the Company will be acting in reliance upon these representations and warranties in the event that the Mine operations are extended.

9. COMMUNITIES RELEASES

9.1 The Communities agree that this CMCA Extension Agreement is the complete, final and binding basis on which they agree to support the extension of the Mine operations by the Open Pit Cut Back and Underground Operations, and without derogating from the effect of the releases contained in and the compensation regime established by the Mining (Ok Tedi Agreement) Act (Chapter 363) (as amended and supplemented), the Settlement Agreement and any other releases between the Parties, hereby release and discharge the Company, the Company's shareholders and their respective associated corporations, directors, officers, employees and agents and former directors, officers, employees and agents from all and any demands and claims arising directly or indirectly from the operation of the Mine or any associated works, and without limiting the generality of the foregoing that release and discharge includes and extends to:

(a) the disposal by the Company of tailings and waste;
(b) dredging, storage and release of dredged material;
(c) occurrences or circumstances contemplated by or more adverse than or in excess of the Environmental Predictions;
(d) the Settlement Agreement; and
(e) any public statement concerning the Mine made by the Company or the Company's shareholders.

Nothing in this Clause 9 affects the rights of the Communities under Clause 13.

9.2 The benefit of the releases and discharges provided by the Communities under this Agreement is held by the Company in trust for itself and each of the other persons in whose favour the releases and discharges are expressed to apply.

10. PAYMENT BY COMPANY FOR DISTURBANCE

Subject to Clause 12, for so long as the Mine is in operation, the Company shall make the annual payments described in Schedule 3 to the respective recipients and funds described therein, namely:

(a) the Community members; and
(b) the Investment Fund and the Development Fund of the Dudi Development Trust.
11. EFFECT OF PAYMENTS

11.1 Without derogating from the effect of the releases contained in and the compensation regime established by the Mining (Ok Tedi Agreement) Act (Chapter 363) (as amended and supplemented), the Settlement Agreement, Clause 9 of this Agreement and any other releases between the Parties, the payments to be made by the Company pursuant to this Agreement are and shall be in full compensation for all loss and damage contemplated by the Environmental Predictions suffered or to be suffered by the Communities in respect of disturbance to the environment in the South Fly area or their use or enjoyment of the environment, including, where applicable and without limitation to the generality of the foregoing:

(a) being deprived of the possession or use of the natural surface of the land area;
(b) damage to or contamination of the natural surface of the land;
(c) severance of the land or any part of it from other land owned or occupied by the Communities;
(d) any loss or restriction of a right of way, easement or other right;
(e) any loss or damage to improvements;
(f) in the case of land under cultivation, loss of earnings;
(g) disruption of agricultural activities;
(h) social disruption;
(i) garden damage and loss of economic trees;
(j) loss or damage to any flora or fauna, on the land or in the water; and
(k) loss of use or contamination of water.

11.2 For the avoidance of doubt, it is acknowledged that the Communities and their members will continue to be eligible persons to receive general compensation and (save for the matters listed in Clause 11.1(a) to 11.1(k) inclusive) specific compensation pursuant to the Mining (Ok Tedi Agreement) Act (Chapter 363) (as amended and supplemented).

12. TIMING OF PAYMENTS

12.1 Subject to the following clauses, the payments pursuant to Clause 10 shall:

(a) commence on 1 January 2015 or such later date as determined by the Company in its sole discretion; and
(b) be paid by the Company within the third quarter of each calendar year.

12.2 The timing of payments by the Company pursuant to Clause 10 shall be subject to the continuous compliance by the respective recipients with all of their obligations under this
Agreement, and in particular Clauses 7, 8 and 9. In the event of non-compliance with any provision of this Agreement, in particular Clauses 7, 8 and 9, the payment otherwise due to the non-complying recipients shall be deferred without interest until the due date for the next succeeding annual payment, subject always to the recipients' compliance with this Agreement, in particular Clauses 7, 8 and 9, in the intervening period. In the event of further non-compliance in the intervening period, both payments shall be deferred on the same terms as applied to the first deferred payment. The same principles shall also be applied in respect of subsequent non-compliance with this Agreement, in particular Clauses 7, 8 and 9. Any deferred payment subsisting at the date of closure of the Mine will be paid by the Company to the Development Fund of the Dudi Development Trust.

12.3 Notwithstanding Clauses 12.1 to 12.2 inclusive, if the Mine ceases to operate the Company's obligation to make payments pursuant to Clause 10 will also cease.

13. RELATIONSHIP OF PAYMENTS TO ENVIRONMENTAL PREDICTIONS

The Company shall continue to monitor the environmental effects of the continuing operation of the Mine in accordance with its obligations to the State, and shall share the results with the Communities. To the extent that environmental effects of the continuing operation of the Mine exceed the Environmental Predictions, the Parties shall meet to discuss revision of the payments under Clause 10, taking into account the environmental effects in excess of those contemplated in the Environmental Predictions. The Communities acknowledge and agree that if the Environmental Predictions are not accurate:

(a) this right to discuss with the Company a revision of payments under Clause 10 shall be their sole remedy in relation to the inaccuracy of the Environment Predictions;

(b) any revision of payments shall only operate prospectively from the date any revision is agreed; and

(c) this Agreement and in particular the releases and discharges contained in it shall remain in full force and effect and this Agreement shall not be liable to be set aside or rendered unenforceable.

If an agreement cannot be reached on revision of the payments the Company may reconsider its decision to continue to operate the Mine.

14. WAIVER

The failure of any Party to enforce, at any time, any of the provisions of the Agreement shall not be construed to be a waiver of the provision or any part thereof or the right of any party thereafter to enforce each and every part of the provision in respect of any subsequent default or breach.
15. REPRESENTATIONS AND WARRANTIES

Except as expressly stated in this Agreement, no representation, inducement or warranty was, prior to the execution of this Agreement, given or made by one of the Parties hereto with the intent of inducing any other Party to enter into this Agreement, and any representations, inducements or warranties that may have been so given are hereby denied and negated.

16. COMMUNICATIONS

16.1 Any formal communications by the Parties concerning this Agreement shall be deemed to have been made:
   (a) in the case of the Company, if signed by the Managing Director of the Company; or
   (b) in the case of the Communities, if signed by the Chairman for the time being of the Dudi Development Trust.

16.2 Any formal communication shall be in writing and may be delivered either personally, or transmitted by facsimile to the person, or persons referred to in Clause 16.1.

16.3 Any formal communication shall be deemed to have reached the other Party:
   (a) in the case of personal delivery, when received by the relevant person referred to in Clause 16.1; or
   (b) in the case of facsimile, as soon as transmission is confirmed.

17. EXECUTION

The Parties acknowledge that this Agreement may take effect notwithstanding that it has not been executed on behalf of all of the Communities referred to on page 1 and accordingly the Parties agree that this Agreement is duly executed and, subject to Clause 3, take effect between the Company and the members of any one or more of the Communities referred to on page 1 on whose behalf it is executed, when the Company executes this Agreement.

18. REVIEW OF OPERATION OF AGREEMENT

18.1 Subject to this Agreement, the Parties may after the expiration of five years from the Termination Date, meet to review the operation of this Agreement (the "Review Date"). Thereafter, any subsequent review of the operation of this Agreement may be conducted at intervals of not less than five years from the Review Date (the "Next Review Date").
For avoidance of doubt, the Parties are not obliged to review the operation of this Agreement.

18.2 The Parties agree that:

(a) a review under this Clause 18 shall not include a review or renegotiation of, or amend, vary, alter or revoke, an essential term of this Agreement; and

(b) each of the following is an essential term of this Agreement:

(i) Clause 3;
(ii) Clause 4;
(iii) Clause 6;
(iv) Clause 7;
(v) Clause 8;
(vi) Clause 9;
(vii) Clause 10, except as to whether the annual payments described in Schedule 3 should be made solely to the Community members rather than to the respective funds of the Dudi Development Trust, (or vice versa);
(viii) Clause 11;
(ix) Clause 12.1(a)
(x) Clause 12.2;
(xi) Clause 12.3; and
(xii) Clause 13.

18.3 If the Communities wish to request a review of this Agreement, the Communities must notify the Company in writing not less than six months before the proposed Review Date or the Next Review Date (as the case may be) and provide reasons for requesting a review under this Clause 18.

18.4 Upon receipt of a notice in accordance with Clause 18.3, the Company, acting reasonably, may accept or reject the request and shall notify the Communities of the reasons for its decision.
SCHEDULE 1

CONSULTATIONS

The Company commenced consultations with the Interested Communities in connection with the proposed extension of Mine operations in June 2009. Between 15 June and 18 July 2009, the Company held meetings with each Interested Community to generally discuss the proposed extension of Mine operations. During these meetings, each Interested Community elected a person to represent each village (the village representatives) for the purpose of liaising and engaging in discussions with the Company with respect to matters relating to the proposed extension of Mine operations.

On 14 to 28 October 2009, the Company held further meetings with the village representatives, during which it was agreed that:

(a) for purposes of efficiency, the village representatives would nominate delegates from among themselves (the regional delegates) to attend and engage in discussions with the Company. The regional delegates included three women from each Interested Community, each of whom was appointed purposely to represent the interests of women and children within the communities;

(b) all information provided by the Company to the regional delegates regarding the proposed extension of Mine operations must be circulated among the village representatives, then to each Interested Community. This allowed greater participation by all members of the Interested Communities and gave each person an opportunity to raise issues, queries and concerns, or request any further information considered relevant to assist the Interested Communities to make an informed decision as to whether they would like the Mine to continue or cease operations; and

(c) all meetings between the Company, the regional delegates, the village representatives and the Interested Communities would be chaired by independent facilitators, with logistical assistance by the Company where required, to promote a conducive environment for freedom of expression, exchange of views, concerns, issues and discussion of matters relevant to the proposed extension of Mine operations.

Between 19 November 2009 and 11 January 2010, at the request of the village representatives, the Company arranged for all village representatives to visit the Mine site, the mill and the facilities at Binga.

On 17 to 18 March 2010, the Company held meetings with the regional delegates at which the Company provided conceptual information regarding the proposed extension of Mine operations.
Between 3 to 29 May 2010, the Company held separate meetings with the village representatives and the Interested Communities to circulate this information and obtain feedback and comments.

In meetings held with the regional delegates on 15 and 16 July 2010, the Company provided information regarding:

- feasibility and environmental studies; and
- the proposed compensation to be paid by the Company,

in connection with the proposed extension of Mine operations. This information was disseminated to the village representatives and the Interested Communities in meetings held between 1 August to 4 September 2010.

The Company provided further updates of the feasibility and environmental studies to the regional delegates in meetings held between 25 October to 28 November 2010 and on 30 to 31 March 2011. At the meetings held on 30 to 31 March 2011, the Company presented a draft report from an independent environmental reviewer and a copy the draft CMCA Extension Agreement for consideration and discussion.

Between 6 May to 1 June 2011, all information provided to the regional delegates were disseminated to the village representatives and the Interested Communities.

On 6 December 2011, the Company provided the regional delegates with progress reports regarding the feasibility and environmental studies. The updated information was disseminated to the village representatives and the Interested Communities in meetings held between 13 February to 19 March 2012.

In meetings held between 30 April to 30 May 2012, the Company provided the regional delegates with:

- a revised proposal regarding the compensation to be paid by the Company to each Interested Community;
- further updates regarding the feasibility and environmental studies; and
- an updated draft of the CMCA Extension Agreement.

In addition, representatives from Ok Tedi Development Foundation Limited and PNG Sustainable Development Program Limited provided information concerning development projects undertaken and proposed to be undertaken by each entity. This information was disseminated to the village representatives and the Interested Communities in meetings held between 20 August and 2 September 2012.

A final round of meetings were held with the Interested Communities between 5 November to 6 December 2012, leading to the conclusion of the CMCA Extension Agreements, which were executed by the village representatives for and on behalf of the Interested Communities.

Independent observers attended all meetings between the Company and the regional delegates.
SCHEDULE 2

MINING (OK TEDI EXTENSION (TENTH SUPPLEMENTAL) AGREEMENT) ACT

1. Recognises the involvement of the local communities in the Consultations and their expressed views regarding the continued operation of the Mine and containing the agreement between the State, Mineral Resources Ok Tedi No. 2 Limited, PNG Sustainable Development Program Limited and Ok Tedi Mining Limited that the operation of the Mine should be extended.

2. Approves and gives the force of law to the compensation and other arrangements under the CMCA Extension Agreements, including the finality of those compensation arrangements.
## SCHEDULE 3

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38,762,306
IN WITNESS WHEREOF this Agreement has been executed by the Parties.

Executed for and on behalf of Ok Tedi Mining Limited by:

[Signature]
Nigel Parker
Managing Director and CEO

[Signature]
Brett Young
Company Secretary

Signed by Semo Wanapa for and on behalf of each member of Tapila / Bugumo Village in the presence of:

[Signature]
Rebecca Marke
Upper South Bank Women's Representative

Signed by Biza Gera for and on behalf of each member of Kadawa Village in the presence of:

[Signature]
Susan Olewale
Lower South Bank Women's Representative
Signed by Gomoga Tofinga for and on behalf of each member of Mutam Village in the presence of:

[Signature]

Witness Signature
Rebecca Marke
Upper South Bank Women’s Representative

Signed by for each member of Sepe / Auti Village in the presence of:

[Signature]

Witness Signature
Rebecca Marke
Upper South Bank Women’s Representative

Signed by Tirira Togama for and on behalf of each member of Aduru (Somogi) Village in the presence of:

[Signature]

Witness Signature
Rebecca Marke
Upper South Bank Women’s Representative
Signed by Sebadi Kaisi for and on behalf of each member of Baramura Village in the presence of:

Witness Signature
Rebecca Marke
Upper South Bank Women’s Representative

Signed by Lot Waragi for and on behalf of each member of Tirio No. 2 Village in the presence of:

Witness Signature
Rebecca Marke
Upper South Bank Women’s Representative

Signed by Nagari Moita for and on behalf of each member of Tirio No. 1 (Madiri) Village in the presence of:

Witness Signature
Rebecca Marke
Upper South Bank Women’s Representative
Signed by Keapi Odo for and on behalf of each member of Ufuwo Village in the presence of:

Witness Signature
Anna Sumai
Central South Bank Women’s Representative

Signed by Leonard Sosio for and on behalf of each member of Wederehiamo Village in the presence of:

Witness Signature
Anna Sumai
Central South Bank Women’s Representative

Signed by Topson Abari for and on behalf of each member of Madame Village in the presence of:

Witness Signature
Anna Sumai
Central South Bank Women’s Representative
Signed by Taina Koloney for and on behalf of each member of Koabu Village in the presence of:

Witness Signature

Anna Sumai
Central South Bank Women's Representative

Signed by Kime Sumai for and on behalf of each member of Severemabu Village in the presence of:

Witness Signature

Anna Sumai
Central South Bank Women's Representative

Signed by Victor Mogeamo for and on behalf of each member of Daware Village in the presence of:

Witness Signature

Anna Sumai
Central South Bank Women's Representative
Signed by Matia Wyben for and on behalf of each member of Sui Village in the presence of:

Witness Signature
Susan Olwale
Lower South Bank Women’s Representative

Signature
Matia Wyben

Signed by Edgar David for and on behalf of each member of Parama Village in the presence of:

Witness Signature
Susan Olewale
Lower South Bank Women’s Representative

Signature
Edgar David

Signed by Fred Lifu Jr. for and on behalf of each member of Katatiai Village in the presence of:

Witness Signature
Susan Olewale
Lower South Bank Women’s Representative

Signature
Fred Lifu Jr.
CMCA EXTENSION AGREEMENT
SOUTH FLY – SUKI FLY GOGO

THIS CMCA EXTENSION AGREEMENT is made as of the 15th day of NOV. 2012

BETWEEN:
OK TEDI MINING LIMITED (the "Company")

AND
EACH OF THE MEMBERS OF THE COMMUNITIES OF

1. Aewe
2. Eniyawa (Duru)
3. Gwaku
4. Kautru (Aewe No. 3)
5. Kiru
6. Puka Duka No. 1
7. Puka Duka No. 2
8. Riti (Aewe No. 2)
9. Sapuka
10. Serki
11. Sialowa
12. Dewara
13. Suame
14. Baidowa
15. Dede (Wasua)
16. Lewada

or such of them whose representatives execute this Agreement, in Suki Fly Gogo in the South Fly region of the Western Province (together the "Communities").
WHEREAS:
A. On or about 7 December 2001 the Parties executed the Community Mine Continuation Agreement, which was intended to operate until the expected cessation of mining in approximately 2011.
B. The Company has subsequently investigated the potential for extending the economic life of the Mine, but at a lower rate of production, by means of Open Pit Cut Back and Underground Operations.
C. The Communities and the Company have engaged in Consultations about whether it is the Communities preference for the Mine to extend operations for a further period with the Open Pit Cut Back and Underground Operations or cease mining in or about 2013.
D. Subject to the Condition Precedent, the Parties wish to record their respective commitments to facilitate the Open Pit Cut Back and Underground Operations and to extend the term of the Community Mine Continuation Agreement.
E. For the Company and the State to decide that the Open Pit Cut Back and Underground Operations are economically viable, there must be reasonable certainty as to the cost of the operations, including compensation and benefits to the Communities, and the Parties therefore intend this CMCA Extension Agreement to be the complete, final and binding basis on which the Parties agree to support the extended operation of the Mine by means of the Open Pit Cut Back and Underground Operations.
F. The State has agreed to give this agreement the force of law by enacting the Act.

THE PARTIES AGREE AS FOLLOWS:

1. DEFINITIONS

In this Agreement, including the Recitals, the following definitions apply unless the context requires otherwise:

"Act" means an Act of the National Parliament which, among other things, meets the objectives described in Schedule 2.

"CMCA Extension Agreements" means the agreements between the Company and the Interested Communities by which each Interested Community gives its informed consent to the extension of operations of the Mine, and includes this Agreement.

"Community Mine Continuation Agreement" or "CMCA" means the agreement between the Parties made as of 7 December 2001.

"Condition Precedent" means the condition precedent in Clause 3.

"Consultations" means the meetings and discussions that have taken place between officers of the State, the Company and the Communities in which the Company has
presented information to the Communities regarding the opportunities and costs of extension of Mine operations. Further particulars of the Consultations are contained in Schedule 1.

"Environmental Predictions" means the Environmental Predictions contained in the CMCA, subject to the following revisions:

(a) in relation to the expected effects of Mine operations resulting in trees losing leaves and dying, the maximum area likely to be affected is revised from 1,350 km$^2$ to 2,395 km$^2$; and

(b) the expected effects of copper contained in sediment from the Mine are revised and replaced with the following:

"Copper
The sand that comes from the Mine contains small amounts of copper. The concentration of copper in the sand is likely to decrease if the Mine operations are extended due to the treatment of tailings waste and other mitigation strategies, but it may slow down the growth rates in some plants and animals that live in the water. However, it is not expected to be harmful to people or fish."

"Interested Communities" means the collective residents of the villages in the Mine area, Highway area, Lower Ok Tedi, North Ok Tedi, Middle Fly and South Fly.

"Mine" means the mine operated by the Company pursuant to the Mining (Ok Tedi Agreement) Act (as amended and supplemented).

"Open Pit Cut Back" means the mining or waste rock from the West wall, the North-east wall and the East wall of the Mine pit for the purpose of gaining access to and mining ore bodies located there under.

"Parties" means the Company and the Communities severally.

"Settlement Agreement" means the two documents headed respectively Terms of Settlement and Settlement Agreement both dated 7 June 1996 and executed by or on behalf of Rex Dagi and others of the first part and the Company and others of the second part by which litigation concerning the Mine was terminated.

"State" means the Independent State of Papua New Guinea.

"Siiki Fly Gogo Development Foundation" means the trust of that name established in conjunction with the CMCA.

"Termination Date" means 31 December 2014 or such later date as nominated by the Company in writing in accordance with Clause 3.

"Underground Operations" means the mining of ore bodies within the Mine pit using underground or sub-surface mining techniques and methods.
2. INTERPRETATION

In this Agreement unless the context requires otherwise:

(a) monetary references are references to Papua New Guinea currency unless otherwise specifically expressed;

(b) the headings do not affect the interpretation or construction;

(c) words importing the singular include the plural and vice versa;

(d) words importing gender include the other gender;

(e) references to a person include a corporation and vice versa;

(f) references to a Recital, Clause, Schedule or Annexure are to a Recital, Clause, Schedule or Annexure or part thereof of this Agreement; and

(g) the Recitals form part of this Agreement.

3. CONDITION PRECEDENT

3.1 This Agreement is conditional on and shall be of no force or effect unless on or before the Termination Date the National Parliament has enacted the Act and all CMCA Extension Agreements have been given the force of law there under.

3.2 This condition precedent is for the sole benefit of the Company, which may prior to the Termination Date:

(a) elect to waive reliance on it; or

(b) postpone the Termination Date to a nominated date.

4. OPERATION OF THIS AGREEMENT AND THE CMCA

4.1 The Parties affirm the CMCA and agree to extend its term commensurate with the term of this Agreement.

4.2 The CMCA and this Agreement shall be read and construed together as one agreement but in the event of conflict this Agreement shall prevail.

5. COMMUNITY CONSULTATIONS REGARDING EXTENSION OF MINE OPERATIONS

5.1 The Parties acknowledge that:

(a) the Consultations have taken place for the purpose of exchanging information and views regarding the Environmental Predictions and the implications for the Communities of closure or extension of the operations of the Mine;
(b) the Consultations have given the clan leaders within the Communities the opportunity to make representations to the Company and the State in connection with the review undertaken for the purposes of Clause 29G of the agreement scheduled to the Mining (Ok Tedi Agreement) Act (Chapter 363) (as amended and supplemented);

(c) the Consultations were intended by the Parties to ensure that any decision made by the Communities regarding the extension of Mine operations is made on the basis that all relevant information known to the Company concerning the social, economic and environmental consequences, both beneficial and detrimental, of extension of the operations of the Mine or closure of the Mine, has been made available to the Communities; and

(d) a decision by the State and the Company to extend the operation of the Mine will have the properly informed consent of the Communities.

5.2 The Communities acknowledge that all information requested by them in the course of the Consultations has been provided by the Company and that the Company has acted in good faith in the Consultations.

6. COMMITMENT TO SUSTAINABLE DEVELOPMENT & CO-OPERATION

6.1 The Parties agree that the greater part of future benefits passing from the Company to the Communities over the remaining life of the Mine should be committed to investment in training, infrastructure and development, including without limitation projects and programmes for the development of women and children within the Communities, that will provide an improved economic base for the Communities.

6.2 The Communities will co-operate with the Company to ensure the efficient and uninterrupted operation of the Mine, in recognition of the Company's commitments and the benefits that the Mine provides to the Communities, the Western Province and the State.

6.3 Should a dispute arise between the Communities and the Company, the Communities agree to directly consult in good faith with the Company, the Fly River Provincial Government and the National Government to achieve resolution of that dispute.

7. COMMUNITIES COMMITMENTS

7.1 The Communities, having considered:

(a) the information disclosed to them in the Consultations;

(b) the likely social, environmental and economic implications for themselves of the extended operation of the Mine (including the Company's commitments) in light of the Environmental Predictions; and
have concluded and affirm that, subject to this Agreement, it is in the Communities' interest that the Mine operations should be extended rather than cease.

7.2 The Communities acknowledge that their decision is made in the knowledge or belief that:
(a) the extended operation of the Mine may result in increased environmental impacts including those described in the Environmental Predictions, and that closure of the Mine may result in reduced environmental impacts, and
(b) the economic opportunities offered by the Company's commitments represent to the Communities an acceptable trade off for the environmental impacts of the extended operation of the Mine.

7.3 The Communities:
(a) represent and warrant to the Company that, subject to the Company's commitments, it is their decision that the Mine operations should be extended by the Open Pit Cut Back and Underground Operations;
(b) represent and warrant that the persons signing this Agreement for and on behalf of the Communities have the power and authority to do so and that this Agreement will be valid and binding on each member of the Communities; and
(c) acknowledge that the Company will be acting in reliance upon these representations and warranties in the event that the Mine operations are extended.

8. COMMUNITIES RELEASES

8.1 The Communities agree that this CMCA Extension Agreement is the complete, final and binding basis on which they agree to support the extension of the Mine operations by the Open Pit Cut Back and Underground Operations, and without derogating from the effect of the releases contained in and the compensation regime established by the Mining (Ok Tedi Agreement) Act (Chapter 363) (as amended and supplemented), the Settlement Agreement and any other releases between the Parties, hereby release and discharge the Company, the Company's shareholders and their respective associated corporations, directors, officers, employees and agents and former directors, officers, employees and agents from all and any demands and claims arising directly or indirectly from the operation of the Mine or any associated works, and without limiting the generality of the foregoing that release and discharge includes and extends to:
(a) the disposal by the Company of tailings and waste;
(b) dredging, storage and release of dredged material;
(c) occurrences or circumstances contemplated by or more adverse than or in excess of the Environmental Predictions;
(d) the Settlement Agreement; and
(e) any public statement concerning the Mine made by the Company or the Company's shareholders.

Nothing in this Clause 8 affects the rights of the Communities under Clause 12.

8.2 The benefit of the releases and discharges provided by the Communities under this Agreement is held by the Company in trust for itself and each of the other persons in whose favour the releases and discharges are expressly to apply.

9. PAYMENT BY COMPANY FOR DISTURBANCE

Subject to Clause 11, for so long as the Mine is in operation, the Company shall make the annual payments described in Schedule 3 to the respective recipients and funds described therein, namely:
(a) the Community members; and
(b) the Investment Fund and the Development Fund of the Suki Fly Gogo Development Foundation.

10. EFFECT OF PAYMENTS

10.1 Without derogating from the effect of the releases contained in and the compensation regime established by the Mining (Ok Tedi Agreement) Act (Chapter 363) (as amended and supplemented), the Settlement Agreement, Clause 8 of this Agreement and any other releases between the Parties, the payments to be made by the Company pursuant to this Agreement are and shall be in full compensation for all loss and damage contemplated by the Environmental Predictions suffered or to be suffered by the Communities in respect of disturbance to the environment in the South Fly area or their use or enjoyment of the environment, including, where applicable and without limitation to the generality of the foregoing:
(a) being deprived of the possession or use of the natural surface of the land area;
(b) damage to or contamination of the natural surface of the land;
(c) severance of the land or any part of it from other land owned or occupied by the Communities;
(d) any loss or restriction of a right of way, easement or other right;
(e) any loss or damage to improvements;
(f) in the case of land under cultivation, loss of earnings;
(g) disruption of agricultural activities;
(h) social disruption;
(i) garden damage and loss of economic trees;
(j) loss or damage to any flora or fauna, on the land or in the water; and
(k) loss of use or contamination of water.

10.2 For the avoidance of doubt, it is acknowledged that the Communities and their members will continue to be eligible persons to receive general compensation and (save for the matters listed in Clause 10.1(a) to 10.1(k) inclusive) specific compensation pursuant to the Mining (Ok Tedi Agreement) Act (Chapter 363) (as amended and supplemented).

11. TIMING OF PAYMENTS

11.1 Subject to the following clauses, the payments pursuant to Clause 9 shall:

(a) commence on 1 January 2015 or such later date as determined by the Company in its sole discretion; and

(b) be paid by the Company within the third quarter of each calendar year.

11.2 The timing of payments by the Company pursuant to Clause 9 shall be subject to the continuous compliance by the respective recipients with all of their obligations under this Agreement, and in particular Clauses 6, 7 and 8. In the event of non-compliance with any provision of this Agreement, in particular Clauses 6, 7 and 8, the payment otherwise due to the non-complying recipients shall be deferred without interest until the due date for the next succeeding annual payment, subject always to the recipients' compliance with this Agreement, in particular Clauses 6, 7 and 8, in the intervening period. In the event of further non-compliance in the intervening period, both payments shall be deferred on the same terms as applied to the first deferred payment. The same principles shall also be applied in respect of subsequent non-compliance with this Agreement, in particular Clauses 6, 7 and 8. Any deferred payment subsisting at the date of closure of the Mine will be paid by the Company to the Development Fund of the Suki Fly Gogo Development Foundation.

11.3 Notwithstanding Clauses 11.1 to 11.2 inclusive, if the Mine ceases to operate the Company's obligation to make payments pursuant to Clause 9 will also cease.

12. RELATIONSHIP OF PAYMENTS TO ENVIRONMENTAL PREDICTIONS

The Company shall continue to monitor the environmental effects of the continuing operation of the Mine in accordance with its obligations to the State, and shall share the results with the Communities. To the extent that environmental effects of the continuing operation of the Mine exceed the Environmental Predictions, the Parties shall meet to
discuss revision of the payments under Clause 9, taking into account the environmental effects in excess of those contemplated in the Environmental Predictions. The Communities acknowledge and agree that if the Environmental Predictions are not accurate:

(a) this right to discuss with the Company a revision of payments under Clause 9 shall be their sole remedy in relation to the inaccuracy of the Environment Predictions;

(b) any revision of payments shall only operate prospectively from the date any revision is agreed; and

(c) this Agreement and in particular the releases and discharges contained in it shall remain in full force and effect and this Agreement shall not be liable to be set aside or rendered unenforceable.

If an agreement cannot be reached on revision of the payments the Company may reconsider its decision to continue to operate the Mine.

13. WAIVER

The failure of any Party to enforce, at any time, any of the provisions of the Agreement shall not be construed to be a waiver of the provision or any part thereof or the right of any party thereafter to enforce each and every part of the provision in respect of any subsequent default or breach.

14. REPRESENTATIONS AND WARRANTIES

Except as expressly stated in this Agreement, no representation, inducement or warranty was, prior to the execution of this Agreement, given or made by one of the Parties hereto with the intent of inducing any other Party to enter into this Agreement, and any representations, inducements or warranties that may have been so given are hereby denied and negated.

15. COMMUNICATIONS

15.1 Any formal communications by the Parties concerning this Agreement shall be deemed to have been made:

(a) in the case of the Company, if signed by the Managing Director of the Company; or

(b) in the case of the Communities, if signed by the chairman of each of the four Community consultation teams, namely:

(i) Martin Zeiye of Kiru Village;

(ii) Ivan Buago of Tiere're Village;
(iii) Kime Sumai of Severimabu Village; and
(iv) Lewis Siware of Samari Village.

15.2 Any formal communication shall be in writing and may be delivered either personally, or transmitted by facsimile to the person, or persons referred to in Clause 15.1.

15.3 A formal communication shall be deemed to have reached the other Party:
(a) in the case of personal delivery, when received by the relevant person referred to in Clause 15.1; or
(b) in the case of facsimile, as soon as transmission is confirmed.

16. EXECUTION

The Parties acknowledge that this Agreement may take effect notwithstanding that it has not been executed on behalf of all of the Communities referred to on page 1 and accordingly the Parties agree that this Agreement is duly executed and, subject to Clause 3, take effect between the Company and the members of any one or more of the Communities referred to on page 1 on whose behalf it is executed, when the Company executes this Agreement.

17. REVIEW OF OPERATION OF AGREEMENT

17.1 Subject to this Agreement, the Parties may after the expiration of five years from the Termination Date, meet to review the operation of this Agreement (the "Review Date"). Thereafter, any subsequent review of the operation of this Agreement may be conducted at intervals of not less than five years from the Review Date (the "Next Review Date").

For avoidance of doubt, the Parties are not obliged to review the operation of this Agreement.

17.2 The Parties agree that:
(a) a review under this Clause 17 shall not include a review or renegotiation of, or amend, vary, alter or revoke, an essential term of this Agreement; and
(b) each of the following is an essential term of this Agreement:
   (i) Clause 3;
   (ii) Clause 5;
   (iii) Clause 6;
   (iv) Clause 7
   (v) Clause 8;
(vi) Clause 9, except as to whether the annual payments described in Schedule 3 should be made solely to the Community members rather than to the respective funds of the Suki Fly Gogo Development Foundation (or vice versa);

(vii) Clause 10;

(viii) Clause 11.1(a)

(ix) Clause 11.2;

(x) Clause 11.3; and

(xi) Clause 12.

17.3 If the Communities wish to request a review of this Agreement, the Communities must notify the Company in writing not less than six months before the proposed Review Date or the Next Review Date (as the case may be) and provide reasons for requesting a review under this Clause 17.

17.4 Upon receipt of a notice in accordance with Clause 17.3, the Company, acting reasonably, may accept or reject the request and shall notify the Communities of the reasons for its decision.
CONSULTATIONS

The Company commenced consultations with the Interested Communities in connection with the proposed extension of Mine operations in June 2009. Between 15 June and 18 July 2009, the Company held meetings with each Interested Community to generally discuss the proposed extension of Mine operations. During these meetings, each Interested Community elected a person to represent each village (the village representatives) for the purpose of liaising and engaging in discussions with the Company with respect to matters relating to the proposed extension of Mine operations.

On 14 to 28 October 2009, the Company held further meetings with the village representatives, during which it was agreed that:

(a) for purposes of efficiency, the village representatives would nominate delegates from among themselves (the regional delegates) to attend and engage in discussions with the Company. The regional delegates included three women from each Interested Community, each of whom was appointed purposely to represent the interests of women and children within the communities;

(b) all information provided by the Company to the regional delegates regarding the proposed extension of Mine operations must be circulated among the village representatives, then to each Interested Community. This allowed greater participation by all members of the Interested Communities and gave each person an opportunity to raise issues, queries and concerns, or request any further information considered relevant to assist the Interested Communities to make an informed decision as to whether they would like the Mine to continue or cease operations; and

(c) all meetings between the Company, the regional delegates, the village representatives and the Interested Communities would be chaired by independent facilitators, with logistical assistance by the Company where required, to promote a conducive environment for freedom of expression, exchange of views, concerns, issues and discussion of matters relevant to the proposed extension of Mine operations.

Between 19 November 2009 and 11 January 2010, at the request of the village representatives, the Company arranged for all village representatives to visit the Mine site, the mill and the facilities at Bige.

On 17 to 18 March 2010, the Company held meetings with the regional delegates at which the Company provided conceptual information regarding the proposed extension of Mine operations.
Between 3 to 29 May 2010, the Company held separate meetings with the village representatives and the Interested Communities to circulate this information and obtain feedback and comments.

In meetings held with the regional delegates on 15 and 16 July 2010, the Company provided information regarding:

- feasibility and environmental studies; and
- the proposed compensation to be paid by the Company.

in connection with the proposed extension of Mine operations. This information was disseminated to the village representatives and the Interested Communities in meetings held between 1 August to 4 September 2010.

The Company provided further updates of the feasibility and environmental studies to the regional delegates in meetings held between 25 October to 28 November 2010 and on 30 to 31 March 2011. At the meetings held on 30 to 31 March 2011, the Company presented a draft report from an independent environmental reviewer and a copy the draft CMCA Extension Agreement for consideration and discussion.

Between 6 May to 1 June 2011, all information provided to the regional delegates were disseminated to the village representatives and the Interested Communities.

On 6 December 2011, the Company provided the regional delegates with progress reports regarding the feasibility and environmental studies. The updated information was disseminated to the village representatives and the Interested Communities in meetings held between 13 February to 19 March 2012.

In meetings held between 30 April to 30 May 2012, the Company provided the regional delegates with:

- a revised proposal regarding the compensation to be paid by the Company to each Interested Community;
- further updates regarding the feasibility and environmental studies; and
- an updated draft of the CMCA Extension Agreement.

In addition, representatives from Ok Tedi Development Foundation Limited and PNG Sustainable Development Program Limited provided information concerning development projects undertaken and proposed to be undertaken by each entity. This information was disseminated to the village representatives and the Interested Communities in meetings held between 20 August and 2 September 2012.

A final round of meetings were held with the Interested Communities between 5 November to 6 December 2012, leading to the conclusion of the CMCA Extension Agreements, which were executed by the village representatives for and on behalf of the Interested Communities.

Independent observers attended all meetings between the Company and the regional delegates.
SCHEDULE 2

MINING (OK TEDI EXTENSION (TENTH SUPPLEMENTAL) AGREEMENT) ACT

1. Recognises the involvement of the local communities in the Consultations and their expressed views regarding the continued operation of the Mine and containing the agreement between the State, Mineral Resources Ok Tedi No. 2 Limited, PNG Sustainable Development Program Limited and Ok Tedi Mining Limited that the operation of the Mine should be extended.

2. Approves and gives the force of law to the compensation and other arrangements under the CMCA Extension Agreements, including the finality of those compensation arrangements.
### SCHEDULE 3

**SUKEI FLY GOGO DEVELOPMENT FOUNDATION**

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IN WITNESS WHEREOF this Agreement has been executed by the Parties.

Executed for and on behalf of
Ok Tedi Mining Limited by:

Director Signature

Print Name

SUKI FLY GOGO

Signed by Sam Semnebe for and on behalf of each member of Aewe Village in the presence of:

Witness Signature

Susie Kanai
Suki Fly Gogo Women’s Representative

Signed by Dabra Sunakiye for and on behalf of each member of Eniyawa (Duru) Village in the presence of:

Witness Signature

Susie Kanai
Suki Fly Gogo Women’s Representative
Signed by Nahum Yawira for and on behalf of each member of Gwaku Village in the presence of:

Witness Signature
Susie Kanai
Suki Fly Gogo Women’s Representative

Signed by Dupki Apuga for and on behalf of each member of Kautru (Aewe No. 3) Village in the presence of:

Witness Signature
Susie Kanai
Suki Fly Gogo Women’s Representative

Signed by Martin Zeiyer for and on behalf of each member of Kiru Village in the presence of:

Witness Signature
Susie Kanai
Suki Fly Gogo Women’s Representative
Signed by Max Kanai for and on behalf of each member of Puka Duka No. 1 Village in the presence of:

Witness Signature
Susie Kanai
Suki Fly Gogo Women’s Representative

Signed by Aewa Ricker for and on behalf of each member of Puka Duka No. 2 Village in the presence of:

Witness Signature
Susie Kanai
Suki Fly Gogo Women’s Representative

Signed by Tom Waipa for and on behalf of each member of Riti (Aewe No. 2) Village in the presence of:

Witness Signature
Linda Mulake
Suki Fly Gogo Women’s Representative
Signed by Kisua Yusam for and on behalf of each member of Sapuka Village in the presence of:

Witness Signature
Linda Mulake
Suki Fly Gogo Women’s Representative

Signed by Nimoi Siuri for and on behalf of each member of Serki Village in the presence of:

Witness Signature
Linda Mulake
Suki Fly Gogo Women’s Representative

Signed by Garry Sineke for and on behalf of each member of Sialowa Village in the presence of:

Witness Signature
Linda Mulake
Suki Fly Gogo Women’s Representative
Signed by Samen Tilom for and on behalf of each member of Dewara Village in the presence of:

Lovelin Wawi
Suki Fly Gogo Women's Representative

Signed by Segela Iduama for and on behalf of each member of Suame Village in the presence of:

Lovelin Wawi
Suki Fly Gogo Women's Representative

Signed by Bryan Paul for and on behalf of each member of Baidowa Village in the presence of:

Lovelin Wawi
Suki Fly Gogo Women's Representative
Signed by Mark Malu for and on behalf of each member of Dede (Wasua) Village in the presence of:

[Signature]

Linda Mulake
Suki Fly Gogo Women's Representative

Signed by Bruce Sobonnah for and on behalf of each member of Lewada Village in the presence of:

[Signature]

Lovelin Wawi
Suki Fly Gogo Women's Representative
CMCA EXTENSION AGREEMENT
SOUTH FLY – KIWAI AND WABADA ISLANDS

THIS CMCA EXTENSION AGREEMENT is made as of the 22nd day of Nov. 2012

BETWEEN:
OK TEDI MINING LIMITED (the “Company”)
AND
EACH OF THE MEMBERS OF THE COMMUNITIES OF

1. Agobaro
2. Abinio
3. Buria
4. Gesowa
5. Iasa
6. Ipisia
7. Kubira
8. Oromosapuo
9. Sagopari
10. Saguane
11. Samari
12. Wapaura
13. Wapi
14. Isumo

or such of them whose representatives execute this Agreement, in Kiwai and Wabada Islands in the South Fly region of the Western Province (together the “Communities”).
WHEREAS:
A. On or about 7 December 2001 the Parties executed the Community Mine Continuation Agreement, which was intended to operate until the expected cessation of mining in approximately 2011.
B. The Company has subsequently investigated the potential for extending the economic life of the Mine, but at a lower rate of production, by means of Open Pit Cut Back and Underground Operations.
C. The Communities and the Company have engaged in Consultations about whether it is the Communities preference for the Mine to extend operations for a further period with the Open Pit Cut Back and Underground Operations or cease mining in or about 2013.
D. Subject to the Condition Precedent, the Parties wish to record their respective commitments to facilitate the Open Pit Cut Back and Underground Operations and to extend the term of the Community Mine Continuation Agreement.
E. For the Company and the State to decide that the Open Pit Cut Back and Underground Operations are economically viable, there must be reasonable certainty as to the cost of the operations, including compensation and benefits to the Communities, and the Parties therefore intend this CMCA Extension Agreement to be the complete, final and binding basis on which the Parties agree to support the extended operation of the Mine by means of the Open Pit Cut Back and Underground Operations.
F. The State has agreed to give this agreement the force of law by enacting the Act.

THE PARTIES AGREE AS FOLLOWS:

1. DEFINITIONS

In this Agreement, including the Recitals, the following definitions apply unless the context requires otherwise:

"Act" means an Act of the National Parliament which, among other things, meets the objectives described in Schedule 2.

"CMCA Extension Agreements" means the agreements between the Company and the Interested Communities by which each Interested Community gives its informed consent to the extension of operations of the Mine, and includes this Agreement.

"Community Mine Continuation Agreement" or "CMCA" means the agreement between the Parties made as of 7 December 2001.

"Condition Precedent" means the condition precedent in Clause 3.

"Consultations" means the meetings and discussions that have taken place between officers of the State, the Company and the Communities in which the Company has
2. INTERPRETATION

In this Agreement unless the context requires otherwise:

(a) monetary references are references to Papua New Guinea currency unless otherwise specifically expressed;

(b) the headings do not affect the interpretation or construction;

(c) words importing the singular include the plural and vice versa;

(d) words importing gender include the other gender;

(e) references to a person include a corporation and vice versa;

(f) references to a Recital, Clause, Schedule or Annexure are to a Recital, Clause, Schedule or Annexure or part thereof of this Agreement; and

(g) the Recitals form part of this Agreement.

3. CONDITION PRECEDENT

3.1 This Agreement is conditional on and shall be of no force or effect unless on or before the Termination Date the National Parliament has enacted the Act and all CMCA Extension Agreements have been given the force of law there under.

3.2 This condition precedent is for the sole benefit of the Company, which may prior to the Termination Date:

(a) elect to waive reliance on it; or

(b) postpone the Termination Date to a nominated date.

4. OPERATION OF THIS AGREEMENT AND THE CMCA

4.1 The Parties affirm the CMCA and agree to extend its term commensurate with the term of this Agreement.

4.2 The CMCA and this Agreement shall be read and construed together as one agreement but in the event of conflict this Agreement shall prevail.

5. COMMUNITY CONSULTATIONS REGARDING EXTENSION OF MINE OPERATIONS

5.1 The Parties acknowledge that:

(a) the Consultations have taken place for the purpose of exchanging information and views regarding the Environmental Predictions and the implications for the Communities of closure or extension of the operations of the Mine;
(b) the Consultations have given the clan leaders within the Communities the opportunity to make representations to the Company and the State in connection with the review undertaken for the purposes of Clause 29G of the agreement scheduled to the *Mining (Ok Tedi Agreement) Act* (Chapter 363) (as amended and supplemented);

c) the Consultations were intended by the Parties to ensure that any decision made by the Communities regarding the extension of Mine operations is made on the basis that all relevant information known to the Company concerning the social, economic and environmental consequences, both beneficial and detrimental, of extension of the operations of the Mine or closure of the Mine, has been made available to the Communities; and

d) a decision by the State and the Company to extend the operation of the Mine will have the properly informed consent of the Communities.

5.2 The Communities acknowledge that all information requested by them in the course of the Consultations has been provided by the Company and that the Company has acted in good faith in the Consultations.

6. COMMITMENT TO SUSTAINABLE DEVELOPMENT & CO-OPERATION

6.1 The Parties agree that the greater part of future benefits passing from the Company to the Communities over the remaining life of the Mine should be committed to investment in training, infrastructure and development, including without limitation projects and programmes for the development of women and children within the Communities, that will provide an improved economic base for the Communities.

6.2 The Communities will co-operate with the Company to ensure the efficient and uninterrupted operation of the Mine, in recognition of the Company's commitments and the benefits that the Mine provides to the Communities, the Western Province and the State.

6.3 Should a dispute arise between the Communities and the Company, the Communities agree to directly consult in good faith with the Company, the Fly River Provincial Government and the National Government to achieve resolution of that dispute.

7. COMMUNITIES COMMITMENTS

7.1 The Communities, having considered:

(a) the information disclosed to them in the Consultations;

(b) the likely social, environmental and economic implications for themselves of the extended operation of the Mine (including the Company's commitments) in light of the Environmental Predictions; and
(c) the likely social, environmental and economic implications for themselves of the closure of the Mine in or around 2013,

have concluded and affirm that, subject to this Agreement, it is in the Communities' interest that the Mine operations should be extended rather than cease.

7.2 The Communities acknowledge that their decision is made in the knowledge or belief that:

(a) the extended operation of the Mine may result in increased environmental impacts including those described in the Environmental Predictions, and that closure of the Mine may result in reduced environmental impacts, and

(b) the economic opportunities offered by the Company's commitments represent to the Communities an acceptable trade off for the environmental impacts of the extended operation of the Mine.

7.3 The Communities:

(a) represent and warrant to the Company that, subject to the Company's commitments, it is their decision that the Mine operations should be extended by the Open Pit Cut Back and Underground Operations;

(b) represent and warrant that the persons signing this Agreement for and on behalf of the Communities have the power and authority to do so and that this Agreement will be valid and binding on each member of the Communities; and

(c) acknowledge that the Company will be acting in reliance upon these representations and warranties in the event that the Mine operations are extended.

8. COMMUNITIES RELEASES

8.1 The Communities agree that this CMCA Extension Agreement is the complete, final and binding basis on which they agree to support the extension of the Mine operations by the Open Pit Cut Back and Underground Operations, and without derogating from the effect of the releases contained in and the compensation regime established by the *Mining (Ok Tedi Agreement) Act* (Chapter 363) (as amended and supplemented), the Settlement Agreement and any other releases between the Parties, hereby release and discharge the Company, the Company's shareholders and their respective associated corporations, directors, officers, employees and agents and former directors, officers, employees and agents from all and any demands and claims arising directly or indirectly from the operation of the Mine or any associated works, and without limiting the generality of the foregoing that release and discharge includes and extends to:

(a) the disposal by the Company of tailings and waste;

(b) dredging, storage and release of dredged material;
(c) occurrences or circumstances contemplated by or more adverse than or in excess of the Environmental Predictions;
(d) the Settlement Agreement; and
(e) any public statement concerning the Mine made by the Company or the Company's shareholders.

Nothing in this Clause 8 affects the rights of the Communities under Clause 12.

8.2 The benefit of the releases and discharges provided by the Communities under this Agreement is held by the Company in trust for itself and each of the other persons in whose favour the releases and discharges are expressed to apply.

9. PAYMENT BY COMPANY FOR DISTURBANCE

Subject to Clause 11, for so long as the Mine is in operation, the Company shall make the annual payments described in Schedule 3 to the respective recipients and funds described therein, namely:

(a) the Community members; and
(b) the Investment Fund and the Development Fund of the Kiwaba Development Trust.

10. EFFECT OF PAYMENTS

10.1 Without derogating from the effect of the releases contained in and the compensation regime established by the Mining (Ok Tedi Agreement) Act (Chapter 363) (as amended and supplemented), the Settlement Agreement, Clause 8 of this Agreement and any other releases between the Parties, the payments to be made by the Company pursuant to this Agreement are and shall be in full compensation for all loss and damage contemplated by the Environmental Predictions suffered or to be suffered by the Communities in respect of disturbance to the environment in the South Fly area or their use or enjoyment of the environment, including, where applicable and without limitation to the generality of the foregoing:

(a) being deprived of the possession or use of the natural surface of the land area;
(b) damage to or contamination of the natural surface of the land;
(c) severance of the land or any part of it from other land owned or occupied by the Communities;
(d) any loss or restriction of a right of way, easement or other right;
(e) any loss or damage to improvements;
(f) in the case of land under cultivation, loss of earnings;
(g) disruption of agricultural activities;
(h) social disruption;
(i) garden damage and loss of economic trees;
(j) loss or damage to any flora or fauna, on the land or in the water; and
(k) loss of use or contamination of water.

10.2 For the avoidance of doubt, it is acknowledged that the Communities and their members will continue to be eligible persons to receive general compensation and (save for the matters listed in Clause 10.1(a) to 10.1(k) inclusive) specific compensation pursuant to the Mining (Ok Tedi Agreement) Act (Chapter 363) (as amended and supplemented).

11. TIMING OF PAYMENTS

11.1 Subject to the following clauses, the payments pursuant to Clause 9 shall:
(a) commence on 1 January 2015 or such later date as determined by the Company in its sole discretion; and
(b) be paid by the Company within the third quarter of each calendar year.

11.2 The timing of payments by the Company pursuant to Clause 9 shall be subject to the continuous compliance by the respective recipients with all of their obligations under this Agreement, and in particular Clauses 6, 7 and 8. In the event of non-compliance with any provision of this Agreement, in particular Clauses 6, 7 and 8, the payment otherwise due to the non-complying recipients shall be deferred without interest until the due date for the next succeeding annual payment, subject always to the recipients' compliance with this Agreement, in particular Clauses 6, 7 and 8, in the intervening period. In the event of further non-compliance in the intervening period, both payments shall be deferred on the same terms as applied to the first deferred payment. The same principles shall also be applied in respect of subsequent non-compliance with this Agreement, in particular Clauses 6, 7 and 8. Any deferred payment subsisting at the date of closure of the Mine will be paid by the Company to the Development Fund of the Kiwaba Development Trust.

11.3 Notwithstanding Clauses 11.1 to 11.2 inclusive, if the Mine ceases to operate the Company's obligation to make payments pursuant to Clause 9 will also cease.

12. RELATIONSHIP OF PAYMENTS TO ENVIRONMENTAL PREDICTIONS

The Company shall continue to monitor the environmental effects of the continuing operation of the Mine in accordance with its obligations to the State, and shall share the results with the Communities. To the extent that environmental effects of the continuing operation of the Mine exceed the Environmental Predictions, the Parties shall meet to discuss revision of the payments under Clause 9, taking into account the environmental effects in excess of those contemplated in the Environmental Predictions. The
Communities acknowledge and agree that if the Environmental Predictions are not accurate:

(a) this right to discuss with the Company a revision of payments under Clause 9 shall be their sole remedy in relation to the inaccuracy of the Environment Predictions;

(b) any revision of payments shall only operate prospectively from the date any revision is agreed; and

(c) this Agreement and in particular the releases and discharges contained in it shall remain in full force and effect and this Agreement shall not be liable to be set aside or rendered unenforceable.

If an agreement cannot be reached on revision of the payments the Company may reconsider its decision to continue to operate the Mine.

13. WAIVER

The failure of any Party to enforce, at any time, any of the provisions of the Agreement shall not be construed to be a waiver of the provision or any part thereof or the right of any party thereafter to enforce each and every part of the provision in respect of any subsequent default or breach.

14. REPRESENTATIONS AND WARRANTIES

Except as expressly stated in this Agreement, no representation, inducement or warranty was, prior to the execution of this Agreement, given or made by one of the Parties hereto with the intent of inducing any other Party to enter into this Agreement, and any representations, inducements or warranties that may have been so given are hereby denied and negated.

15. COMMUNICATIONS

15.1 Any formal communications by the Parties concerning this Agreement shall be deemed to have been made:

(a) in the case of the Company, if signed by the Managing Director of the Company; or

(b) in the case of the Communities, if signed by the Chairman for the time being of the Kiwaba Development Trust.
15.2 Any formal communication shall be in writing and may be delivered either personally, or transmitted by facsimile to the person, or persons referred to in Clause 15.1.

15.3 Any formal communication shall be deemed to have reached the other Party:
(a) in the case of personal delivery, when received by the relevant person referred to in Clause 15.1; or
(b) in the case of facsimile, as soon as transmission is confirmed.

16. EXECUTION

The Parties acknowledge that this Agreement may take effect notwithstanding that it has not been executed on behalf of all of the Communities referred to on page 1 and accordingly the Parties agree that this Agreement is duly executed and, subject to Clause 3, take effect between the Company and the members of any one or more of the Communities referred to on page 1 on whose behalf it is executed, when the Company executes this Agreement.

17. REVIEW OF OPERATION OF AGREEMENT

17.1 Subject to this Agreement, the Parties may after the expiration of five years from the Termination Date, meet to review the operation of this Agreement (the "Review Date"). Thereafter, any subsequent review of the operation of this Agreement may be conducted at intervals of not less than five years from the Review Date (the "Next Review Date"). For avoidance of doubt, the Parties are not obliged to review the operation of this Agreement.

17.2 The Parties agree that:
(a) a review under this Clause 17 shall not include a review or renegotiation of, or amend, vary, alter or revoke, an essential term of this Agreement; and
(b) each of the following is an essential term of this Agreement:
   (i) Clause 3;
   (ii) Clause 5;
   (iii) Clause 6;
   (iv) Clause 7;
   (v) Clause 8;
   (vi) Clause 9, except as to whether the annual payments described in Schedule 3 should be made solely to the Community members rather than to the respective funds of the Kiwaba Development Trust, (or vice versa);
   (vii) Clause 10;
(viii) Clause 11.1(a);
(ix) Clause 11.2;
(x) Clause 11.3; and
(xi) Clause 12.

17.3 If the Communities wish to request a review of this Agreement, the Communities must notify the Company in writing not less than six months before the proposed Review Date or the Next Review Date (as the case may be) and provide reasons for requesting a review under this Clause 17.

17.4 Upon receipt of a notice in accordance with Clause 17.3, the Company, acting reasonably, may accept or reject the request and shall notify the Communities of the reasons for its decision.
CONSULTATIONS

The Company commenced consultations with the Interested Communities in connection with the proposed extension of Mine operations in June 2009. Between 15 June and 18 July 2009, the Company held meetings with each Interested Community to generally discuss the proposed extension of Mine operations. During these meetings, each Interested Community elected a person to represent each village (the village representatives) for the purpose of liaising and engaging in discussions with the Company with respect to matters relating to the proposed extension of Mine operations.

On 14 to 28 October 2009, the Company held further meetings with the village representatives, during which it was agreed that:

(a) for purposes of efficiency, the village representatives would nominate delegates from among themselves (the regional delegates) to attend and engage in discussions with the Company. The regional delegates included three women from each Interested Community, each of whom was appointed purposely to represent the interests of women and children within the communities;

(b) all information provided by the Company to the regional delegates regarding the proposed extension of Mine operations must be circulated among the village representatives, then to each Interested Community. This allowed greater participation by all members of the Interested Communities and gave each person an opportunity to raise issues, queries and concerns, or request any further information considered relevant to assist the Interested Communities to make an informed decision as to whether they would like the Mine to continue or cease operations; and

(c) all meetings between the Company, the regional delegates, the village representatives and the Interested Communities would be chaired by independent facilitators, with logistical assistance by the Company where required, to promote a conducive environment for freedom of expression, exchange of views, concerns, issues and discussion of matters relevant to the proposed extension of Mine operations.

Between 19 November 2009 and 11 January 2010, at the request of the village representatives, the Company arranged for all village representatives to visit the Mine site, the mill and the facilities at Bige.

On 17 to 18 March 2010, the Company held meetings with the regional delegates at which the Company provided conceptual information regarding the proposed extension of Mine operations.
Between 3 to 29 May 2010, the Company held separate meetings with the village representatives and the Interested Communities to circulate this information and obtain feedback and comments.

In meetings held with the regional delegates on 15 and 16 July 2010, the Company provided information regarding:

- feasibility and environmental studies; and
- the proposed compensation to be paid by the Company,

in connection with the proposed extension of Mine operations. This information was disseminated to the village representatives and the Interested Communities in meetings held between 1 August to 4 September 2010.

The Company provided further updates of the feasibility and environmental studies to the regional delegates in meetings held between 25 October to 28 November 2010 and on 30 to 31 March 2011. At the meetings held on 30 to 31 March 2011, the Company presented a draft report from an independent environmental reviewer and a copy the draft CMCA Extension Agreement for consideration and discussion.

Between 6 May to 1 June 2011, all information provided to the regional delegates were disseminated to the village representatives and the Interested Communities.

On 6 December 2011, the Company provided the regional delegates with progress reports regarding the feasibility and environmental studies. The updated information was disseminated to the village representatives and the Interested Communities in meetings held between 13 February to 19 March 2012.

In meetings held between 30 April to 30 May 2012, the Company provided the regional delegates with:

- a revised proposal regarding the compensation to be paid by the Company to each Interested Community;
- further updates regarding the feasibility and environmental studies; and
- an updated draft of the CMCA Extension Agreement.

In addition, representatives from Ok Tedi Development Foundation Limited and PNG Sustainable Development Program Limited provided information concerning development projects undertaken and proposed to be undertaken by each entity. This information was disseminated to the village representatives and the Interested Communities in meetings held between 20 August and 2 September 2012.

A final round of meetings were held with the Interested Communities between 5 November to 6 December 2012, leading to the conclusion of the CMCA Extension Agreements, which were executed by the village representatives for and on behalf of the Interested Communities.

Independent observers attended all meetings between the Company and the regional delegates.
MINING (OK TEDI EXTENSION (TENTH SUPPLEMENTAL) AGREEMENT) ACT

1. Recognises the involvement of the local communities in the Consultations and their expressed views regarding the continued operation of the Mine and containing the agreement between the State, Mineral Resources Ok Tedi No. 2 Limited, PNG Sustainable Development Program Limited and Ok Tedi Mining Limited that the operation of the Mine should be extended.

2. Approves and gives the force of law to the compensation and other arrangements under the CMCA Extension Agreements, including the finality of those compensation arrangements.
## SCHEDULE 3

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37,466,628
IN WITNESS WHEREOF this Agreement has been executed by the Parties.

Executed for and on behalf of Ok Tedi Mining Limited by:

Director Signature
Nigel Parker
Managing Director and CEO

Secretary Signature
Brett Young
Company Secretary

Signed by Mobea Sido for and on behalf of each member of Agobaro Village in the presence of:

Witness Signature
Edna Oai
East Kiwai Island Women's Representative

Signed by George Sigege for and on behalf of each member of Abinio Village in the presence of:

Witness Signature
Norah Goba
Wabada Islands Women's Representative
Signed by Naiba Gade for and on behalf of each member of Buna Village in the presence of:
Witness Signature
Norah Goba
Wabada Islands Women's Representative

Signed by Segowo Kame for and on behalf of each member of Gesowa Village in the presence of:
Witness Signature
Norah Goba
Wabada Islands Women's Representative

Signed by Daniel Nawia for and on behalf of each member of Isa Village in the presence of:
Witness Signature
Alice Kwause
West Kiwai Island Women's Representative
Signed by Philip Korobe for and on behalf of each member of Ipisia Village in the presence of:

Witness Signature

Edna Oai
East Kiwai Island Women's Representative

Signed by Damoi Koloni for and on behalf of each member of Kubira Village in the presence of:

Witness Signature

Alice Kwause
West Kiwai Island Women's Representative

Signed by Dominic Korobe for and on behalf of each member of Oromosapuo Village in the presence of:

Witness Signature

Edna Oai
East Kiwai Island Women's Representative
Signed by Monde Getawi for and on behalf of each member of Sagopari Village in the presence of:

Witness Signature
Edna Oai
East Kiwai Island Women’s Representative

Signed by Iuda Sare for and on behalf of each member of Saguane Village in the presence of:

Witness Signature
Alice Kwause
West Kiwai Island Women’s Representative

Signed by Kamen Arawok for and on behalf of each member of Samari Village in the presence of:

Witness Signature
Alice Kwause
West Kiwai Island Women’s Representative
Signed by James Marea for and on behalf of each member of Wapaura Village in the presence of:

Witness Signature

Edna Oai
East Kiwai Island Women's Representative

Signed by Adora Warere for and on behalf of each member of Wapi Village in the presence of:

Witness Signature

Norah Goba
Wabada Islands Women's Representative

Signed by Mesea Segi for and on behalf of each member of Isumo Village in the presence of:

Witness Signature

Norah Goba
Wabada Islands Women's Representative
CMCA EXTENSION AGREEMENT
SOUTH FLY – NORTH BANK

THIS CMCA EXTENSION AGREEMENT is made as of the 6th day of DEC. 2012

BETWEEN:
OK TEDI MINING LIMITED (the "Company")
AND
EACH OF THE MEMBERS OF THE COMMUNITIES OF

1. Doumori
2. Paedaeya No. 1
3. Paedaeya No. 2
4. Pagona No. 1
5. Pagona No. 2
6. Kawiapo
7. Aberegerema
8. Waliyama
9. Kename
10. Arato
11. Wariobodoro
12. Kenedibi
13. Uriq
14. Damera
15. Kea
16. Maduduwo
17. Sagero
18. Kabaturi
19. Tire'ere
20. Maipani

or such of them whose representatives execute this Agreement, of the North Bank in the South Fly region of the Western Province (together the "Communities").
WHEREAS:

A. On or about 7 December 2001 the Parties executed the Community Mine Continuation Agreement, which was intended to operate until the expected cessation of mining in approximately 2011.

B. The Company has subsequently investigated the potential for extending the economic life of the Mine, but at a lower rate of production, by means of Open Pit Cut Back and Underground Operations.

C. The Communities and the Company have engaged in Consultations about whether it is the Communities preference for the Mine to extend operations for a further period with the Open Pit Cut Back and Underground Operations or cease mining in or about 2013.

D. Subject to the Condition Precedent, the Parties wish to record their respective commitments to facilitate the Open Pit Cut Back and Underground Operations and to extend the term of the Community Mine Continuation Agreement.

E. For the Company and the State to decide that the Open Pit Cut Back and Underground Operations are economically viable, there must be reasonable certainty as to the cost of the operations, including compensation and benefits to the Communities, and the Parties therefore intend this CMCA Extension Agreement to be the complete, final and binding basis on which the Parties agree to support the extended operation of the Mine by means of the Open Pit Cut Back and Underground Operations.

F. The State has agreed to give this agreement the force of law by enacting the Act.

THE PARTIES AGREE AS FOLLOWS:

1. DEFINITIONS

In this Agreement, including the Recitals, the following definitions apply unless the context requires otherwise:

"Act" means an Act of the National Parliament which, among other things, meets the objectives described in Schedule 2.

"CMCA Extension Agreements" means the agreements between the Company and the Interested Communities by which each Interested Community gives its informed consent to the extension of operations of the Mine, and includes this Agreement.

"Community Mine Continuation Agreement" or "CMCA" means the agreement between the Parties made as of 7 December 2001.

"Condition Precedent" means the condition precedent in Clause 3.

"Consultations" means the meetings and discussions that have taken place between officers of the State, the Company and the Communities in which the Company has
presented information to the Communities regarding the opportunities and costs of extension of Mine operations. Further particulars of the Consultations are contained in Schedule 1.

"Environmental Predictions" means the Environmental Predictions contained in the CMCA, subject to the following revisions:

(a) in relation to the expected effects of Mine operations resulting in trees losing leaves and dying, the maximum area likely to be affected is revised from 1,350 km$^2$ to 2,395 km$^2$; and

(b) the expected effects of copper contained in sediment from the Mine are revised and replaced with the following:

"Copper

The sand that comes from the Mine contains small amounts of copper. The concentration of copper in the sand is likely to decrease if the Mine operations are extended due to the treatment of tailings waste and other mitigation strategies, but it may slow down the growth rates in some plants and animals that live in the water. However, it is not expected to be harmful to people or fish."

"Interested Communities" means the collective residents of the villages in the Mine area, Highway area, Lower Ok Tedi, North Ok Tedi, Middle Fly and South Fly.

"Manawete Development Foundation" means the trust of that name established in conjunction with the CMCA.

"Mine" means the mine operated by the Company pursuant to the Mining (Ok Tedi Agreement) Act (as amended and supplemented).

"Open Pit Cut Back" means the mining or waste rock from the West wall, the North-east wall and the East wall of the Mine pit for the purpose of gaining access to and mining ore bodies located there under.

"Parties" means the Company and the Communities severally.

"Settlement Agreement" means the two documents headed respectively Terms of Settlement and Settlement Agreement both dated 7 June 1996 and executed by or on behalf of Rex Dagi and others of the first part and the Company and others of the second part by which litigation concerning the Mine was terminated.

"State" means the Independent State of Papua New Guinea.

"Termination Date" means 31 December 2014 or such later date as nominated by the Company in writing in accordance with Clause 3.

"Underground Operations" means the mining of ore bodies within the Mine pit using underground or sub-surface mining techniques and methods.
2. INTERPRETATION

In this Agreement unless the context requires otherwise:

(a) monetary references are references to Papua New Guinea currency unless otherwise specifically expressed;

(b) the headings do not affect the interpretation or construction;

(c) words importing the singular include the plural and vice versa;

(d) words importing gender include the other gender;

(e) references to a person include a corporation and vice versa;

(f) references to a Recital, Clause, Schedule or Annexure are to a Recital, Clause, Schedule or Annexure or part thereof of this Agreement; and

(g) the Recitals form part of this Agreement.

3. CONDITION PRECEDENT

3.1 This Agreement is conditional on and shall be of no force or effect unless on or before the Termination Date the National Parliament has enacted the Act and all CMCA Extension Agreements have been given the force of law there under.

3.2 This condition precedent is for the sole benefit of the Company, which may prior to the Termination Date:

(a) elect to waive reliance on it; or

(b) postpone the Termination Date to a nominated date.

4. OPERATION OF THIS AGREEMENT AND THE CMCA

4.1 The Parties affirm the CMCA and agree to extend its term commensurate with the term of this Agreement.

4.2 The CMCA and this Agreement shall be read and construed together as one agreement but in the event of conflict this Agreement shall prevail.

5. COMMUNITY CONSULTATIONS REGARDING EXTENSION OF MINE OPERATIONS

5.1 The Parties acknowledge that:

(a) the Consultations have taken place for the purpose of exchanging information and views regarding the Environmental Predictions and the implications for the Communities of closure or extension of the operations of the Mine;
(b) the Consultations have given the clan leaders within the Communities the opportunity to make representations to the Company and the State in connection with the review undertaken for the purposes of Clause 29G of the agreement scheduled to the Mining \textit{(Ok Tedi Agreement) Act} (Chapter 363) (as amended and supplemented);

(c) the Consultations were intended by the Parties to ensure that any decision made by the Communities regarding the extension of Mine operations is made on the basis that all relevant information known to the Company concerning the social, economic and environmental consequences, both beneficial and detrimental, of extension of the operations of the Mine or closure of the Mine, has been made available to the Communities; and

(d) a decision by the State and the Company to extend the operation of the Mine will have the properly informed consent of the Communities.

5.2 The Communities acknowledge that all information requested by them in the course of the Consultations has been provided by the Company and that the Company has acted in good faith in the Consultations.

6. COMMITMENT TO SUSTAINABLE DEVELOPMENT & CO-OPERATION

6.1 The Parties agree that the greater part of future benefits passing from the Company to the Communities over the remaining life of the Mine should be committed to investment in training, infrastructure and development, including without limitation projects and programmes for the development of women and children within the Communities, that will provide an improved economic base for the Communities.

6.2 The Communities will co-operate with the Company to ensure the efficient and uninterrupted operation of the Mine, in recognition of the Company's commitments and the benefits that the Mine provides to the Communities, the Western Province and the State.

6.3 Should a dispute arise between the Communities and the Company, the Communities agree to directly consult in good faith with the Company, the Fly River Provincial Government and the National Government to achieve resolution of that dispute.

7. COMMUNITIES COMMITMENTS

7.1 The Communities, having considered:

(a) the information disclosed to them in the Consultations;

(b) the likely social, environmental and economic implications for themselves of the extended operation of the Mine (including the Company's commitments) in light of the Environmental Predictions; and
(c) the likely social, environmental and economic implications for themselves of the
closure of the Mine in or around 2013,

have concluded and affirm that, subject to this Agreement, it is in the Communities' interest
that the Mine operations should be extended rather than cease.

7.2 The Communities acknowledge that their decision is made in the knowledge or belief that:

(a) the extended operation of the Mine may result in increased environmental impacts
including those described in the Environmental Predictions, and that closure of the
Mine may result in reduced environmental impacts, and

(b) the economic opportunities offered by the Company's commitments represent to
the Communities an acceptable trade off for the environmental impacts of the
extended operation of the Mine.

7.3 The Communities:

(a) represent and warrant to the Company that, subject to the Company's
commitments, it is their decision that the Mine operations should be extended by
the Open Pit Cut Back and Underground Operations;

(b) represent and warrant that the persons signing this Agreement for and on behalf of
the Communities have the power and authority to do so and that this Agreement
will be valid and binding on each member of the Communities; and

(c) acknowledge that the Company will be acting in reliance upon these
representations and warranties in the event that the Mine operations are extended.

8. COMMUNITIES RELEASES

8.1 The Communities agree that this CMCA Extension Agreement is the complete, final and
binding basis on which they agree to support the extension of the Mine operations by the
Open Pit Cut Back and Underground Operations, and without derogating from the effect of
the releases contained in and the compensation regime established by the Mining (Ok Tedi
Agreement) Act (Chapter 363) (as amended and supplemented), the Settlement Agreement
and any other releases between the Parties, hereby release and discharge the Company, the
Company's shareholders and their respective associated corporations, directors, officers,
employees and agents and former directors, officers, employees and agents from all and
any demands and claims arising directly or indirectly from the operation of the Mine or any
associated works, and without limiting the generality of the foregoing that release and
discharge includes and extends to:

(a) the disposal by the Company of tailings and waste;

(b) dredging, storage and release of dredged material;
(c) occurrences or circumstances contemplated by or more adverse than or in excess of the Environmental Predictions;

(d) the Settlement Agreement; and

(e) any public statement concerning the Mine made by the Company or the Company's shareholders.

Nothing in this Clause 8 affects the rights of the Communities under Clause 12.

8.2 The benefit of the releases and discharges provided by the Communities under this Agreement is held by the Company in trust for itself and each of the other persons in whose favour the releases and discharges are expressed to apply.

9. PAYMENT BY COMPANY FOR DISTURBANCE

Subject to Clause 11, for so long as the Mine is in operation, the Company shall make the annual payments described in Schedule 3 to the respective recipients and funds described therein, namely:

(a) the Community members; and

(b) the Investment Fund and the Development Fund of the Manawete Development Foundation.

10. EFFECT OF PAYMENTS

10.1 Without derogating from the effect of the releases contained in and the compensation regime established by the Mining (Ok Tedi Agreement) Act (Chapter 363) (as amended and supplemented), the Settlement Agreement, Clause 8 of this Agreement and any other releases between the Parties, the payments to be made by the Company pursuant to this Agreement are and shall be in full compensation for all loss and damage contemplated by the Environmental Predictions suffered or to be suffered by the Communities in respect of disturbance to the environment in the South Fly area or their use or enjoyment of the environment, including, where applicable and without limitation to the generality of the foregoing:

(a) being deprived of the possession or use of the natural surface of the land area;

(b) damage to or contamination of the natural surface of the land;

(c) severance of the land or any part of it from other land owned or occupied by the Communities;

(d) any loss or restriction of a right of way, easement or other right;

(e) any loss or damage to improvements;

(f) in the case of land under cultivation, loss of earnings;
(g) disruption of agricultural activities;
(h) social disruption;
(i) garden damage and loss of economic trees;
(j) loss or damage to any flora or fauna, on the land or in the water; and
(k) loss of use or contamination of water.

10.2 For the avoidance of doubt, it is acknowledged that the Communities and their members will continue to be eligible persons to receive general compensation and (save for the matters listed in Clause 10.1(a) to 10.1(k) inclusive) specific compensation pursuant to the **Mining (Ok Tedi Agreement) Act** (Chapter 363) (as amended and supplemented).

11. **TIMING OF PAYMENTS**

11.1 Subject to the following clauses, the payments pursuant to Clause 9 shall:

(a) commence on 1 January 2015 or such later date as determined by the Company in its sole discretion; and

(b) be paid by the Company within the third quarter of each calendar year.

11.2 The timing of payments by the Company pursuant to Clause 9 shall be subject to the continuous compliance by the respective recipients with all of their obligations under this Agreement, and in particular Clauses 6, 7 and 8. In the event of non-compliance with any provision of this Agreement, in particular Clauses 6, 7 and 8, the payment otherwise due to the non-complying recipients shall be deferred without interest until the due date for the next succeeding annual payment, subject always to the recipients' compliance with this Agreement, in particular Clauses 6, 7 and 8, in the intervening period. In the event of further non-compliance in the intervening period, both payments shall be deferred on the same terms as applied to the first deferred payment. The same principles shall also be applied in respect of subsequent non-compliance with this Agreement, in particular Clauses 6, 7 and 8. Any deferred payment subsisting at the date of closure of the Mine will be paid by the Company to the Development Fund of the Manawete Development Foundation.

11.3 Notwithstanding Clauses 11.1 to 11.2 inclusive, if the Mine ceases to operate the Company's obligation to make payments pursuant to Clause 9 will also cease.

12. **RELATIONSHIP OF PAYMENTS TO ENVIRONMENTAL PREDICTIONS**

The Company shall continue to monitor the environmental effects of the continuing operation of the Mine in accordance with its obligations to the State, and shall share the results with the Communities. To the extent that environmental effects of the continuing operation of the Mine exceed the Environmental Predictions, the Parties shall meet to
discuss revision of the payments under Clause 9, taking into account the environmental
effects in excess of those contemplated in the Environmental Predictions. The
Communities acknowledge and agree that if the Environmental Predictions are not
accurate:

(a) this right to discuss with the Company a revision of payments under Clause 9 shall
be their sole remedy in relation to the inaccuracy of the Environment Predictions;
(b) any revision of payments shall only operate prospectively from the date any
revision is agreed; and
(c) this Agreement and in particular the releases and discharges contained in it shall
remain in full force and effect and this Agreement shall not be liable to be set aside
or rendered unenforceable.

If an agreement cannot be reached on revision of the payments the Company may
reconsider its decision to continue to operate the Mine.

13. WAIVER

The failure of any Party to enforce, at any time, any of the provisions of the Agreement
shall not be construed to be a waiver of the provision or any part thereof or the right of any
party thereafter to enforce each and every part of the provision in respect of any subsequent
default or breach.

14. REPRESENTATIONS AND WARRANTIES

Except as expressly stated in this Agreement, no representation, inducement or warranty
was, prior to the execution of this Agreement, given or made by one of the Parties hereto
with the intent of inducing any other Party to enter into this Agreement, and any
representations, inducements or warranties that may have been so given are hereby denied
and negated.

15. COMMUNICATIONS

15.1 Any formal communications by the Parties concerning this Agreement shall be deemed to
have been made:

(a) in the case of the Company, if signed by the Managing Director of the Company;
or
(b) in the case of the Communities, if signed by the chairman for the time being of the
Manawete Development Foundation.
15.2 Any formal communication shall be in writing and may be delivered either personally, or transmitted by facsimile to the person, or persons referred to in Clause 15.1.

15.3 Any formal communication shall be deemed to have reached the other Party:
   (a) in the case of personal delivery, when received by the relevant person referred to in Clause 15.1; or
   (b) in the case of facsimile, as soon as transmission is confirmed.

16. EXECUTION

The Parties acknowledge that this Agreement may take effect notwithstanding that it has not been executed on behalf of all of the Communities referred to on page 1 and accordingly the Parties agree that this Agreement is duly executed and, subject to Clause 3, take effect between the Company and the members of any one or more of the Communities referred to on page 1 on whose behalf it is executed, when the Company executes this Agreement.

17. REVIEW OF OPERATION OF AGREEMENT

17.1 Subject to this Agreement, the Parties may after the expiration of five years from the Termination Date, meet to review the operation of this Agreement (the "Review Date"). Thereafter, any subsequent review of the operation of this Agreement may be conducted at intervals of not less than five years from the Review Date (the "Next Review Date").

For avoidance of doubt, the Parties are not obliged to review the operation of this Agreement.

17.2 The Parties agree that:
   (a) a review under this Clause 17 shall not include a review or renegotiation of, or amend, vary, alter or revoke, an essential term of this Agreement; and
   (b) each of the following is an essential term of this Agreement:
       (i) Clause 3;
       (ii) Clause 5;
       (iii) Clause 6;
       (iv) Clause 7
       (v) Clause 8;
       (vi) Clause 9, except as to whether the annual payments described in Schedule 3 should be made solely to the Community members rather than to the respective funds of the Manawete Development Foundation (or vice versa);
       (vii) Clause 10;
17.3 If the Communities wish to request a review of this Agreement, the Communities must notify the Company in writing not less than six months before the proposed Review Date or the Next Review Date (as the case may be) and provide reasons for requesting a review under this Clause 17.

17.4 Upon receipt of a notice in accordance with Clause 17.3, the Company, acting reasonably, may accept or reject the request and shall notify the Communities of the reasons for its decision.
CONSULTATIONS

The Company commenced consultations with the Interested Communities in connection with the proposed extension of Mine operations in June 2009. Between 15 June and 18 July 2009, the Company held meetings with each Interested Community to generally discuss the proposed extension of Mine operations. During these meetings, each Interested Community elected a person to represent each village (the village representatives) for the purpose of liaising and engaging in discussions with the Company with respect to matters relating to the proposed extension of Mine operations.

On 14 to 28 October 2009, the Company held further meetings with the village representatives, during which it was agreed that:

(a) for purposes of efficiency, the village representatives would nominate delegates from among themselves (the regional delegates) to attend and engage in discussions with the Company. The regional delegates included three women from each Interested Community, each of whom was appointed purposely to represent the interests of women and children within the communities;

(b) all information provided by the Company to the regional delegates regarding the proposed extension of Mine operations must be circulated among the village representatives, then to each Interested Community. This allowed greater participation by all members of the Interested Communities and gave each person an opportunity to raise issues, queries and concerns, or request any further information considered relevant to assist the Interested Communities to make an informed decision as to whether they would like the Mine to continue or cease operations; and

(c) all meetings between the Company, the regional delegates, the village representatives and the Interested Communities would be chaired by independent facilitators, with logistical assistance by the Company where required, to promote a conducive environment for freedom of expression, exchange of views, concerns, issues and discussion of matters relevant to the proposed extension of Mine operations.

Between 19 November 2009 and 11 January 2010, at the request of the village representatives, the Company arranged for all village representatives to visit the Mine site, the mill and the facilities at Bige.

On 17 to 18 March 2010, the Company held meetings with the regional delegates at which the Company provided conceptual information regarding the proposed extension of Mine operations.
Between 3 to 29 May 2010, the Company held separate meetings with the village representatives and the Interested Communities to circulate this information and obtain feedback and comments.

In meetings held with the regional delegates on 15 and 16 July 2010, the Company provided information regarding:

- feasibility and environmental studies; and
- the proposed compensation to be paid by the Company,

in connection with the proposed extension of Mine operations. This information was disseminated to the village representatives and the Interested Communities in meetings held between 1 August to 4 September 2010.

The Company provided further updates of the feasibility and environmental studies to the regional delegates in meetings held between 25 October to 28 November 2010 and on 30 to 31 March 2011.

At the meetings held on 30 to 31 March 2011, the Company presented a draft report from an independent environmental reviewer and a copy the draft CMCA Extension Agreement for consideration and discussion.

Between 6 May to 1 June 2011, all information provided to the regional delegates were disseminated to the village representatives and the Interested Communities.

On 6 December 2011, the Company provided the regional delegates with progress reports regarding the feasibility and environmental studies. The updated information was disseminated to the village representatives and the Interested Communities in meetings held between 13 February to 19 March 2012.

In meetings held between 30 April to 30 May 2012, the Company provided the regional delegates with:

- a revised proposal regarding the compensation to be paid by the Company to each Interested Community;
- further updates regarding the feasibility and environmental studies; and
- an updated draft of the CMCA Extension Agreement.

In addition, representatives from Ok Tedi Development Foundation Limited and PNG Sustainable Development Program Limited provided information concerning development projects undertaken and proposed to be undertaken by each entity. This information was disseminated to the village representatives and the Interested Communities in meetings held between 20 August and 2 September 2012.

A final round of meetings were held with the Interested Communities between 5 November to 6 December 2012, leading to the conclusion of the CMCA Extension Agreements, which were executed by the village representatives for and on behalf of the Interested Communities.

Independent observers attended all meetings between the Company and the regional delegates.
MINING (OK TEDI EXTENSION (TENTH SUPPLEMENTAL) AGREEMENT) ACT

1. Recognises the involvement of the local communities in the Consultations and their expressed views regarding the continued operation of the Mine and containing the agreement between the State, Mineral Resources Ok Tedi No. 2 Limited, PNG Sustainable Development Program Limited and Ok Tedi Mining Limited that the operation of the Mine should be extended.

2. Approves and gives the force of law to the compensation and other arrangements under the CMCA Extension Agreements, including the finality of those compensation arrangements.
## SCHEDULE 3

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</table>
IN WITNESS WHEREOF this Agreement has been executed by the Parties.

Executed for and on behalf of Ok Tedi Mining Limited by:

Director Signature
Nigel Parker
Managing Director and CEO

Secretary Signature
Brett Young
Company Secretary

Signed by Daeki Kolesa for and on behalf of each member of Doumori Village in the presence of:

Witness Signature
Wari Sapoa
North Bank Women’s Representative

Signed by Sekewa Makalisa for and on behalf of each member of Paedaeya No. 1 Village in the presence of:

Witness Signature
Wari Sapoa
North Bank Women’s Representative
Signed by Muti Alewa for and on behalf of each member of Paedaeya No. 2 Village in the presence of:

Witness Signature
Wari Sapoa
North Bank Women's Representative

Signed by Sam Buaro for and on behalf of each member of Pagona No. 1 Village in the presence of:

Witness Signature
Wari Sapoa
North Bank Women’s Representative

Signed by Brian Goware for and on behalf of each member of Pagona No. 2 Village in the presence of:

Witness Signature
Wari Sapoa
North Bank Women’s Representative
Signed by Manene Danaya for and on behalf of each member of Kawiapo Village in the presence of:

Wari Sapoa
North Bank Women’s Representative

Signed by Ken Kese for and on behalf of each member of Aberegerema Village in the presence of:

Narei Namaro
North Bank Women’s Representative

Signed by Sosola Tom for and on behalf of each member of Waliyama Village in the presence of:

Narei Namaro
North Bank Women’s Representative
Signed by Philimon Kuruwa for and on behalf of each member of Kename Village in the presence of:

Witness Signature
Narei Namaro
North Bank Women's Representative

Signed by Koporigo Danege for and on behalf of each member of Arato Village in the presence of:

Witness Signature
Narei Namaro
North Bank Women's Representative

Signed by Vincent Kearo for and on behalf of each member of Wariobadoro Village in the presence of:

Witness Signature
Narei Namaro
North Bank Women's Representative
Signed by Aniba Samo for and on behalf of each member of Kenedibi Village in the presence of:

[Signature]

Witness Signature

Narei Namaro
North Bank Women's Representative

Signed by John Karawa for and on behalf of each member of Urio Village in the presence of:

[Signature]

Witness Signature

Narei Wamaro
North Bank Women's Representative

Signed by James Sogomi for and on behalf of each member of Damera Village in the presence of:

[Signature]

Witness Signature

Narei Namaro
North Bank Women's Representative
Signed by Micah Bani for and on behalf of each member of Kea Village in the presence of:

Witness Signature

Ebia Ipasoro
North Bank Women's Representative

Signed by James Riyoh for and on behalf of each member of Maduduwo Village in the presence of:

Witness Signature

Ebia Ipasoro
North Bank Women's Representative

Signed by Odu Awati for and on behalf of each member of Sagero Village in the presence of:

Witness Signature

Ebia Ipasoro
North Bank Women's Representative
Signed by Marude Mamiri for and on behalf of each member of Kabaturi Village in the presence of:

Witness Signature

Ebia Ipasoro
North Bank Women’s Representative

Signed by Ivan Buago for and on behalf of each member of Tire’ere Village in the presence of:

Witness Signature

Ebia Ipasoro
North Bank Women’s Representative

Signed by Enasi Akuru for and on behalf of each member of Maipani Village in the presence of:

Witness Signature

Ebia Ipasoro
North Bank Women’s Representative
CMCA EXTENSION AGREEMENT
MIDDLE FLY

THIS CMCA EXTENSION AGREEMENT is made as of the 9th day of NOV, 2012

BETWEEN:
OK TEDI MINING LIMITED (the "Company")
AND
EACH OF THE MEMBERS OF THE COMMUNITIES OF

1. Mepu
2. Yulawas
3. Moian
4. Erecta
5. Kukujaba
6. Karemgo
7. Membok
8. Kwem
9. Mipan
10. Manda
11. Bosset
12. Wangawanga
13. Aiambak
14. Komovai
15. Kavananga/Obo
16. Owa
17. Levame
18. Kasa

or such of them whose representatives execute this Agreement, in the Middle Fly region of the Western Province (together the "Communities").
WHEREAS:

A. On or about 6 December 2001 the Parties executed the Community Mine Continuation Agreement, which was intended to operate until the expected cessation of mining in approximately 2011.

B. The Company has subsequently investigated the potential for extending the economic life of the Mine, but at a lower rate of production, by means of Open Pit Cut Back and Underground Operations.

C. The Communities and the Company have engaged in Consultations about whether it is the Communities preference for the Mine to extend operations for a further period with the Open Pit Cut Back and Underground Operations or cease mining in or about 2013.

D. Subject to the Condition Precedent, the Parties wish to record their respective commitments to facilitate the Open Pit Cut Back and Underground Operations and to extend the term of the Community Mine Continuation Agreement.

E. For the Company and the State to decide that the Open Pit Cut Back and Underground Operations are economically viable, there must be reasonable certainty as to the cost of the operations, including compensation and benefits to the Communities, and the Parties therefore intend this CMCA Extension Agreement to be the complete, final and binding basis on which the Parties agree to support the extended operation of the Mine by means of the Open Pit Cut Back and Underground Operations.

F. The State has agreed to give this agreement the force of law by enacting the Act.

THE PARTIES AGREE AS FOLLOWS:

1. DEFINITIONS

In this Agreement, including the Recitals, the following definitions apply unless the context requires otherwise:

"Act" means an Act of the National Parliament which, among other things, meets the objectives described in Schedule 2.

"CMCA Extension Agreements" means the agreements between the Company and the Interested Communities by which each Interested Community gives its informed consent to the extension of operations of the Mine, and includes this Agreement.

"Community Mine Continuation Agreement" or "CMCA" means the agreement between the Parties made as of 6 December 2001.

"Condition Precedent" means the condition precedent in Clause 3.

"Consultations" means the meetings and discussions that have taken place between officers of the State, the Company and the Communities in which the Company has
2. INTERPRETATION

In this Agreement unless the context requires otherwise:

(a) monetary references are references to Papua New Guinea currency unless otherwise specifically expressed;
(b) the headings do not affect the interpretation or construction;
(c) words importing the singular include the plural and vice versa;
(d) words importing gender include the other gender;
(e) references to a person include a corporation and vice versa;
(f) references to a Recital, Clause, Schedule or Annexure are to a Recital, Clause, Schedule or Annexure or part thereof of this Agreement; and
(g) the Recitals form part of this Agreement.

3. CONDITION PRECEDENT

3.1 This Agreement is conditional on and shall be of no force or effect unless on or before the Termination Date the National Parliament has enacted the Act and all CMCA Extension Agreements have been given the force of law thereunder.

3.2 This condition precedent is for the sole benefit of the Company, which may prior to the Termination Date:

(a) elect to waive reliance on it; or
(b) postpone the Termination Date to a nominated date.

4. OPERATION OF THIS AGREEMENT AND THE CMCA

4.1 The Parties affirm the CMCA and agree to extend its term commensurate with the term of this Agreement.

4.2 The CMCA and this Agreement shall be read and construed together as one agreement but in the event of conflict this Agreement shall prevail.

5. COMMUNITY CONSULTATIONS REGARDING EXTENSION OF MINE OPERATIONS

5.1 The Parties acknowledge that:

(a) the Consultations have taken place for the purpose of exchanging information and views regarding the Environmental Predictions and the implications for the Communities of closure or extension of the operations of the Mine;
presented information to the Communities regarding the opportunities and costs of extension of the Mine operations. Further particulars of the Consultations are contained in Schedule 1.

"Environmental Predictions" means the Environmental Predictions contained in the CMCA, subject to the following revisions:

(a) in relation to the expected effects of Mine operations resulting in trees losing leaves and dying, the maximum area likely to be affected is revised from 1,350 km$^2$ to 2,395 km$^2$; and

(b) the expected effects of copper contained in sediment from the Mine are revised and replaced with the following:

"Copper
The sand that comes from the Mine contains small amounts of copper. The concentration of copper in the sand is likely to decrease if the Mine operations are extended due to the treatment of tailings waste and other mitigation strategies, but it may slow down the growth rates in some plants and animals that live in the water. However, it is not expected to be harmful to people or fish."

"Interested Communities" means the collective residents of the villages in the Mine area, Highway area, Lower Ok Tedi, North Ok Tedi, Middle Fly and South Fly.

"Middle Fly River Development Foundation" means the trust of that name established in conjunction with the CMCA.

"Mine" means the mine operated by the Company pursuant to the Mining (Ok Tedi Agreement) Act (as amended and supplemented).

"Open Pit Cut Back" means the mining of waste rock from the West wall, the North-east wall and the East wall of the Mine pit for the purpose of gaining access to and mining ore bodies located there under.

"Parties" means the Company and the Communities severally.

"Settlement Agreement" means the two documents headed respectively Terms of Settlement and Settlement Agreement both dated 7 June 1996 and executed by or on behalf of Rex Dagi and others of the first part and the Company and others of the second part by which litigation concerning the Mine was terminated.

"State" means the Independent State of Papua New Guinea.

"Termination Date" means 31 December 2014 or such later date as nominated by the Company in writing in accordance with Clause 3.

"Underground Operations" means the mining of ore bodies within the Mine pit using underground or sub-surface mining techniques and methods.
the Consultations have given the clan leaders within the Communities the opportunity to make representations to the Company and the State in connection with the review undertaken for the purposes of Clause 29G of the agreement scheduled to the Mining (Ok Tedi Agreement) Act (Chapter 363) (as amended and supplemented);

the Consultations were intended by the Parties to ensure that any decision made by the Communities regarding the extension of the operations of the Mine is made on the basis that all relevant information known to the Company concerning the social, economic and environmental consequences, both beneficial and detrimental, of extension of the operations of the Mine or closure of the Mine, has been made available to the Communities; and

a decision by the State and the Company to extend operation of the Mine will have the properly informed consent of the Communities.

5.2 The Communities acknowledge that all information requested by them in the course of the Consultations has been provided by the Company and that the Company has acted in good faith in the Consultations.

6. COMMITMENT TO SUSTAINABLE DEVELOPMENT & CO-OPERATION

6.1 The Parties agree that the greater part of future benefits passing from the Company to the Communities over the remaining life of the Mine should be committed to investment in training, infrastructure and development, including without limitation projects and programmes for the development of women and children within the Communities, that will provide an improved economic base for the Communities.

6.2 The Communities will co-operate with the Company to ensure the efficient and uninterrupted operation of the Mine, in recognition of the Company's commitments and the benefits that the Mine provides to the Communities, the Western Province and the State.

6.3 Should a dispute arise between the Communities and the Company, the Communities agree to directly consult in good faith with the Company, the Fly River Provincial Government and the National Government to achieve resolution of that dispute.

7. COMMUNITIES COMMITMENTS

7.1 The Communities, having considered:

(a) the information disclosed to them in the Consultations;

(b) the likely social, environmental and economic implications for themselves of the extended operation of the Mine (including the Company's commitments) in light of the Environmental Predictions; and
have concluded and affirm that, subject to this Agreement, it is in the Communities' interest that the Mine operations should be extended rather than cease.

7.2 The Communities acknowledge that their decision is made in the knowledge or belief that:

(a) the extended operation of the Mine may result in increased environmental impacts including those described in the Environmental Predictions, and that closure of the Mine may result in reduced environmental impacts, and

(b) the economic opportunities offered by the Company's commitments represent to the Communities an acceptable trade off for the environmental impacts of the extended operation of the Mine.

7.3 The Communities:

(a) represent and warrant to the Company that, subject to the Company's commitments, it is their decision that the Mine operations should be extended by the Open Pit Cut Back and Underground Operations;

(b) represent and warrant that the persons signing this Agreement for and on behalf of the Communities have the power and authority to do so and that this Agreement will be valid and binding on each member of the Communities; and

(c) acknowledge that the Company will be acting in reliance upon these representations and warranties in the event that the Mine operations are extended.

8. COMMUNITIES RELEASES

8.1 The Communities agree that this CMCA Extension Agreement is the complete, final and binding basis on which they agree to support the extension of the Mine operations by the Open Pit Cut Back and Underground Operations, and without derogating from the effect of the releases contained in and the compensation regime established by the Mining (Ok Tedi Agreement) Act (Chapter 363) (as amended and supplemented), the Settlement Agreement and any other releases between the Parties, hereby release and discharge the Company, the Company's shareholders and their respective associated corporations, directors, officers, employees and agents and former directors, officers, employees and agents from all and any demands and claims arising directly or indirectly from the operation of the Mine or any associated works, and without limiting the generality of the foregoing that release and discharge includes and extends to:

(a) the disposal by the Company of tailings and waste;

(b) dredging, storage and release of dredged material;
(c) occurrences or circumstances contemplated by or more adverse than or in excess of the Environmental Predictions;
(d) the Settlement Agreement; and
(e) any public statement concerning the Mine made by the Company or the Company's shareholders.

Nothing in this Clause 8 affects the rights of the Communities under Clause 12.

8.2 The benefit of the releases and discharges provided by the Communities under this Agreement is held by the Company in trust for itself and each of the other persons in whose favour the releases and discharges are expressed to apply.

9. PAYMENT BY COMPANY FOR DISTURBANCE

Subject to Clause 11, for so long as the Mine is in operation, the Company shall make the annual payments described in Schedule 3 to the respective recipients and fund described therein, namely:
(a) the Community members; and
(b) the Middle Fly Children's Fund and the Development Fund of the Middle Fly River Development Foundation.

10. EFFECT OF PAYMENTS

10.1 Without derogating from the effect of the releases contained in and the compensation regime established by the Mining (Ok Tedi Agreement) Act (Chapter 363) (as amended and supplemented), the Settlement Agreement, Clause 8 of this Agreement and any other releases between the Parties, the payments to be made by the Company pursuant to this Agreement are and shall be in full compensation for all loss and damage contemplated by the Environmental Predictions suffered or to be suffered by the Communities in respect of disturbance to the environment in the Middle Fly area or their use or enjoyment of the environment, including, where applicable and without limitation to the generality of the foregoing:
(a) being deprived of the possession or use of the natural surface of the land area;
(b) damage to or contamination of the natural surface of the land;
(c) severance of the land or any part of it from other land owned or occupied by the Communities;
(d) any loss or restriction of a right of way, easement or other right;
(e) any loss or damage to improvements;
(f) in the case of land under cultivation, loss of earnings;
disruption of agricultural activities;

(h) social disruption;

(i) garden damage and loss of economic trees;

(j) loss or damage to any flora or fauna, on the land or in the water; and

(k) loss of use or contamination of water.

10.2 For the avoidance of doubt, it is acknowledged that the Communities and their members will continue to be eligible persons to receive general compensation and (save for the matters listed in Clause 10.1(a) to 10.1(k) inclusive) specific compensation pursuant to the Mining (Ok Tedi Agreement) Act (Chapter 363) (as amended and supplemented).

11. TIMING OF PAYMENTS

11.1 Subject to the following clauses, the payments pursuant to Clause 9 shall:

(a) commence on 1 January 2015 or such later date as determined by the Company in its sole discretion; and

(b) be paid by the Company within the third quarter of each calendar year.

11.2 The timing of payments by the Company pursuant to Clause 9 shall be subject to the continuous compliance by the respective recipients with all of their obligations under this Agreement, and in particular Clauses 6, 7 and 8. In the event of non-compliance with any provision of this Agreement, in particular Clauses 6, 7 and 8, the payment otherwise due to the non-complying recipients shall be deferred without interest until the due date for the next succeeding annual payment, subject always to the recipients' compliance with this Agreement, in particular Clauses 6, 7 and 8, in the intervening period. In the event of further non-compliance in the intervening period, both payments shall be deferred on the same terms as applied to the first deferred payment. The same principles shall also be applied in respect of subsequent non-compliance with this Agreement, in particular Clauses 6, 7 and 8. Any deferred payment subsisting at the date of closure of the Mine will be paid by the Company to the Development Fund of the Middle Fly River Development Foundation.

11.3 Notwithstanding Clauses 11.1 to 11.2 inclusive, if the Mine ceases to operate the Company's obligation to make payments pursuant to Clause 9 will also cease.

12. RELATIONSHIP OF PAYMENTS TO ENVIRONMENTAL PREDICTIONS

The Company shall continue to monitor the environmental effects of the continuing operation of the Mine in accordance with its obligations to the State, and shall share the results with the Communities. To the extent that environmental effects of the continuing
operation of the Mine exceed the Environmental Predictions, the Parties shall meet to
discuss revision of the payments under Clause 9, taking into account the environmental
effects in excess of those contemplated in the Environmental Predictions. The
Communities acknowledge and agree that if the Environmental Predictions are not
accurate:

(a) this right to discuss with the Company a revision of payments under Clause 9 shall
be their sole remedy in relation to the inaccuracy of the Environment Predictions;
(b) any revision of payments shall only operate prospectively from the date any
revision is agreed; and
(c) this Agreement and in particular the releases and discharges contained in it shall
remain in full force and effect and this Agreement shall not be liable to be set aside
or rendered unenforceable.

If an agreement cannot be reached on revision of the payments the Company may
reconsider its decision to continue to operate the Mine.

13. WAIVER

The failure of any Party to enforce, at any time, any of the provisions of the Agreement
shall not be construed to be a waiver of the provision or any part thereof or the right of any
party thereafter to enforce each and every part of the provision in respect of any subsequent
default or breach.

14. REPRESENTATIONS AND WARRANTIES

Except as expressly stated in this Agreement, no representation, inducement or warranty
was, prior to the execution of this Agreement, given or made by one of the Parties hereto
with the intent of inducing any other Party to enter into this Agreement, and any
representations, inducements or warranties that may have been so given are hereby denied
and negated.

15. COMMUNICATIONS

15.1 Any formal communications by the Parties concerning this Agreement shall be deemed to
have been made:

(a) in the case of the Company, if signed by the Managing Director of the Company;
or
(b) in the case of the Communities, if signed by the Chairman for the time being of the
Middle Fly River Development Foundation.
15.2 Any formal communication shall be in writing and may be delivered either personally, or transmitted by facsimile to the person, or persons referred to in Clause 15.1.

15.3 Any formal communication shall be deemed to have reached the other Party:
(a) in the case of personal delivery, when received by the relevant person referred to in Clause 15.1; or
(b) in the case of facsimile, as soon as transmission is confirmed.

16. EXECUTION

The Parties acknowledge that this Agreement may take effect notwithstanding that it has not been executed on behalf of all of the Communities referred to on page 1 and accordingly the Parties agree that this Agreement is duly executed and, subject to Clause 3, take effect between the Company and the members of any one or more of the Communities referred to on page 1 on whose behalf it is executed, when the Company executes this Agreement.

17. REVIEW OF OPERATION OF AGREEMENT

17.1 Subject to this Agreement, the Parties may after the expiration of five years from the Termination Date, meet to review the operation of this Agreement (the "Review Date"). Thereafter, any subsequent review of the operation of this Agreement may be conducted at intervals of not less than five years from the Review Date (the "Next Review Date").

For avoidance of doubt, the Parties are not obliged to review the operation of this Agreement.

17.2 The Parties agree that:
(a) a review under this Clause 17 shall not include a review or renegotiation of, or amend, vary, alter or revoke, an essential term of this Agreement; and
(b) each of the following is an essential term of this Agreement:
(i) Clause 3;
(ii) Clause 5;
(iii) Clause 6;
(iv) Clause 7;
(v) Clause 8;
(vi) Clause 9, except as to whether the annual payments described in Schedule 3 should be made solely to the Community members rather than to the
respective funds of the Middle Fly River Development Foundation (or vice versa);

(vii) Clause 10;
(viii) Clause 11.1(a)
(ix) Clause 11.2;
(x) Clause 11.3; and
(xi) Clause 12.

17.3 If the Communities wish to request a review of this Agreement, the Communities must notify the Company in writing not less than six months before the proposed Review Date or the Next Review Date (as the case may be) and provide reasons for requesting a review under this Clause 17.

17.4 Upon receipt of a notice in accordance with Clause 17.3, the Company, acting reasonably, may accept or reject the request and shall notify the Communities of the reasons for its decision.
The Company commenced consultations with the Interested Communities in connection with the proposed extension of Mine operations in June 2009. Between 15 June and 18 July 2009, the Company held meetings with each Interested Community to generally discuss the proposed extension of Mine operations. During these meetings, each Interested Community elected a person to represent each village (the village representatives) for the purpose of liaising and engaging in discussions with the Company with respect to matters relating to the proposed extension of Mine operations.

On 14 to 28 October 2009, the Company held further meetings with the village representatives, during which it was agreed that:

(a) for purposes of efficiency, the village representatives would nominate delegates from among themselves (the regional delegates) to attend and engage in discussions with the Company. The regional delegates included three women from each Interested Community, each of whom was appointed purposely to represent the interests of women and children within the communities;

(b) all information provided by the Company to the regional delegates regarding the proposed extension of Mine operations must be circulated among the village representatives, then to each Interested Community. This allowed greater participation by all members of the Interested Communities and gave each person an opportunity to raise issues, queries and concerns, or request any further information considered relevant to assist the Interested Communities to make an informed decision as to whether they would like the Mine to continue or cease operations; and

(c) all meetings between the Company, the regional delegates, the village representatives and the Interested Communities would be chaired by independent facilitators, with logistical assistance by the Company where required, to promote a conducive environment for freedom of expression, exchange of views, concerns, issues and discussion of matters relevant to the proposed extension of Mine operations.

Between 19 November 2009 and 11 January 2010, at the request of the village representatives, the Company arranged for all village representatives to visit the Mine site, the mill and the facilities at Bige.

On 17 to 18 March 2010, the Company held meetings with the regional delegates at which it provided conceptual information regarding the proposed extension of Mine operations. Between 3
to 29 May 2010, the Company held separate meetings with the village representatives and the Interested Communities to circulate this information and obtain feedback and comments.

In meetings held with the regional delegates on 15 to 16 July 2010, the Company provided information regarding:

- feasibility and environmental studies; and
- the proposed compensation to be paid by the Company,

in connection with the proposed extension of Mine operations. This information was disseminated to the village representatives and the Interested Communities in meetings held between 1 August to 4 September 2010.

The Company provided further updates of the feasibility and environmental studies to the regional delegates in meetings held between 25 October to 28 November 2010 and on 30 to 31 March 2011. At the meetings held on 30 to 31 March 2011, the Company presented a draft report from an independent environmental reviewer and a copy of the draft CMCA Extension Agreement for consideration and discussion.

Between 6 May to 1 June 2011, all information provided to the regional delegates were disseminated to the village representatives and the Interested Communities.

On 6 December 2011, the Company provided the regional delegates with progress reports regarding the feasibility and environmental studies. The updated information was disseminated to the village representatives and the Interested Communities in meetings held between 13 February to 19 March 2012.

In meetings held between 30 April to 30 May 2012, the Company provided the regional delegates with:

- a revised proposal regarding the compensation to be paid by the Company to each Interested Community;
- further updates regarding the feasibility and environmental studies; and
- an updated draft of the CMCA Extension Agreement.

In addition, representatives from Ok Tedi Development Foundation Limited and PNG Sustainable Development Program Limited provided information concerning development projects undertaken and proposed to be undertaken by each entity. This information was disseminated to the village representatives and the Interested Communities in meetings held between 20 August and 2 September 2012.

A final round of meetings were held with the Interested Communities between 5 November to 6 December 2012, leading to the conclusion of the CMCA Extension Agreements, which were executed by the village representatives for and on behalf of the Interested Communities.

Independent observers attended all meetings between the Company and the regional delegates.
MINING (OK TEDI EXTENSION (TENTH SUPPLEMENTAL) AGREEMENT) ACT

1. Recognises the involvement of the local communities in the Consultations and their expressed views regarding the continued operation of the Mine and containing the agreement between the State, Mineral Resources Ok Tedi No. 2 Limited, PNG Sustainable Development Program Limited and Ok Tedi Mining Limited that the operation of the Mine should be extended.

2. Approves and gives the force of law to the compensation and other arrangements under the CMCA Extension Agreements, including the finality of those compensation arrangements.
## SCHEDULE 3

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</tr>
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</table>

119,427,288
IN WITNESS WHEREOF this Agreement has been executed by the Parties.

Executed for and on behalf of Ok Tedi Mining Limited by:

Director Signature
Nigel Parker
Managing Director & CEO

[Signature]

Director/Secretary Signature
Brett Young
Company Secretary

Signed by Robin Weke for and on behalf of each member of Mepu Village in the presence of:

Witness Signature
Ligori Lucas
Upper MF Women's Representative

Signed by Raymond Pivini for and on behalf of each member of Yulawas Village in the presence of:

Witness Signature
Ligori Lucas
Upper MF Women's Representative
Signed by Richard Bakain for and on behalf of each member of Moian Village in the presence of:

Witness Signature
Ligori Lucas
Upper MF Women’s Representative

Signed by Ereman Erepa for and on behalf of each member of Erecta Village in the presence of:

Witness Signature
Ligori Lucas
Upper MF Women’s Representative

Signed by Ambrose Paul for and on behalf of each member of Kukuja Village in the presence of:

Witness Signature
Ligori Lucas
Upper MF Women’s Representative
Signed by Andrew Kim for and on behalf of each member of Karumgo Village in the presence of:

Witness Signature
Ligori Lucas
Upper MF Women's Representative

Signed by Bruce Kondek for and on behalf of each member of Membok Village in the presence of:

Witness Signature
Ligori Lucas
Upper MF Women's Representative

Signed by Frank Waito for and on behalf of each member of Kwem Village in the presence of:

Witness Signature
Vielean Zumoi
Central MF Women's Representative
Signed by Bernard Gabriel for and on behalf of each member of Mipan Village in the presence of:

Witness Signature
Vielean Zumoi
Central MF Women's Representative

Signed by Julius Hendricus for and on behalf of each member of Manda Village in the presence of:

Witness Signature
Vielean Zumoi
Central MF Women's Representative

Signed by Martin Chris for and on behalf of each member of Bosset Village in the presence of:

Witness Signature
Vielean Zumoi
Central MF Women's Representative
Signed by Richard Zumoi for and on behalf of each member of Wangawanga Village in the presence of:

Witness Signature
Vielean Zumoi
Central MF Women's Representative

Signed by Elizah Anato for and on behalf of each member of Aiambak Village in the presence of:

Witness Signature
Vielean Zumoi
Central MF Women's Representative

Signed by Stanley Papoa for and on behalf of each member of Komovai Village in the presence of:

Witness Signature
Kurina Aioge
Lower MF Women's Representative
Signed by George Nambai for and on behalf of each member of Kaviananga/Obo Village in the presence of:

Witness Signature
Kurina Aioge
Lower MF Women's Representative

Signed by Seni Poloa for and on behalf of each member of Owa Village in the presence of:

Witness Signature
Kurina Aioge
Lower MF Women's Representative

Signed by Rex Olea for and on behalf of each member of Levame Village in the presence of:

Witness Signature
Kurina Aioge
Lower MF Women's Representative
Signed by Jimmy Sianeke for and on behalf of each member of Kasa Village in the presence of:

Witness Signature

Kurina Aioge

Lower MF Women's Representative
CMCA EXTENSION AGREEMENT
LOWER OK TEDI

THIS CMCA EXTENSION AGREEMENT is made as of the 9th day of NOV. 2012

BETWEEN:
OK TEDI MINING LIMITED (the "Company")
AND
EACH OF THE MEMBERS OF THE COMMUNITIES OF
1. Atkamba
2. Ieran
3. Dome
4. Ambaga
5. Bomgbun
6. Senamrae
7. Kwiape
8. Konkonda
9. Bige
10. Miamrae
11. Sarae
12. Demasuke
13. Birimkamba
14. Putmambin
15. Kungembit
16. Kungim
17. Iogi
18. Kawok
19. Komokpin, and
20. Solnae

or such of them whose representatives execute this Agreement, in the Lower Ok Tedi region of the Western Province (together the "Communities")
WHEREAS:
A. On or about 28 November 2001 the Parties executed the Community Mine Continuation Agreement, which was intended to operate until the expected cessation of mining in approximately 2011.
B. The Company has subsequently investigated the potential for extending the economic life of the Mine, but at a lower rate of production, by means of Open Pit Cut Back and Underground Operations.
C. The Communities and the Company have engaged in Consultations about whether it is the Communities preference for the Mine to extend operations for a further period with the Open Pit Cut Back and Underground Operations or cease mining in or about 2013.
D. Subject to the Condition Precedent, the Parties wish to record their respective commitments to facilitate the Open Pit Cut Back and Underground Operations and to extend the term of the Community Mine Continuation Agreement.
E. For the Company and the State to decide that the Open Pit Cut Back and Underground Operations are economically viable, there must be reasonable certainty as to the cost of the operations, including compensation and benefits to the Communities, and the Parties therefore intend this CMCA Extension Agreement to be the complete, final and binding basis on which the Parties agree to support the extended operation of the Mine by means of the Open Pit Cut Back and Underground Operations.
F. The State has agreed to give this agreement the force of law by enacting the Act.

THE PARTIES AGREE AS FOLLOWS:

1. DEFINITIONS

In this Agreement, including the Recitals, the following definitions apply unless the context requires otherwise:

"Act" means an Act of the National Parliament which, among other things, meets the objectives described in Schedule 2.

"CMCA Extension Agreements" means the agreements between the Company and the Interested Communities by which each Interested Community gives its informed consent to the extension of operations of the Mine, and includes this Agreement.

"Community Mine Continuation Agreement" or "CMCA" means the agreement between the Parties made as of 28 November 2001.

"Condition Precedent" means the condition precedent in Clause 3.

"Consultations" means the meetings and discussions that have taken place between officers of the State, the Company and the Communities in which the Company has
presented information to the Communities regarding the opportunities and costs of extension of Mine operations. Further particulars of the Consultations are contained in Schedule 1.

"Declaration of Trust" means the Declaration of Trust establishing the Wai-Tri Development Trust annexed to the CMCA.

"Environmental Predictions" means the Environmental Predictions contained in the CMCA, subject to the following revisions:

(a) in relation to the expected effects of Mine operations resulting in trees losing leaves and dying, the maximum area likely to be affected is revised from 1,350 km² to 2,395 km²; and

(b) the expected effects of copper contained in sediment from the Mine are revised and replaced with the following:

"Copper

The sand that comes from the Mine contains small amounts of copper. The concentration of copper in the sand is likely to decrease if the Mine operations are extended due to the treatment of tailings waste and other mitigation strategies, but it may slow down the growth rates in some plants and animals that live in the water. However, it is not expected to be harmful to people or fish."

"Interested Communities" means the collective residents of the villages in the Mine area, Highway area, Lower Ok Tedi, North Ok Tedi, Middle Fly and South Fly.

"Mine" means the mine operated by the Company pursuant to the Mining (Ok Tedi Agreement) Act (as amended and supplemented).

"Open Pit Cut Back" means the mining of waste rock from the West wall, the North-east wall and the East wall of the Mine pit for the purpose of gaining access to and mining ore bodies located there under.

"Parties" means the Company and the Communities severally.

"Primary Beneficiaries" has the same meaning as defined under the Declaration of Trust.

"Settlement Agreement" means the two documents headed respectively Terms of Settlement and Settlement Agreement both dated 7 June 1996 and executed by or on behalf of Rex Dagi and others of the first part and the Company and others of the second part by which litigation concerning the Mine was terminated.

"State" means the Independent State of Papua New Guinea.

"Termination Date" means 31 December 2014 or such later date as nominated by the Company in writing in accordance with Clause 3.

"Underground Operations" means the mining of ore bodies within the Mine pit using underground or sub-surface techniques and methods.
"Wal-Tri Development Trust" means the trust of that name established in conjunction with the CMCA.

2. INTERPRETATION

In this Agreement unless the context requires otherwise:

(a) monetary references are references to Papua New Guinea currency unless otherwise specifically expressed;

(b) the headings do not affect the interpretation or construction;

(c) words importing the singular include the plural and vice versa;

(d) words importing gender include the other gender;

(e) references to a person include a corporation and vice versa;

(f) references to a Recital, Clause, Schedule or Annexure are to a Recital, Clause, Schedule or Annexure or part thereof of this Agreement; and

(g) the Recitals form part of this Agreement.

3. CONDITION PRECEDENT

3.1 This Agreement is conditional on and shall be of no force or effect unless on or before the Termination Date the National Parliament has enacted the Act and all CMCA Extension Agreements have been given the force of law there under.

3.2 This condition precedent is for the sole benefit of the Company, which may prior to the Termination Date:

(a) elect to waive reliance on it; or

(b) postpone the Termination Date to a nominated date.

4. COMMUNITIES DEEMED TO BE BOUND BY THE CMCA

4.1 The Parties agree that:

(a) each member of logi village shall be deemed to have acceded to and is bound by the CMCA on and from 26 October 2007;

(b) each member of Komokpin village shall be deemed to be have acceded to and is bound by the CMCA on and from 7 October 2008; and

(c) each member of Kawok village shall be deemed to have acceded to and is bound by the CMCA on and from 25 February 2009,

including without limitation clauses 3 to 27 (inclusive), 30 and 34 of the CMCA.
4.2 For avoidance of doubt, the Parties agree and affirm that:

(a) the Company shall not pay; and

(b) each member of logi village, Komokpin village and Kawok village shall not be entitled to receive, make any claim or demand, institute proceedings or take any action for,

any amount payable by the Company under and in accordance with the CMCA with respect to the period from the commencement of the CMCA to the respective date each member of logi village, Komokpin village and Kawok village is deemed to have acceded to the CMCA pursuant to Clause 4.1.

5. COMMUNITIES DEEMED TO BE BENEFICIARIES OF THE WAI-TRI DEVELOPMENT TRUST

The Communities agree that each member of logi village, Komokpin village, and Kawok village (inclusive) shall be deemed to be Primary Beneficiaries for the purposes of the Declaration of Trust on and from the date of commencement of this Agreement.

6. OPERATION OF THIS AGREEMENT AND THE CMCA

6.1 The Parties affirm the CMCA and agree to extend its term commensurate with the term of this Agreement.

6.2 The CMCA and this Agreement shall be read and construed together as one agreement but in the event of conflict this Agreement shall prevail.

7. COMMUNITY CONSULTATIONS REGARDING EXTENSION OF MINE OPERATIONS

7.1 The Parties acknowledge that:

(a) the Consultations have taken place for the purpose of exchanging information and views regarding the Environmental Predictions and the implications for the Communities of closure or extension of the operations of the Mine;

(b) the Consultations have given the clan leaders within the Communities the opportunity to make representations to the Company and the State in connection with the review undertaken for the purposes of Clause 29G of the agreement scheduled to the Mining (Ok Tedi Agreement) Act (Chapter 363) (as amended and supplemented);

(c) the Consultations were intended by the Parties to ensure that any decision made by the Communities regarding the extension of the operations of the Mine is made on the basis that all relevant information known to the Company concerning the
social, economic and environmental consequences, both beneficial and detrimental,
of extension of the operations of the Mine or closure of the Mine, has been made
available to the Communities; and

d) a decision by the State and the Company to extend the operation of the Mine will
have the properly informed consent of the Communities.

7.2 The Communities acknowledge that all information requested by them in the course of the
Consultations has been provided by the Company and that the Company has acted in good
faith in the Consultations.

8. COMMITMENT TO SUSTAINABLE DEVELOPMENT & CO-OPERATION

8.1 The Parties agree that the greater part of future benefits passing from the Company to the
Communities over the remaining life of the Mine should be committed to investment in
training, infrastructure and development that will provide an improved economic base for
the Communities.

8.2 The Communities will co-operate with the Company to ensure the efficient and
uninterrupted operation of the Mine, in recognition of the Company's commitments and the
benefits that the Mine provides to the Communities, the Western Province and the State.

8.3 Should a dispute arise between the Communities and the Company, the Communities agree
to directly consult in good faith with the Company, the Fly River Provincial Government
and the National Government to achieve resolution of that dispute.

9. COMMUNITIES COMMITMENTS

9.1 The Communities, having considered:
(a) the information disclosed to them in the Consultations;
(b) the likely social, environmental and economic implications for themselves of the
extended operation of the Mine (including the Company's commitments) in light of
the Environmental Predictions; and
(c) the likely social, environmental and economic implications for themselves of the
closure of the Mine in or around 2013,

have concluded and affirm that, subject to this Agreement, it is in the Communities' interest
that the Mine operations should be extended rather than cease.
9.2 The Communities acknowledge that their decision is made in the knowledge or belief that:

(a) the extended operation of the Mine may result in increased environmental impacts including those described in the Environmental Predictions, and that closure of the Mine may result in reduced environmental impacts, and

(b) the economic opportunities offered by the Company’s commitments represent to the Communities an acceptable trade off for the environmental impacts of the extended operation of the Mine.

9.3 The Communities:

(a) represent and warrant to the Company that, subject to the Company’s commitments, it is their decision that the Mine operations should be extended by the Open Pit Cut Back and Underground Operations;

(b) represent and warrant that the persons signing this Agreement for and on behalf of the Communities have the power and authority to do so and that this Agreement will be valid and binding on each member of the Communities; and

(c) acknowledge that the Company will be acting in reliance upon these representations and warranties in the event that the Mine operations are extended.

10. COMMUNITIES RELEASES

10.1 The Communities agree that this CMCA Extension Agreement is the complete, final and binding basis on which they agree to support the extension of the Mine operations by the Open Pit Cut Back and Underground Operations, and without derogating from the effect of the releases contained in and the compensation regime established by the Mining (Ok Tedi Agreement) Act (Chapter 363) (as amended and supplemented), the Settlement Agreement and any other releases between the Parties, hereby release and discharge the Company, the Company’s shareholders and their respective associated corporations, directors, officers, employees and agents and former directors, officers, employees and agents from all and any demands and claims arising directly or indirectly from the operation of the Mine or any associated works, and without limiting the generality of the foregoing that release and discharge includes and extends to:

(a) the disposal by the Company of tailings and waste;

(b) dredging, storage and release of dredged material;

(c) occurrences or circumstances contemplated by or more adverse than or in excess of the Environmental Predictions;

(d) the Settlement Agreement; and

(e) any public statement concerning the Mine made by the Company or the Company’s shareholders.
Nothing in this Clause 10 affects the rights of the Communities under Clause 14.

10.2 The benefit of the releases and discharges provided by the Communities under this Agreement is held by the Company in trust for itself and each of the other persons in whose favour the releases and discharges are expressed to apply.

11. PAYMENT BY COMPANY FOR DISTURBANCE

Subject to Clause 13, for so long as the Mine is in operation, the Company shall make the annual payments described in Schedule 3 to the respective recipients and fund described therein, namely:

(a) the Community members; and
(b) the Future Generations Fund and the Development Fund of the Wai-Tri Development Trust.

12. EFFECT OF PAYMENTS

12.1 Without derogating from the effect of the releases contained in and the compensation regime established by the Mining (Ok Tedi Agreement) Act (Chapter 363) (as amended and supplemented), the Settlement Agreement, Clause 10 of this Agreement and any other releases between the Parties, the payments to be made by the Company pursuant to this Agreement are and shall be in full compensation for all loss and damage contemplated by the Environmental Predictions suffered or to be suffered by the Communities in respect of disturbance to the environment in the Lower Ok Tedi area or their use or enjoyment of the environment, including, where applicable and without limitation to the generality of the foregoing:

(a) being deprived of the possession or use of the natural surface of the land area;
(b) damage to or contamination of the natural surface of the land;
(c) severance of the land or any part of it from other land owned or occupied by the Communities;
(d) any loss or restriction of a right of way, easement or other right;
(e) any loss or damage to improvements;
(f) in the case of land under cultivation, loss of earnings;
(g) disruption of agricultural activities;
(h) social disruption;
(i) garden damage and loss of economic trees;
(j) loss or damage to any flora or fauna, on the land or in the water; and
(k) loss of use or contamination of water.
12.2 For the avoidance of doubt, it is acknowledged that the Communities and their members will continue to be eligible persons to receive general compensation and (save for the matters listed in Clause 12.1(a) to 12.1(k) inclusive) specific compensation pursuant to the Mining (Ok Tedi Agreement) Act (Chapter 363) (as amended and supplemented).

13. TIMING OF PAYMENTS

13.1 Subject to the following clauses, the payments pursuant to Clauses 11 shall:

(a) commence on 1 January 2015 or such later date as determined by the Company in its sole discretion; and

(b) be paid by the Company within the fourth quarter of each calendar year.

13.2 The timing of payments by the Company pursuant to Clause 11 shall be subject to the continuous compliance by the respective recipients with all of their obligations under this Agreement, and in particular Clauses 8, 9 and 10. In the event of non-compliance with any provision of this Agreement, in particular Clauses 8, 9 and 10, the payment otherwise due to the non-complying recipients shall be deferred without interest until the due date for the next succeeding annual payment, subject always to the recipients' compliance with this Agreement, in particular Clauses 8, 9 and 10, in the intervening period. In the event of further non-compliance in the intervening period, both payments shall be deferred on the same terms as applied to the first deferred payment. The same principles shall also be applied in respect of subsequent non-compliance with this Agreement, in particular Clauses 8, 9 and 10. Any deferred payment subsisting at the date of closure of the Mine will be paid by the Company to the Development Fund of the Wai-Tri Development Trust.

13.3 Notwithstanding Clauses 13.1 to 13.2 inclusive, if the Mine ceases to operate the Company's obligation to make payments pursuant to Clause 11 will also cease.

14. RELATIONSHIP OF PAYMENTS TO ENVIRONMENTAL PREDICTIONS

The Company shall continue to monitor the environmental effects of the continuing operation of the Mine in accordance with its obligations to the State, and shall share the results with the Communities. To the extent that environmental effects of the continuing operation of the Mine exceed the Environmental Predictions, the Parties shall meet to discuss revision of the payments under Clause 11, taking into account the environmental effects in excess of those contemplated in the Environmental Predictions. The Communities acknowledge and agree that if the Environmental Predictions are not accurate:

(a) this right to discuss with the Company a revision of payments under Clause 11 shall be their sole remedy in relation to the inaccuracy of the Environmental Predictions;
(b) any revision of payments shall only operate prospectively from the date any revision is agreed; and

(c) this Agreement and in particular the releases and discharges contained in it shall remain in full force and effect and this Agreement shall not be liable to be set aside or rendered unenforceable.

If an agreement cannot be reached on revision of the payments the Company may reconsider its decision to continue to operate the Mine.

15. WAIVER

The failure of any Party to enforce, at any time, any of the provisions of the Agreement shall not be construed to be a waiver of the provision or any part thereof or the right of any party thereafter to enforce each and every part of the provision in respect of any subsequent default or breach.

16. REPRESENTATIONS AND WARRANTIES

Except as expressly stated in this Agreement, no representation, inducement or warranty was, prior to the execution of this Agreement, given or made by one of the Parties hereto with the intent of inducing any other Party to enter into this Agreement, and any representations, inducements or warranties that may have been so given are hereby denied and negated.

17. COMMUNICATIONS

17.1 Any formal communications by the Parties concerning this Agreement shall be deemed to have been made:

(a) in the case of the Company, if signed by the Managing Director of the Company; or

(b) in the case of the Communities, if signed by the President for the time being of the Kiunga Local Government Council and the President for the time being of the Ningerum Local Government Council, or any successor bodies thereto, or in the absence of any successor bodies, by the District Administrator of the North Fly District.

17.2 Any formal communication shall be in writing and may be delivered either personally, or transmitted by facsimile to the person, or persons referred to in Clause 17.1.

17.3 Any formal communication shall be deemed to have reached the other Party:

(a) in the case of personal delivery, when received by the relevant person referred to in Clause 17.1; or
18. **EXECUTION**

The Parties acknowledge that this Agreement may take effect notwithstanding that it has not been executed on behalf of all of the Communities referred to on page 1 and accordingly the Parties agree that this Agreement is duly executed and, subject to Clause 3, take effect between the Company and the members of any one or more of the Communities referred to on page 1 on whose behalf it is executed, when the Company executes this Agreement.

19. **REVIEW OF OPERATION OF AGREEMENT**

19.1 Subject to this Agreement, the Parties may after the expiration of five years from the Termination Date, meet to review the operation of this Agreement (the "Review Date"). Thereafter, any subsequent review of the operation of this Agreement may be conducted at intervals of not less than five years from the Review Date (the "Next Review Date").

For avoidance of doubt, the Parties are not obliged to review the operation of this Agreement.

19.2 The Parties agree that:

(a) a review under this Clause 19 shall not include a review or renegotiation of, or amend, vary, alter or revoke, an essential term of this Agreement; and

(b) each of the following is an essential term of this Agreement:

(i) Clause 3;
(ii) Clause 4;
(iii) Clause 5;
(iv) Clause 7;
(v) Clause 8;
(vi) Clause 9;
(vii) Clause 10;
(viii) Clause 11, except as to whether the annual payments described in Schedule 3 should be made solely to the Community members rather than to the respective funds of the Wai-Tri Development Trust (or vice versa);
(ix) Clause 12;
(x) Clause 13.1(a)
(xi) Clause 13.2
(xii) Clause 13.3
(xiii) Clause 14.

19.3 If the Communities wish to request a review of this Agreement, the Communities must notify the Company in writing not less than six months before the proposed Review Date or the Next Review Date (as the case may be) and provide reasons for requesting a review under this Clause 19.

19.4 Upon receipt of a notice in accordance with Clause 19.3, the Company, acting reasonably, may accept or reject the request and shall notify the Communities of the reasons for its decision.
CONSULTATIONS

The Company commenced consultations with the Interested Communities in connection with the proposed extension of Mine operations in June 2009. Between 15 June and 18 July 2009, the Company held meetings with each Interested Community to generally discuss the proposed extension of Mine operations. During these meetings, each Interested Community elected a person to represent each village (the village representatives) for the purpose of liaising and engaging in discussions with the Company with respect to matters relating to the proposed extension of Mine operations.

On 14 to 28 October 2009, the Company held further meetings with the village representatives, during which it was agreed that:

(a) for purposes of efficiency, the village representatives would nominate delegates from among themselves (the regional delegates) to attend and engage in discussions with the Company. The regional delegates included three women from each Interested Community, each of whom was appointed purposely to represent the interests of women and children within the communities;

(b) all information provided by the Company to the regional delegates regarding the proposed extension of Mine operations must be circulated among the village representatives, then to each Interested Community. This allowed greater participation by all members of the Interested Communities and gave each person an opportunity to raise issues, queries and concerns, or request any further information considered relevant to assist the Interested Communities to make an informed decision as to whether they would like the Mine to continue or cease operations; and

(c) all meetings between the Company, the regional delegates, the village representatives and the Interested Communities would be chaired by independent facilitators, with logistical assistance by the Company where required, to promote a conducive environment for freedom of expression, exchange of views, concerns, issues and discussion of matters relevant to the proposed extension of Mine operations.

Between 19 November 2009 and 11 January 2010, at the request of the village representatives, the Company arranged for all village representatives to visit the Mine site, the mill and the facilities at Bige.

On 17 to 18 March 2010, the Company held meetings with the regional delegates at which it provided conceptual information regarding the proposed extension of Mine operations. Between 3
to 29 May 2010, the Company held separate meetings with the village representatives and the Interested Communities to circulate this information and obtain feedback and comments.

In meetings held with the regional delegates on 15 to 16 July 2010, the Company provided information regarding:

- feasibility and environmental studies; and
- the proposed compensation to be paid by the Company,

in connection with the proposed extension of Mine operations. This information was disseminated to the village representatives and the Interested Communities in meetings held between 1 August to 4 September 2010.

The Company provided further updates of the feasibility and environmental studies to the regional delegates in meetings held between 25 October to 28 November 2010 and on 30 to 31 March 2011. At the meetings held on 30 to 31 March 2011, the Company presented a draft report from an independent environmental reviewer and a copy the draft CMCA Extension Agreement for consideration and discussion.

Between 6 May to 1 June 2011, all information provided to the regional delegates were disseminated to the village representatives and the Interested Communities.

On 6 December 2011, the Company provided the regional delegates with progress reports regarding the feasibility and environmental studies. The updated information was disseminated to the village representatives and the Interested Communities in meetings held between 13 February to 19 March 2012.

In meetings held between 30 April to 30 May 2012, the Company provided the regional delegates with:

- a revised proposal regarding the compensation to be paid by the Company to each Interested Community;
- further updates regarding the feasibility and environmental studies; and
- an updated draft of the CMCA Extension Agreement.

In addition, representatives from Ok Tedi Development Foundation Limited and PNG Sustainable Development Program Limited provided information concerning development projects undertaken and proposed to be undertaken by each entity. This information was disseminated to the village representatives and the Interested Communities in meetings held between 20 August and 2 September 2012.

A final round of meetings were held with the Interested Communities between 5 November to 6 December 2012, leading to the conclusion of the CMCA Extension Agreements, which were executed by the village representatives for and on behalf of the Interested Communities.

Independent observers attended all meetings between the Company and the regional delegates.
MINING (OK TEDI EXTENSION (TENTH SUPPLEMENTAL) AGREEMENT) ACT

1. Recognises the involvement of the local communities in the Consultations and their expressed views regarding the continued operation of the Mine and containing the agreement between the State, Mineral Resources Ok Tedi No. 2 Limited, PNG Sustainable Development Program Limited and Ok Tedi Mining Limited that the operation of the Mine should be extended.

2. Approves and gives the force of law to the compensation and other arrangements under the CMCA Extension Agreements, including the finality of those compensation arrangements.
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108,859,795
IN WITNESS WHEREOF this Agreement has been executed by the Parties.

Executed for and on behalf of Ok Tedi Mining Limited by:

[Signature]
Director Signature
Nigel Parker
Managing Director & CEO

[Signature]
Director/Secretary Signature
Brett Young
Company Secretary

Signed by Joseph Kambong for and on behalf of each member of Atkamba Village in the presence of:

[Signature]
Witness Signature
Bala Tedumo
LOT Women's Representative

Signed by Martin Neweng for and on behalf of each member of Ieran Village in the presence of:

[Signature]
Witness Signature
Bala Tedumo
LOT Women's Representative
Signed by Michael Aniap for and on behalf of each member of Dome Village in the presence of:

[Signature]

Witness Signature

Bala Tedumo

LOT Women’s Representative

Signed by Kawuk Konmop for and on behalf of each member of Ambaga Village in the presence of:

[Signature]

Witness Signature

Ephenia Apenai

LOT Women’s Representative

Signed by Moses Oti for and on behalf of each member of Bomgabun Village in the presence of:

[Signature]

Witness Signature

Bala Tedumo

LOT Women’s Representative
Signed by Gran Somoi for and on behalf of each member of Senamrae Village in the presence of:

Witness Signature

Essie Kreambi
LOT Women's Representative

Signed by Ketu Nuri for and on behalf of each member of Kwaiapae Village in the presence of:

Witness Signature

Essie Kreambi
LOT Women's Representative

Signed by James Assan for and on behalf of each member of Konkonda Village in the presence of:

Witness Signature

Essie Kreambi
LOT Women's Representative
Signed by Frank Diro for and on behalf of each member of Bige Village in the presence of:

Witness Signature

Essie Kreambi
LOT Women’s Representative

Signed by Philip Beng for and on behalf of each member of Miamrae Village in the presence of:

Witness Signature

Essie Kreambi
LOT Women’s Representative

Signed by Eddie Kebeng for and on behalf of each member of Sarae Village in the presence of:

Witness Signature

Essie Kreambi
LOT Women’s Representative
Signed by Herman Isaac for and on behalf of each member of Demasuke Village in the presence of:

Witness Signature

Essie Kreambi
LOT Women's Representative

Signed by Beke Kwaden for and on behalf of each member of Birimkamba Village in the presence of:

Witness Signature

Ephemia Apenai
LOT Women's Representative

Signed by Francis Yombiro for and on behalf of each member of Putmambin Village in the presence of:

Witness Signature

Ephemia Apenai
LOT Women's Representative
Signed by Kingsley Kitom for and on behalf of each member of Kungembrit Village in the presence of:

Witness Signature

Ephemia Apenai

LOT Women’s Representative

Signed by Paul Yarokam for and on behalf of each member of Kungim Village in the presence of:

Witness Signature

Ephemia Apenai

LOT Women’s Representative

Signed by Omet Amyap for and on behalf of each member of Logi Village in the presence of:

Witness Signature

Bala Tedumo

LOT Women’s Representative
Signed by Simon Kobout for and on behalf of each member of Kawok Village in the presence of:

Witness Signature
Bala Tedumo
LOT Women's Representative

Signed by Kingsley Bairop for and on behalf of each member of Komokpin Village in the presence of:

Witness Signature
Ephemis Apenai
LOT Women's Representative

Signed by Pr Mike Papa for and on behalf of each member of Solnae Village in the presence of:

Witness Signature
Essie Kreambi
LOT Women's Representative
CMCA EXTENSION AGREEMENT
HIGHWAY

THIS CMCA EXTENSION AGREEMENT is made as of the 22nd day of NOV. 2012

BETWEEN:
OK TEDI MINING LIMITED (the "Company")

AND

EACH OF THE MEMBERS OF THE COMMUNITIES OF

1. Sisimakam
2. Kwiloknai
3. Tapko
4. Hosanai
5. Hiorenkia
6. Awin Tamaro
7. Hosokumgu
8. Pampenai
9. Waiginai
10. Iankenai
11. Mimigire
12. Matkomnai
13. Kasrenai
14. Gehosore
15. Ipoknai
16. Dande (1)
17. Dande (2)
18. Hopanai
19. Tope
20. Menumsore
21. Briompenai
22. Rudmesuk
23. Rarengre
24. Miasomnai
25. Gre
26. Tionnai
27. Gii
28. Grengas, and
29. Tmindmesuk

or such of them whose representatives execute this Agreement, on the Tabubil to Kiunga Highway of the Western Province (together the "Communities").

WHEREAS:

A. On or about 21 November 2001 the Parties executed the Community Mine Continuation Agreement, which was intended to operate until the expected cessation of mining in approximately 2011.

B. The Company has subsequently investigated the potential for extending the economic life of the Mine, but at a lower rate of production, by means of Open Pit Cut Back and Underground Operations.

C. The Communities and the Company have engaged in Consultations about whether it is the Communities preference for the Mine to extend operations for a further period with the Open Pit Cut Back and Underground Operations or cease mining in or about 2013.

D. Subject to the Condition Precedent, the Parties wish to record their respective commitments to facilitate the Open Pit Cut Back and Underground Operations and to extend the term of the Community Mine Continuation Agreement.

E. For the Company and the State to decide that the Open Pit Cut Back and Underground Operations are economically viable, there must be reasonable certainty as to the cost of the operations, including compensation and benefits to the Communities, and the Parties therefore intend this CMCA Extension Agreement to be the complete, final and binding basis on which the Parties agree to support the extended operation of the Mine by means of the Open Pit Cut Back and Underground Operations.

F. The State has agreed to give this agreement the force of law by enacting the Act.
THE PARTIES AGREE AS FOLLOWS:

1. DEFINITIONS

In this Agreement, including the Recitals, the following definitions apply unless the context requires otherwise:

"Act" means an Act of the National Parliament which, among other things, meets the objectives described in Schedule 2.

"CMCA Extension Agreements" means the agreements between the Company and the Interested Communities by which each Interested Community gives its informed consent to the extension of operations of the Mine, and includes this Agreement.

"Community Mine Continuation Agreement" or "CMCA" means the agreement between the Parties made as of 21 November 2001.

"Condition Precedent" means the condition precedent in Clause 3.

"Consultations" means the meetings and discussions that have taken place between officers of the State, the Company and the Communities in which the Company has presented information to the Communities regarding the opportunities and costs of extension of the Mine operations. Further particulars of the Consultations are contained in Schedule 1.

"Environmental Predictions" means the Environmental Predictions contained in the CMCA, subject to the following revisions:

(a) in relation to the expected effects of Mine operations resulting in trees losing leaves and dying, the maximum area likely to be affected is revised from 1,350 km² to 2,395 km²; and

(b) the expected effects of copper contained in sediment from the Mine are revised and replaced with the following:

"Copper

The sand that comes from the Mine contains small amounts of copper. The concentration of copper in the sand is likely to decrease if the Mine operations are extended due to the treatment of tailings waste and other mitigation strategies, but it may slow down the growth rates in some plants and animals that live in the water. However, it is not expected to be harmful to people or fish."

"Interested Communities" means the collective residents of the villages in the Mine area, Highway area, Lower Ok Tedi, North Ok Tedi, Middle Fly and South Fly.

"Mine" means the mine operated by the Company pursuant to the Mining (Ok Tedi Agreement) Act (as amended and supplemented).
"Open Pit Cut Back" means the mining of waste rock from the West wall, the North-east wall and the East wall of the Mine pit for the purpose of gaining access to and mining ore bodies located there under.

"Parties" means the Company and the Communities severally.

"Settlement Agreement" means the two documents headed respectively Terms of Settlement and Settlement Agreement both dated 7 June 1996 and executed by or on behalf of Rex Dagi and others of the first part and the Company and others of the second part by which litigation concerning the Mine was terminated.

"State" means the Independent State of Papua New Guinea.

"Termination Date" means 31 December 2014 or such later date as nominated by the Company in writing in accordance with Clause 3.

"Tutuwe Development Foundation" means the trust of that name established in conjunction with the CMCA.

"Underground Operations" means the mining of ore bodies within the Mine pit using underground or sub-surface mining techniques and methods.

2. INTERPRETATION

In this Agreement unless the context requires otherwise:

(a) monetary references are references to Papua New Guinea currency unless otherwise specifically expressed;

(b) the headings do not affect the interpretation or construction;

(c) words importing the singular include the plural and vice versa;

(d) words importing gender include the other gender;

(e) references to a person include a corporation and vice versa;

(f) references to a Recital, Clause, Schedule or Annexure are to a Recital, Clause, Schedule or Annexure or part thereof of this Agreement; and

(g) the Recitals form part of this Agreement.
3. **CONDITION PRECEDENT**

3.1 This Agreement is conditional on and shall be of no force or effect unless on or before the Termination Date the National Parliament has enacted the Act and all CMCA Extension Agreements have been given the force of law there under.

3.2 This condition precedent is for the sole benefit of the Company, which may prior to the Termination Date:

(a) elect to waive reliance on it; or

(b) postpone the Termination Date to a nominated date.

4. **OPERATION OF THIS AGREEMENT AND THE CMCA**

4.1 The Parties affirm the CMCA and agree to extend its term commensurate with the term of this Agreement.

4.2 The CMCA and this Agreement shall be read and construed together as one agreement but in the event of conflict this Agreement shall prevail.

5. **COMMUNITY CONSULTATIONS REGARDING EXTENSION OF MINE OPERATIONS**

5.1 The Parties acknowledge that:

(a) the Consultations have taken place for the purpose of exchanging information and views regarding the Environmental Predictions and the implications for the Communities of closure or extension of the operations of the Mine;

(b) the Consultations have given the clan leaders within the Communities the opportunity to make representations to the Company and the State in connection with the review undertaken for the purposes of Clause 29G of the agreement scheduled to the Mining (Ok Tedi Agreement) Act (Chapter 363) (as amended and supplemented);

(c) the Consultations were intended by the Parties to ensure that any decision made by the Communities regarding the extension of the operations of the Mine is made on the basis that all relevant information known to the Company concerning the social, economic and environmental consequences, both beneficial and detrimental, of extension of the operations of the Mine or closure of the Mine, has been made available to the Communities; and

(d) a decision by the State and the Company to extend operation of the Mine will have the properly informed consent of the Communities.
5.2 The Communities acknowledge that all information requested by them in the course of the Consultations has been provided by the Company and that the Company has acted in good faith in the Consultations.

6. COMMITMENT TO SUSTAINABLE DEVELOPMENT & CO-OPERATION

6.1 The Parties agree that the greater part of future benefits passing from the Company to the Communities over the remaining life of the Mine should be committed to investment in training, infrastructure and development, including without limitation projects and programmes for the development of women and children within the Communities, that will provide an improved economic base for the Communities.

6.2 The Communities will co-operate with the Company to ensure the efficient and uninterrupted operation of the Mine, in recognition of the Company's commitments and the benefits that the Mine provides to the Communities, the Western Province and the State.

6.3 Should a dispute arise between the Communities and the Company, the Communities agree to directly consult in good faith with the Company, the Fly River Provincial Government and the National Government to achieve resolution of that dispute.

7. COMMUNITIES COMMITMENTS

7.1 The Communities, having considered:

(a) the information disclosed to them in the Consultations;
(b) the likely social, environmental and economic implications for themselves of the extended operation of the Mine (including the Company's commitments) in light of the Environmental Predictions; and
(c) the likely social, environmental and economic implications for themselves of the closure of the Mine in or around 2013,

have concluded and affirm that, subject to this Agreement, it is in the Communities' interest that the Mine operations should be extended rather than cease.

7.2 The Communities acknowledge that their decision is made in the knowledge or belief that:

(a) the extended operation of the Mine may result in increased environmental impacts including those described in the Environmental Predictions, and that closure of the Mine may result in reduced environmental impacts, and
(b) the economic opportunities offered by the Company's commitments represent to the Communities an acceptable trade off for the environmental impacts of the extended operation of the Mine.
7.3 The Communities:

(a) represent and warrant to the Company that, subject to the Company's commitments, it is their decision that the Mine operations should be extended by the Open Pit Cut Back and Underground Operations;

(b) represent and warrant that the persons signing this Agreement for and on behalf of the Communities have the power and authority to do so and that this Agreement will be valid and binding on each member of the Communities; and

(c) acknowledge that the Company will be acting in reliance upon these representations and warranties in the event that the Mine operations are extended.

8. COMMUNITIES RELEASES

8.1 The Communities agree that this CMCA Extension Agreement is the complete, final and binding basis on which they agree to support the extension of the Mine operations by the Open Pit Cut Back and Underground Operations, and without derogating from the effect of the releases contained in and the compensation regime established by the Mining (Ok Tedi Agreement) Act (Chapter 363) (as amended and supplemented), the Settlement Agreement and any other releases between the Parties, hereby release and discharge the Company, the Company's shareholders and their respective associated corporations, directors, officers, employees and agents and former directors, officers, employees and agents from all and any demands and claims arising directly or indirectly from the operation of the Mine or any associated works, and without limiting the generality of the foregoing that release and discharge includes and extends to:

(a) the disposal by the Company of tailings and waste;

(b) dredging, storage and release of dredged material;

(c) occurrences or circumstances contemplated by or more adverse than or in excess of the Environmental Predictions;

(d) the Settlement Agreement; and

(e) any public statement concerning the Mine made by the Company or the Company's shareholders.

Nothing in this Clause 8 affects the rights of the Communities under Clause 12.

8.2 The benefit of the releases and discharges provided by the Communities under this Agreement is held by the Company in trust for itself and each of the other persons in whose favour the releases and discharges are expressed to apply.
9. PAYMENT BY COMPANY FOR DISTURBANCE

Subject to Clause 11, for so long as the Mine is in operation, the Company shall make the annual payments described in Schedule 3 to the respective recipients and fund described therein, namely:

(a) the Community members; and
(b) the Investment Fund and the Development Fund of the Tutuwe Development Foundation.

10. EFFECT OF PAYMENTS

10.1 Without derogating from the effect of the releases contained in and the compensation regime established by the Mining (Ok Tedi Agreement) Act (Chapter 363) (as amended and supplemented), the Settlement Agreement, Clause 8 of this Agreement and any other releases between the Parties, the payments to be made by the Company pursuant to this Agreement are and shall be in full compensation for all loss and damage contemplated by the Environmental Predictions suffered or to be suffered by the Communities in respect of disturbance to the environment or their use or enjoyment of the environment, including, where applicable and without limitation to the generality of the foregoing:

(a) being deprived of the possession or use of the natural surface of the land area;
(b) damage to or contamination of the natural surface of the land;
(c) severance of the land or any part of it from other land owned or occupied by the Communities;
(d) any loss or restriction of a right of way, easement or other right;
(e) any loss or damage to improvements;
(f) in the case of land under cultivation, loss of earnings;
(g) disruption of agricultural activities;
(h) social disruption;
(i) garden damage and loss of economic trees;
(j) loss or damage to any flora or fauna, on the land or in the water; and
(k) loss of use or contamination of water.
10.2 For the avoidance of doubt, it is acknowledged that the Communities and their members will continue to be eligible persons to receive general compensation and (save for the matters listed in Clause 10.1(a) to 10.1(k) inclusive) specific compensation pursuant to the Mining (Ok Tedi Agreement) Act (Chapter 363) (as amended and supplemented).

11. TIMING OF PAYMENTS

11.1 Subject to the following clauses, the payments pursuant to Clause 9 shall:

(a) commence on 1 January 2015 or such later date as determined by the Company in its sole discretion; and

(b) be paid by the Company within the third quarter of each calendar year.

11.2 The timing of payments by the Company pursuant to Clause 9 shall be subject to the continuous compliance by the respective recipients with all of their obligations under this Agreement, and in particular Clauses 6, 7 and 8. In the event of non-compliance with any provision of this Agreement, in particular Clauses 6, 7 and 8, the payment otherwise due to the non-complying recipients shall be deferred without interest until the due date for the next succeeding annual payment, subject always to the recipients' compliance with this Agreement, in particular Clauses 6, 7 and 8, in the intervening period. In the event of further non-compliance in the intervening period, both payments shall be deferred on the same terms as applied to the first deferred payment. The same principles shall also be applied in respect of subsequent non-compliance with this Agreement, in particular Clauses 6, 7 and 8. Any deferred payment subsisting at the date of closure of the Mine will be paid by the Company to the Development Fund of the Tutuwe Development Foundation.

11.3 Notwithstanding Clauses 11.1 to 11.2 inclusive, if the Mine ceases to operate the Company's obligation to make payments pursuant to Clause 9 will also cease.

12. RELATIONSHIP OF PAYMENTS TO ENVIRONMENTAL PREDICTIONS

The Company shall continue to monitor the environmental effects of the continuing operation of the Mine in accordance with its obligations to the State, and shall share the results with the Communities. To the extent that environmental effects of the continuing operation of the Mine exceed the Environmental Predictions, the Parties shall meet to discuss revision of the payments under Clause 9, taking into account the environmental effects in excess of those contemplated in the Environmental Predictions. The Communities acknowledge and agree that if the Environmental Predictions are not accurate:

(a) this right to discuss with the Company a revision of payments under Clause 9 shall be their sole remedy in relation to the inaccuracy of the Environment Predictions;
(b) any revision of payments shall only operate prospectively from the date any revision is agreed; and

(c) this Agreement and in particular the releases and discharges contained in it shall remain in full force and effect and this Agreement shall not be liable to be set aside or rendered unenforceable.

If an agreement cannot be reached on revision of the payments the Company may reconsider its decision to continue to operate the Mine.

13. WAIVER

The failure of any Party to enforce, at any time, any of the provisions of the Agreement shall not be construed to be a waiver of the provision or any part thereof or the right of any party thereafter to enforce each and every part of the provision in respect of any subsequent default or breach.

14. REPRESENTATIONS AND WARRANTIES

Except as expressly stated in this Agreement, no representation, inducement or warranty was, prior to the execution of this Agreement, given or made by one of the Parties hereto with the intent of inducing any other Party to enter into this Agreement, and any representations, inducements or warranties that may have been so given are hereby denied and negated.

15. COMMUNICATIONS

15.1 Any formal communications by the Parties concerning this Agreement shall be deemed to have been made:

(a) in the case of the Company, if signed by the Managing Director of the Company; or

(b) in the case of the Communities, if signed by the Chairman for the time being of the Tutuwe Development Foundation.

15.2 Any formal communication shall be in writing and may be delivered either personally, or transmitted by facsimile to the person, or persons referred to in Clause 15.1.

15.3 Any formal communication shall be deemed to have reached the other Party:

(a) in the case of personal delivery, when received by the relevant person referred to in Clause 15.1; or

(b) in the case of facsimile, as soon as transmission is confirmed.
16. EXECUTION

The Parties acknowledge that this Agreement may take effect notwithstanding that it has not been executed on behalf of all of the Communities referred to on page 1 and accordingly the Parties agree that this Agreement is duly executed and, subject to Clause 3, take effect between the Company and the members of any one or more of the Communities referred to on page 1 on whose behalf it is executed, when the Company executes this Agreement.

17. REVIEW OF OPERATION OF AGREEMENT

17.1 Subject to this Agreement, the Parties may after the expiration of five years from the Termination Date, meet to review the operation of this Agreement (the "Review Date"). Thereafter, any subsequent review of the operation of this Agreement may be conducted at intervals of not less than five years from the Review Date (the "Next Review Date").

For avoidance of doubt, the Parties are not obliged to review the operation of this Agreement.

17.2 The Parties agree that:

(a) a review under this Clause 17 shall not include a review or renegotiation of, or amend, vary, alter or revoke, an essential term of this Agreement; and

(b) each of the following is an essential term of this Agreement:

(i) Clause 3;
(ii) Clause 5;
(iii) Clause 6;
(iv) Clause 7;
(v) Clause 8;
(vi) Clause 9, except as to whether the annual payments described in Schedule 3 should be made solely to the Community members rather than to the respective funds of the Tutuwe Development Foundation (or vice versa);
(vii) Clause 10;
(viii) Clause 11.1(a);
(ix) Clause 11.2;
(x) Clause 11.3; and
(xi) Clause 12.

17.3 If the Communities wish to request a review of this Agreement, the Communities must notify the Company in writing not less than six months before the proposed Review Date.
or the Next Review Date (as the case may be) and provide reasons for requesting a review under this Clause 17.

17.4 Upon receipt of a notice in accordance with Clause 17.3, the Company, acting reasonably, may accept or reject the request and shall notify the Communities of the reasons for its decision.
CONSULTATIONS

The Company commenced consultations with the Interested Communities in connection with the proposed extension of Mine operations in June 2009. Between 15 June and 18 July 2009, the Company held meetings with each Interested Community to generally discuss the proposed extension of Mine operations. During these meetings, each Interested Community elected a person to represent each village (the village representatives) for the purpose of liaising and engaging in discussions with the Company with respect to matters relating to the proposed extension of Mine operations.

On 14 to 28 October 2009, the Company held further meetings with the village representatives, during which it was agreed that:

(a) for purposes of efficiency, the village representatives would nominate delegates from among themselves (the regional delegates) to attend and engage in discussions with the Company. The regional delegates included 3 women from each Interested Community, each of whom was appointed purposely to represent the interests of women and children within the communities;

(b) all information provided by the Company to the regional delegates regarding the proposed extension of Mine operations must be circulated among the village representatives, then to each Interested Community. This allowed greater participation by all members of the Interested Communities and gave each person an opportunity to raise issues, queries and concerns, or request any further information considered relevant to assist the Interested Communities to make an informed decision as to whether they would like the Mine to continue or cease operations; and

(c) all meetings between the Company, the regional delegates, the village representatives and the Interested Communities would be chaired by independent facilitators, with logistical assistance by the Company where required, to promote a conducive environment for freedom of expression, exchange of views, concerns, issues and discussion of matters relevant to the proposed extension of Mine operations.

Between 19 November 2009 and 11 January 2010, at the request of the village representatives, the Company arranged for all village representatives to visit the Mine site, the mill and the facilities at Bige.

On 17 to 18 March 2010, the Company held meetings with the regional delegates at which it provided conceptual information regarding the proposed extension of Mine operations. Between 3
to 29 May 2010, the Company held separate meetings with the village representatives and the Interested Communities to circulate this information and obtain feedback and comments. In meetings held with the regional delegates on 15 to 16 July 2010, the Company provided information regarding:

- feasibility and environmental studies; and
- the proposed compensation to be paid by the Company,

in connection with the proposed extension of Mine operations. This information was disseminated to the village representatives and the Interested Communities in meetings held between 1 August to 4 September 2010.

The Company provided further updates of the feasibility and environmental studies to the regional delegates in meetings held between 25 October to 28 November 2010 and on 30 to 31 March 2011. At the meetings held on 30 to 31 March 2011, the Company presented a draft report from an independent environmental reviewer and a copy the draft CMCA Extension Agreement for consideration and discussion.

Between 6 May to 1 June 2011, all information provided to the regional delegates were disseminated to the village representatives and the Interested Communities.

On 6 December 2011, the Company provided the regional delegates with progress reports regarding the feasibility and environmental studies. The updated information was disseminated to the village representatives and the Interested Communities in meetings held between 13 February to 19 March 2012.

In meetings held between 30 April to 30 May 2012, the Company provided the regional delegates with:

- a revised proposal regarding the compensation to be paid by the Company to each Interested Community;
- further updates regarding the feasibility and environmental studies; and
- an updated draft of the CMCA Extension Agreement.

In addition, representatives from Ok Tedi Development Foundation Limited and PNG Sustainable Development Program Limited provided information concerning development projects undertaken and proposed to be undertaken by each entity. This information was disseminated to the village representatives and the Interested Communities in meetings held between 20 August and 2 September 2012.

A final round of meetings were held with the Interested Communities between 5 November to 6 December 2012, leading to the conclusion of the CMCA Extension Agreements, which were executed by the village representatives for and on behalf of the Interested Communities.

Independent observers attended all meetings between the Company and the regional delegates.
SCHEDULE 2

MINING (OK TEDI EXTENSION (TENTH SUPPLEMENTAL) AGREEMENT) ACT

1. Recognises the involvement of the local communities in the Consultations and their expressed views regarding the continued operation of the Mine and containing the agreement between the State, Mineral Resources Ok Tedi No. 2 Limited, PNG Sustainable Development Program Limited and Ok Tedi Mining Limited that the operation of the Mine should be extended.

2. Approves and gives the force of law to the compensation and other arrangements under the CMCA Extension Agreements, including the finality of those compensation arrangements.
### SCHEDULE 3

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</table>

|      |                   |                 |                 |            | 58,743,003 |

OTML CMCA Extension Agreement-Highway 22.11.2012 Page 15
IN WITNESS WHEREOF this Agreement has been executed by the Parties.

Executed for and on behalf of Ok Tedi Mining Limited by:

Director Signature
Nigel Parker
Managing Director and CEO

Secretary Signature
Brett Young
Company Secretary

Signed by Soti Akaneng for and on behalf of each member of Sisimakam Village in the presence of:

Witness Signature
Sariom Haruri
Highway Women's Representative

Signed by Amos Slory for and on behalf of each member of Kwiloknai Village in the presence of:

Witness Signature
Sariom Haruri
Highway Women's Representative
Signed by Samuel Saka for and on behalf of each member of Tapko Village in the presence of:

Witness Signature

Sariom Haruri
Highway Women's Representative

Signed by Dehu Srom for and on behalf of each member of Hosana Village in the presence of:

Witness Signature

Sariom Haruri
Highway Women's Representative

Signed by Michael Gen for and on behalf of each member of Hiorenkia Village in the presence of:

Witness Signature

Sariom Haruri
Highway Women's Representative
Signed by Amsare Sanamboi for and on behalf of each member of Awin Tamaro Village in the presence of:

Witness Signature
Sariom Haruri
Highway Women's Representative

Signed by Ombo Todin for and on behalf of each member of Hosokumgu Village in the presence of:

Witness Signature
Sariom Haruri
Highway Women's Representative

Signed by Kasi Gendenai for and on behalf of each member of Pampenai Village in the presence of:

Witness Signature
Sariom Haruri
Highway Women's Representative
Signed by Leo Kuki for and on behalf of each member of Waiginai Village in the presence of:

Witness Signature
Sariom Haruri
Highway Women's Representative

Signed by Rody Narok for and on behalf of each member of lankenai Village in the presence of:

Witness Signature
Sariom Haruri
Highway Women's Representative

Signed by Kerry Krori for and on behalf of each member of Mimigire Village in the presence of:

Witness Signature
Alice Hmen
Highway Women's Representative
Signed by Jimmy Mtonai for and on behalf of each member of Matkomnai Village in the presence of:

Witness Signature

Alice Hmen
Highway Women's Representative

Signed by Raymond Mathew for and on behalf of each member of Kasrenai Village in the presence of:

Witness Signature

Alice Hmen
Highway Women's Representative

Signed by Eric Tmoe for and on behalf of each member of Grehosore Village in the presence of:

Witness Signature

Alice Hmen
Highway Women's Representative
Signed by Robin Kunai for and on behalf of each member of Ipokanai Village in the presence of:

Witness Signature
Alice Hmeen
Highway Women's Representative

Signed by John Waitipe for and on behalf of each member of Dande (1) Village in the presence of:

Witness Signature
Alice Hmeen
Highway Women's Representative

Signed by Grwe Kelly for and on behalf of each member of Dande (2) Village in the presence of:

Witness Signature
Catherine Puse
Highway Women's Representative
Signed by Duen Aetru for and on behalf of each member of Hopanai Village in the presence of:

Witness Signature
Catherine Puse
Highway Women's Representative

Signed by Penai Napu for and on behalf of each member of Tope Village in the presence of:

Witness Signature
Catherine Puse
Highway Women's Representative

Signed by Swantok Konani for and on behalf of each member of Menumsore Village in the presence of:

Witness Signature
Catherine Puse
Highway Women's Representative
Signed by Orowa Dudu for and on behalf of each member of Briompenai Village in the presence of:

Witness Signature
Catherine Puse
Highway Women's Representative

Signed by Bob Wai for and on behalf of each member of Rudmesuk Village in the presence of:

Witness Signature
Catherine Puse
Highway Women's Representative

Signed by Soe Bebere for and on behalf of each member of Rarengre Village in the presence of:

Witness Signature
Catherine Puse
Highway Women's Representative
Signed by Petrus Totram for and on behalf of each member of Miasomnai Village in the presence of:

Witness Signature
Catherine Puse
Highway Women's Representative

Signed by Pex Kim for and on behalf of each member of Gre Village in the presence of:

Witness Signature
Catherine Puse
Highway Women's Representative

Signed by Siniyai Diake for and on behalf of each member of Tiommni Village in the presence of:

Witness Signature
Catherine Puse
Highway Women's Representative
Signed by Willie Uho for and on behalf of each member of Gill Village in the presence of:

Witness Signature
Catherine Puse
Highway Women's Representative

Signed by Duwa Samson for and on behalf of each member of Grengas Village in the presence of:

Witness Signature
Catherine Puse
Highway Women's Representative

Signed by Patrick Poata for and on behalf of each member of Tnindmesuk Village in the presence of:

Witness Signature
Catherine Puse
Highway Women's Representative
CMCA EXTENSION AGREEMENT
NORTH OK TEDI

THIS CMCA EXTENSION AGREEMENT is made as of the 15th day of Nov. 2012

BETWEEN:
OK TEDI MINING LIMITED (the "Company")

AND

EACH OF THE MEMBERS OF THE COMMUNITIES OF

1. Ok Tidetau
2. Boliwogam
3. Nioksikwi
4. Derongo
5. Kumguit
6. Ankit
7. Korkit
8. Walawam
9. Wogam
10. Kolebon
11. Wombon
12. Digam
13. Kawentigin
14. Boungkim
15. Haidowogam
16. Wurikanatko
17. Bumin, and
18. Ningerum Tamaro,
or such of them whose representatives execute this Agreement, in the
North Ok Tedi region of the Western Province (together the "Communities")
WHEREAS:

A. On or about 23 November 2001 the Parties executed the Community Mine Continuation Agreement, which was intended to operate until the expected cessation of mining in approximately 2011.

B. The Company has subsequently investigated the potential for extending the economic life of the Mine, but at a lower rate of production, by means of Open Pit Cut Back and Underground Operations.

C. The Communities and the Company have engaged in Consultations about whether it is the Communities preference for the Mine to extend operations for a further period with the Open Pit Cut Back and Underground Operations or cease mining in or about 2013.

D. Subject to the Condition Precedent, the Parties wish to record their respective commitments to facilitate Underground Operations and to extend the term of the Community Mine Continuation Agreement.

E. For the Company and the State to decide that the Open Pit Cut Back and Underground Operations are economically viable, there must be reasonable certainty as to the cost of the operations, including compensation and benefits to the Communities, and the Parties therefore intend this CMCA Extension Agreement to be the complete, final and binding basis on which the Parties agree to support the extended operation of the Mine by means of the Open Pit Cut Back and Underground Operations.

F. The State has agreed to give this agreement the force of law by enacting the Act.

THE PARTIES AGREE AS FOLLOWS:

1. DEFINITIONS

In this Agreement, including the Recitals, the following definitions apply unless the context requires otherwise:

"Act" means an Act of the National Parliament which, among other things, meets the objectives described in Schedule 2.

"CMCA Extension Agreements" means the agreements between the Company and the Interested Communities by which each Interested Community gives its informed consent to the extension of operations of the Mine, and includes this Agreement.

"Community Mine Continuation Agreement" or "CMCA" means the agreement between the Parties made as of 23 November 2001.

"Condition Precedent" means the condition precedent in Clause 3.

"Consultations" means the meetings and discussions that have taken place between officers of the State, the Company and the Communities in which the Company has
presented information to the Communities regarding the opportunities and costs of extension of Mine operations. Further particulars of the Consultations are contained in Schedule 1.

"Environmental Predictions" means the Environmental Predictions contained in the CMCA, subject to the following revisions:

(a) in relation to the expected effects of Mine operations resulting in trees losing leaves and dying, the maximum area likely to be affected is revised from 1,350 km$^2$ to 2,395 km$^2$; and

(b) the expected effects of copper contained in sediment from the Mine are revised and replaced with the following:

"Copper

The sand that comes from the Mine contains small amounts of copper. The concentration of copper in the sand is likely to decrease if the Mine operations are extended due to the treatment of tailings waste and other mitigation strategies, but it may slow down the growth rates in some plants and animals that live in the water. However, it is not expected to be harmful to people or fish."

"Interested Communities" means the collective residents of the villages in the Mine area, Highway area, Lower Ok Tedi, North Ok Tedi, Middle Fly and South Fly.

"Mine" means the mine operated by the Company pursuant to the Mining (Ok Tedi Agreement) Act (as amended and supplemented).

"Nupmo Development Foundation" means the trust of that name established in conjunction with the CMCA.

"Open Pit Cut Back" means the mining of waste rock from the West wall, the North-east wall and the East wall of the Mine pit for the purpose of gaining access to and mining ore bodies located there under.

"Parties" means the Company and the Communities severally.

"Settlement Agreement" means the two documents headed respectively Terms of Settlement and Settlement Agreement both dated 7 June 1996 and executed by or on behalf of Rex Dagi and others of the first part and the Company and others of the second part by which litigation concerning the Mine was terminated.

"State" means the Independent State of Papua New Guinea.

"Termination Date" means 31 December 2014 or such later date as nominated by the Company in writing in accordance with Clause 3.

"Underground Operations" means the mining of ore bodies within the Mine pit using underground or sub-surface mining techniques and methods.
2. INTERPRETATION

In this Agreement unless the context requires otherwise:

(a) monetary references are references to Papua New Guinea currency unless otherwise specifically expressed;

(b) the headings do not affect the interpretation or construction;

(c) words importing the singular include the plural and vice versa;

(d) words importing gender include the other gender;

(e) references to a person include a corporation and vice versa;

(f) references to a Recital, Clause, Schedule or Annexure are to a Recital, Clause, Schedule or Annexure or part thereof of this Agreement; and

(g) the Recitals form part of this Agreement.

3. CONDITION PRECEDENT

3.1 This Agreement is conditional on and shall be of no force or effect unless on or before the Termination Date the National Parliament has enacted the Act and all CMCA Extension Agreements have been given the force of law there under.

3.2 This condition precedent is for the sole benefit of the Company, which may prior to the Termination Date:

(a) elect to waive reliance on it; or

(b) postpone the Termination Date to a nominated date.

4. OPERATION OF THIS AGREEMENT AND THE CMCA

4.1 The Parties affirm the CMCA and agree to extend its term commensurate with the term of this Agreement.

4.2 The CMCA and this Agreement shall be read and construed together as one agreement but in the event of conflict this Agreement shall prevail.

5. COMMUNITY CONSULTATIONS REGARDING EXTENSION OF MINE OPERATIONS

5.1 The Parties acknowledge that:

(a) the Consultations have taken place for the purpose of exchanging information and views regarding the Environmental Predictions and the implications for the Communities of closure or extension of the operations of the Mine;
(b) the Consultations have given the clan leaders within the Communities the opportunity to make representations to the Company and the State in connection with the review undertaken for the purposes of Clause 29G of the agreement scheduled to the Mining (Ok Tedi Agreement) Act (Chapter 363) (as amended and supplemented);

(c) the Consultations were intended by the Parties to ensure that any decision made by the Communities regarding the extension of the operations of the Mine is made on the basis that all relevant information known to the Company concerning the social, economic and environmental consequences, both beneficial and detrimental, of extension of the operations of the Mine or closure of the Mine, has been made available to the Communities; and

(d) a decision by the State and the Company to extend operation of the Mine will have the properly informed consent of the Communities.

5.2 The Communities acknowledge that all information requested by them in the course of the Consultations has been provided by the Company and that the Company has acted in good faith in the Consultations.

6. COMMITMENT TO SUSTAINABLE DEVELOPMENT & CO-OPERATION

6.1 The Parties agree that the greater part of future benefits passing from the Company to the Communities over the remaining life of the Mine should be committed to investment in training, infrastructure and development, including without limitation projects and programmes for the development of women and children within the Communities, that will provide an improved economic base for the Communities.

6.2 The Communities will co-operate with the Company to ensure the efficient and uninterrupted operation of the Mine, in recognition of the Company's commitments and the benefits that the Mine provides to the Communities, the Western Province and the State.

6.3 Should a dispute arise between the Communities and the Company, the Communities agree to directly consult in good faith with the Company, the Fly River Provincial Government and the National Government to achieve resolution of that dispute.

7. COMMUNITIES COMMITMENTS

7.1 The Communities, having considered:

(a) the information disclosed to them in the Consultations;

(b) the likely social, environmental and economic implications for themselves of the extended operation of the Mine (including the Company's commitments) in light of the Environmental Predictions; and
have concluded and affirm that, subject to this Agreement, it is in the Communities' interest that the Mine operations should be extended rather than cease.

7.2 The Communities acknowledge that their decision is made in the knowledge or belief that:

(a) the extended operation of the Mine may result in increased environmental impacts including those described in the Environmental Predictions, and that closure of the Mine may result in reduced environmental impacts, and

(b) the economic opportunities offered by the Company's commitments represent to the Communities an acceptable trade off for the environmental impacts of the extended operation of the Mine.

7.3 The Communities:

(a) represent and warrant to the Company that, subject to the Company's commitments, it is their decision that the Mine operations should be extended by the Open Pit Cut Back and Underground Operations;

(b) represent and warrant that the persons signing this Agreement for and on behalf of the Communities have the power and authority to do so and that this Agreement will be valid and binding on each member of the Communities; and

(c) acknowledge that the Company will be acting in reliance upon these representations and warranties in the event that the Mine operations are extended.

8. COMMUNITIES RELEASES

8.1 The Communities agree that this CMCA Extension Agreement is the complete, final and binding basis on which they agree to support the extension of the Mine operations by the Open Pit Cut Back and Underground Operations, and without derogating from the effect of the releases contained in and the compensation regime established by the Mining (Ok Tedi Agreement) Act (Chapter 363) (as amended and supplemented), the Settlement Agreement and any other releases between the Parties, hereby release and discharge the Company, the Company's shareholders and their respective associated corporations, directors, officers, employees and agents and former directors, officers, employees and agents from all and any demands and claims arising directly or indirectly from the operation of the Mine or any associated works, and without limiting the generality of the foregoing that release and discharge includes and extends to:

(a) the disposal by the Company of tailings and waste;

(b) dredging, storage and release of dredged material;
(c) occurrences or circumstances contemplated by or more adverse than or in excess of the Environmental Predictions;
(d) the Settlement Agreement; and
(e) any public statement concerning the Mine made by the Company or the Company's shareholders.

Nothing in this Clause 8 affects the rights of the Communities under Clause 12.

8.2 The benefit of the releases and discharges provided by the Communities under this Agreement is held by the Company in trust for itself and each of the other persons in whose favour the releases and discharges are expressed to apply.

9. PAYMENT BY COMPANY FOR DISTURBANCE

Subject to Clause 11, for so long as the Mine is in operation, the Company shall make the annual payments described in Schedule 3 to the respective recipients and the fund described therein, namely:
(a) the Community members; and
(b) the Investment Fund and the Development Fund of the Nupmo Development Foundation.

10. EFFECT OF PAYMENTS

10.1 Without derogating from the effect of the releases contained in and the compensation regime established by the Mining (Ok Tedi Agreement) Act (Chapter 363) (as amended and supplemented), the Settlement Agreement, Clause 8 of this Agreement and any other releases between the Parties, the payments to be made by the Company pursuant to this Agreement are and shall be in full compensation for all loss and damage contemplated by the Environmental Predictions suffered or to be suffered by the Communities in respect of disturbance to the environment in the North Ok Tedi area or their use or enjoyment of the environment, including, where applicable and without limitation to the generality of the foregoing:
(a) being deprived of the possession or use of the natural surface of the land area;
(b) damage to or contamination of the natural surface of the land;
(c) severance of the land or any part of it from other land owned or occupied by the Communities;
(d) any loss or restriction of a right of way, easement or other right;
(e) any loss or damage to improvements;
(f) in the case of land under cultivation, loss of earnings;
(g) disruption of agricultural activities;
(h) social disruption;
(i) garden damage and loss of economic trees;
(j) loss or damage to any flora or fauna, on the land or in the water; and
(k) loss of use or contamination of water.

10.2 For the avoidance of doubt, it is acknowledged that the Communities and their members will continue to be eligible persons to receive general compensation and (save for the matters listed in Clause 10.1(a) to (k) inclusive) specific compensation pursuant to the Mining (Ok Tedi Agreement) Act (Chapter 363) (as amended and supplemented).

11. TIMING OF PAYMENTS

11.1 Subject to the following clauses, the payments pursuant to Clause 9 shall:

(a) commence on 1 January 2015 or such later date as determined by the Company in its sole discretion; and

(b) be paid by the Company within the third quarter of each calendar year.

11.2 The timing of payments by the Company pursuant to Clause 9 shall be subject to the continuous compliance by the respective recipients with all of their obligations under this Agreement, and in particular Clauses 6, 7 and 8. In the event of non-compliance with any provision of this Agreement, in particular Clauses 6, 7 and 8, the payment otherwise due to the non-complying recipients shall be deferred without interest until the due date for the next succeeding annual payment, subject always to the recipients' compliance with this Agreement, in particular Clauses 6, 7 and 8, in the intervening period. In the event of further non-compliance in the intervening period, both payments shall be deferred on the same terms as applied to the first deferred payment. The same principles shall also be applied in respect of subsequent non-compliance with this Agreement, in particular Clauses 6, 7 and 8. Any deferred payment subsisting at the date of closure of the Mine will be paid by the Company to the Development Fund of the Nupmo Development Foundation.

11.3 Notwithstanding Clauses 11.1 to 11.2 inclusive, if the Mine ceases to operate the Company's obligation to make payments pursuant to Clause 9 will also cease.

12. RELATIONSHIP OF PAYMENTS TO ENVIRONMENTAL PREDICTIONS

The Company shall continue to monitor the environmental effects of the continuing operation of the Mine in accordance with its obligations to the State, and shall share the results with the Communities. To the extent that environmental effects of the continuing operation of the Mine exceed the Environmental Predictions, the Parties shall meet to
discuss revision of the payments under Clause 9, taking into account the environmental effects in excess of those contemplated in the Environmental Predictions. The Communities acknowledge and agree that if the Environmental Predictions are not accurate:

(a) this right to discuss with the Company a revision of payments under Clause 9 shall be their sole remedy in relation to the inaccuracy of the Environment Predictions;

(b) any revision of payments shall only operate prospectively from the date any revision is agreed; and

(c) this Agreement and in particular the releases and discharges contained in it shall remain in full force and effect and this Agreement shall not be liable to be set aside or rendered unenforceable.

If an agreement cannot be reached on revision of the payments the Company may reconsider its decision to continue to operate the Mine.

13. WAIVER

The failure of any Party to enforce, at any time, any of the provisions of the Agreement shall not be construed to be a waiver of the provision or any part thereof or the right of any party thereafter to enforce each and every part of the provision in respect of any subsequent default or breach.

14. REPRESENTATIONS AND WARRANTIES

Except as expressly stated in this Agreement, no representation, inducement or warranty was, prior to the execution of this Agreement, given or made by one of the Parties hereto with the intent of inducing any other Party to enter into this Agreement, and any representations, inducements or warranties that may have been so given are hereby denied and negated.

15. COMMUNICATIONS

15.1 Any formal communications by the Parties concerning this Agreement shall be deemed to have been made:

(a) in the case of the Company, if signed by the Managing Director of the Company; or

(b) in the case of the Communities, if signed by the President for the time being of the Ningerum Local Government Council, or any successor body thereto, or in the absence of any successor bodies, by the District Administrator of the North Fly District.
15.2 Any formal communication shall be in writing and may be delivered either personally, or transmitted by facsimile to the person, or persons referred to in Clause 15.1.

15.3 Any formal communication shall be deemed to have reached the other Party:
(a) in the case of personal delivery, when received by the relevant person referred to in Clause 15.1; or
(b) in the case of facsimile, as soon as transmission is confirmed.

16. EXECUTION
The Parties acknowledge that this Agreement may take effect notwithstanding that it has not been executed on behalf of all of the Communities referred to on page 1 and accordingly the Parties agree that this Agreement is duly executed and, subject to Clause 3, take effect between the Company and the members of any one or more of the Communities referred to on page 1 on whose behalf it is executed, when the Company executes this Agreement.

17. REVIEW OF OPERATION OF AGREEMENT

17.1 Subject to this Agreement, the Parties may after the expiration of five years from the Termination Date, meet to review the operation of this Agreement (the "Review Date"). Thereafter, any subsequent review of the operation of this Agreement may be conducted at intervals of not less than five years from the Review Date (the "Next Review Date"). For avoidance of doubt, the Parties are not obliged to review the operation of this Agreement.

17.2 The Parties agree that:
(a) a review under this Clause 17 shall not include a review or renegotiation of, or amend, vary, alter or revoke, an essential term of this Agreement; and
(b) each of the following is an essential term of this Agreement:

(i) Clause 3;
(ii) Clause 5;
(iii) Clause 6;
(iv) Clause 7;
(v) Clause 8;
(vi) Clause 9, except as to whether the annual payments described in Schedule 3 should be made solely to the Community members rather than to the respective funds of the Nupmo Development Foundation (or vice versa);
(viii) Clause 11.1(a)
(ix) Clause 11.2;
(x) Clause 11.3; and
(xi) Clause 12.

17.3 If the Communities wish to request a review of this Agreement, the Communities must notify the Company in writing not less than six months before the proposed Review Date or the Next Review Date (as the case may be) and provide reasons for requesting a review under this Clause 17.

17.4 Upon receipt of a notice in accordance with Clause 17.3, the Company, acting reasonably, may accept or reject the request and shall notify the Communities of the reasons for its decision.
CONSULTATIONS

The Company commenced consultations with the Interested Communities in connection with the proposed extension of Mine operations in June 2009. Between 15 June and 18 July 2009, the Company held meetings with each Interested Community to generally discuss the proposed extension of Mine operations. During these meetings, each Interested Community elected a person to represent each village (the village representatives) for the purpose of liaising and engaging in discussions with the Company with respect to matters relating to the proposed extension of Mine operations.

On 14 to 28 October 2009, the Company held further meetings with the village representatives, during which it was agreed that:

(a) for purposes of efficiency, the village representatives would nominate delegates from among themselves (the regional delegates) to attend and engage in discussions with the Company. The regional delegates included three women from each Interested Community, each of whom was appointed purposely to represent the interests of women and children within the communities;

(b) all information provided by the Company to the regional delegates regarding the proposed extension of Mine operations must be circulated among the village representatives, then to each Interested Community. This allowed greater participation by all members of the Interested Communities and gave each person an opportunity to raise issues, queries and concerns, or request any further information considered relevant to assist the Interested Communities to make an informed decision as to whether they would like the Mine to continue or cease operations; and

(c) all meetings between the Company, the regional delegates, the village representatives and the Interested Communities would be chaired by independent facilitators, with logistical assistance by the Company where required, to promote a conducive environment for freedom of expression, exchange of views, concerns, issues and discussion of matters relevant to the proposed extension of Mine operations.

Between 19 November 2009 and 11 January 2010, at the request of the village representatives, the Company arranged for all village representatives to visit the Mine site, the mill and the facilities at Bige.

On 17 to 18 March 2010, the Company held meetings with the regional delegates at which it provided conceptual information regarding the proposed extension of Mine operations.
to 29 May 2010, the Company held separate meetings with the village representatives and the Interested Communities to circulate this information and obtain feedback and comments.

In meetings held with the regional delegates on 15 to 16 July 2010, the Company provided information regarding:

- feasibility and environmental studies; and
- the proposed compensation to be paid by the Company,

in connection with the proposed extension of Mine operations. This information was disseminated to the village representatives and the Interested Communities in meetings held between 1 August to 4 September 2010.

The Company provided further updates of the feasibility and environmental studies to the regional delegates in meetings held between 25 October to 28 November 2010 and on 30 to 31 March 2011.

At the meetings held on 30 to 31 March 2011, the Company presented a draft report from an independent environmental reviewer and a copy the draft CMCA Extension Agreement for consideration and discussion.

Between 6 May to 1 June 2011, all information provided to the regional delegates were disseminated to the village representatives and the Interested Communities.

On 6 December 2011, the Company provided the regional delegates with progress reports regarding the feasibility and environmental studies. The updated information was disseminated to the village representatives and the Interested Communities in meetings held between 13 February to 19 March 2012.

In meetings held between 30 April to 30 May 2012, the Company provided the regional delegates with:

- a revised proposal regarding the compensation to be paid by the Company to each Interested Community;
- further updates regarding the feasibility and environmental studies; and
- an updated draft of the CMCA Extension Agreement.

In addition, representatives from Ok Tedi Development Foundation Limited and PNG Sustainable Development Program Limited provided information concerning development projects undertaken and proposed to be undertaken by each entity. This information was disseminated to the village representatives and the Interested Communities in meetings held between 20 August and 2 September 2012.

A final round of meetings were held with the Interested Communities between 5 November to 6 December 2012, leading to the conclusion of the CMCA Extension Agreement, which were executed by the village representatives for and on behalf of the Interested Communities.

Independent observers attended all meetings between the Company and the regional delegates.
SCHEDULE 2

MINING (OK TEDI EXTENSION (TENTH SUPPLEMENTAL) AGREEMENT) ACT

1. Recognises the involvement of the local communities in the Consultations and their expressed views regarding the continued operation of the Mine and containing the agreement between the State, Mineral Resources Ok Tedi No. 2 Limited, PNG Sustainable Development Program Limited and Ok Tedi Mining Limited that the operation of the Mine should be extended.

2. Approves and gives the force of law to the compensation and other arrangements under the CMCA Extension Agreements, including the finality of those compensation arrangements.
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42,328,781
IN WITNESS WHEREOF this Agreement has been executed by the Parties.

Executed for and on behalf of
Ok Tedi Mining Limited by:

[Signature]
Director Signature

[Nigel Prakash]
Print Name

[Signature]
Director/Secretary Signature

[Print Name]
Print Name

Signed by Gabriel Koman for and on behalf of each member of Ok Tidetau Village in the presence of:

[Signature]
Witness Signature

[Noni Dukman]
North Ok Tedi Women’s Representative

Signed by Petorot Dengdon for and on behalf of each member of Boliwogam Village in the presence of:

[Signature]
Witness Signature

[Diane Singa]
North Ok Tedi Women’s Representative

[Signature]
Signed by Junior Manop for and on behalf of each member of Nioksikwi Village in the presence of:

Witness Signature
Noni Dukman
North Ok Tedi Women’s Representative

Signed by Rowel Turani for and on behalf of each member of Derongo Village in the presence of:

Witness Signature
Noni Dukman
North Ok Tedi Women’s Representative

Signed by Daniel Atmeyok for and on behalf of each member of Kumguit Village in the presence of:

Witness Signature
Noni Dukman
North Ok Tedi Women’s Representative
Signed by Joseph Awirok for and on behalf of each member of Ankit Village in the presence of:

Witness Signature
Noni Dukman
North Ok Tedi Women's Representative

Signed by Taken Kewam for and on behalf of each member of Korkit Village in the presence of:

Witness Signature
Noni Dukman
North Ok Tedi Women's Representative

Signed by Lalamana Gaegae for and on behalf of each member of Walawam Village in the presence of:

Witness Signature
Diane Singa
North Ok Tedi Women’s Representative
Signed by Dairi Akewa for and on behalf of each member of Wogam Village in the presence of:

Witness Signature
Diane Singa
North Ok Tedi Women’s Representative

Signed by Bagasi Wotbin for and on behalf of each member of Kolebon Village in the presence of:

Witness Signature
Diane Singa
North Ok Tedi Women’s Representative

Signed by Keop Kowa for and on behalf of each member of Wombon Village in the presence of:

Witness Signature
Diane Singa
North Ok Tedi Women’s Representative
Signed by Avenon Decknong for and on behalf of each member of Digam Village in the presence of:

[Signature]

Witness Signature

Noni Dukman
North Ok Tedi Women's Representative

Signed by Bill Kuknok for and on behalf of each member of Kawentikin Village in the presence of:

[Signature]

Witness Signature

Noni Dukman
North Ok Tedi Women's Representative

Signed by Appia Jerome for and on behalf of each member of Boungkim Village in the presence of:

[Signature]

Witness Signature

Noni Dukman
North Ok Tedi Women's Representative
Signed by Bin Sepman for and on behalf of each member of Haidowogam Village in the presence of:

[Signature]
Diane Singa
North Ok Tedi Women’s Representative

Signed by Singah Ondap for and on behalf of each member of Wurikanatko Village in the presence of:

[Signature]
Diane Singa
North Ok Tedi Women’s Representative

Signed by Amos Amdeng for and on behalf of each member of Bumbin Village in the presence of:

[Signature]
Diane Singa
North Ok Tedi Women’s Representative
Signed by Boston Kasiman for and on behalf of each member of Ningerum Tamaro Village in the presence of:

Witness Signature

Noni Dukman

North Ok Tedi Women’s Representative
Explanatory Memorandum for the Mining (OK Tedi Eleventh Supplementary Agreement) Bill 2014

Background

1. Unlike other mines in PNG, the Ok Tedi mine is regulated under a commercial agreement which is then approved by Parliament. The principle agreement was struck in 1976 and over time there have been successive amendments made to that agreement due to changes in ownership of OTML and operation of the Ok Tedi mine. After lengthy negotiations, the current shareholders of OTML (the State and Mineral Resources Ok Tedi No2 Limited) have recently struck a new agreement with Ok Tedi Mining Limited (the Eleventh Supplementary Agreement).

Section 5 – approval of agreements

2. According to section 5 Parliament approves the agreements attached at schedule 1 and schedule 2.
   - the Eleventh Supplementary Agreement
   - Community Mine Continuation Agreements

Section 8 – Mine Closure Plans

3. According to section 8 a small change is made to the Mine Closure and Decommissioning Code which allows the state 12 months rather than 6 months to approve any variations to the code. As well as providing for 3 years instead of two years for OTML to submit an up dated mine closure plan. These timeframes are more realistic and consistent with current administrative practices.

Section 9 – Tax Status

4. Section 9 clarifies that the Ok Tedi Development Foundation is GST free. This is consistent with its status as a non-profit organisation and will merely clarify existing practices.

Schedule 1 - Agreement

5. The Eleventh Supplementary Agreement makes two amendments to the principle agreement which will improve the administrative efficiency in regulating the mine.

6. According to the agreement, it will no longer be necessary for OTML to provide copies of all sales contracts to the Prime Minister for his approval prior to sale. This is no longer necessary as OTML now has long established buyers and a standard sales contract is used at regular intervals. There is no need for this level of oversight.
7. The borrowing limit for the Ok Tedi Development Foundation has also been raised to K1 million this is in keeping with inflation and more accurately reflects the cost of projects.

Schedule 2 – Community Mine Consultation Agreements

8. In November 2001, individual community mine continuation agreements were executed between the State and the applicable community. In total there were nine agreements.

9. The agreements outlined the expected environmental harm that would result from continued mining at Ok Tedi. The communities in recognition of this environmental harm agreed to certain compensation payments from Ok Tedi Mining Limited (OTML) in return for the continued operation of the mine. At that time the mine was expected to continue operating until approximately 2011. Some communities also agreed to withdraw legal action against BHP and waive any existing claims.

10. However, due to changing copper prices and the discovery of more ore OTML now expects to continue mining until approximately 2022. In August I approved a variation to the pit shell which allows OTML to access new ore. This will allow OTML to extend the economic life of the mine at a lower rate of production by open pit cut back and underground mining.

11. In view of the extension of mine life and ongoing environmental harm, OTML needed to go back to the communities and revisit the 2001 agreements. A comprehensive consultation process began in June 2009 and ran until the agreements were signed in December 2013. A detailed outline of the consultation process is contained at schedule 1 to each agreement. In summary, the consultation outlined the likely environmental harm and negotiated a new compensation program.

12. In the agreements the communities attest that they have been properly consulted, understand the likely environmental harm and have consented to continue mining operation.