

SPECIFIC TECHNICAL COOPERATION AGREEMENT BETWEEN THE GEOLOGICAL, MINING AND METALLURGICAL INSTITUTE OF THE ENERGY AND MINES SECTOR OF THE REPUBLIC OF PERU AND THE INSTITUTE OF GEOLOGY OF ORE DEPOSITS, PETROGRAPHY, MINERALOGY AND GEOCHEMISTRY OF THE RUSSIAN ACADEMY OF SCIENCES

The Specific Technical Cooperation Agreement, hereinafter “**The Agreement**” is entered into between The Geological, Mining and Metallurgical Institute of the Energy and Mines Sector, of the Republic of Peru, hereinafter referred to as “**INGEMMET**”, and the other party, The Institute of Geology of Ore Deposits, Petrography, Mineralogy and Geochemistry of the Russian Academy of Sciences hereinafter “**IGEM RAS**”, domiciled in 35c2, Staromonetnyy Pereulok, Moscow, 119017, Russia, under the following terms and conditions.

Hereinafter **INGEMMET** and **IGEM RAS** together shall be referred to as “the Parties”.

ARTICLE 1: PARTIES OF THE AGREEMENT

1.1 **INGEMMET** is a state scientific and technical entity of the Energy and Mines Sector, of the Republic of Peru. It is a legal person of the internal public law type, with technical, economic and administrative autonomy, in charge of the basic geological research of the Peruvian territory and the awarding of mining rights to the private sector.

1.2 **IGEM RAS** is a scientific and technical entity dependency of the Ministry of Science and Higher Education of the Russian Federation. Its main objective is to carry out fundamental research in the Earth sciences field through activities such as geology of mineral deposits, metallogeny, petrology, mineralogy and crystallography, geochemistry, isotope geochemistry and radiogeology, geochronology, geoinformatics, volcanism and natural disasters, magmatism and the ocean floor. Likewise, it actively develops research in the field of geomatics and carry out rock and mineral analytical studies in accordance with international standards.

ARTICLE 2: LEGAL FRAMEWORK

This Agreement, and the activities derived from it, shall be developed within the scope of the functional competencies of the Parties. It is interpreted and executed in accordance with their respective national laws and does not create international obligations for their respective States.

ARTICLE 3: BACKGROUND

On February 12, 2018, **IGEM RAS** and **INGEMMET** signed an Inter-institutional Cooperation Agreement, for a five year's period with automatic renewal. The main purpose of this Cooperation Agreement is the exchange of information and technical and scientific staff through joint studies and research on topics of mutual interest; as well as other possibilities of cooperation that the Parties could find. One of the cooperation areas that is considered in the Cooperation Agreement is the Application of Geostatistics and Geographic Information Systems (GIS) in the Estimation of Mineral Resources and Mining Potential in Peru, in this framework the parties sign this specific agreement.

ARTICLE 4: OBJECTIVE

The main objective of the specific agreement is to exchange technical and scientific knowledge in the field of geology, geochemistry, petromineralogy and remote sensing data between the technical staff of **IGEM RAS** and **INGEMMET**, through the investigation of mineral resources and the estimation of mining potential in Peru, by using of geostatistics and geographic information systems (GIS).



ARTICLE 5: THE PURPOSE AND CONTENT OF THE COOPERATION

5.1 Project Area

Cuzco and Apurimac regions

5.2 Content of Cooperation

These following matters are set forth in this Agreement:

5.2.1 To exchange experiences and knowledge through workshops and trainings on the use of geostatistical tools and geographic information systems, aimed at estimating mineral resources and mining potential.

5.2.2 To apply classical and modern geological information processing methodologies for the estimation of mineral resources and mining potential.

5.2.3 To prepare a methodological guide for estimating mineral resources and mining potential, based on geostatistics and geographic information systems.

5.2.4 To estimate the mineral resources and mining potential of Cuzco and Apurimac regions.

5.3 Work Plan

The General Work Plan is as follows:

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- Technical and technological exchange between Russia and Peru (workshops and trainings).
- Systematization of geological, geochemical, geophysical, structural, spectral, metallogenetic information, mineral deposits, etc. from Cuzco and Apurimac regions.
- Preparation of the methodological guide for estimating mineral resources and mining potential.
- Preparation of estimation maps of mineral resources and mining potential of Cuzco and Apurimac regions.
- Preparation of the preliminary report.

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- Field validation of estimation maps of mineral resources and mining potential of Cuzco and Apurimac regions.
- Preparation of the final report.

The work schedule shall be jointly planned for each stage, after the signing of the agreement and the creation of the working group.

5.4 Progress Reports

Progress reports shall be published once a year on INGEMMET and IGEM RAS websites; printed versions shall be determined at each party's sole discretion. The languages to be used are those that correspond to each institution, documents shall be translated into English, which is the common language used by the Parties.

ARTICLE 6: PROJECT TIMELINE

6.1 IGEM RAS and INGEMMET designate properly organized teams for the project.



The first task of both teams shall discuss and agree the "Specific Work Plan", including the sequence of work progress and a detailed timetable. This "Specific Work Plan" shall be considered as the tool of supervision and control with respect to the progress of the project, being timely and respectively to the highest authorities of both institutions statement.

6.2 The work schedule shall indicate in detail all the steps necessary to provide the results on the estimation of the mineral resources and mining potential of Cuzco and Apurimac region.

ARTICLE 7: COMMITMENTS OF BOTH PARTIES

7.1 Commitments IGEM RAS:

7.1.1 Providing specific training to **INGEMMET** geologists participating into research.

7.1.2 Ensuring the implementation and integration of materials provided by **INGEMMET** in a single GIS project with the uniform database.

7.1.3 Conducting spatial and statistical analysis of the submitted materials.

7.1.4 Submission of annual reports and publication of project achievements.

7.2 Commitments **INGEMMET**:

7.2.1 To organize and coordinate the **INGEMMET** team that shall participate in this project.

7.2.2 To collect the samples and perform the geochemical, petromineralogical and spectral processing analyzes from the study area defined in this project.

7.2.3 To provide geological information for **IGEM RAS**, including provision of the geological maps formulated in accordance with the scales of 1:100,000 and 1:50, 000 for the designated zone, as well as to provide reference books and brief deemed necessary for this project in accordance with the requirements of this project.

7.2.4 To implement jointly with **IGEM RAS** for building the database, data processing, data interpreting and preparation of reports and publications.

7.3 Mutual Commitments of the Parties

7.3.1 Both Parties shall develop and submit specific work plan for cooperation project after an overall evaluation.

7.3.2 Both Parties undertake jointly to conduct studies, general research and publish achievements. Similarly, to send specialists that apply and provide the information necessary to ensure that the project is developed according to the work plan.

7.3.3 Both Parties shall convene non periodic meetings for the project, as required for its development; analyze jointly the problems which arise during the project development and distribution of work to be done.

7.3.4 Both Parties hereby represent that the information and documents acquired in the duration n of this Agreement shall be used by **INGEMMET** and **IGEM RAS** for publication. The achievements within the scope of this Agreement shall be deemed as public information.

ARTICLE 8: FINANCIAL ARRANGEMENTS

8.1 Each Party shall bear the expenses including accommodation, materials, and international travel expenses, intercity traffic cost, salary, allowance, insurance, subsidy for field work, etc. for its own team members during the implementation of the cooperative project.

8.2 Each Party bears the cost for samples analysis taken place in its own country, respectively.



8.3 The estimated budget allocated by **INGEMMET** and **IGEM RAS** for the activities listed in paragraph 5.3 they are scheduled in POI 2022.

8.4 The Parties coordinate and decide the payment of other expenses. In the case of **INGEMMET** these are and will be budgeted in annual POI.

ARTICLE 9: ACHIVEMENTS

The following achievements shall be made jointly by both parties:

9.1 Geochemical Database and / or any other information generated in this research.

9.2 Database of analytical measurements.

9.3 Final report and interpretation of results.

ARTICLE 10: INTELLECTUAL PROPERTY

10.1 In furtherance of activities in connection with the implementation of this Agreement, the information provided by either Party shall belong to the information provider, and either Party shall respect the intellectual property of the other Party.

10.2 All data, information and achievements of this project, obtained under this agreement shall be jointly owned by both parties, pursuant to clause 7.3.4 of this agreement.

The data shall be uploaded to the **INGEMMET** and **IGEM RAS** websites after the project has been completed.

ARTICLE 11: PROJECT COORDINATION

11.1 Both parties shall establish a work group, prepare a detailed work plan and a implementation plan, and shall discuss specific cooperation details.

11.2 Both parties shall respectively designate one person as project coordinator who shall be in charge of normal communication, communicate suggestions on behalf of his country, negotiate with the other party, exchange information and documents, and organize domestic experts to finish the tasks which are undertaken by each country according to the confirmed plan.

IGEM RAS Coordinator: Dr. Stepan A. Ustinov, Deputy Director.

INGEMMET Coordinator: Director of Mineral Resources and Energy.

ARTICLE 12: EXCHANGE OF INFORMATION AND PRIORITIES

Methodology for information exchange and priorities shall be established in the respective Work Plan.

ARTICLE 13: CONFIDENTIALITY

By no means, the information exchanged at the beginning and to give viability to this agreement may be transferred by the receiving party to the third parties without the prior written consent of the other Party.

ARTICLE 14: NON EXCLUSIVITY

This Agreement shall not prevent the parties from entering into or implementing agreements with similar purposes in different geographical areas, with other legal persons under public or private domestic or foreign organizations, as well as with international organizations aiming at the achieving the research objective of **INGEMMET** or **IGEM RAS**.

ARTICLE 15: DURATION OF THE AGREEMENT



This agreement shall enter into force upon its signing by both parties authorities and it shall continue until June 30, 2023. It may be extended upon both parties agreement upon receiving a written communication no less than three (03) months in advance.

ARTICLE 16: MODIFICATION, SUSPENSION AND TERMINATION OF THIS AGREEMENT

16.1 Modification

Any modification on provisions of this Agreement shall be made in an appendix, which shall include the periodical appraisal result concluded in the duration of this Agreement and shall be executed through the same procedure and manners those of this Agreement by both Parties in written form.

16.2 Suspension

1) In the event that either Party can't perform its commitments in this Agreement temporarily as a result of an incidental or a force majeure event, the period of performance suspension for the obligations set forth in this Agreement shall solely depend on the duration of such incidental or force majeure event.

2) The Party which is unable to perform its obligations shall notify the other Party for suspension of this Agreement and the state the reasons.

3) The longest duration of such suspension is three (03) months. In the event the causes of such suspension are not settled upon the expiration of such duration, this Agreement shall be terminated.

16.3 Termination

This Agreement shall be terminated by any of the following reasons of:

- 1) Any breach of this Agreement without any reasonable cause;
or
- 2) The failure to perform this Agreement or the failure to perform commitments, as a result of an incidental or a force majeure event and upon the mutual consents of both Parties.

In case of the breach of this Agreement without any reasonable cause, the suffering Party shall notify the other Party with a simple document, and if no response within fifteen (15) working days upon the delivery of such notice, or if such breach isn't remedied in such period, the suffering Party is entitled to deem this Agreement has been terminated.

Notwithstanding the foregoing, this Agreement may be terminated by an agreement between both Parties, and such termination shall be in writing and the conclusion procedure of this Agreement shall be abided by, or in the event that either Party proposes to terminate this Agreement without any explanation, such Party shall notify the other Party with a thirty (30) working days prior written notice.

Upon the termination of this Agreement, the unaccomplished commitments are deemed as unnecessarily to perform, excluding the case of an incidental or a force majeure event, and the on-going activities shall be accomplished. Both Parties shall take any necessary measure to prevent or reduce its losses or the losses incurred by any third party at its best efforts.

ARTICLE 17: SUPERVENING EVENTS

If for reasons of force majeure, either party is unable to comply with the obligations under this Agreement, this shall be communicated by written notice to the other party within a period of fifteen (15) calendar days thereof, providing the details related to the event. The acts of God or force majeure shall release the parties from performance of obligations under this Agreement



during the period of time that this situation persists. In case the event does not have a prompt solution, the parties are entitled to terminate this Agreement by mutual consent, as stipulated in Article 16.

ARTICLE 18: ADDRESSES AND NOTICES

All communications in connection with this Specific Agreement to be exchanged between the parties shall be considered validly made if they are sent to the addresses set forth in the introductory paragraph of this Agreement.

Any modification to the above mentioned addresses shall be notified to the other party no less than ten (10) working days in advance of such modification, otherwise all the communications made to the above mentioned addresses in the introduction of this Agreement shall be considered validly made.

ARTICLE 19: SETTLEMENT OF DISPUTES

Any dispute, controversy or issues not provided in this Specific Agreement or which might be generated in its interpretation or application shall be solved by looking for a direct understanding between the parties based on good faith and common intention. In such case, each party shall appoint its representative.

Such appointment shall be informed to the other party. If controversy persists, it may be solved by arbitration, therefore, each party shall appoint one arbitrator and a third arbitrator shall be appointed by them.

In case of any controversy to be solved, the Spanish, Russian and English version of this Agreement shall be valid.

ARTICLE 20: NO TRANSFER

Neither party may assign any of its rights under this agreement, nor shall it assign its position in this agreement to any other third party.

ARTICLE 21: OFFICIAL LANGUAGES

This agreement and the documents to be signed during its implementation shall be written in official language Spanish, Russian and English. The documents to be written in English shall be used for communication and additional interpretation purposes for a better performance of the parties.

ARTICLE 22: NON-BINDING CLAUSE

22.1 The parties concur into this Agreement by their own decision. Likewise, they can decide to end it, being necessary only to send a written notice to the other party pursuant to this non-binding clause. The Parties shall adopt the necessary measures to prevent or reduce any harm to themselves or to any third party.

22.2 Both parties agree that this Technical Cooperation Agreement can be modified by mutual consent as an addendum. In that case due procedure steps should be followed.

ARTICLE 23: FINAL PROVISIONS

23.1 The decisions adopted and the summaries jointly made during the working meetings or coordination meetings and collaboratively convened by both parties shall conform to this agreement.

23.2 This agreement becomes effective since the date on which the representatives of the cooperation parties sign and approve this agreement.



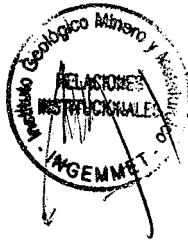


This agreement is signed in six (06) equally valid copies, two (02) in English, two (02) in Russian and two (02) in Spanish. Each party shall keep one copy in each language respectively. If doubts or controversies arise, the English version shall prevail.



For:
Geological, Mining & Metallurgical Institute (INGEMMET)

For:
The Institute of Geology of Ore Deposits, Petrography, Mineralogy and Geochemistry of the Russian Academy of Sciences (IGEM RAS)




PhD. Luis Félix Mercado Pérez
President of the Board of Directors

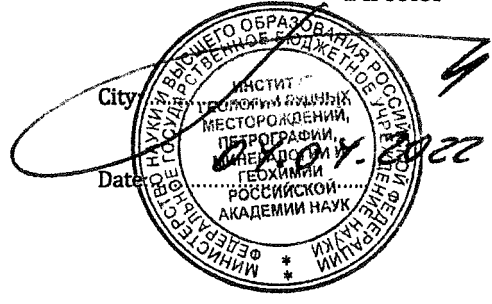
Dr. Vladislav A. Petrov
Director

City: Lima

City

Date: 11.04.2022

Date



APPENDIX 1

Budget 2023 (INGEMMET)

ITEM	Unit	Quantity	Unit Price	Total, s/
Rent a car				14,070
4 x 4	Days	21	670	14,070
Travel Expenses				12,915
Professionals (3)	Days	63	205	12,915
Oil and Lubricants				1,800
Oil	Gallons	100	18	1,800
Various services				1,260
helper, garage, etc.	Days	18	70	1,260
			S/	30,045

