

CONTRACT OF AFFREIGHTMENT

This Contract of Affreightment (the “Contract”) is made and entered into as of the DATE (but executed by the parties as of the dates set forth on the signature page(s)) by and between **HHHHH**, hereinafter referred to as “Carrier” and **FFFFFF** (hereinafter, each a “Shipper” and collectively referred to as “Shippers”).

WITNESSETH

WHEREAS, Carrier and Shippers desire to enter into this Contract to evidence their understanding and agreement regarding the matters addressed herein.

NOW, THEREFORE, in consideration of the mutual promises hereinafter set forth, Shippers agree to ship and Carrier agrees to transport, Copper Concentrates in bulk from one (1) Safe Berth Matarani, Peru; one (1) Safe Berth Guaymas, Mexico on the following terms and conditions:

1. Definitions

In addition to the terms defined elsewhere in this Contract, in this Contract the terms quoted below shall be defined, respectively, as follows:

- (a) “Cancellation Date” shall mean seven (7) days following the Laydays.
 - (b) “Contract Year” shall mean January 1, 2023 through December 31, 2023 and each subsequent calendar year during the term hereof as described in Article 2.
 - (c) “Copper Concentrates” shall mean concentrated copper ore produced by and shipped from Shippers’ sites near Arequipa, Peru.
 - (d) “Laydays” shall mean the date on which the applicable Shipper desires the Vessel to report for loading at the Loading Port. Shippers will declare, 30 days prior to commencement of laydays, a 7 day laydays, load port, disport and Cargo size.
 - (e) “Laytime” shall mean the period of time in which Copper Concentrates may be loaded and discharged free of any obligation on the part of Shippers to pay demurrage or of Carrier to pay despatch. Such period shall be determined by dividing the cargo size by the loading or discharge rates which are applicable under Article 10, it being understood that any demurrage or despatch which is payable shall be at the rates set out in Article 9.2.
 - (f) “Loading Port” shall mean one (1) Safe Berth Matarani, Peru (F) and one (1) Safe Berth Guaymas, Mexico.
 - (g) “Normal Office Hours” shall mean (i) on Monday through Friday, from 09:00 to 17:00 hours local time, and (ii) on Saturday, from 09:00 to 12:00 hours local time; provided, however, Normal Office Hours shall not include national holidays, the customary local and smelter holidays specified on Exhibit “A”, and Saturdays customarily not worked by the office personnel at a particular receiving works.
 - (h) “Port of Discharge” shall mean:
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1SB EACH 1-5 SP(S) OUT OF JAPAN, KOREA, CHINA

JAPAN: HIBI, NAOSHIMA, NIIHAMA, ONAHAMA, SAGANOSEKI

KOREA: ONSAN, ULSAN, BUKPYUNG

CHINA: DALIAN, BAYUQUAN, JINZHOU, QINHUANGDAO, TIANJIN, YANTAI,
QINGDAO, LIANYUNGANG, NANTONG, NANJING, JINGJIANG, ZHANGJIAGANG,
SHANGHAI, XIAMEN, ZHANGJIANG, BEIHAI, FANGCHENG, NINGDE
TAIWAN: TAICHUNG

INDIA: TUTICORIN, DAHEJ

EUROPE: HUELVA, BOURGAS, BRUNSBUTTEL

Exhibit “B” attached hereto sets forth the physical restrictions applicable to each such named Port of Discharge. Such Exhibit may be updated periodically from time to time by Shippers in good faith.

- (i) The sign “\$” represents currency of the United States of America, and all monetary amounts in this Contract are stated in terms of such currency.
- (j) “Vessel” or “Vessels” shall mean self-trimming, single-deck bulk carriers having the characteristics specified in Article 5, and shall be owned, operated, time chartered and/or controlled by Carrier.
- (k) A “WMT” shall mean a wet metric ton of 2,204.62 pounds (avoirdupois).
- (l) Moisture Content

The moisture content of all Copper Concentrates shipped pursuant to this Contract shall be within moisture limits specified for safe shipment in bulk carriers by the International Maritime Organization (“IMO”), and an appropriate certificate shall be furnished to the master of each Vessel prior to loading.

2. Contract Period

The term of this Contract shall commence on January 1st, 2023, and shall expire at midnight on December 31, 2025. If Shippers notify Carrier of their intention to extend this Contract for an additional Contract Year on or before June 30th, 2025, this Contract shall be automatically extended for an additional Contract Year and shall expire at midnight on December 31, 2026.

3. Contract Quantities; Allocation of Shipments; Moisture Content; Part Cargo; Sublet

3.1. Contract Quantities and Shippers’ Option to Allocate Shipments

YEAR 2023 MIN 200,000 WMT / MAX 300,000 WMT OF BULK CONCENTRATES

YEAR 2024 MIN 300,000 WMT / MAX 400,000 WMT OF BULK CONCENTRATES

YEAR 2025 MIN 350,000 WMT / MAX 450,000 WMT OF BULK CONCENTRATES

YEAR 2026 (OPTIONAL YEAR): MIN 350,000 WMT / MAX 450,000 WMT OF BULK CONCENTRATES

During the term of this Contract Carrier agrees to transport from the Loading Port to the applicable Port(s) of Discharge all quantities of Copper Concentrates supplied by Shippers, all in accordance with the terms of this Contract; provided, however, Carrier shall not be obligated to transport hereunder more than maximum quantity described above, of Copper Concentrates for any Contract Year.

In a given Contract Year, Shippers will ship cargo having at least the minimum WMT set forth below but not exceeding the maximum WMT set forth below, subject to the terms and conditions of this Contract.

For shipments to the Far East and/or Europe and/or India, the minimum per Contract Year is as per above detailed breakdown.

Subject to the terms and conditions of this Contract, Carrier is committed to carry up to the maximum quantity. Shippers intend, but are under no obligation, to ship up to the maximum quantity; however, Shippers, individually and/or collectively, are committed to ship the minimum quantity specified in this Contract.

3.2. Moisture Content

The moisture content of all Copper Concentrates shipped pursuant to this Contract shall be within moisture limits specified for safe shipment in bulk carriers by the IMSBC, and an appropriate certificate in customary form shall be furnished to the master of each vessel prior to loading.

3.3. Part Cargo

Cargo to be shipped as full or part cargo in Owners' option, however Charterers' cargo to be naturally separated by vessel's holds from any other cargoes loaded on the vessel. Any other part cargo to be loaded on same vessel and not to be limited to mineral concentrates but any kinds of cargo which the ship can safely load/discharge before or after the cargo under this contract. The rotation of load and discharge port(s) is in Owner' option. '

3.4. Sublet

Carrier has the right of subletting the whole or part of the cargo at any rate of freight without prejudice to this Contract, in which case Shippers and Carrier remain being bound to fulfill this contract.

4. Contract Scheduling – Declarations and Nominations

4.1. General Scheduling

Shippers shall endeavor to arrange but do not warrant that Copper Concentrates will be made available for shipment and carried on a fairly evenly spread. Subject to the further provisions of this Article 4.1, Shippers shall have complete discretion regarding the destination of all cargoes among the Ports of Discharge named in this Contract. The quantity of cargo transported on each Vessel shall be at Shippers' option, but shall not be less than twenty six thousand one hundred twenty five (10,000) WMT nor more than forty-eight thousand four hundred (58,000) WMT of

cargo except as mutually agreed upon.

4.2. Shippers' Declarations

The procedure for scheduling the shipment of each cargo is as follows:

Shippers will inform Carrier of their proposed tentative shipping schedule to Asia, India and Europe for each subsequent Contract Year as soon as the annual cargo program is completed for each Contract Year. Shippers will endeavor to have this available for Carrier's consideration before the end of November of the preceding year.

Monthly cargo declarations will be done according to the nomination clause:

Charterers will declare, 30 days prior to commencement of laycan, a 7 day laycan, load port, disport and cargo size.

Owners will nominate the intended performing vessel 15 days prior the first layday. Owners will have the option to substitute the pre-nominated vessel not later than 10 days prior to the first layday (within declared laydays) and such substitute not to defer more than 5 days from the estimated time of arrival ("eta") given from the previous nomination.

4.3. Carrier's Nominations

Carrier will nominate the intended performing Vessel 15 days prior the first layday. Carrier will have the option to substitute the pre-nominated Vessel not later than 7 days prior to the first layday (within declared laydays) and such substitute not to defer more than 5 days from the Estimated Time of Arrival ("ETA") given from the previous nomination.

Carrier shall by written notice to Shippers nominate a Vessel(s) for transportation of the cargo in question, such nomination to include the following:

- (i) a Vessel or Vessels (including a complete description thereof),
- (ii) Vessel's full itinerary from Vessel's present position at the time of nomination, including all ports of call prior to the Loading Port and after the Loading Port including names of such ports together with ETA's and Estimated Times of Departure to the best of Carrier's ability.

Particulars of the performing vessel, including itinerary, are subject to receivers' approval within two (2) working day of nomination.'

Should the Vessel not be ready to load (whether in berth or not) on or before midnight of the cancelling date, the Shippers have the option to cancel the cargo lifting, such option to be declared by Charterers, not later than 24 hours after Owners advising of vessel's delay beyond cancelling date. If the voyage is cancelled pursuant to this clause, the Shippers shall have the option to not provide the cancelled cargo to Carrier for purposes of transportation under this Contract or ship the cargo at a later stage in the Contract Year with the minimum quantity commitment.

Subject to the other provisions of this Article 4 relative to the quantity of cargoes to be transported, the master of each Vessel shall furnish the superintendent of the Loading Port with a loading plan as to the holds to be loaded and the sequence in which the master plans such holds to be loaded. The loading plan shall be based on the quantity of the cargo as declared by Shippers at the thirty (30) days' notice.

4.4. Failure to Nominate

In the event that Carrier shall not nominate a Vessel or Vessels to lift a declared cargo as provided above (a) at the option of Shippers, that shipment and quantity shall be canceled from this Contract, and Shippers shall have the option of shipping said shipment and quantity by another carrier, and (b) the notice periods of thirty (30) days with respect to the date of definite availability and quantity of the next cargo and of fifteen (15) days with respect to designation of ports shall each be reduced so as to allow for time lost by or other consequences to Shippers resulting from the failure of Carrier to lift the entire cargo originally declared. Carrier shall also be liable to Shippers for any and all damages or losses not exceeding the amount of freight for the voyage in question suffered by Shippers resulting from Carrier's failure to nominate or provide a Vessel or Vessels to lift a declared cargo hereunder.

5. Vessels

5.1. General Characteristics

Vessels nominated by Carrier for performance of this Contract shall have a maximum age of twenty (20) years and shall be self-trimming, single deck bulk carriers with engines aft having a minimum of three holds. The Vessels shall also have cranes of minimum fifteen (15) tons lifting capacity, and no centerline bulkhead or tween hatches/decks. Cranes must be suitable for grab and discharge. The Vessel's holds shall have hatch openings which are sufficiently wide to avoid abnormal trimming on loading and discharging. Vessels shall be fitted with self-opening and closing hatch covers. The Vessel nominated by Carrier for each shipment shall also satisfy all physical limitations and restrictions of the Port(s) of Discharge for that shipment including but not limited to those set forth on Exhibit "B" hereto.

Vessels are to be compliant with fuel oil sulphur content rules and regulations that apply within the countries and zones where the Vessel may trade under this Contract. Vessel may have non-collapsible stanchions in-line with crane pedestal which do not obstruct access to holds.

5.2. ISM Code; Class; P&I Club Entry; Seaworthiness; Additional Insurance

Carrier shall procure that upon tendering for each voyage at the Loading Port both the Vessel and "the Company", as defined in the International Safety Management Code (the "ISM" Code), shall comply with the requirements of the ISM Code. Upon request Carrier shall provide a copy of the relevant Document of Compliance ("DOC") and Safety Management Certificate ("SMC") to Shippers. In any event, Carrier shall supply Shippers with DOC certificate number and expiry date and, also the SMC certificate number and expiry date with every Vessel nomination under this Contract.

Except as otherwise provided in this Contract, losses, damages, expenses or delays caused by failure on the part of the Carrier or the Carrier as "the Company" (as defined above) to comply with the ISM Code shall be for Carrier's account.

Each Vessel upon tendering for each voyage at the Loading Port shall be classed +100A1 at Lloyd's Register of Shipping or equivalent classification society which is a full member (not an associate member) of the International Association of Classification Societies, shall maintain full P&I entry with a first class protection and indemnity association which is a member of the International Group, and shall, as far as due diligence can make her so, be tight, staunch, strong, seaworthy, and in every way clean, fit and safe for the reception, carriage and discharge of the Copper Concentrates to be transported hereunder. Additional insurance premiums, if any, on cargo by reason of a Vessel's flag, classification, management, ownership, age and/or condition at the time of loading

shall be for Carrier's account and shall be promptly reimbursed by Carrier to Shippers. Carrier guarantees that the minimum terms and conditions of employment of the crew of Vessels nominated under this Contract are and will remain so for the period of the Contract covered by a contract acceptable to the International Transport Workers' Federation ("ITF") or by a bona fide trade union agreement acceptable to the ITF. All performing Vessels shall have onboard valid ITF Salary Documents ("Blue Card") for inspection.

Vessels nominated under this Contract shall not be owned or controlled by companies domiciled in any countries subject to sanctions by the Office of Foreign Assets Control, U.S. Department of the Treasury or its successor agency, or by any other U.S. government authority.

5.3. Assurances Regarding Legal Compliance; Breakup; Trade Restrictions; Infestation; Wash Down and Waste Disposal; and Indemnity

Vessels nominated under this Contract shall not operate contrary to any law from time to time applicable thereto, including, but not limited to, the laws of Chile, Mexico, Peru, Spain, Germany, Sweden, India, Taiwan, Japan, South Korea and China and/or any state or political subdivision thereof. Any time lost and/or expense or claim incurred by Shippers as a result of the Carrier's breach of the foregoing shall be the sole responsibility of Carrier and shall be for Carrier's account.

Vessels nominated under this Contract shall not be intended for breakup and/or scrapping upon completion of the engagement under this Contract. Should any Vessel nominated under this Contract be sold for breakup and/or scrapping before she has completed discharge and its other obligations under this Contract, then Carrier agrees to pay whatever insurance penalty and/or charges that might be incurred by and/or assessed against Shippers.

Carrier agrees to comply with all U.S. laws and/or regulations, trade embargoes, trade sanctions or trade restrictions promulgated by the Office of Foreign Assets Control ("OFAC"), U.S. Department of the Treasury or its successor agency and/or by any other U.S. government agency. Carrier confirms that it does not appear on the U.S. OFAC list as a Specially Designated National ("SDN") and blocked person or whose property is blocked or with whom U.S. persons are prohibited from dealing under U.S. sanctions, laws and regulations. Carrier further confirms that it will not nominate a Vessel under this Contract which is owned, bareboat chartered, time chartered or voyage chartered by a person or entity that appears on the U.S. OFAC list of SDN's and blocked persons or whose property is blocked or with whom U.S. persons are prohibited from dealing under U.S. sanctions, laws and regulations. Carrier should refer to the current SDN list (website: www.treas.gov/offices/enforcement/ofac/sdn) to ensure compliance with this Article. If Carrier breaches this obligation it shall indemnify, hold harmless and defend Shippers, its parent company and other affiliates (the indemnitee) from and against all claims, proceedings, judgments, liabilities, fines, damages, losses and costs (including, but not limited to, lawyers' fees) incurred by the indemnitee, its parent company or their affiliates as a result of such breach.

Vessels nominated under this Contract shall have no sign of Asian gypsy moths, their eggs and/or larvae, plague or infestation. Should any problems arise from any Vessel being infected and/or rejected and/or delayed due to the presence of Asian gypsy moths, their eggs and/or larvae, plague or infestation, all additional costs and/or expenses to be borne by Carrier.

During or after completion of loading operations, Vessels nominated hereunder shall not wash down, hose down, use compressed air and/or sweep any cargo residue over side while the Vessel is at Loading Port. Vessels nominated hereunder must not throw overboard any debris or trash at Loading Port. Carrier shall notify the master and/or crew of this Article's requirements prior to the

commencement of loading and if the Vessel, master and/or crew fail to comply with the requirements of this Article, Carrier shall be responsible and liable for all costs and consequences.

Should Carrier time charter a Vessel to perform a shipment or shipments under this Contract, then Carrier shall exercise due diligence in checking the bona fides of any and all time, voyage or bareboat charterers leading back to the original owner of the Vessel in order to prevent any lack of performance by Carrier under this Contract.

5.4. Bunker Fuel Sulphur Content

Carrier, at its sole cost and expense, shall supply fuels of such specifications and grades to permit the Vessel, at all times, to comply with the maximum sulphur content requirements of any emission control zone when the Vessel is ordered to trade within that zone. Carrier warrants that any bunker suppliers, bunker craft operators and bunker surveyors used by Carrier to supply such fuels shall comply with Regulations 14 and 18 of MARPOL Annex VI, including the Guidelines in respect of sampling and the provision of bunker delivery notes. Carrier shall indemnify, defend and hold harmless Shippers in respect of any loss, liability, delay, fines, costs or expenses arising or resulting from Carrier's failure to comply with this Article

Carrier further warrants that:

- (i) the Vessel shall comply with Regulations 14 and 18 of MARPOL Annex VI and with the requirements of any emission control zone; and
- (ii) the Vessel shall be able to consume fuels of the required sulphur content when ordered by Shippers to trade within any such zone.

Shippers shall not be liable for any loss, delay, fines, costs or expenses arising or resulting from the Vessel's failure to comply with Regulations 14 and 18 of MARPOL Annex VI.

For the purpose of this Article, "emission control zone" shall mean zones as stipulated in MARPOL Annex VI and/or zones regulated by regional and/or national authorities such as, but not limited to, the EU and the US Environmental Protection Agency.

Additional fuel costs incurred by Carrier in purchasing low sulfur fuel oil in compliance with the requirements of this Article are subject to adjustment under Article 13 as may be mutually agreed upon in the future by Carrier and Shippers.

5.5. ISPS

Carrier warrants and shall procure that upon tendering for each voyage at the Loading Port, the Vessel, Carrier, and "the Company" (as defined by the International Code for the Security of Ships and of Port Facilities – "ISPS") shall comply with the requirements of the ISPS and the relevant amendments to Chapter XI of the International Convention for the Safety of Life at Sea ("SOLAS"). Upon request, Carrier shall provide a copy of the relevant International Ship Security Certificate (or the Interim International Ship Security Certificate) to Shippers. Upon request, Carrier shall also provide Shippers with the full style contact details of the Company Security Officer ("CSO") as defined by the ISPS.

Upon request, Shippers shall provide the CSO and the Ship Security Officer ("SSO")/Master with

their full style contact details and, where assignment is permitted under the terms of this Contract, shall ensure that the contact details of all assignees are likewise provided to the CSO and the SSO/Master. Furthermore, the shipper shall ensure that all assignments they enter into during the period of this Contract contain the following provision:

“The shipper shall provide Carrier with its full style contact details and, where assignment is permitted under the terms of the Contract, shall ensure that the contact details of all assignees are likewise provided to Carrier.”

Except as otherwise provided in this Contract, all loss, damage, expense or delay caused by failure of the Vessel, Carrier or Carrier as “the Company” (as defined by the ISPS) to comply with the requirements of this Article, the ISPS, or any related security requirements of ports or places called at or passed through, shall be for Carrier’s account and shall not be for the account of Shippers or any cargo shipped hereunder

Except as otherwise provided in this Contract, any loss, damage, expense or delay caused by the failure of Shippers to comply with its obligations under this Article shall be for the account of Shippers and shall not be for the account of Carrier or the Vessel.

5.6. Hatches

Opening and closing of the Vessel’s hatches at loading and discharging ports shall be performed by the Vessel’s crew on Carrier’s time and at Carrier’s expense unless prohibited by local labor regulations in which case such expense shall be for Shippers’ account. The master of each Vessel shall be responsible for covering the hatch of each cargo hold as soon as the loading of Copper Concentrates into such hold is completed and shall be responsible for covering all hatches when weather requires and when loading and discharging is finished for each day.

5.7. Discharge with Vessel’s Gear

So long as Carrier uses a Vessel fitted with self-discharging gear, Shippers shall have the option, declarable at any time prior to or during discharge, to require Carrier to use Vessel’s discharge gear, either with or without the assistance of shore gear. All cost to be for Shipper’s account.

5.8. Unsuitability for Grab Discharge

Shippers or Carrier shall have the right to appoint a mutually acceptable qualified independent marine surveyor to survey any Vessel at the discharging port or ports in order to determine the extent to which the Vessel may be suitable for normal mechanical grab discharge and the amount, if any, of additional discharge expenses resulting from such unsuitability and the determination of such surveyor shall be final and binding on the parties hereto. The reasonable cost of such survey and any extra expenses incurred in discharging Copper Concentrates due to unsuitability of the Vessel for normal mechanical grab discharge shall be for Carrier’s account and any time lost shall not count as Laytime or time on Demurrage.

5.9. Damage and Contamination.

Carrier shall not damage or contaminate any Copper Concentrates carried hereunder. Any damage

or costs incurred or sustained by any party as a result of damage to or contamination of Copper Concentrates shall be for Carrier's account and Carrier's sole responsibility. In the event any Copper Concentrates carried hereunder are contaminated and/or otherwise become damaged as a result of wood, splinters, dunnage, ballast water, salt water and/or seawater or any other foreign matter, the cost of cleaning and/or decontaminating such Copper Concentrates shall be the sole responsibility of Carrier and shall be for the account of Carrier, including, but not limited to, any and all loss of time, demurrage due to delays in unloading, costs of removing and/or handling any contaminated and/or damaged Copper Concentrates, and the cost of any contaminated and/or damaged Copper Concentrates.

6. Prosecution of the Voyages

6.1. Loading Port

Subject to the provisions of Articles 4 and 5, each Vessel nominated hereunder shall proceed with all reasonable dispatch to the Loading Port. Shippers guarantee a minimum salt water depth 14.00 meters at Matarani (Berth F) and 12.0 meters at Guaymas. Each Vessel nominated hereunder shall load, always afloat, the cargo of Copper Concentrates in bulk which is designated by Shippers.

6.2. Discharging Port

On being so loaded the Vessel shall proceed forthwith to one, two, three, four or five at Shippers' option declarable in accordance with Article 4, Port(s) of Discharge, one safe berth each port, always afloat, and there to be discharged, free of expense to Carrier, including discharge into lighters if required by Shippers, (with lightering at anchorage not to be construed as a second Port of Discharge), in the usual and customary manner, always afloat.

6.3. ETA Notices

The Carrier shall give the Shippers or their agent notices of the vessels E.T.A. at the loading/discharging ports at the following times prior to arrival:

- (i) the loading port namely fifteen (15) days, ten (10) days, seven (7) days, and seventy-two (72) hours, forty-eight (48) hours and twenty-four (24) hours.
- (ii) the discharging port on sailing from the loading port and at ten (10) days, five (5) days, and seventy-two (72) hours, forty-eight (48) hours and twenty-four (24) hours.
- (iii) new notice is to be given for each discharge port.

Any notice or request to be given under this contract shall be deemed to have been sufficiently given when delivered personally or when given by e-mail, facsimile, telex, telegram, cablegram, radiogram, or telephone. If the notice or request is made by telephone, it shall be confirmed by one of the aforementioned methods.

6.4. Cancellation

Should any nominated Vessel not be ready to load by the Cancellation Date for any reason whatsoever (including force majeure), Shippers shall, notwithstanding Article 4, have the option of canceling the voyage in question, such option to be declared by Charterers, not later than 24 hours after Owners advising of vessel's delay beyond cancelling date, and in the event of any such cancellation, Shippers shall have the right, in addition to any other rights it may have, to obtain alternative transportation for the cargo scheduled for the nominated Vessel. It is understood that if any Vessel nominated by Carrier in accordance with the provisions of Article 4.3 is lost or delayed for reasons beyond Carrier's reasonable control with the result that such Vessel cannot be tendered prior to the Cancellation Date, Carrier shall not be responsible for any consequence suffered by Shippers because of the loss or delay of such Vessel, except as specifically provided for in this Contract.

If the voyage is cancelled pursuant to this clause, Shippers shall have the option to not provide the cancelled cargo to Carrier for purposes of transportation under this Contract or ship the cargo at a later stage in the Contract Year with the minimum quantity commitment.

6.5. Trim Between Loading and Discharge Ports

Where cargoes are designated for more than one Port of Discharge, the quantities to be discharged at each port shall be such that the Vessel shall remain in seaworthy trim between ports.

6.6. Stevedores

All cargo shall be loaded and discharged including trimming out, at Shippers'/receiver's risk but free of expense to Carrier.

At the loading berth stevedores shall be nominated by Shippers to load via shiploader, or conveyor belt, and spout trim the cargo under the master's supervision to the extent required by the IMO Code of Safe Practice for Solid Bulk Cargoes.

At the discharging port or ports stevedores shall be nominated by the receivers of the Copper Concentrates. In case of stevedore boycott caused by the Vessel's crew and/or laws relating to the Vessel's flag, Laytime shall cease until such boycott is removed. (See also Clause 21 in case of Stevedore Damage to Vessel).

6.7. Pilotage

Carrier hereby acknowledges and agrees that Carrier shall be solely responsible for any and all claims or damages arising out of Carrier's and/or the Vessel's use of the foregoing pilotage services and arrangements. Accordingly, Carrier shall protect, defend, indemnify and hold harmless Shippers and their port operator (presently Tisur in Matarani and TPP in Guaymas), as well as each of their employees, from and against any claims, demands, suits, causes of action, losses and liabilities of every kind and character, without limit, as respects all personal injury, death, property damage, deductibles and uninsured repairs, in any way incident to, in connection with, or arising out of any such pilotage and/or pilotage services, unless caused in whole or in part by Shippers, their port operator and/or any pilots so provided.

6.8. Holds Cleaning

The Vessel's holds shall be broom swept clean by shore labor free of expense to Carrier upon completion of discharging.

7. **Freight**

Shippers shall pay ocean freight on cargoes transported under this Contract as hereinafter provided in this Article 7, and payment shall be made in the manner specified in Article 8.

The following freight rate(s) shall be applied to all Contract cargoes based on bill of lading quantity, but for rating purposes the cargo size declared by Shippers will be used to determine the applicable rate.

For purposes of determining the applicable freight rate, the year of the completion of loading shall be deemed to be the year of loading.

All Freight rates in this Contract are in US \$ per Wet Metric Ton payable on entire cargo.

8. **Freight Payment**

Ocean freight shall be calculated and paid on the Bill of Lading weight (according shore scale weight). Laytime statements including demurrage/despatch calculations will be settled promptly after completion of discharge. Ocean freight for Copper Concentrates transported to the Port(s) of Discharge, shall be paid by Shippers in U.S. Currency in New York, New York, as follows: (a) ninety-five percent (95%) on the basis of Bill of Lading quantity within ten (10) banking days after signing and release of Bills of Lading, and (b) the balance promptly after completion of discharge and on receipt of Carrier's invoice showing the ocean freight calculation and Laytime statements indicating demurrage/despatch calculations. All calculations shall be subject to Shippers' review and approval prior to Shippers' obligation to effect each payment. Ocean freight paid as provided above shall be subject to adjustment for any errors in calculation or for manifest error.

Commissions

9. **Deadfreight, Demurrage and Despatch**

9.1. Deadfreight

Any deadfreight which occurs on an individual voyage as a result of less cargo being available for loading than that quantity declared by Shippers under Article 4.2 shall be payable within thirty (30) days following the date such deadfreight has accrued at the rate per WMT applicable to that specific voyage.

9.2. Demurrage and Despatch

Shippers shall pay demurrage at the rates set forth below per day of twenty-four (24) consecutive hours or pro rata for parts thereof for all time that loading and discharging exceeds the allowed

Laytime as calculated in accordance with Article 9, and Carrier shall pay Shippers' despatch at one-half of such rate (fractions pro rata) for all Laytime saved at both loading and discharging port(s). The Bill of Lading weight in wet metric tons shall be used when calculating time allowable for loading and discharge.

The demurrage and dispatch rate for any split shipments shall be the applicable rate for the nominated (i.e., consolidated) declaration.

Carrier shall declare exact demurrage rate upon Vessel nomination for loading port, demurrage to be within the above Demurrage Rate Range indicated in the table.

10. Loading and Discharging Terms

10.1. Loading and Discharging Rates

(i) Loading Rates

Peru

The cargo is to be loaded and spout-trimmed at the average rate of ten thousand (10,000) wmt per weather working day of twenty-four (24) consecutive hours, Sundays and Holidays included.

Guaymas

The cargo is to be loaded and spout-trimmed at the average rate of seven thousand (7,000) wmt per weather working day of twenty-four (24) consecutive hours, Sundays and Holidays included.

Turn time at all loading ports shall be deemed to be twelve (12) hours unless sooner commenced in which case UU ATUTC AT LOADING PORT

The demurrage and dispatch rate for any split shipments shall be the applicable rate for the nominated (i.e., consolidated) declaration.

(ii) Discharge Rates

JAPAN: 3,000 WMT PWWD SHEX UU IU ATUTC

KOREA: 2,500 WMT PWWD SATSHEX UU IU ATUTC

CHINA: 2,500 WMT PWWD SATSHEX UU IU ATUTC

HUELVA: 6,000 WET METRIC TONS PER WWD SATSHEX UNLESS USED
IUATUTC

TUTICORIN: 4,000 WMT PER WWD SHEX UU IU ATUTC

DAHEJ: 4,500 WMT PER WWD SHEX UU IU ATUTC

BOURGAS: 3,500 WMT PER WWD SHEX UU IU ATUTC
BRUNSBUTTEL: 5,000 WMT PER WWD SHEX UU IU ATUTC

ALL DISPORTS: 12 HRS TURN TIME UNLESS SOONER COMMENCED, IU ATUTC

10.6. Notice of Readiness

General

Notice of Readiness ("NOR") to load or discharge shall be given in writing by the master, Carrier or its agent to the Shippers or their agents after the Vessel arrives at the Loading or Discharging Port, as applicable, and is ready in all respects to load/discharge the cargo.

If for any reason the Vessel fails to obtain pratique or is rejected for any reason, such time lost from failure until passing same will not count as Laytime.

Loading

NOR at the Loading Port shall be given in writing by the master or his agent to the Shippers or their nominated representative during ordinary office hours (08:00 to 18:00 hours from Monday to Friday and 08:00 to 12:00 hours Saturday) SHINC after the Vessel has arrived at the Loading Port, is in free pratique, has passed hold inspection, and is in every respect ready to load, with hatches uncovered and beams, if any, removed (provided such is permitted by the port authorities).

If the Vessel fails to hold inspection, time for cleaning, and any directly related extra expenses, including shifting time and expenses, will be for Carrier's account.

In the event the load berth is not available upon the Vessel's arrival, the Shippers will arrange hold inspection at anchorage or waiting berth.

Discharging

NOR to discharge at each port shall be given in writing by the master or his agent to the receivers or their nominated representative during ordinary office hours (0900-1700 hours Monday/Friday and 0900-1200 hours Saturday) after the Vessel has arrived at the Port of Discharge, is in free pratique and is in every respect ready with hatches uncovered and beams, if any, removed (provided such is permitted by the port authorities), whether the Vessel is in berth not.

10.7. Turn time

Turn time at both Loading and Discharging ports shall be deemed to be twelve (12) hours unless sooner commenced in which case actual time will be used to count.

10.8. Laytime

At the Loading Port, Laytime on Vessels shall commence 12 hours after the earlier of: (i) tender of written Notice of Readiness, whether in berth or not, and the Vessel is in all respects able to load or, (ii) the actual commencement of loading, provided that the Vessel has been found clean and suitable for loading by Shippers' representative, and in either case only such time prior to the expiration of the twelve (12) hours as is actually used for loading will count as Laytime. In the

event that Copper Concentrates are loaded following the loading of another cargo, Laytime shall commence two (2) hours after completion of the first parcel unless sooner commenced.

At any Port of Discharge, Laytime on Vessels shall commence 12 hours after the earlier of: (i) tender of written Notice of Readiness, whether in berth or not, and the Vessel is in all respects able to be discharged or, (ii) the actual commencement of discharging.

If local labor regulations at the Port of Discharge permit a Vessel's crew to perform such functions, the crew of the Vessel shall open and/or close hatches and remove and/or replace beams, and any time required to do so shall not count as Laytime. In the event that Copper Concentrates are unloaded following the unloading of another cargo, Laytime shall commence two (2) hours after completion of the first parcel unless sooner commenced or unless unloading of the first parcel is not completed during Normal Office Hours. If unloading of the first parcel is completed after Normal Office Hours, Laytime shall commence at 08:00 on the next working day unless sooner commenced. Laytime shall terminate upon completion of unloading.

10.9. Times to count and not to Count as Laytime

- (i) Waiting for a Berth - Time lost in waiting for a berth or at the request of the relevant port authority, moving on or off a berth or from one berth to another (except as provided in Article 6.4) shall count as Laytime used. However, if such request is due to any reason whatsoever attributable to the Vessel, time lost in moving on or off a berth or from one berth to another shall not count as Laytime used.
- (ii) Acceptance Prior or After Lay Days - If the Vessel is accepted for loading prior or after to her laydays then only such time prior or after to the Vessel's laydays as is actually used for loading will count as Laytime.
- (iii) Draft Surveys - At the Loading Port, draft surveys shall not count as Laytime or time on demurrage. In the event the master orders draft survey(s) taken at the Loading and/or Discharging Port(s) prior to completion, time spent for such survey(s) shall not count as Laytime or time on demurrage and any expenses shall be for the Carrier's account.
- (iv) Additional Hold Cleaning - The cargo shall be discharged and holds swept clean free of risk and expense to Carrier, but any additional cleaning shall be at Carrier's time and expense and shall not count as Laytime or time on demurrage.
- (v) Warping - Shifting by the Vessel's lines alongside the load/discharge berth(s), if required to accommodate the loading/discharging, shall be done at Carrier's risk and expense by the Vessel's crew, and time used for such shifting will count as Laytime or time on demurrage.
- (vi) Shifting from Anchorage - At the Loading Ports and Ports of Discharge, shifting time from anchorage to the berth will not count as Laytime or time on demurrage.
- (vii) In the event of deadfreight being incurred due to insufficient cargo being available, the Laytime allowed for loading and discharging shall be calculated on the basis of the quantity declared by the Shippers pursuant to Articles 4.2 and 7, and not on the basis of the actual quantity loaded.

(viii) Due to swell, if the Vessel has to shift off the loading berth and back to the same berth, one safe berth shall be deemed to have been used, shifting expenses from and back to the berth so incurred shall be for Carrier's account, and time so used shall not count as Laytime or time on demurrage unless vessel already on demurrage, in which case time to count in full.

(ix) Should the Vessel fail hold inspection and/or cargo survey, and if any additional cleaning is required, same to be for account of Carrier. Time lost for such additional cleaning shall not count as Laytime or demurrage.

(x) Time from 17:00 on the day preceding a national holiday as detailed in Section 6 until 08:00 hours the next working day shall not count as Laytime unless used, in which case actual time used will count as Laytime. Any further changes will be mutually agreed unless vessel already on demurrage, in which case time to count in full.

(xi) Weather.- At the Loading Ports and Ports of Discharge, any time lost due swell, rain or bad weather shall not count as Laytime or time on demurrage, (Including any waiting time for berthing) unless vessel already on demurrage, in which case time to count in full

(xii) Rain time, as indicated in the Statement of Fact, that reduces the working hours at any Ports of Discharge shall not count as Laytime or time on demurrage unless vessel already on demurrage, in which case time to count in full.

(xiii) Smelter Holidays at the Ports of Discharge, actual time will not count as Laytime during local smelter holidays, unless such time is used.

10.10. Suspension Due to Force Majeure Laytime shall be suspended and demurrage shall not accrue during any delays in loading or discharging due to Force Majeure as defined in Article 24, unless a Vessel is already on demurrage.

11. Strike or Damage to a Port

If the loading or discharge of a cargo of Copper Concentrates at the Loading Port or a Port of Discharge is affected by a strike or walk-out or by damage, whether from natural or other causes, to such Loading Port or Port of Discharge and the same has not been settled or repaired within forty-eight (48) hours, Shippers shall notify Carrier within twenty-four (24) hours after the expiration of such forty-eight (48) hour period, as to whether Shippers desire that (i) such Vessel wait until such strike or walk-out is at an end or such damage is repaired, or (ii) such Vessel proceed to an alternate safe port where it can safely unload the Copper Concentrates. Promptly upon receipt of such notice from Shippers, Carrier shall direct the Vessel to comply with Shippers' notice provided that the master of the Vessel judges such port to be safe. If the Vessel proceeds to wait at the port in question and loading or discharging is delayed beyond the expiration of Laytime, demurrage shall be payable by Shippers to Carrier at one-half the rate specified in Article 9.2. If the Vessel proceeds to an alternate safe port, there shall be no additional freight charge payable by Shippers unless the distance between the original Loading Port or Port of Discharge and the alternate port exceeds one hundred (100) nautical miles, in which event the additional freight in respect of the distance in excess of one hundred (100) nautical miles shall be payable by Shippers. Such additional freight shall be determined by calculating what the per nautical mile cost to Shippers would have been to ship the cargo from the Loading Port to the original Port(s) of Discharge (using the applicable freight rate provided for herein and converting such rate from a per WMT basis to a per nautical mile basis) and multiplying such per nautical mile cost by the number of miles in excess of one hundred (100) nautical miles between the original Loading Port or Port of Discharge and the alternate port. However, should the port charges at the alternative discharge port be higher than those contemplated at the original port, then such additional costs shall be for

Shippers' account; in the event of lower costs, Shippers shall receive the benefit.

12. Dues, Taxes, Wharfage, etc.

Shippers shall pay taxes and other similar charges on the cargo and/or freight (except for such taxes and other charges in Carrier's domicile), and the Carrier shall pay taxes and other similar charges on or measured by Carrier's income. Carrier shall pay all wharfage, dockage, pilotage, consulage, light dues, agency fees, entrance and clearance fees whether measured by the volume of cargo or not, towing or tug charges at Loading and Discharge Ports and all other dues usually paid by vessels. Carrier shall provide sufficient funds for Vessel's disbursements at Loading and Discharge Ports.

13. Fuel Adjustments

14. Carrier's Completion Cargo Privilege

Subject to the provisions of Article 4.2, any Vessel nominated hereunder by Carrier in accordance with Article 4.3 to transport completion cargoes after loading hereunder and prior to arrival at the Port of Discharge, the Vessel may, at Carrier's option, load lawful cargo or cargoes for other shippers and discharge the same at any one (1) port whatsoever whether such port is on or off the direct or customary route(s) to the Port of Discharge.

The foregoing right shall be subject to the following conditions:

- (i) that such cargo or cargoes loaded for other shippers shall not be loaded in the same holds as Shippers' Copper Concentrates, and
- (ii) that the voyage from the Loading Port to the Port of Discharge shall not be unduly delayed.

With regard to each Vessel nominated hereunder to transport a cargo of ten thousand (10,000) WMT or more of Copper Concentrates, Carrier shall have the same options described above subject to the provisions of Article 9.1 as well as the conditions described in subparagraphs (i) and (ii) above and also subject to obtaining Shippers' prior written approval which shall not be unreasonably withheld. The reasons which constitute a reasonable withholding of such approval by Shippers shall include but are not limited to the necessity for Shippers in their judgment to comply with the terms and conditions of their Copper Concentrate sales agreements with their customers located in Asia or with their trader customers shipping to such destinations.

Notwithstanding anything to the contrary recited elsewhere in this Agreement, Carrier shall not pursuant to the exercise of its rights under this Article or any other Article hereof, load a cargo aboard a Vessel following the loading of a cargo for Shippers hereunder, for the purpose of transporting such cargo: (i) to a port within a nation that is subject to sanctions by the Office of Foreign Assets Control, U.S. Department of the Treasury or its successor agency, or by any other U.S. government authority, or (ii) for any shipper, consignee, receiver or other entity that is domiciled in a nation that is subject to any such sanctions.

15. Bills of Lading and Other Cargo Documents.

All cargo documents including Bills of Lading are to be marked "Freight Payable as per Contract" and prepared by loading port agency designated by Shippers in accordance with mate's receipts and signed and released by Carrier locally within twenty-four (24) hours after presentation by Shippers. The form of the Bill of Lading which shall be utilized in the performance of this Contract

is attached hereto as Exhibit "C". If any other form of Bill of Lading is used, the terms contained in Exhibit "C" shall nevertheless be binding as between Carrier and Shippers. The master shall appoint the designated loading port agent with authority to sign such documents on his behalf as may be required by Shippers on the basis of FAX or email advices as to the loaded weight as determined at the Loading Port and at any rate of freight which Shippers or their agents may direct, without prejudice to this Contract. Shippers hereby agree to indemnify and hold harmless Carrier, the master and Vessels from all consequences that may arise from any incorrect information supplied by Shippers or their agents for insertion in such documents or from any irregularity in the papers supplied by Shippers or their agents or from complying with any orders of Shippers or their agents. In the event the Vessel arrives at the Port of Discharge but the originals of the Bill of Lading have not arrived timely for presentation, then Carrier will deliver any such cargo as per Shippers' request at the Port of Discharge without presentation of original Bills of Lading. In such event Shippers will present a Letter of Indemnity in the form attached hereto as Exhibit "D", subject to Head Owners approval and always in accordance with PNI club's standard wording. The Letter of Indemnity shall be sent by -Email to Carrier's office. In such event Carrier to provide Owners LOI form.

16. Clause Paramount

16.1. General

Every Bill of Lading for cargoes shipped under this Contract (the "Bills of Lading") shall be subject to the provisions set forth in Articles 19.2 through 19.10.

16.2. Bill of Lading Clause Paramount

It is mutually agreed that the Bills of Lading shall have effect and be governed by the provisions of the Carriage of Goods by Sea Act of the United States, approved April 16, 1936, which shall be deemed incorporated herein, and nothing herein contained shall be deemed a surrender by the Carrier of any of its rights or immunities or an increase of any of its responsibilities or liabilities under said Act.

16.3. General Average Clause

General Average shall be adjusted, stated and settled at New York, New York, U.S.A., according to York-Antwerp Rules, 2016 and subsequent amendments, if any, by adjusters appointed by Carrier and, as to matters not provided for by those Rules, according to the laws and usages at the Port of New York.

16.4. New Jason Clause

In the event of accident, danger, damage or disaster before or after the commencement of the voyage, resulting from any cause whatsoever, whether due to negligence or not, for which, or for the consequence of which, Carrier and/or the owners of the Vessels are not responsible, by statute, contract or otherwise, the goods, shippers, consignees or owners of the goods shall contribute with Carrier and/or the owners of the Vessels in general average to the payment of any sacrifices, losses or expenses of a general average nature that may be made or incurred and shall pay salvage and special charges incurred in respect of the goods.

If a salvaging vessel is owned or operated by Carrier and/or owners of the Vessels, salvage shall be paid for as fully as if said salving vessel or vessels belonged to strangers. Such deposit as Carrier and/or owners of the Vessels or their agents may deem sufficient to cover the estimated ~~contribution of the goods and any salvage and special charges thereon shall, if required, be made~~

by the goods, shippers, consignees or owners of the goods to Carrier and/or owners of the Vessels before delivery.

16.5. Both-to-Blame Collision Clause

If the Vessel comes into collision with another vessel as a result of the negligence of the other vessel and any act, neglect or default of the master, mariner, pilot or the servants of Carrier and/or the owners of the Vessels in the navigation or in the management of the Vessel, the owners of the goods carried hereunder will indemnify Carrier and/or the owners of the Vessels against all loss or liability to the other or non-carrying vessels or her owners insofar as such loss or liability represents loss of, or damage to, or any claim whatsoever of the owners of said goods, paid or payable by the other or non-carrying vessel or her owners to the owners of said goods and set-off, recouped or recovered by the other or non-carrying vessel or her owners as part of their claim against the carrying Vessel or Carrier and/or the owners of the Vessels.

The foregoing provisions shall also apply where the owners, operators or those in charge of any vessel or vessels or objects other than, or in addition to, the colliding vessels or objects are at fault in respect to a collision or contact.

16.6. War Risks and Liberty Clause

The master shall not be required or bound to sign Bills of Lading for any blockaded port or for any port which the master or Carrier and/or the owners of the Vessels in his or its discretion consider dangerous or impossible to enter or reach. As used herein, the term “shipper” shall mean Shippers, the consignee of the cargo and any holder of the Bill of Lading.

If the Vessel shall be prevented from discharging at the Port or Ports of Discharge named herein for any reason beyond its control, including but not limited to strikes, lockouts, labor disturbances, commercial congestion, or if any such port or ports be blockaded, or if owing to any war, hostilities, war-like operations, civil war, civil commotions, revolutions or the operation of international law (i) entry to any such Port of Discharge or the discharge of the cargo at any such port be considered by the master or Carrier and/or the owners of the Vessels in their discretion dangerous or prohibited or (ii) likely to give rise to undue delay or risk to the Vessel or cargo, or if it be considered by the master or Carrier and/or the owners of the Vessels, in their discretion, dangerous or impossible for the Vessel to reach any such Port of Discharge, the shipper shall have the right to order the cargo or such part of it as may be affected to be discharged at any other safe port of discharge provided such other port is not blockaded or that entry thereto or discharge of cargo thereat is not in the master's or Carrier and/or the owners of the Vessels discretion dangerous or prohibited. If in respect of a port of discharge no orders be received from the shipper within forty-eight (48) hours after it or its agents have received from Carrier and/or the owners of the Vessel a request for the nomination of a substitute port, Carrier and/or the owners of the Vessels shall then be at liberty to discharge the cargo at any safe port which it or the master may in its or his discretion decide on, and such discharge shall be deemed to be due fulfillment of this Contract so far as cargo so discharged is concerned. In the event, however, that the Vessel discharges the cargo at a port other than the Port of Discharge named herein, freight shall be paid as for the voyage originally designated and all extra expenses involved in reaching the actual port of discharge and/or discharging the cargo thereat shall be paid by shipper or cargo owners. In this latter event, Carrier and/or the owners of the Vessels shall have a lien on the cargo for all such extra expenses.

The Vessel shall have the liberty to comply with any directions or recommendations as to departure,

arrival, routes, ports of call, stoppages, destinations, zones, waters, delivery or in any otherwise whatsoever given by the government of the nation under whose flag the Vessel sails or any other government or local authority including any de facto government or local authority or by any person or body acting or purporting to act as or with the authority of any such government or authority, or by any committee or person having under the terms of the war risks insurance on the Vessel the right to give any such directions or recommendations. If by reason of or in compliance with any such directions or recommendations, anything is done or is not done such shall not be deemed a deviation.

If by reason of compliance with any such direction or recommendation the Vessel does not proceed to the Port or Ports of Discharge originally designated or to which she may have been ordered pursuant to the terms of the Bills of Lading, the Vessel may proceed to any safe port of discharge which the master or Carrier and/or the owners of the Vessels in their discretion may decide on and there discharge the cargo. Such discharge shall be deemed to be due fulfillment of this Contract and Carrier and/or the owners of the Vessels shall be entitled to freight as if discharge had been effected at the port or ports originally designated or to which the Vessel may have been ordered pursuant to the terms of the Bills of Lading. All extra expenses involved in reaching and discharging the cargo at any such other port of discharge shall be paid by shipper and/or cargo owners and Carrier and/or the owners of the Vessels shall have a lien on the cargo for freight and all such expenses.

16.7. P & I Bunkering Clause

The Vessel, in addition to all other liberties, shall have the liberty as part of the contract voyage and at any stage thereof to proceed to any port or ports whatsoever whether such ports are on or off the direct and/or customary route or routes to the ports of loading or discharge named in this Contract and there take bunkers in any quantity in the discretion of Carrier even to the Vessel's full bunker capacity, whether such amount is or is not required for the contract voyage.

16.8. Limitation of Liability

This Contract is not a personal contract, and nothing herein shall be construed to give rise to a personal contract. Carrier and/or the owners of the Vessels shall be entitled to the full benefit of all the rights and immunities and all limitations of, or exemptions from, liability in accordance with the United States Limitation of Vessel Owner's Liability Act (46 U.S.C. §30501 et seq., formerly 46 U.S.C. app. §183 et seq., as amended) and the General Maritime Law of the United States, which Act and Law are hereby stipulated by the parties to be applicable.

16.9. Liberties Clause

Subject to the Contract of Affreightment between Carrier and Shipper, the Vessel shall have liberty to call at any port or ports, in any order, for any purpose not inconsistent with Carrier's obligations hereunder, to sail with or without pilots, to tow or be towed and/or to assist vessels in all situations, also to deviate for the purpose of saving or attempting to save life and/or property. Salvage and/or towage shall be for the Carrier's sole benefit.

16.10. General Exceptions Clause

Neither Carrier nor Shipper shall be liable for loss or damage resulting from any failure or delay in performance hereunder due in whole or in part to any of the following causes: act, neglect, default, barratry of the master, pilots, mariners or other servants of Carrier in the navigation or management of the Vessel; fire, unless caused by personal design or neglect of the Carrier, collision; stranding, or peril, danger or accident of the sea or other navigable waters; act of God; act of war, act of public

enemies; pirates or assailing thieves; arrest or restraint of princes, rulers or people; seizure under legal process; strike or lockout or stoppage or restraint of labor, riot or civil commotion; explosion, bursting or boilers, breakage or shafts or any latent defect in hull, equipment or machinery or unseaworthiness of the Vessel caused by want of due diligence on the part of the Carrier to make the Vessel seaworthy or to have her properly manned, equipped and supplied.

17. Hold Harmless and Indemnity

It is the intention of the parties hereto that all risks, incidents, liabilities and claims ordinarily and generally insurable in the trade shall be and are insured against under the policies and entries of insurance provided for herein by the Carrier and/or the owners of the Vessels. It is also the intention of the parties hereto that all expenses, costs and fees to be incurred by and for the Vessels are either insured against under the aforementioned policies and entries or will be paid by the Carrier and/or the owners of the Vessels. However, it is expressly agreed that Carrier shall be fully responsible for all losses and liabilities arising out of the operations of the Vessels (except where specifically provided to the contrary in this Contract), and, consequently, Carrier shall protect, defend, indemnify and hold Shippers harmless from and against all claims, demands, suits, causes of action, losses and liabilities, of every kind and character, without limit, as respects all personal injury, death, property damage, deductibles, and uninsured repairs, in any way incident to, in connection with, or arising out of the performance of services in this Contract and regardless of fault and of who asserts such claims, demands, suits, causes of action, losses or liabilities, except as specifically provided to the contrary in this Contract.

18. Stevedore Damage

18.1. Notice of Damage

The master of each Vessel shall give written notice to stevedores and Shippers of any damage to the Vessel caused by personnel employed by and Shippers or under Shippers' direction or control and/or stevedores engaged in the loading at the loading berth or in discharging Copper Concentrates transported pursuant to this Contract. Such written notice shall state the date, location and cause of damage and shall be given on the date of the damage or, in case discovery of the damage on such date is impossible, as soon as practicable after the damage is discovered or reasonably could have been discovered by inspection but never later than completion of the loading at the loading berth or the discharging at the Port of Discharge, as the case may be, on the voyage when the damage is claimed to have occurred. Shippers shall have the right to conduct a survey for damage to the Vessel and her hatches and cargo compartments, time so lost as a result of any such survey to count.

18.2. Liability for Damage

Irrespective of the fact that stevedores shall be considered to be Carrier's servants, Shippers shall reimburse Carrier for any stevedore damage to the Vessels, and any time lost as a result of repairing such damage shall count, if such damage was caused by the sole negligence of stevedores in the loading at the loading berth or in the discharging at the Port of Discharge of Copper Concentrates transported pursuant to this Contract prompt written notice of such damage was given in accordance with Article 18.1, and Carrier and the Vessel owners have made every reasonable attempt to settle claims for such damage directly with the stevedores and have been unsuccessful in doing so. In no event shall Shippers be responsible for damage caused or contributed to by any breakdown or deficiency in Vessels' gear.

19. Liberties Clause

Subject to the provisions of Article 14, the Vessels have liberty to call at any port or ports, in any order, for any purpose not inconsistent with Carrier's obligations hereunder, to sail with or without pilots, to tow or to be towed and/or assist vessels in all situations, and to deviate for the purpose of saving or attempting to save life and/or property. Salvage and/or towage shall be for Carrier's sole benefit.

20. War Cancellation

Should Japan, North Korea, South Korea, the United States of America, Russia, China, the United Kingdom or France become involved in war or major warlike operations, and should such a war or warlike operations materially endanger the transportation of commodities by water along the routes to be used under this Contract, then either party shall have the right to cancel the affected port or ports from this Contract for so long as such war or warlike operations continue.

21. Force Majeure

Neither Carrier nor Shippers shall, unless otherwise in this Contract expressly provided, be responsible to the other for any delay or failure in performing hereunder arising or resulting from: an Act of God; act of war; insurrection; riot; embargo; perils of the seas; fire; explosion; earthquake; storm; mudslide or similar occurrence; tidal wave or similar disturbance; flood; drought; act of a public enemy; terrorism; civil unrest; pirates or assailing thieves; arrest or restraint of princes, rulers of peoples or seizure under legal process, provided bond is promptly furnished to release the Vessel or cargo; breakdown of machinery or facilities on board any Vessel or any of Shippers' equipment for more than three (3) days; breakdown of machinery or facilities including but not limited to shore loading and discharging equipment or Shippers' mining or milling equipment or facilities for more than three (3) days; transportation or handling difficulties; strike; lockout; work stoppage or other labor difficulty from whatsoever cause, either partial or general; law, act, order, proclamation, decree, regulation, ordinance, instruction or request of government or other public authorities, whether federal, state, local or foreign; judgment or decree of a court of competent jurisdiction; labor shortage or inability to obtain raw materials, operating materials, plant equipment or materials required for maintenance or repairs; any force majeure event under the terms of Shippers' Concentrate Sales Agreements with its Japanese and South Korean smelter customers or its trader customers delivering to such smelters which renders Shippers' performance hereunder impracticable; or any other contingency or delay or failure or cause of any nature beyond the reasonable control of Shippers or of Carrier, whether or not of the kind hereinabove specified (any such contingency, delay or failure being hereinafter called "force majeure"), preventing or hindering Shippers from shipping or Carrier from transporting the Copper Concentrates referred to herein. Prompt written notice to the other party shall be given by the party affected by such force majeure. Such notice shall specify that a force majeure event or condition exists and it shall include the relevant details including, if possible, an estimate of the duration of the force majeure. Any party invoking force majeure pursuant to this Article shall, upon termination of such force majeure, give prompt notice thereof to the other party. In the event of invocation of force majeure, the parties shall use their best efforts to mitigate the effect thereof.

Carrier shall not be required to order a nominated Vessel to proceed to the Loading Port on any voyage if at the time the Vessel would arrive at such Port either the Port of Loading or the Port or Ports of Discharge are subject to a force majeure, as defined above, which the parties estimate would prevent either Shippers or Carrier from performing hereunder for a period of more than three (3) days. In such event Carrier or Shippers may cancel the particular voyage unless Shippers declare that time will count as if there were no force majeure. In the event of a cancellation pursuant to this paragraph, Shippers shall have the right to designate substitute loading dates for the cargo when the force majeure has ended, and Carrier will use its best efforts to meet such substitute

loading dates. In the event of a force majeure occurring after a part cargo has been loaded, unless Shippers declare that time shall count as if there were no force majeure, Carrier may proceed with same and shall have the liberty to complete with other cargo, subject always to the provisions of Article 13, and Shippers shall pay freight on the transported quantity only. Notwithstanding anything to the contrary recited in this Article 20, in the event Shippers' ability to produce and/or deliver Copper Concentrates is hindered or reduced but Shippers are able to deliver some quantities of Copper Concentrates hereunder, Carrier will make Vessels available for performance hereunder to the extent requested by Shippers.

Both parties agree to use all reasonable efforts from time to time and at all times to prevent the occurrence of any event of force majeure, and to cause the termination of any event of force majeure that has occurred. Notwithstanding the foregoing, the settlement of labor disputes shall be entirely in the discretion of the party affected thereby and there shall be no obligation on the affected party to test or refrain from testing the validity of any order, regulation or law relating to such labor disputes.

22. Assignment

Shippers shall have the right to assign, transfer, set over and convey to a trustee (and its successors in trust) under any trust agreement or indenture, for the purpose of providing security for indebtedness incurred or to be incurred by Shippers, all right, title and interest which Shippers now have or which shall hereafter arise in, to and under this Contract, as amended or modified from time to time, and the trustee thereunder may further assign such rights and interests to an additional trustee or receiver as contemplated by the trust agreement or indenture. Carrier hereby agrees that, in the case of the occurrence of an event of default (as defined in the trust agreement or indenture), it will accept performance hereunder by the trustee thereunder, an additional trustee or a receiver. Any payments required to be made by Carrier in accordance with the terms of this Contract shall be made to the trustee or an additional trustee or a receiver, if so directed by the trustee, without any deduction, counterclaim or setoff other than adjustments contemplated by this Contract. Shippers will give notice of any such assignment to Carrier. Carrier agrees to execute and deliver all such instruments and other papers, and to do such other acts and things, as may be necessary or desirable to effect any assignment contemplated by this Article 22 and otherwise to accomplish the purpose of this Article. Shippers guarantee performance of all the terms of this Contract in the event that this Contract is so assigned. Carrier may not assign any of its rights or delegate any of its duties under this Contract without Shippers' prior written consent.

23. Lien

Carrier shall have a lien on the Copper Concentrates for earned freight, deadfreight and demurrage payable pursuant to this Contract. Shippers shall have a lien on the Vessel(s) for all monies owing by Carrier to Shippers and for all claims for damages arising from any breach by Carrier of this Contract.

24. Agents

Shippers shall nominate agents at the Loading Port. At each Port of Discharge the Vessels shall be consigned to agents nominated by Carrier, the Vessels paying current agency fees. Should Carrier experience any difficulties concerning agents nominated by Shippers, the parties hereto shall mutually confer in good faith in an attempt to rectify the situation.

25. Governing Law and Arbitration

This Contract shall be governed by the General Maritime Law of the United States, without reference to the laws of Peru or Mexico, or any state or political subdivision thereof, and shall be subject to the provisions of the United States Arbitration Act, 9 U.S.C. § 1, et seq. Any dispute arising out of or in connection with this Contract shall be arbitrated at New York City, New York by three persons, one to be appointed by each of the parties hereto and the third by the two so chosen. The decision and award of the arbitrators shall be binding and final and for the purpose of enforcing any such award, judgment may be entered on any award by any court of competent jurisdiction. All arbitration proceedings shall be conducted in the English language and shall be in accordance with the Maritime Arbitration Rules – Society of Maritime Arbitrators, Inc.

In cases where neither claim nor counterclaim exceeds the sum of fifty thousand U. S. Dollars (\$50,000.00) (or such other sum as the parties may agree) the arbitration shall be conducted in accordance with the Rules of the Society of Maritime Arbitrators, Inc. for Shortened Arbitration Procedure.

26. Permits and Authorizations

Each party hereto shall secure and maintain on a timely basis from all appropriate governmental authorities all permits and authorizations necessary to perform its respective obligations under this Contract. In addition, Carrier warrants that all Vessels nominated under this Contract will comply fully with all United States Federal water pollution statutes, rules and regulations. Carrier further warrants that Vessels will carry on board valid Certificates of Financial Responsibility as required by United States federal statutes, rules and regulations and will meet any other financial responsibility requirements of those federal statutes, rules and regulations. Any time lost due to Vessel not having such Certificates is not to count and any expenses flowing from same to be for Carrier's account. Carrier further guarantees to Shippers that it shall indemnify Shippers against all consequences whatsoever including, but not limited to, loss of time, and stevedore standby time, for any failure or inability to comply with the foregoing.

27. Termination and Default

Shippers, at their option, may terminate this Contract, without penalty or cost, by giving Carrier written notice, effective upon delivery at any time after:

- (i) Carrier (A) commences a voluntary case or proceeding under any applicable bankruptcy, insolvency or other similar law, (B) applies for or consents to the appointment of or taking possession by a receiver, trustee or liquidator of itself or of any substantial part of its property, (C) makes a general assignment for the benefit of creditors or (D) disposes of all or substantially all of its assets; or
- (ii) without the application, approval or consent of Carrier, (X) there shall have occurred entry of a decree or order (1) for relief by a court of competent jurisdiction in respect of Carrier in an involuntary case under any applicable bankruptcy, insolvency, or other similar law, (2) appointing a trustee, receiver, liquidator or the like of Carrier or of all or any substantial part of its assets, or (3) ordering the winding-up or liquidation of its affairs, and (Y) if such decree or order is being contested by Carrier in good faith, the same shall continue undismissed, or pending and unstayed, for any period of ninety (90) consecutive days.

Any such termination shall not affect any prior claim against Carrier that Shippers may have under this Contract.

Carrier, at its option, may terminate this Contract, without penalty or cost, by giving Shippers written notice, effective upon delivery, at any time after:

- (i) Any Shipper (A) commences a voluntary case or proceeding under any applicable bankruptcy, insolvency or other similar law, (B) except as contemplated under Article 21, applies for or consents to the appointment of or taking possession by a receiver, trustee or liquidator of itself or any substantial part of its property, (C) makes a general assignment for the benefit of creditors, or (D) disposes of all or substantially all of its assets; or
- (ii) without the application, approval or consent of Shippers, (X) there shall have occurred entry of a decree or order (1) for relief by a court of competent jurisdiction in respect of any Shipper in an involuntary case under any applicable bankruptcy, insolvency or other similar law, (2) appointing a trustee, receiver, liquidator or the like of and Shipper or of all or any substantial part of its assets, or (3) ordering the winding-up or liquidation of its affairs, and (Y) if such decree or order is being contested by any Shipper in good faith, the same shall continue undismissed, or pending and unstayed, for any period of ninety (90) consecutive days.

Any such termination shall not affect any prior claim against Shippers that Carrier may have under this Contract.

In addition to the foregoing, if at any time during the term hereof a party is in default in the performance of any of its material obligations hereunder, the other party may serve notice on the alleged defaulting party in writing, claiming such default and providing reasonable particulars thereof. If the party receiving the notice fails within thirty (30) days to cure the default, the other party may thereafter at any time so long as the default has not been cured, terminate this Contract by written notice to the defaulting party. If the party receiving a notice of default provides notice to the party claiming the default, reasonably and in good faith contesting such default, then the alleged defaulting party shall not be deemed in default and this Contract may not be terminated, until such time as the matter has been resolved either by agreement between the parties or by decision of an arbitration panel in accordance with the arbitration provisions hereof. Termination of this Contract for default shall not be in lieu of damages or other relief to which the non-defaulting party may be entitled.

28. Communications

29. Headings

The headings in this Contract are for purposes of reference only, and shall in no way limit or otherwise affect any of the terms or provisions hereof.

30. Confidentiality

It is understood the freight and demurrage rates reflected in this Contract shall be treated as private and confidential, except for disclosures required: (i) by applicable law or court order or the arbitrators hereunder, or (ii) under the rules of a stock exchange on which the shares of a party hereto or its affiliate are listed, or (iii) by Shippers in connection with the performance of their obligations under their concentrate sales agreements, and except for disclosures to employees, agents and consultants on a need to know basis.

31. Integration

ORIGINAL

This Contract is the entire agreement between the parties with respect to its subject matter and supersedes all prior agreements between the parties with respect thereto.

32. Guaranty

Carrier will simultaneously with its signing of this Contract cause to be signed and delivered to Shippers a Parent Guaranty from _____ as in the form and content of Exhibit "E".

33. Panama Canal Clause:

Any toll increases above 150,000usd for a handy and 200,000usd for supras/ultras to be compensated by charterers on a prorated basis.

In the case that the Panama canal closes then charterers have the option to take the cargo to other destination or pay for the deviation through Magellan straight.

IN WITNESS WHEREOF, the parties hereto have caused this Contract to be executed by their duly authorized representatives as of the day and year first written above.