Special Institute on

Mining Agreements:
Contracting for Goods and Services

Vancouver Marriott Pinnacle Downtown
Vancouver, British Columbia
September 23-25, 2015

Developing and operating a mine today involves expertise, finance, human capital, and goods from many countries. Contracting for mine-related goods and services can present complex legal and financial issues. This institute will address many of the contract-related matters that arise from development and operation of mines, with an emphasis on practical solutions from speakers who have faced these issues, as well as reviews of actual contracts.

Topics will include:
- Setting up the business in the host country
- Getting money, people, and goods in and out
- Laws regulating with whom and how you do business
- Contracting for a feasibility study
- Setting up and conducting a fair bidding process
- Engineering and construction agreements
- Mining services contracts
- Offtake agreements
- Financial assurance for environmental compliance
- Intellectual property and contracts
- Compliance programs

This institute will be useful to all segments of the mining industry, including in-house and outside counsel, mineral exploration and development personnel, government employees, and anyone involved in mine finance.

Optional Pre-Institute Mine Tour
Tuesday, September 22, 2015, 8:00 am – 5:00 pm

Join us for a tour of the Teck Resources Highland Valley Copper Mine, an open pit copper and molybdenum mine located in south-central British Columbia. Space is limited.

Interested? See the registration form or contact Frances Hartog: fhartog@rmmlf.org.

Course materials and audio recordings are available in various formats if you are unable to attend. See inside for details.
Mining Agreements: Contracting for Goods and Services

DAY 1: Wednesday, September 23, 2015

7:45 am - 8:45 am - Registration – Pinnacle Ballroom

8:45 am - 9:05 am
Introductions and Opening Remarks

STEVI A. M. WALTHER, Executive Director, Rocky Mountain Mineral Law Foundation, Westminster, Colorado
PHILLIP R. CLARK, President Elect, Rocky Mountain Mineral Law Foundation; Partner, Bryan Cave, Denver
XENNIA FORNO, Program Co-Chair; Partner, Rubio Leguía Normand, Lima
RALPH W. GODELL, Program Co-Chair; Attorney, Denver, Colorado

8:45 am - 9:05 am

9:05 am - 9:55 am
Let’s Begin at the End – Governing Law and Enforcement

Governing law clauses are not just boilerplate! The governing law determines what the contract legally means and how the contract will be interpreted by the parties and by any tribunal resolving disputes under it. It is critical to select the governing law yourself, or risk having a tribunal choose it for you, perhaps to your consternation. Further, negotiating the substantive terms of the contract prior to choosing the governing law is inadvisable—consider the difference between the common law's emphasis on objectively expressed intent and the civil law's on subjective intent. So choose the governing law early in the negotiations. Also, how will you enforce the result of a dispute under the contract? Where are the other party's assets that you will want to collect from? Will you be able to enforce an arbitral award there? What about a court judgment? From what court? Will that court have jurisdiction over the dispute? The answers to those questions will tell you a lot about what your choice of dispute resolution mechanism should be.

STEPHENVANTLE, Partner, Borden Ladner Gervais LLP, Vancouver

9:55 am - 10:45 am
Elements of an Effective Civil Code Sale of Goods Contract

The speakers will review a typical form of purchase and sale of goods agreement from a civil code jurisdiction, explaining the civil code approach to contracting, background legal principles, practical issues to anticipate, and how these may differ from the common law approach. The speakers will also address the applicability of the United Nations Convention on Contracts for the International Sale of Goods to such contracts, and factors as to whether it should or should not be disclaimed.

DANIEL P. ALTIKES, Director of Legal Services, Antofagasta Minerals, Toronto
MICHAEL J. BOURASSA, Partner, Fasken Martineau, Toronto

10:45 am - 11:00 am - Hosted Refreshment Break

11:00 am - 12:00 pm
Setting Up the Business in the Host Country

A mining company that wishes to explore or to acquire a project will have to analyze host country and home country laws to determine choice of entity. An out-of-country supplier to a project in the host country will also have to analyze whether and at what point it must permanently establish an entity in the host country. There are a number of considerations from the standpoint of international treaties that might affect structuring. Bilateral Investment Treaties and Treaties of Friendship, Commerce and Consular Rights and language to look for will also be discussed. Tax matters are complicated, non-intuitive, and unfair; however, if they are not considered at the front end of a contract, a company will have to live with the consequences, which may not be known until much later, and the price may be heavy. The panelists will respond to various contracting scenarios with comments and explanations of related taxation principles, including the concept of country source income, cross-border invoicing, and when activities in the host country rise to the level of doing business there.

MARK RUUS, Senior Vice President, Tax, Goldcorp Inc., Vancouver
D. SCOTT FARMER, Principal, Mining Tax Plan, Centennial, Colorado

12:00 pm - 1:40 pm - Lunch – On Your Own

1:40 pm - 4:30 pm
Panel on Money, People, and Goods – Getting What You Need In and Out of the Host Country

Moderator: RALPH W. GODELL, Attorney, Denver, Colorado
Panelists:
DAVID BICKERTON, Project Execution Manager, OceanaGold, Melbourne
MARTYN CREANEY, Project Advisor, Oceanagold Corporation, Brisbane
RASYMUNDO ENRIQUEZ, Partner, Baker & McKenzie S.C., Mexico City
RICARDO ESCOBAR, Partner, Bofill Escobar, Santiago

Getting Money Into and out of the Host Country

Mining companies and suppliers must determine whether to bring money in as capital or loans and whether to use formal or informal markets and various tax withholdings required on payments. The speaker will also address the internal and external agreements necessary to accomplish the desired flow of funds. A checklist of items to consider on this topic will be included.

Getting Your People and Contractors Into the Host Country

Both the mining company and out-of-country suppliers will have to determine how to bring employees and consultants into the country, as well as how to engage and hire local consultants and employees. The speaker will discuss various requirements for residency, visas, taxes, VAT withholding, and other issues.

Getting Goods Into the Host Country

From a North American supplier’s standpoint, compliance with export and trade regulations, including exceptional trade sanctions, will be examined. From the host country perspective, the importer must look at import restrictions and duties, customs clearance, and interaction with local procurement laws. Mexico will be used as the example. A checklist of items to consider on this topic will be included.
**Mining Agreements: Contracting for Goods and Services**

**3:10 pm - 3:30 pm**  
*Hosted Refreshment Break*

**3:30 pm - 4:30 pm**  
**Panel on Money, People, and Goods – Getting What You Need In and Out of the Host Country (Continued)**

**4:30 pm - 5:20 pm**  
**An Overview of Laws Regulating with Whom and How You Do Business**

Multiple U.S. and Canadian laws restrict the parties with which you can do business and how you conduct your business. Trade sanctions and other laws impact agents, facilitators, joint venture partners, banks, and others you might need as you enter a market. The speaker will address these controls and explain the intersection between laws designed to protect national security, foreign policy, and anti-terrorism interests and your prospective mining activities. A checklist of items to consider on this topic will be included.

J. TRIPLETT MACKINTOSH, Partner, Holland & Hart LLP, Denver

**5:20 pm - 6:20 pm**  
*Hosted Reception*

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**DAY 2: Thursday, September 24, 2015**

**8:45 am - 9:35 am**  
**Contracting for a Feasibility Study**

Ensuring a sound technical understanding of the extent and quality of an orebody is fundamental to making a decision to build a mine, to design and build, and to finance mine construction. The speaker will address the hot topics in contracts for the major works carried out at this stage of development. Major contracts, such as drilling and geotechnical contracts and consulting contracts for pre-feasibility and feasibility studies, will be examined. The speaker will discuss key features of contracts for pre-FEED and FEED work, which then form the basis for bidding on the EPC, EPCM, and other contracts, contractor selection, and use of novel process or technology.

SHAUN MESSER, Principal Counsel, Mining & Metals, Bechtel Corporation, Fortitude Valley, Queensland, Australia

**9:35 am - 10:25 am**  
**Setting Up and Conducting a Fair Bidding Process**

Ensuring market pricing for the construction of a multi-billion dollar mine depends upon a fair procurement process, and this usually involves going out to bid on various parts of the work. The speaker will address determination of the geographic market for the bids, setting up bids and requests for proposals, bid analysis, confidentiality/integrity of the bid process, and how to protect yourself from rigged bids. The speaker will also discuss potential claims of the second and third place bidders. Finally, local procurement laws will be addressed. A typical package of bid documents will be included.

JOSEPH P. HENNER, Partner, Kilpatrick Townsend, Atlanta, Georgia

**10:25 am - 10:40 am**  
*Hosted Refreshment Break*

**10:40 am - 11:30 am**  
**Engineering and Construction Agreements: Form of Contract**

There are EPC, EPC/m, EP and C, PCM, EPCM, fixed price, cost plus, and other forms of agreements. What are the differences and what are the drivers for the choice of contract form? What complications are there when multiple owners or a lender are involved? How will risk be allocated and managed under the contract? The speaker will address the various forms, with examples and current trends.

JOHN REYNOLDS, Managing General Counsel, Fluor Corporation, Greenville, South Carolina

**11:30 am - 1:00 pm**  
*Lunch – On Your Own*

**1:00 pm - 3:00 pm**  
**Engineering and Construction Agreements: Performance and Risk Issues**

Moderator: ANTHONY A. ZOOBKOFF, Senior Counsel, Teck Resources Limited, Vancouver

Panelists:
- ANDREW L. BUDDLE, Corporate Counsel, Teck Resources Limited, Vancouver
- JANICE WATTIS, Vice President Legal, Mining & Metals Americas, AMEC Foster Wheeler Americas Limited, Vancouver
- TONY CLARK, General Counsel, Graham, Calgary

**Assurance of Performance**

Mechanisms to ensure contract performance by the contractor include warranties, performance guarantees, completion guarantees, liquidated damages clauses, holdbacks, key personnel requirements, management tools such as progress meetings and updates on budget as spent, and other items. Sample contract provisions will be provided.

**Risk Allocation**

Both the client and the contractor are concerned with risk allocation, insurance, indemnities, warranties, defects correction, project delays, limitation of liabilities and carve outs (including abandonment), and incentive structures. Different perspectives and practical approaches to these issues will be discussed.

**3:00 pm - 3:15 pm**  
*Hosted Refreshment Break*
Mining Agreements: Contracting for Goods and Services

3:15 pm - 4:05 pm  
**Mining Services Contracts – the AMPLA Experience**

In response to member demand, in 2006 the Australian Mining and Petroleum Law Association (AMPLA) developed a generic Model Mining Services Contract for use between a mine owner and a contractor. It covers all or any part of mining operations from pre-contract assessment to mine development and operation through to closure and final rehabilitation. The Model also covers supply of specific plant and equipment and/or services by either party. The speaker was responsible for drafting the Model with the assistance of an expert Reference Group of mining lawyers and engineers. A Spanish translation and a French version amended for civil law are also available on the AMPLA website. The speaker will review this Model and some of the complex areas that are covered.

JOHN G. GRACE, Grace Legal Pty Ltd, Melbourne, Australia

4:05 pm - 4:55 pm  
**Offtake Agreements**

The speaker will review toll smelting agreements using copper sulfide concentrates as an example. Framework agreements and the annual negotiating sessions in the Far East where the smelters are located will be covered. Finally, the speaker will go through a typical sale/tolling agreement with emphasis on the range of commercial terms.

ERIK GOLDSILVER, Partner, Cassels Brock & Blackwell LLP, Toronto

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**DAY 3: Friday, September 25, 2015**

8:45 am - 9:35 am  
**Financial Assurance for Environmental Compliance**

Reclamation obligations and management of the property after mine closure can continue for many years. Various mechanisms are being developed for such management, including establishment of trusts and other entities to provide funding for water treatment, maintenance of retention structures, and other activities. Financial instruments to ensure performance of long-term obligations, such as trust funds, bonds, and letters of credit, will be discussed as well as what to do when these forms of financial assurance are not available in a particular locality due to legal or financial constraints. A generic agreement for management of a property by a trust with financial assurances will be provided and reviewed.

DAVID L. DEISLEY, Executive Vice President Corporate Affairs and General Counsel, NovaGold Resources Inc., Salt Lake City

ERIC B. FJELSTAD, Partner, Perkins Coie LLP, Anchorage

CAMERON LEONARD, Senior Environmental Counsel, Perkins Coie LLP, Anchorage

9:35 am - 10:25 am  
**Who Will Own the Technology? Intellectual Property and Contracts**

It is critical for a mining company to know whether it can practice a preferred technology in the host county or be able to stop others from practicing that technology. It is also important for the mining company to know who will own new technology and plans developed for it by suppliers to the project. The importance of including copyrights and derivative works will also be discussed. The presentation will discuss the Paris Convention for the Protection of Industrial Property and the Patent Cooperation Treaty and the differences between first-to-invent and first-to-file countries. The speaker will also address the importance of analyzing in which country the new technology should be developed. Finally, the speaker will address suggested provisions for ownership and right to use intellectual property in jointly owned companies or ventures, as well as clauses to include in supplier contracts.

DOUGLAS W. SWARTZ, Sheridan Ross P.C., Denver

10:25 am - 10:40 am  -  **Hosted Refreshment Break**

10:40 am - 11:40 am  
**Compliance Programs and Ethics Issues**

What does a mining company do with thousands of employees/contractors on site and goods/contractors being sourced from many different countries? The speaker will discuss the legislation from the U.S., the UK, Australia, Canada, and elsewhere, including the ABA Model Rules. Both government and commercial bribery will be reviewed, as well as issues from facilitating payments to familial relationships with government officials. The speaker will also discuss investigating bribery history of employees, contractors, and subcontractors; preventative procedures and contract clauses; and monitoring/auditing measures that may be taken. Suggested clauses for contracts addressing anti-corruption provisions will be included.

DIEGO VENEGAS, Director Ethics and Compliance, Goldcorp Inc., Vancouver

11:40 am  -  **Course Adjournment**
Teck Resources Highland Valley Copper Mine Tour

A scenic 200-mile drive from Vancouver, and five miles from the town of Logan Lake, is Teck’s Highland Valley Copper mine, which is the largest open-pit copper mine in Canada. The processing plant uses autogenous and semi-autogenous grinding to process on average 45 million tonnes of ore, annually. A state of the art flotation plant produces metal in concentrate form from the ore. Highland Valley Copper is a significant producer of copper and molybdenum concentrates that are marketed throughout the world. Water from mill operations is collected and contained in a tailings impoundment area, then reclaimed and reused in processing. Highland Valley Copper is committed to ensuring the safety of its people and upholding the highest environmental standards. One example of this is Trojan Pond, a former tailings pond at the site, which has been reclaimed into a thriving ecosystem and now hosts a charity fishing derby.

Travel to the mine will be by comfortable motor coach (approximately three hours), and will include a box lunch. At the mine site, the tour will continue by van, with some walking required.

– See registration form to sign up for the tour –
Can't attend? You can still order the course materials.

ORDER FORM

Rocky Mountain Mineral Law Foundation
9191 Sheridan Blvd., Suite 203
Westminster, CO 80031 USA
(303) 321-8100 / Fax (303) 321-7657

Name __________________________
Employer _______________________
Street Address (no P.O. boxes) ____________________________________________
City __________________________ State/Prov __________________ Zip/Postal Code __________
Country _______________________
Telephone (___) __________ Fax (___) __________
Email __________________________ Date __________
Purchase Order No. __________ Tax Exempt No., If Applicable __________

Course materials and audio for Mining Agreements will be available within 4 weeks after the program.

All registrants will receive a link to the online course materials. A hard copy manual is available to registrants for $75. See the registration form.

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Colorado Residents Add Sales Tax (see Colorado Sales Tax Chart)

Handling Charge (waived for digital materials only) + $11.00 per order

Outside U.S. and Other Services (see Shipping Information) + $ Federal Express Overnight

Bill my FedEx # __________________________

TOTAL $ __________________________

Colorado Sales Tax Chart
City-Westminster, County-Jeffco, RTD and State ...........................................8.35%
RTD and State ........................................................................................................4%
State of Colorado .................................................................................................2.9%

Shipping Information
Downloadable Items: No handling charge.
All other orders must add $11 per order for handling charges.
Domestic: Sent at no additional charge by FedEx Ground.
Canadian: Must add $30 per item.
International: Must add $65 per item.
FedEx Overnight: Please provide your FedEx number.

PAYMENT METHOD (Orders will not be filled until payment is received)

☐ Check drawn on a U.S. bank in U.S. Dollars (Payable to Rocky Mountain Mineral Law Foundation)
☐ VISA ☐ MasterCard ☐ American Express

Credit Card # __________________________ Name on Card __________________________
Exp. Date (month/year) __________ Signature __________________________

☐ Electronic Transfer: Contact the Foundation at info@rmmlf.org

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Please type or print legibly

Name __________________________________________

Badge Name (if different from above) __________________________

Employer __________________________________________

Employer Address _______________________________________

City/State/Zip __________________________________________

Phone (_________ )_________ Fax (_________ )_________

Attendee Email _______________________________________

(required for confirmations, advance registration list, and program updates)

Please check all that apply:

☐ Attorney    ☐ Landman    ☐ CPA    ☐ Management

☐ Consultant    ☐ Other (please specify): ________________

CLE credit requested for the following states: ________________

Other credit requested from: ___________________________

Please pay in U.S. Dollars

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1. Select your registration category
2. Select your course materials format
3. Select if you want to join the Mine Tour ☐ $75 - Mine Tour Ticket

*IRS tax-exempt status

Office Use Only

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AMT ________________
INIT ___________________

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VISA    ☐ MasterCard    ☐ American Express

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Signature __________________________________________

☐ Electronic Funds Transfer: Contact the Foundation at info@rmmlf.org

The Rocky Mountain Mineral Law Foundation is a non-profit, tax-exempt corporation (Tax ID #84-6037688).
Room Reservations: The Vancouver Marriott Pinnacle Downtown, 1128 West Hastings St., Vancouver, BC V6E 4R5, has blocked discounted rooms for this Institute until September 2 at the following rates (all rates are in Canadian dollars):

- Single/Double: $239/night (city view)
- Deluxe City View: $259/night
- Harbour View: $279/night
- Concierge: $299/night

Ask for special rates for Rocky Mountain Mineral Law Foundation registrants.

Reserve your room:

- Direct 800-207-4150; 604-684-1128
- Online http://tinyurl.com/rockym104

Book within the block for complimentary wireless Internet access in your hotel room and in the meeting room.

Trouble making room reservations? Contact us at info@rmmlf.org

Car Rental: Hertz is offering special discounts by referencing Meeting CV#03NJ0010 and Rocky Mountain Mineral Law Foundation. Make reservations at www.hertz.com or call 800-654-2240 (U.S.); 800-263-0600 (Canada); or 405-749-4434 (Int'l).

Registration Fees: Include course materials, refreshments, and hosted functions as listed in this brochure. These fees do not include hotel costs or transportation. Registrations will be accepted only when accompanied by a check, money order, government purchase order or training form, credit card information, or wiring information. No registrations can be processed without payment.

Recording: Audio and video recording of this course is not permitted without the express authorization of the Foundation.

Special Needs: If you have special needs addressed by the ADA, please notify us at least two weeks before the program.

Registration Cancellations: Refunds, less a $50 administrative fee, will be given for cancellations received by 3:00pm on Friday, September 4, 2015. No refunds will be given thereafter, although substitution of attendees may be made by contacting the Foundation. Cancellations must be made in writing or email to info@rmmlf.org. Registrants not entitled to a refund will receive a link to the written materials. For questions on refunds, complaints, and/or program cancellations, please contact our office at 303-321-8100.

CLE Credit: Foundation conferences are typically accredited by all mandatory CLE states and Canadian provinces, the AAPL, NADOA, and NALTA, and other professional organizations. Attorneys from certain states may be required to pay an additional fee. This course consists of approximately 14 hours of continuing education, including 60 minutes of ethics. You must let us know at least 30 days in advance of the conference the states or organizations for which you will need credit (see registration form). The Foundation is a State Bar of California MCLE-approved provider.

CPE Credit: Rocky Mountain Mineral Law Foundation is registered with the National Association of State Boards of Accountancy (NASBA) as a sponsor of continuing professional education on the National Registry of CPE Sponsors. State boards of accountancy have final authority on the acceptance of individual courses for CPE credit. Complaints regarding registered sponsors may be addressed to the National Registry of CPE Sponsors through its website: www.learningmarket.org. There are no prerequisites and no advance preparation is required to attend this course. The delivery method is Group–Live, and up to 17 CPE credits are available, including 1 ethics credit. The program level is “overview.”