

*Atlas Consolidated Mining and Development Corporation
Carmen Copper Corporation
And their Subsidiaries*

Alternative Dispute Mechanism Policy

This Policy establishes an alternative dispute mechanism to resolve disputes between the Corporation and Shareholders and third parties in an amicable and effective manner.

1. Purpose

The purpose of the mechanism is to minimize conflicts or differences among Shareholders; between the Corporation and Shareholders or third parties and to actively promote the resolution of disputes in a speedy and efficient means.

2. Dispute Resolution Principles

- 2.1 The parties shall act in good faith in order to achieve the genuine steps to resolving or clarifying disputes and reach an agreement through dispute resolution processes.
- 2.2 The disputes shall be resolved in the simplest and most cost effective way. Steps to resolve disputes shall be made as early as possible and be explored before court or other proceedings are initiated.
- 2.3 Parties under dispute resolution process shall show their commitment to the process by listening to other views and by putting forward and considering options for resolution.
- 2.4 Information on dispute resolution processes and what to expect from different processes and Alternative Dispute Resolution (ADR) Services may be provided if necessary.
- 2.5 Parties shall not be required or pressured to undergo dispute resolution if they believe it would be unfair or unjust. If unable to resolve the dispute and while litigation is discouraged, parties shall not be precluded from seeking relief from courts and other tribunals.
- 2.6 Dispute resolution processes shall be used consistently. Resolutions, agreements and settlements in writing and signed by the parties must be honored in good faith to promote such mechanism of settling disputes and to foster confidence in such system.

3. Alternative Dispute Resolution (ADR) Processes and Tools

- a. *Adjudication* - Parties are given opportunity to present evidence and arguments to an impartial and fact finder third party who has the power to render a binding decision, based on the objective of reasonably settling the controversy at hand.
- b. *Arbitration* - Parties mutually choose and accept an impartial third party who shall make a decision on the merits of the case after an informal hearing.
- c. *Conciliation* - Parties avail of an informal process where meeting face-to-face is not necessary, by proposing mutually acceptable terms before an impartial third party who is positioned between the parties as an

intermediary and usually convey the messages to both sides, to identify common ground and to eventually re-establish direct communications between the parties, and possibly achieve settlement.

- d. *Mediation* - Parties enter into a voluntary process that has emphasis on self-resolution of conflict, and may involve more than one impartial third party to reach an agreement. The mediator attempts to settle the dispute through active participation (maintaining the channels of communication, articulate the interests of each party, if appropriate, may advise or make recommendations on disputed issues) by finding points of agreement and make the parties agree on fair and acceptable results. All information disclosed in the course of mediation remains confidential.
- e. *Written Settlement Agreement* - Parties come to terms with each other and execute and sign an agreement. It is confidential except where the terms of the agreement expressly permit disclosure of part or all of its contents.
- f. *Negotiation or Compromise* - Parties use any form of communication, where they discuss their opposing interests without resorting to ADR or judicial processes and form a joint venture or agree to a concession to achieve and ultimately resolve the dispute between them.

4. *Unnecessary Litigation*

- 4.1 The Legal Department shall shield the Company from needless suits . It may incorporate ADR clauses in contracts.
- 4.2 Labor disputes shall be addressed at the earliest opportunity. Without prejudice to the existing Collective Bargaining Agreement, if any, the Legal Department and Human Resources Department shall protect the Company from unnecessary litigation and should resolve the issue at its inception.

5. *Miscellaneous*

This Policy shall be reviewed by the BOD annually. This Policy shall take effect when approved by the Board and shall apply prospectively.