

LICENSE AGREEMENT

THIS LICENSE AGREEMENT (this "Agreement") is made this 18th day of Sept., 2018, by and between **Freeport Minerals Corporation**, a Delaware corporation ("Licensor"), and the **City of Bisbee**, a political subdivision of the State of Arizona ("Licensee").

AGREEMENT

Subject to the terms and conditions set forth herein and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto state, confirm and agree as follows:

1. Grant of License.

Licensor hereby grants to Licensee a non-exclusive revocable license (the "License") to construct, operate, maintain, repair, replace and remove an above-ground storm water detention facility (collectively, the "Improvements"), upon the surface of that certain real property described on **Exhibit "A"** attached hereto and made a part hereof (the "License Property"), together with the right of reasonable ingress and egress to and from the License Property over that certain portion of Licensor's property designated by Licensor from time to time, solely for the purpose of allowing Licensee to construct, operate, maintain, repair, replace and remove the Improvements (the "Permitted Use"). Licensor shall have the right, upon at least six (6) months prior written notice, to require Licensee to relocate the Improvements within the License Property.

Licensee may trim, prune, or remove any trees or shrubs located over, upon or under the License Property that, in the reasonable judgment of Licensee, may interfere with the construction or endanger the operation of the Improvements. Licensor expressly reserves, without limitation, from the grant of the License over the License Property, the right and benefit for itself and any successors and assigns, all mineral and water rights, including the right to access and extract these without regard to the Improvements.

2. Term.

The term of this Agreement (the "Term") shall commence on the date of this Agreement and shall expire on the date on which is the earlier of (a) the date Licensee ceases to use the License Property for the Permitted Use, or (b) the tenth (10th) anniversary of the date of this Agreement. Following the initial ten (10) year Term of this Agreement, this Agreement shall automatically renew for ten (10) consecutive periods of one (1) year each unless; provided, however, Licensor shall have the right to terminate the License by providing Licensee with written notice of Licensor's desire to terminate the License at least twelve (12) months prior to the then scheduled expiration of the Term. Notwithstanding the foregoing to the contrary, if Licensee is in default of its obligations under this Agreement, Licensor shall provide written notice of the default and shall give Licensee an opportunity to correct the default within 30 days from the notice date. Should Licensee fail to correct the default within 30 days of the notice, Licensor may terminate the License upon written notice to Licensee. Upon the expiration of the Term or the earlier termination of this Agreement, Licensee shall, at Licensor's option, remove or abandon in place any under or above ground Improvements, at Licensee's sole expense, without damage or destruction to the License

Property, and Licensee shall return the License Property to substantially the same condition as existed prior to Licensee's entry upon and use of the License Property, reasonable wear and tear excepted. The obligations of Licensee contained in this Section 2 shall survive the expiration of the Term or termination of this Agreement.

3. No Implied Rights; No Representations or Warranties.

Notwithstanding anything herein to the contrary with respect to the Improvements and the License Property, Licensor makes no representations or warranties, express or implied, including representations as to the accuracy or completeness of the information shown on the Exhibits attached hereto (other than information related to the location of the License Property), and Licensee agrees to accept and use the License Property in "AS IS" "WHERE IS" and "WITH ALL FAULTS" condition and to bear all risks associated with the Improvements and the condition of the License Property. Licensee is entering into this Agreement and shall use the License Property based on Licensee's inspection and investigation of all matters pertaining thereto and not in reliance on any representation, warranty (including, without limitation, warranties of title or fitness for a particular purpose) or agreement of Licensor. Licensee agrees that the Improvements and License Property are subject to all existing easements, rights-of-way and other rights, including, without limitation, all matters of record and all matters that can be disclosed by a physical inspection and survey of the License Property.

4. Duties and Obligations of Licensee.

Licensee shall exercise reasonable care in its use of the License Property and shall, at the expense of Licensee, regularly inspect, maintain, repair and keep the License Property and Improvements, in a good, safe, clean and workmanlike condition. Licensee shall construct and maintain a chain link fence, at least six (6) feet in height, around the perimeter of the detention facility. Licensee shall comply with all applicable laws, rules and regulations, now in force and hereafter enacted, including, without limitation, all environmental, safety and health related laws and regulations, in connection with its use of the Improvements and License Property. Licensee shall repair and replace, at its expense, any present or future street, roadway, improvement, structure, building, fence, gate, landscaping or vegetation that is disturbed, destroyed or damaged as a result of Licensee's construction, maintenance, protection, repair, replacement or removal of the Improvements on the License Property. Licensee shall not construct any Improvements without Licensor's written approval of the plans and specifications for such Improvements. Licensee agrees, prior to constructing any Improvements, to provide Licensor with a copy of all plans and specifications for any Improvements to be constructed within the License Property by or on behalf of Licensee, as well as an "as built" map or survey of such Improvements following the completion thereof. In addition, Licensee shall obtain any and all necessary licenses, permits, approvals and right-of-way use permits from the applicable governmental entity, at Licensee's sole cost and expense, for installation of the Improvements on the License Property.

5. No Liens.

Licensee shall at all times keep and maintain the License Property free and clear of any and all liens, claims, demands, obligations, liabilities and causes of action arising out of or in any manner relating to any work, including construction and installation of Improvements and

maintenance and repair work, performed on the Improvements on the License Property for or on behalf of Licensee or arising out of the use of the License Property by Licensee and its guests, invitees, agents and employees. If any demand, claim, lien or cause of action is filed, asserted or made on, against or with respect to the License Property as a result of any of such work or use, Licensee shall cause such lien, demand, claim or cause of action to be dismissed, released, and discharged therefrom no later than ten (10) days thereafter or commence proceedings to dismiss, release and discharge within ten (10) days and diligently pursue such proceedings until completed.

6. Indemnification and Release.

To the extent permitted by law, Licensee agrees to indemnify, defend, protect and hold Licensor, its past, present and future corporate parents, subsidiaries, successors and assigns, and each of their past, present and future officers, directors, employees, partners, representatives and agents ("Indemnified Parties") harmless from, of, for and against any and all liabilities, claims, damages, demands, obligations, expenses, costs, including reasonable attorneys' fees and court costs, and causes of action resulting from, arising out of or relating to:

- a) the use, construction, maintenance, operation and repair of the Improvements of the License Property by Licensee and its guests, invitees, agents, contractors and employees;
- b) any equipment, lines, facilities, or other property placed or maintained on the License Property by or for Licensee; and/or
- c) any of Licensee's operations or activities or those of any employee, partner, agent, representative, elected officers, successor or assign of Licensee which result in damage or loss to other property, real and personal, including, without limitation, under and above ground utilities and facilities, owned by Licensor located near or adjacent to the License Property.

Licensee hereby releases and forever discharges the Indemnified Parties, of and from any and all liabilities, claims, obligations, causes of action, costs and expenses arising out of or relating to or in any manner based upon or related to Licensee's use of the License Property. Notwithstanding any of the foregoing, Licensee is not required to indemnify, defend, protect and hold harmless, release or discharge the Indemnified Parties if any such liabilities, claims damages, demands, obligations, expenses, costs, including attorneys' fees and court costs or causes of action result from, arise out of or relate to the gross negligence of Licensor or other Indemnified Party. The obligations contained in this Section 6 shall survive the expiration or termination of all or any portion of this Agreement.

7. Environmental Issues.

Licensee shall comply, and shall cause all of its employees, agents, representatives, contractors, invitees and other third parties to comply, with all applicable federal, state and local laws, statutes, rules, ordinances, codes and regulations applicable to the License Property at any time, relating to environmental protection, public health and safety, nuisance or menace, including, but not limited to, the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C. § 9601-et seq., and its state and local counterparts presently in effect or

amended or promulgated in the future (collectively, "Environmental Laws"). Licensee expressly warrants, represents and agrees that no Hazardous Substances (as hereinafter defined) will be released or disposed of on, under, or about the License Property, either by Licensee or any of its employees, agents, representatives, contractors, or invitees. "Hazardous Substances" shall mean any substance, material, pollutant, contaminant, or waste, whether solid, gaseous or liquid, that is infectious, toxic, hazardous, explosive, corrosive, flammable or radioactive, and that is regulated, defined, listed or included in any Environmental Law, including, but not limited to, asbestos, petroleum, or petroleum additive substances, polychlorinated biphenyls, urea formaldehyde, or waste tires. Licensee shall not, and shall cause all of its employees, agents, contractors, invitees and other third parties to agree not to, bring onto the License Property any Hazardous Substances without the prior written consent of Licensor, and further agrees not to generate, handle, use, store or treat any Hazardous Substances on the License Property.

To the extent permitted by law, Licensee shall indemnify, defend, protect and hold the Indemnified Parties, harmless from and against any and all losses, damages, liabilities, claims, lawsuits, agency orders, reasonable attorneys' fees, costs, expenses, fines, penalties or response costs, including any claims asserted under Environmental Laws, asserted against any of the Indemnified Parties by any entity or individual, arising out of or in connection with the use of the License Property, or for the breach of any covenant contained in this Agreement by Licensee. The obligations contained in this Section 7 shall survive the expiration or termination of all or any portion of this Agreement.

8. Environmental Notification.

Licensee and its employees, agents, representatives, contractors, invitees and other third parties shall promptly notify Licensor upon becoming aware of: (i) any release or threatened release of a Hazardous Substance under, on, from or about the License Property; (ii) any proceeding, inquiry or notice from any federal, state or local body, commission, council, board or authority or others with respect to the use or presence of any Hazardous Substances on the License Property, or the migration thereof to or from other property; and (iii) all claims made or threatened by any third party against the License Property relating to loss or injury from any Hazardous Substance.

9. Insurance.

Licensee shall obtain and maintain during the Term of this Agreement the insurance coverage described on **Exhibit "B"** attached hereto (the "Insurance Requirements"), which shall name Licensor as an additional insured by endorsement, which Licensee shall pay for at its sole cost and expense. Licensor reserves the right to annually evaluate and adjust the Insurance Requirements with at least thirty (30) days prior written notice to Licensee, upon receipt of which Licensee shall obtain within thirty (30) days of receipt of the written notice the newly specified amounts of the Insurance Requirements without further demand.

10. Assignment.

This Agreement and the rights of Licensee hereunder shall not be transferred or assigned in any manner without the prior written consent of Licensor, which may be withheld by Licensor

in its sole and absolute discretion. Any assignment without advance written notice and Licensor's written approval shall be null and void and shall result in the immediate termination of this Agreement unless such assignment is previously approved in writing by Licensor. Any such assignment shall require the assignee to be obligated by the terms and conditions of this Agreement and shall not release Licensee of its liabilities and obligations under this Agreement.

11. Fees and Costs.

If either party to this Agreement shall institute suit against the other to enforce its rights under this Agreement or to seek damages by reason of a breach of this Agreement and obtain a valid judgment against the other, the prevailing party shall be entitled to receive all reasonable attorneys' fees, witness fees (including expert witness fees) and other litigation-related expenses incurred, with the attorneys' fees to be fixed by the judge of the court of the applicable jurisdiction, sitting without a jury.

12. Time of Essence.

Time is of the essence of this Agreement.

13. Governing Law.

This Agreement shall be governed by the laws of the State of Arizona. Any action, claim, dispute or litigation arising under this Agreement shall be brought and maintained in the Superior Court of Arizona in and for the County of Cochise.

14. Notices.

Any notice, demand, request, consent, approval or other communication which any party is required to or desires to give or make to the other party shall be in writing and shall be given by delivery in person, by telecopy or by postage prepaid, registered or certified mail, return receipt requested, addressed as follows:

If to Licensor:

FREEPORT MINERALS CORPORATION
Attn: Site Manager
36 West Highway 92
Bisbee, Arizona 85603

With a copy to:

FREEPORT MINERALS CORPORATION
Attn: Property Manager
333 N. Central Avenue
Phoenix, Arizona 85004

If to Licensee:

CITY OF BISBEE
1415 Melody Lane, Building G
Bisbee, Arizona 85635
Attn: Public Works Director or Operations Manager

15. Rights Reserved by Licensor.

Licensor and its agents, employees, tenants, contractors, invitees, licensees, and representatives, successors and assigns (collectively "Licensor's Permittees") shall have the right to use and occupy the License Property for any and all purposes, including, without limitation, ingress and egress, the operation, maintenance, construction, relocation, repair of any other utilities on the License Property, and the placement of any structures upon and within the License Property, provided that such other utility easements and structures constructed by Licensor and Licensor's Permittees do not hinder, conflict or cause detriment to Licensee's facilities, create a safety hazard or otherwise unreasonably interfere with Licensee's use of the License Property.

Licensor reserves the right to require Licensee to relocate the License Property and/or the Improvements to another area of Licensor's property, at Licensee's sole cost and expense, with the location selected by the mutual agreement of the parties. Licensor shall provide Licensee with thirty (30) days prior written notice of Licensor's desire to exercise this option.

16. Termination of Licensor's Liability.

Licensor shall not be liable for any matter occurring or obligation arising hereunder after conveyance and assignment of all its rights, title and interest in and to the License Property.

17. No Dedication.

Nothing in this Agreement shall be construed to create a public dedication or conveyance to the public or to any governmental agency or to any third party or to give any party other than Licensee and its successors and assigns any rights hereunder.

18. Counterparts.

This Agreement may be executed in any number of counterparts, each of which shall be deemed an original and all of which when taken together shall constitute one instrument.

19. Statutory Requirements.

This Agreement or License is subject to termination pursuant to ARS § 38-511. The Parties agree that they are not currently engaged in, and agree that for the duration of the Agreement they will not engage in, a boycott of Israel, as the term is defined in ARS § 35-393.

IN WITNESS WHEREOF, the parties hereto have executed this License Agreement the day and year first herein above written.

LICENSOR:

FREEMPORT MINERALS CORPORATION,
a Delaware corporation

By: WR Cobb
Name: William E. Cobb
Its: Vice President

LICENSEE:

CITY OF BISBEE,
a political subdivision of the State of Arizona

By: _____
Name: David Smith
Its: Mayor

IN WITNESS WHEREOF, the parties hereto have executed this License Agreement the day and year first herein above written.

LICENSOR:

FREEPORT MINERALS CORPORATION,
a Delaware corporation

By: _____
Name: _____
Its: _____

LICENSEE:

CITY OF BISBEE,
a political subdivision of the State of Arizona

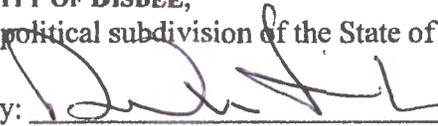
By:  _____
Name: David M. Smith
Its: Mayor

Exhibit "A" (Legal Description)

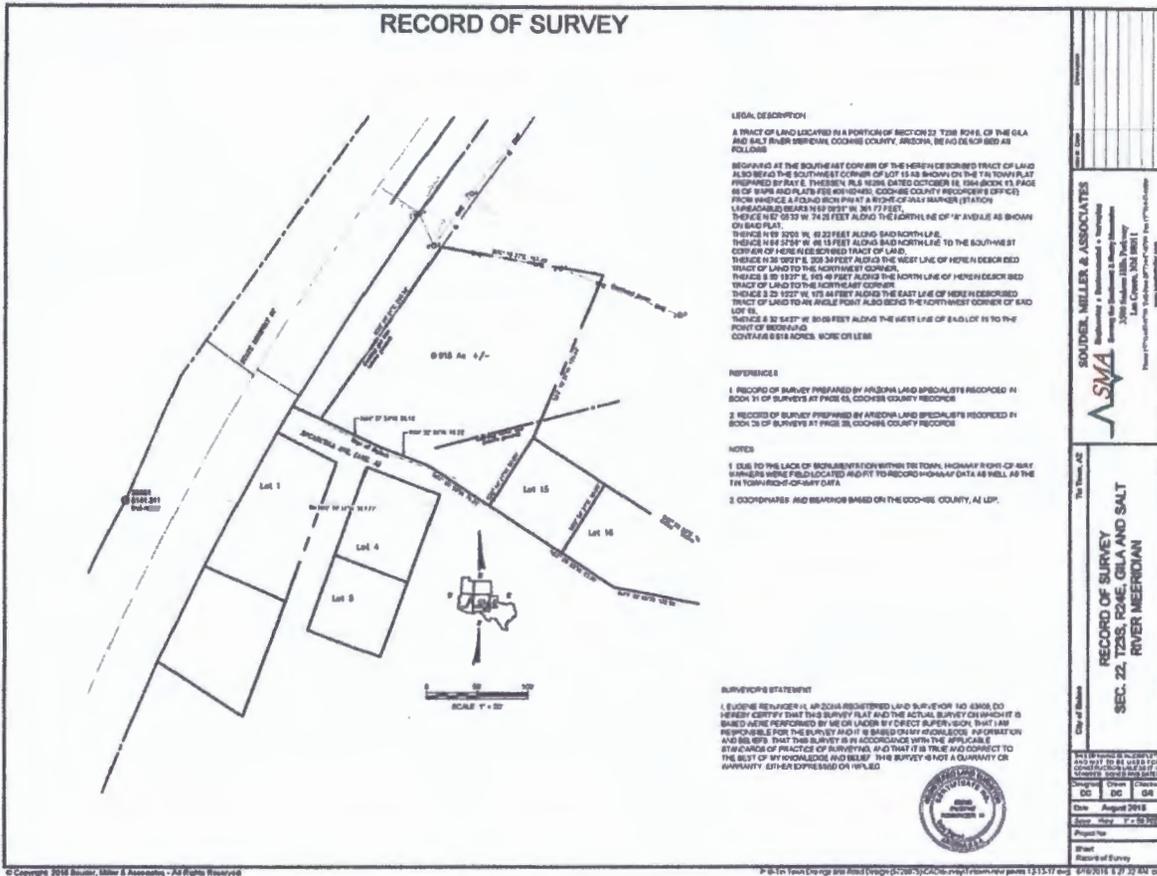


Exhibit "B"
(Insurance Requirements)

Licensee shall continuously maintain the following minimum insurance coverage during the Term of the Agreement and at any other time that Licensee or its agents, employees and contractors enter, or perform activities on the License Property:

1. Commercial general liability insurance coverage, (at least as broad as comprehensive general liability insurance coverage), with a broad form comprehensive general liability endorsement of single limits of no less than \$2,000,000.00 per occurrence, and aggregate limits of no less than \$2,000,000.00, for bodily injury, death, personal liability and property damage liability on a claims-made basis.
2. Automobile and liability insurance covering owned, non-owned, leased and hired vehicles with combined single limits of no less than \$1,000,000.00 per occurrence of bodily injury, death, and property damage liability on a claims-made basis.
3. Worker's compensation insurance in the statutory amounts for the State of Arizona and employer's liability insurance with limits of not less than the applicable State of Arizona statutory minimums or \$100,000/\$100,000/\$500,000, whichever is greater.

The insurance policies shall contain no exclusions or limitations with regard to explosion, collapse or underground hazard coverage. The insurance policies shall name the Indemnified Parties as an additional insured. The policies shall state that Licensee's coverage is primary. All the insurance policies shall contain an endorsement providing that written notice by certified mail, return receipt requested shall be given to Licensor at least thirty days prior to termination, cancellation, non-renewal or modification or reduction of coverage of any policy. All insurance policies shall contain a contractual liability endorsement covering Licensee's liability under this Agreement and all contracts entered into by Licensee to insure Licensee's indemnity obligations and other insurable provisions of this Agreement. The insurance policies shall contain no co-insurance provisions. Licensee shall require Licensee's insurance carrier to waive its right of subrogation as to Licensor and the other Indemnified Parties.