

RESOLUTION OF THE PAPAGO TRIBAL COUNCIL
(Authorizing Temporary Reduction In)
(Payment of Advance Royalty by Noranda)

Res. No. 117-84

- 1 WHEREAS, the Papago Tribe did enter into a mining lease ("Lease") on April 1,
2 1979, with Noranda Exploration, Inc., Construct No. H50C14201257,
3 subsequently assigned to Noranda Lakeshore Mines, Inc. ("Noranda")
4 for the exploration, developing, mining, producing and marketing
5 of all minerals (excluding oil, gas and other hydrocarbons) at
the Lakeshore Mine; and
- 6 WHEREAS, the Lease provides for the payment to the Tribe of advance royalties
7 of \$160,000.00 each month, which advance royalty may eventually be
8 recouped from production royalties produced from the sale of mined
minerals; and
- 9 WHEREAS, Noranda has been developing and operating the Lakeshore Mine since
10 April 1, 1979, and has paid the Tribe in excess of Eight Million
11 Dollars (\$8,000,000.00) in advance royalties, which are being allocated
12 pursuant to Ordinance No. 13-82 fifty-five percent (55%) to the
Papago Tribe, three percent (3%) to Sif Oidak District, and the
balance of forty-two percent (42%) to the various Districts; and
- 13 WHEREAS, the copper market has been and continues to depressed condition,
14 and Noranda has incurred operating losses at the Lakeshore Mine
15 in excess of fifty million dollars (\$50,000,000.00) since the start
of its mining operations; and
- 16 WHEREAS, Noranda has asked the Tribe for some relief from its obligation to
17 make advance royalty payments in order to permit it to continue the
18 operation at the Lakeshore Mine; and
- 19 WHEREAS, the Lease provides that Noranda may terminate the Lease at any time
20 by giving the Tribe 120 days' notice, upon the payment of all rentals,
royalties and other obligations due under the Lease; and
- 21 WHEREAS, the various District Governments are dependent upon the preservation
22 and continuation of Noranda's mining activities to provide the
23 Districts primary source of income and if Noranda terminates its
24 mining activities, the Districts' primary source of income will
also be terminated; and
- 25 WHEREAS, on November 29, 1982, and on December 8, 1983, the Papago Council
26 by Resolutions No. 144-82 and No. 190-83 approved the deferment of
27 \$60,000.00 in the monthly payments of advance royalties due the
Papago Tribe under the terms of Noranda's Lease that commenced
28 May 1, 1983, and is scheduled to end September 30, 1984, upon the
29 condition that such deferment shall be deducted from the share of
30 mining royalties allocated for deposit to the general account of
the Papago Tribe under the provisions of Section 1 (b) (1) of the
31 Ordinance for the Distribution of Mining Proceeds, Ordinance No. 13-
82; and
- 32 WHEREAS, the copper market has continued to be in a depressed condition and
all copper mining companies in this country are either shut down or

1 are in a very limited production schedule to minimize losses; and
2 WHEREAS, on the 10th day of May, 1984, the Tribal Council enacted Resolution
3 No. 80-84, wherein it approved a continued deferment of \$60,000.00
4 in the monthly payments of advance royalties due the Papago Tribe under
5 the terms of Noranda's Lease until September 30, 1985; and
6 WHEREAS, based upon additional information and after further consideration,
7 the Papago Council has determined that it would be in the best in-
8 terest of the Papago Tribe that Resolution No. 80-84 be rescinded and
9 that Noranda be granted a temporary reduction in royalty payments
10 commencing September 30, 1984, and continuing until September 30, 1985.
11 NOW, THEREFORE, BE IT RESOLVED by the Papago Council that it does hereby approve
12 a temporary reduction of \$60,000.00 in the monthly payments of advance
13 royalties due the Papago Tribe under the terms of Noranda's Lease
14 commencing September 30, 1984 and continuing until September 30, 1985
15 and does hereby authorize execution of any necessary amendments or addenda
16 thereto reflecting such temporary reduction, upon the term and condi-
17 tion that in the event of termination or surrender of the Lease for
18 any reason by Noranda prior to the end of the primary term of the
19 Lease, but only in such event, Noranda shall pay the Tribe, in
20 addition to any rentals, royalties or other obligations then due under
21 the Lease, a sum equal to the total amount of deferred royalties due
22 the Tribe from May, 1983 through September 1984.
23 BE IT FURTHER RESOLVED that prior to September 30, 1985, the Papago Tribal
24 Council will, consider to a written request by Noranda, an
25 extension of this reduction in the monthly payment of advance royalties
26 due the Tribe if there still exists, at that time, a depressed copper
27 market.
28 BE IT FURTHER RESOLVED that the Chairman, Mining Committee and other appro-
29 priate officers and agents of the Papago Tribe continue to cooperate
30 negotiate and take any further action necessary for the preservation
31 and continuation of Noranda's mining activities, provided that any
32 further changes, modifications or addendums to Noranda's Lease must
 be first approved by this Council.
BE IT FURTHER RESOLVED that any reductions in advance royalty payments result-
ing from any such reduction and amendments or addenda to the Lease in
accordance with the provisions of this Resolution shall be deducted
from the share of mining royalties allocated for deposit to the
general account of the Papago Tribe under the provisions of Section 1
(B) (1) of the Ordinance for the Distribution of Mining Proceeds,
Ordinance No. 13-82.

1 BE IT FURTHER RESOLVED that Resolution No. 80-84 is hereby rescinded.

2 The foregoing Resolution was duly enacted by the Papago Council on the 7th
3 day of June, 1984, at a meeting at which a quorum was present with a vote of
4 1231.5 for; 155.0 against; 53.5 not voting; and -0- absent, pursuant to
5 the authority vested in the Papago Council by Section 3 (1) of Article V of
6 the Constitution and By-laws of the Papago Tribe of Arizona as amended, ratified
7 by the Papago Tribe on December 12, 1936, and approved by the Secretary of the
8 Interior on January 6, 1937, pursuant to Section 16 of the Act of June 18, 1934
9 (48 Stat. 984). Said Resolution is effective as of the date of its approval
10 by the Superintendent of the Papago Agency and is subject to review by the
11 Secretary of the Interior.

THE PAPAGO COUNCIL

Josiah Moore

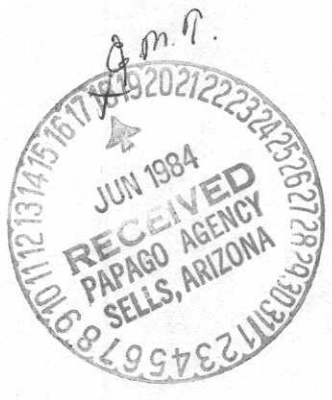
Josiah Moore, Chairman

11 ATTEST:

12
13
14 *Veronica G. Smith*
15 _____
Francisco Osife, Secretary

16 RESOLUTION APPROVED this 21st day of JUNE, 1984.

17
18
19 *Raymond Wolf*
20 _____
Ray Wolf, Acting Superintendent
Papago Agency



MOVED: Rosemary Lopez
 SECOND: Angelo Joaquin
 DATE: 6/7/84

SUBJECT: (Authorizing Temporary Reduction
 in Payment of Advance Royalty
 by Noranda)

RESOLUTION
 or
~~ORDINANCE~~ # 117-84

DISTRICTS	REPRESENTATIVES	# OF VOTES	FOR	AGAINST	NOT VOTING	ABSENT
SIF OIDAK 105	1. Nicklos Jose (Alice Norris)	52.5	X			
	2. Elliott Lewis (Eugene F. Jose)	52.5	X			
SELLS 235	1. Andrew M. Patricio (Nora Alvarez)	117.5	X			
	2. Fred Stevens (Dennis Jose)	117.5	X			
SCHUK TOAK 103	1. Jo Ann Francisco (Priscilla G. Domingo)	51.5	X			
	2. Ramon Campillo, Jr. (Joseph Juan)	51.5	X			
SAN XAVIER 121	1. Carmelita Mattias ()	60.5	X			
	2. John B. Narcho (Austin Nunez)	60.5	X			
BABOQUIVARI 203	1. Kenneth Chico, Sr. (Donald Harvey)	101.5		X		
	2. Joann Garcia (Edward N. Kisto)	101.5	X			
GU ACHI 150	1. Angelo J. Joaquin, Sr. (Jonas R. Robles)	75.0	X			
	2. Fernando Joaquin (Fred Adams, Jr.)	75.0	X			
PISINEMO 105	1. Johnson Jose (Frank Garcia)	52.5	X			
	2. Lamando Francisco (Chester Antone)	52.5	X			
SAN LUCY 51	1. John Reno (Max P. Jose)	25.5	X			
	2. Albert Gomez (Jeannie Morris)	25.5	X			
GU VO 107	1. Virgil Lewis (Henry F. Manuel)	53.5		X		
	2. Cross Antone (Fern E. Salcido)	53.5			X	
HICKIWAN 122	1. Henry A. Ramon (Pablo Baptisto)	61.0	X			
	2. Delma Garcia (Archie Pilone)	61.0	X			
CHUKUT KUK 138	1. Harriet Toro (Lawrence Jose)	69.0	X			
	2. Rosemary Lopez (Anita C. Clark)	69.0	X			
TOTALS		1440.0	1231.5	155.0	53.5	-0-