

EXHIBIT H MASTER
AGREEMENT

Preemptive Rights Assignment
Agreement

PREEMPTIVE RIGHTS ASSIGNMENT AGREEMENT

BY AND AMONG

CAP S.A.

AND

M.C. INVERSIONES LIMITADA

[•], 2010

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PREEMPTIVE RIGHTS ASSIGNMENT AGREEMENT

This PREEMPTIVE RIGHTS ASSIGNMENT AGREEMENT (this "Agreement") is entered into in Santiago, Chile, on [●], by and between CAP S.A. ("CAP"), a corporation incorporated and in good standing pursuant to the laws of the Republic of Chile, with registered offices at Avenida Gertrudis Echeñique 220, Las Condes, Santiago and M.C. INVERSIONES LIMITADA ("MCI"), a company organized and in good standing pursuant to the laws of the Republic of Chile, with registered offices at Avenida Apoquindo 4499, Floor 14, Las Condes, Santiago (both companies hereinafter collectively called the "Parties" and individually a "Party").

WITNESSETH:

WHEREAS,

- (a) On [February 10], 2010, CAP, CMP, CMH and MCI signed a Master Agreement (the "MA") whereby they agreed, among other matters, to implement a capital increase in Compañía Minera del Pacífico S.A. (the "Company" or "CMP") by means of the issuance of additional shares to be offered exclusively to the Shareholders, and to use all commercially reasonable efforts to do everything required to effect such capital increase not later than December 31, 2010 (the "Capital Increase").
- (b) At a special shareholders meeting of the Company held on [●], 2010 held before the Notary Public [●] (the "Special Shareholders Meeting"), the Shareholders approved such Capital Increase of the Company from US\$[●] divided into 4,185,886 Shares to the amount of US\$[●] divided into 4,694,840 Shares by means of the issuance of 508,954 ordinary Shares of a same series and without par value to be offered exclusively to the Shareholders and payable in cash (the "Newly Issued Shares").
- (c) On [●], 2010 the Board of the Company agreed to issue the Newly Issued Shares, regarding which each Shareholder has preemptive rights as provided in Article 25 of the Companies Law to subscribe and purchase its pro rata share of Newly Issued Shares based on its percentage ownership of the Shares prior to the Capital Increase (the "Preemptive Rights").
- (d) On [●], 2010 in ["El Día" newspaper of La Serena] the Company published the announcement setting the beginning of the preemptive rights period related to the Capital Increase, according to articles 29 and 104 of the Regulation (*Reglamento de Sociedades Anónimas*) of the Companies Law to that effect, (the "Preemptive Rights Period").
- (e) As of this date, CAP owns 3,521,108 Shares representing 84.1186% of the Company's Capital and MCI owns 664,760 Shares representing 15.8810% of the Company's Capital. According to their current stakes in the Company, CAP has the right to exercise its Preemptive Rights and subscribe [●] Newly Issued Shares ("CAP Preemptive Rights"), and MCI has the right to exercise its Preemptive Right and subscribe [●] Newly Issued Shares.
- (f) In the Special Shareholders Meeting, CAP declared its intention to assign, sell and transfer the CAP Preemptive Rights to MCI, and MCI declared its intention to accept such assignment.

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- (g) Furthermore, in order to implement the Capital Increase, on [●], 2010 the Parties executed a promise agreement in which CAP committed to assign to MCI all of the CAP Preemptive Rights, on the first day of the Preemptive Rights Period.
- (h) As a result of the Capital Increase, MCI shall hold 1,173,710 Shares representing 25% of the total Shares of the Company, and CAP shall hold 3,521,108 Shares representing 74.99% approximately of the total Shares of the Company.

THEREFORE, IN CONSIDERATION OF THE MUTUAL COVENANTS AND AGREEMENTS SET FORTH HEREIN AND FOR GOOD AND VALUABLE CONSIDERATION, THE RECEIPT AND ADEQUACY OF WHICH IS HEREBY ACKNOWLEDGED, THE PARTIES AGREE TO THE FOLLOWING:

SECTION 1. DEFINITIONS, CONSTRUCTION AND INTERPRETATION

1.1 Each other Capitalized terms used herein shall have the meaning assignment to it in the MA and for purpose of this Agreement, the following terms used herein shall have the respective meanings set forth below:

“Agreement”: means this preemptive right assignment agreement.

“Board”: means the Board of Directors of the Company.

“CAP”: means CAP S.A.

“CAP Preemptive Rights”: has the meaning specified in the recitals letter (e) herein.

“Capital”: means the total amount of capital stock that has been contributed to the Company.

“Capital Increase”: has the meaning specified in the recital letter (a) herein.

“Chile”: means the Republic of Chile.

“Companies Law”: Chilean corporation act (*Ley de sociedades anónimas*), as amended from time to time.

“Company” or “CMP”: means *Compañía Minera del Pacífico S.A.*

“Dispute”: has the meaning specified in Section 5.2.

“MA”: has the meaning specified in the recital letter (a) herein.

“MCI”: means *M.C. Inversiones Limitada*.

“Newly Issued Shares”: has the meaning specified in the recital letter (b) herein.

“Parties”: means CAP and MCI.



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“Preemptive Rights”: has the meaning specified in the recital letter (c) herein.

“Preemptive Rights Period”: has the meaning specified in the recital letter (d) herein.

“SHA”: means the Shareholders Agreement entered into between the Parties on [●], 2010

“Shareholder” or “Shareholders”: shall mean a Person registered in the Shareholders Registry of the Company as the holder of at least one Share.

“Shareholders Registry”: means the Company’s ledger (*Registro de Accionistas*).

“Shares”: means any share of capital stock of CMP.

“Special Shareholders Meeting”: has the meaning specified in the recital letter (b) herein.

1.2 In this Agreement, a reference to:

- (a) A Section or Exhibit, unless the context otherwise requires, is a reference to a section of or exhibit to this Agreement;
- (b) All personal pronouns used in this Agreement, whether used in masculine, feminine or neuter gender, shall include all other genders if the context so requires; the singular shall include the plural, and vice versa.

1.3 The Exhibits form part of this Agreement and shall have the same force and effect as if set out in the body of this Agreement and references to this Agreement include the Exhibits.

1.4 The headings in this Agreement shall not affect the interpretation of this Agreement.

SECTION 2. ASSIGNMENT

2.1 CAP Preemptive Rights Assignment: CAP hereby sells, assigns and transfers to MCI, the CAP Preemptive Rights and MCI hereby accepts and acquires such CAP Preemptive Rights.

2.2 Price: The price of the assignment of CAP Preemptive Right is the sole and total sum of one (1) Dollar which MCI pays in this act to CAP in cash. CAP hereby declares that it has received such amount to its entire satisfaction.

2.3 Subscription Right: As a consequence of the transfer referred to in the preceding sections, MCI shall have the right to subscribe a total of 508,950 Shares.

SECTION 3. REPRESENTATIONS AND WARRANTIES

3.1 Representations and Warranties of MCI: MCI represents and warrants to CAP as follows:

- (a) Organisation and Standing. MCI is a company (*sociedad de responsabilidad limitada*) duly organised and validly existing under the laws of Chile and has all requisite corporate power



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and authority necessary to enable it to own, lease or otherwise hold its properties and assets and to carry on its business as presently conducted.

- (b) Authorisation: Validity. MCI has all requisite corporate power and corporate authority to enter into and perform its obligations under this Agreement. The execution, delivery and performance by MCI of this Agreement have been duly authorised by all necessary action on the part of MCI. This Agreement has been duly executed and delivered by MCI. This Agreement constitutes legal, valid and binding obligations of MCI enforceable against it in accordance with their respective terms.
- (c) No Conflicts. The execution, delivery and performance by MCI of this Agreement will not conflict with, result in any violation of or default (with or without notice or lapse of time or both) under, give rise to a right of termination, cancellation or acceleration of any obligation (in each case by any third party) or to the loss of any benefit under (i) any provision of the organisational documents of MCI, or (ii) any judgement, injunction, Applicable Law or contract to which it is a party or by which it or any of its properties is bound. To the knowledge of MCI no third party approval and no governmental approval is required to be obtained or made by MCI in connection with the execution, delivery and performance of this Agreement and the transactions contemplated by this Agreement, except for third party approvals or governmental approvals the absence of which, individually or in the aggregate, would not have an adverse effect on the ability of MCI to perform in all material respects its obligations under this Agreement in accordance with its terms.
- (d) Legal Proceedings: Except as set forth in Schedule 3.1(d) herein, there is no litigation, arbitration or governmental investigation or proceeding pending or, to the knowledge of MCI, threatened, against or affecting MCI that individually or when aggregated with one or more other such litigations, arbitrations or governmental investigations or proceedings has or might reasonably be expected to have a material adverse effect on MCI's ability to execute this Agreement.
- (e) Consents: No consent, waiver, approval or authorization of, or filing, registration or qualification with, or notice to, any governmental unit or any other person or entity is required to be made, obtained or given by MCI in connection with the execution, delivery and performance of this Agreement by MCI.

3.2 Representations and Warranties of CAP: CAP represents and warrants to MCI as follows:

- (a) Organisation and Standing. CAP is a corporation (*sociedad anónima*) duly organised and validly existing under the laws of Chile, and it has all requisite power and authority necessary to enable it to own, lease or otherwise hold its properties and assets and to carry on its business as presently conducted.
- (b) Authorisation; Validity. CAP has all requisite corporate power and corporate authority to enter into and perform its obligations under this Agreement. The execution, delivery and performance by CAP of this Agreement have been duly authorised by all necessary action on the part of CAP. This Agreement has been duly executed and delivered by CAP. This Agreement constitutes legal, valid and binding obligations of CAP, enforceable against it in accordance with their respective terms.

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- (c) No Conflicts. The execution, delivery and performance by CAP of this Agreement will not conflict with, result in any violation of or default (with or without notice or lapse of time or both) under, give rise to a right of termination, cancellation or acceleration of any obligation (in each case by any third party) or to the loss of any benefit under (i) any provision of the organisational documents of CAP or the Company, or (ii) any judgement, injunction, Applicable Law or contract to which it or the Company are a party or by which it or the Company or any of their properties is bound. To the knowledge of CAP, no third party approval and no governmental approval is required to be obtained or made by CAP or the Company in connection with the execution, delivery and performance of this Agreement and the transactions contemplated by this Agreement, except for third party approvals or governmental approvals the absence of which, individually or in the aggregate, would not have an adverse effect on the ability of CAP to perform in all material respects its obligations under this Agreement in accordance with its terms.
- (d) Legal Proceedings: Except as set forth in Schedule 3.2(d) herein, there is no litigation, arbitration or governmental investigation or proceeding pending or, to the knowledge of CAP, threatened, against or affecting CAP or the Company that individually or when aggregated with one or more other such litigations, arbitrations or governmental investigations or proceedings has or might reasonably be expected to have a material adverse effect on CAP's ability to assign the CAP Preemptive Rights in accordance with this Agreement.
- (e) Consents: No consent, waiver, approval or authorization of, or filing, registration or qualification with, or notice to, any governmental unit or any other person or entity is required to be made, obtained or given by CAP or the Company in connection with the execution, delivery and performance of this Agreement by CAP.

SECTION 4. INDEMNIFICATION

- 4.1 MCI: Unless otherwise agreed in the MA by the Parties, MCI hereby agrees to defend, indemnify and hold harmless CAP and its officers, employees, consultants, representatives and agents against and from any and all Loss arising, directly or indirectly, from any material breach by MCI of the representations, warranties or covenants made by MCI herein.
- 4.2 CAP: Unless otherwise agreed in the MA by the Parties, CAP agrees to defend, indemnify and hold harmless MCI and its officers, employees, consultants, representatives and agents, if any, against and from any and all Loss arising, directly or indirectly, from any material breach by CAP of the representations or warranties made by CAP herein.

SECTION 5. GOVERNING LAW AND DISPUTE RESOLUTION

- 5.1 Governing Law: The applicable laws of Chile, without giving effect to any choice of law or conflicts of law provision or rule that would cause the application of the domestic substantive laws of any other jurisdiction, shall govern the formation, validity, interpretation, performance, execution, amendment and settlement of disputes under this Agreement.
- 5.2 Dispute Resolution: Unless otherwise agreed in writing by the Parties and upon the occurrence of any difficulty, dispute, controversy or claim among the Parties, arising out of or

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relating to the Agreement, or the formation, validity, performance, interpretation, breach or termination thereof (a "Dispute"), the Parties shall resolve such Dispute according to the Dispute Resolution procedure of Section 7.3 of the MA.

SECTION 6. MISCELLANEOUS

6.1 Notices: Notices or other communications to any Party required or contemplated hereunder shall be written in English and shall be addressed to such Party at the address set forth below or at such other address as shall be designated by such Party and shall be by hand, facsimile or prepaid international express courier service, and shall be deemed to have been effectively given (a) in the case of personal delivery, on the date of personal delivery, (b) if sent by facsimile, when the transmission report shows the notice has been sent, so long as the notice is also sent on the same day by courier and (c) if sent by courier, three days after mailing.

To MCI:

M.C. INVERSIONES LIMITADA
Avenida Apoquindo 4499, Floor 14
Las Condes, Santiago, Chile
Attn.: Sub-Gerente General, Mr. Takeaki Doi
Tel: +562-340-1180
Fax: +562-340-1189
E-mail address: takeaki.doi@mitsubishicorp.com

with a copy to:

Mayer Brown LLP
700 Louisiana Street, Suite 3400
Houston, Texas, U.S.A. 77002
Attn: Mr. Kevin L. Shaw
Tel: +1-713-238-3000
Fax: +1-713-238-4888
E-mail address: kshaw@mayerbrown.com

and

Carey y Cia, Ltda., Abogados
Miraflores 222, Piso 24
Santiago, Chile
Attn: Mr. Francisco Ugarte
Tel: +562-365-7376
Fax: +56 2-633-1980
E-mail address: fugarte@carey.cl

To CAP:

CAP S.A.
Avenida Gertrudis Echeñique 220
Las Condes, Santiago, Chile
Attn: Chief Operating Officer, Mr. Sergio Verdugo
Tel: +562- 818-6130
Fax: +562-818-6146

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CAP S.A.
Avenida Gertrudis Echeñique 220
Las Condes, Santiago, Chile
Attn: Chief Legal Counsel, Mr. Eduardo Frei
E-mail address: efrei@cap.cl
Tel: +562- 818-6130
Fax: +562-818-6146

6.2 Waivers: Except as otherwise provided in this Agreement, any failure of any of the Parties to comply with any obligation, covenant, agreement or condition herein may be waived by the Party entitled to the benefits thereof only by a written instrument signed by the Party granting such waiver, but such failure or delay by any Party in exercising any right, power or remedy under this Agreement shall not operate as a waiver thereof, nor shall any single or partial exercise of any of the same preclude any future exercise thereof.

6.3 Expenses: Except as otherwise provided in this Agreement, all other costs and expenses incurred in connection with this Agreement shall be paid by the Party incurring such cost or expense.

6.4 Severability: If any provision of this Agreement shall be held to be illegal, invalid or unenforceable, the Parties agree that such provision will be enforced to the maximum extent permissible so as to effect the intent of the Parties, and the validity, legality and enforceability of the remaining provisions of this Agreement shall not in any way be affected or impaired thereby. If necessary to effect the intent of the Parties, the Parties will negotiate in good faith to amend this Agreement to replace the unenforceable language with enforceable language which as closely as possible reflects such intent.

6.5 Entirety of Agreement: The provisions of this Agreement set forth the entire agreement and understanding among the Parties as to the subject matter hereof and supersede all prior agreements, oral or written, and all other prior communications between the Parties relating to the subject matter hereof, other than the MA and the SHA, and those written agreements executed and delivered contemporaneously herewith.

6.6 No Assignment: Except as expressly permitted under this Agreement and under the SHA, no Party may assign any of its rights or obligations hereunder to any other Person without the prior written consent of the other Party. Any attempted assignment of this Agreement in violation of this Section shall be void and of no effect.

6.7 Successors and Assigns: This Agreement shall be binding upon, inure to the benefit of and be enforceable by the Parties and their respective successors and permitted assigns.

6.8 No Third-Party Beneficiaries: This Agreement is for the sole benefit of the Parties and their permitted assigns, and nothing herein express or implied shall give or be construed to give to any Person, other than the Parties and such assigns, any legal or equitable rights hereunder.

6.9 Publicity: No Party will issue any press release or make any other public announcement relating to the existence of this Agreement or the transactions contemplated hereby without the prior approval of the other Party, unless required by applicable law, in which case, the affected Party

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shall, to the extent possible, consult with the other Party and offer the other Party the opportunity to comment on such announcement prior to its issuance.

6.10 Construction: This Agreement has been negotiated by the Parties and their respective counsel and shall be fairly interpreted in accordance with its terms and without any strict construction in favour of or against any of the Parties.

6.11 Counterparts: This Agreement may be executed in any number of counterparts and by Parties hereto on separate counterparts, each of which when so executed and delivered shall be an original, but all of which shall together constitute one and the same instrument.

6.12 Witnesses: Appear hereby as witnesses Mr. [●], national identity card Nr. [●]; and Mr. [●], national identity card Nr. [●]; as provided in the Chilean Companies Law and its regulation (*reglamento*).

IN WITNESS WHEREOF the Parties have caused this Agreement to be executed as of the date of this Agreement by their duly authorised representatives.

M.C. INVERSIONES LIMITADA

By: _____

**Takeaki Doi
Sub-Gerente General**

CAP S.A.

By: _____

**James Charles
Chief Executive Officer**

Witness # 1

Witness # 2

