Planta Minera La Valerosa SAC

PLANTA DE BENEFICIO LA VALEROSA · CHALA, CARAVELÍ, AREQUIPA

# How the deal works

Term sheet · September 2026

A permitted 25 t/day gold-and-silver plant, offered two ways: buy it with owner financing, or lease it long-term. The operator starts with a manageable cash outlay; the owner gets cash at signing, income every month and the plant back if payments stop.

## THE PRICE, SPLIT IN TWO

**SALE PRICE US$ 850,000**

| US$ 150,000 | US$ 700,000 |
|---|---|
| **Down payment at signing**<br>cash on day one | **Balance paid monthly to the owner**<br>paid over 5 to 10 years, with or without interest |

## FOUR WAYS TO PAY THE BALANCE

| Option | Monthly payment | Term | Total |
|---|---|---|---|
| **Interest-free**<br>5 years · 0% | US$ 11,667 / month | 5 years | US$ 850,000<br>0% interest |
| **Year 1 at 0%**<br>US$6,000/mo in year 1, then 10% over 6 years | 0% · US$ 11,634 / month | 7 years | US$ 1,059,664<br>US$ 209,664 interest |
| **Seven years**<br>7 years · 10% | US$ 11,621 / month | 7 years | US$ 1,126,150<br>US$ 276,150 interest |
| **Lowest monthly**<br>10 years · 11% | US$ 9,643 / month | 10 years | US$ 1,307,100<br>US$ 457,100 interest |

0 2 4 6 8 10 years

Bar length = term. Every option starts with the same US$150,000. The current tenant pays US$4,000 + IGV per month; the cheapest option here is 2.4× that, the interest-free one 2.9×.

## OR LEASE IT

| Long-term lease, 5 + 5 years | SECURITY DEPOSIT | MONTHLY RENT + IGV | RENT-TO-OWN |
|---|---|---|---|
| | **US$ 50,000** | **US$ 6,000** | 30% of the first 24 months' rent credited to the price if the tenant buys |

Indicative offer in US dollars; IGV where applicable. Not a binding offer — terms are fixed in the letter of intent and the escritura pública drafted by Peruvian counsel.

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## HOW IT WORKS

**1 Sign**

Letter of intent, then notarised contract. Down payment or deposit paid at signing.

→

**2 Operate**

Possession the same day. The operator runs the plant; improvements stay with it.

→

**3 Pay monthly**

Fixed transfer in the first five days of each month. No prepayment penalty.

→

**4 Own**

After the last payment the shares — concession, land possession, RUC — transfer at the notary.

## IF PAYMENTS STOP

**Day 1**

**A payment is missed**

Written reminder.

**Day 30**

**Second payment missed**

Notarial letter: 15 days to cure.

**Day 45**

**No cure**

The contract resolves automatically and the owner retakes possession.

### THE OWNER KEEPS

- the down payment or security deposit
- every monthly payment already made — it is the price of the months the plant was used, not a penalty
- all improvements made to the plant
- title, which never left: under reserva de propiedad the shares stay in the owner's name until the last payment

## LEGAL BASIS IN PERU

**Civil Code arts. 1583–1585**

sale with reserva de propiedad: the buyer operates, the owner keeps title until fully paid

**Civil Code art. 1478**

arras confirmatorias: the down payment stays with the owner on default

**Notarial resolution**

two unpaid months resolve the contract — the same clause in the current tenant's contract

**Garantía mobiliaria**

over any equipment the operator brings in

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