



IN THE COURT OF CHANCERY OF THE STATE OF DELAWARE

CARLA LACEY, derivatively on behalf
of SOUTHERN COPPER
CORPORATION,

Plaintiff,

v.

C.A. No. 2019-0312-SG

GERMÁN LARREA MOTA-
VELASCO, OSCAR GONZÁLEZ
ROCHA, ALFREDO CASAR PÉREZ,
XAVIER GARCÍA DE QUEVEDO
TOPETE, LUIS MIGUEL PALOMINO
BONILLA, GILBERTO
PÉREZALONSO CIFUENTES,
CARLOS RUIZ SACRISTÁN,
ENRIQUE CASTILLO SÁNCHEZ
MEJORADA, EMILIO CARRILLO
GAMBOA, ALBERTO DE LA PARRA
ZAVALA, LUIS CASTELAZO
MORALES, ARMANDO ORTEGA
GÓMEZ, DANIEL MUÑIZ
QUINTANILLA, JUAN REBOLLEDO
GOUT, LUIS TÉLLEZ KUENZLER,
AMERICAS MINING CORPORATION,
and GRUPO MÉXICO S.A.B. DE C.V.,

Defendants,

and

SOUTHERN COPPER CORPORATION,

Nominal Defendant.

**STIPULATION AND AGREEMENT OF
COMPROMISE, SETTLEMENT AND RELEASE**

This Stipulation of Settlement (the “Stipulation”) is entered into this 21st day of September, 2021, by and among (i) Plaintiff Carla Lacey (“Plaintiff”); (ii) Defendants Americas Mining Corporation (“Americas Mining”), Germán Larrea Mota-Velasco, Alfredo Casar Pérez, Xavier García de Quevedo Topete, Luis Miguel Palomino Bonilla, Gilberto Pérezalonso Cifuentes, Carlos Ruiz Sacristán, Enrique Castillo Sánchez Mejorada, Emilio Carrillo Gamboa, Alberto de la Parra Zavala, Luis Castelazo Morales, Armando Ortega Gómez, Daniel Muñiz Quintanilla, Juan Rebolledo Gout, Luis Téllez Kuenzler (collectively, the “Director Defendants,” and, together with Americas Mining, “Defendants”); and (iii) Nominal Defendant Southern Copper Corporation (“Southern Copper” or the “Company”). Plaintiff, Defendants, and the Company are collectively referred to herein as the “Parties.” The Parties are parties to the derivative lawsuit captioned *Lacey v. Mota-Velasco, et al.*, C.A. No. 2019-0312-SG (the “Action”), pending before the Court of Chancery of the State of Delaware (the “Court”). Grupo México, S.A.B. de C.V. (“Grupo México”), which was dismissed from the Action by order entered December 2, 2020, is not a party to this Stipulation, but is a Released Defendant Party, as defined below. The Parties intend this Stipulation to fully, finally and forever resolve, discharge and settle any and all Released Claims (as defined below) as against the Released Parties (as defined below) upon and subject to the terms and conditions herein (the “Settlement”) and subject to the approval of the Court.

WHEREAS, the Company is an integrated producer of copper and other minerals, and, among other businesses, operates mining, smelting and refining facilities in Mexico;

WHEREAS, on June 25, 2015, Plaintiff sent a request to the Company for certain books and records pursuant to Section 220 of the Delaware General Corporation Law (the “Section 220 Request”);

WHEREAS, on October 8, 2015, the Company produced documents in response to the Section 220 Request;

WHEREAS, on December 7, 2015, Plaintiff filed a verified class action and derivative complaint, styled *Lacey v. Mota-Velasco, et al.*, C.A. No. 11779-VCG (Del. Ch.), challenging three related-party transactions pertaining to two electrical power plants acquired by an affiliate of Grupo México from a subsidiary of the Company (the “Power Plant Litigation”);

WHEREAS, during the discovery phase of the Power Plant Litigation, Plaintiff served an interrogatory requesting that the Company (i) identify all related-party transactions entered into between the Company on the one hand and Grupo México (and/or Grupo México affiliates) on the other hand that involved consideration of more than \$10,000,000 in the aggregate; and (ii) state whether each such related-party transaction was subjected to prior review by a committee of at least three of Southern Copper’s independent directors as required by Article Nine

(“Article Nine”) of Southern Copper’s corporate charter (the “Charter”) (the “*Lacey I* Interrogatory 19”);

WHEREAS, on February 13, 2017, following Plaintiff’s filing of a motion to compel regarding the *Lacey I* Interrogatory 19 (the “Motion to Compel”), briefing and oral argument, the Court ordered the Company to answer the *Lacey I* Interrogatory 19;

WHEREAS, on March 28, 2017, the Company produced information to Plaintiff in response to the Court’s order;

WHEREAS, on April 25, 2017, Southern Copper’s Audit Committee formed a subcommittee of outside directors to review related party transactions (the “Subcommittee”), which subsequently reviewed certain of the transactions identified in response to *Lacey I* Interrogatory 19 (the “Article Nine Transactions”).

WHEREAS, on June 1, 2017, the Company provided additional documents and information related to the Article Nine Transactions;

WHEREAS, on June 1, 2017, Plaintiff’s counsel and counsel for the Defendants represented by Bracewell LLP convened for an in-person meeting in Houston, Texas regarding the Article Nine Transactions;

WHEREAS, on October 2, 2017, Plaintiff, Southern Copper, and the Director defendants named in the Power Plant Litigation executed a tolling agreement (the “Tolling Agreement”) that tolled the applicable statute of limitations with respect to

the Article Nine Transactions unless the applicable limitations period had expired before the entry into the Tolling Agreement;

WHEREAS, in or around December 2017 the Subcommittee retained KPMG Cardenas Dosal, S.C. (“KPMG”) and EY Mexico (“EY”) to assist the Subcommittee in analyzing the Article Nine Transactions;

WHEREAS, in May and June of 2018, KPMG and EY issued final reports that did not find that the pricing of the Article Nine Transactions was unreasonable, but recommended a variety of corporate governance improvements for Southern Copper to implement in the future, including, among other suggestions, implementing transfer pricing and benchmarking assessment, requiring competitive bidding processes for construction contracts, better documenting related-party transactions, and ensuring that an independent committee review future related-party contracts;

WHEREAS, on January 4, 2019, the Court approved a settlement of the Power Plant Litigation, which settlement did not release any of the claims asserted in this Action;

WHEREAS, on March 22, 2019, Plaintiff provided notice to the Director Defendants of Plaintiff’s intent to terminate the Tolling Agreement;

WHEREAS, on April 19, 2019, Plaintiff’s counsel and Defendants’ counsel convened for an in-person meeting regarding the Article Nine Transactions;

WHEREAS, on April 22, 2019, the Tolling Agreement terminated;

WHEREAS, on April 24, 2019, Plaintiff filed a verified derivative complaint on behalf of nominal defendant Southern Copper against the Director Defendants and Grupo México;

WHEREAS, on August 20, 2019, Grupo México filed a motion to dismiss the verified derivative complaint pursuant to Court of Chancery Rules 12(b)(6) and 23.1 and for lack of personal jurisdiction;

WHEREAS, on August 21, 2019, Southern Copper and the Director Defendants filed motions to dismiss the verified derivative complaint pursuant to Court of Chancery Rules 12(b)(6) and 23.1;

WHEREAS, on October 25, 2019, Plaintiff filed a verified amended derivative complaint on behalf of nominal defendant Southern Copper against the Director Defendants, Grupo México, and Americas Mining (the “Amended Complaint”);

WHEREAS, the Amended Complaint alleged that, through the Article Nine Transactions, Defendants breached their fiduciary duties, either as members of the Company’s board or as Company controllers, and were liable for breach of contract for violating Article Nine. Specifically, the Amended Complaint challenged: (a) certain constructions contracts between Southern Copper subsidiaries and Grupo México-affiliated entities regarding (i) the construction of a new tailings dam at the

Buenavista copper mine (“BDC”); (ii) the construction of the second phase of tailings dam 7 at the La Caridad mine; and (iii) the demolition and soil remediation at the former Industrial Minera México, S.A. de C.V. metallurgical complex in San Luis Potosí, México (collectively, the “Construction Contracts”); (b) certain purchases and sales of minerals between Southern Copper subsidiaries, on one hand, and Grupo México and AMC subsidiary, Asarco, LLC, on the other (the “Minerals Contracts”); (c) freight services contracts between Southern Copper subsidiaries and Grupo México subsidiary, Ferrovial Mexicano, S.A. de C.V. (“Ferromex”), including those for the use and improvement of Ferromex’s rail lines (the “Transportation Contracts”); and (d) certain agreements between Southern Copper and Grupo México and its subsidiaries for administrative and support services (the “Support Services Agreements”). The Amended Complaint alleged that those transactions did not satisfy Article Nine and resulted in terms unfair to Southern Copper;

WHEREAS, on January 13, 2020, Southern Copper and the Director Defendants filed motions to dismiss the Amended Complaint pursuant to Court of Chancery Rules 12(b)(6) and 23.1. On the same date, Grupo México and Americas Mining filed a motion to dismiss the Amended Complaint that asserted, among other things, the Court lacked personal jurisdiction over Grupo México;

WHEREAS, on February 20, 2020, Southern Copper adopted a new policy regarding the Company's handling of related-party transactions (the "New RPT Policy");

WHEREAS, on March 13, 2020, Plaintiff filed an omnibus answering brief in opposition to all Defendants' and Grupo México's motions to dismiss Plaintiff's Amended Complaint;

WHEREAS, on April 23, 2020, all Defendants and Grupo México filed reply briefs in support of their motions to dismiss Plaintiff's Amended Complaint;

WHEREAS, on June 18, 2020, the Court heard oral argument on Defendants' and Grupo México's motions to dismiss;

WHEREAS, on July 16, 2020, the Court issued a telephonic partial bench ruling denying the Director Defendants' motion to dismiss;

WHEREAS, on August 18, 2020, Plaintiff served her first set of requests for production on all Defendants and Grupo México;

WHEREAS, on August 21, 2020, Plaintiff served her first set of interrogatories on all Defendants and Grupo México;

WHEREAS, on September 11, 2020, Grupo México filed a motion to stay discovery and motion for protective order (the "Motion for Discovery Stay and Protective Order");

WHEREAS, on September 14, 2020, Plaintiff submitted a letter response to Grupo México's Motion for Discovery Stay and Protective Order;

WHEREAS, on September 15, 2020, the Director Defendants, and Southern Copper as nominal defendant, answered Plaintiff's Amended Complaint;

WHEREAS, on September 24, 2020, the Court granted a stipulation and order governing briefing on Grupo México's Motion for Discovery Stay and Protective Order;

WHEREAS, on September 29, 2020, Plaintiff submitted briefing in opposition to Grupo México's Motion for Discovery Stay and Protective Order;

WHEREAS, on October 6, 2020, the Court issued a memorandum opinion granting Grupo México's motion to dismiss on the ground that the Court lacked personal jurisdiction over Grupo México (which mooted the Motion for Discovery Stay and Protective Order);

WHEREAS, on October 20, 2020, Americas Mining responded to Plaintiff's first set of requests for production and first set of interrogatories;

WHEREAS, on November 16 and 19, 2020, the Director Defendants responded to Plaintiff's first set of requests for production and first set of interrogatories, respectively;

WHEREAS, on December 2, 2020, the Court entered an order dismissing Plaintiff's claims against Grupo México for lack of personal jurisdiction;

WHEREAS, on December 24, 2020, Plaintiff served her second set of interrogatories directed at Americas Mining;

WHEREAS, on January 21, 2021, the Court entered and signed the Parties' stipulation and order governing the exchange of confidential information;

WHEREAS, on January 28, 2021, Plaintiff served her third set of interrogatories directed to all Defendants and nominal defendant Southern Copper;

WHEREAS, on February 1, 2021, Americas Mining responded to Plaintiff's second set of interrogatories;

WHEREAS, on February 3, 2021, the Court entered and signed the Parties' stipulation and order governing case schedule;

WHEREAS, Defendants began producing documents to Plaintiffs in early February 2021;

WHEREAS, on February 11, 2021, the Court issued a memorandum opinion dismissing Plaintiff's breach of contract claim and dismissing all claims against Americas Mining except for the claims concerning certain minerals transactions;

WHEREAS, on February 15, 2021, the Court entered and signed the Parties' "Quick Peek" Stipulation;

WHEREAS, on February 26, 2021, the Director Defendants served their first request for production and first set of interrogatories on Plaintiff;

WHEREAS, on March 8, 2021, the Director Defendants, Americas Mining, and nominal defendant Southern Copper, responded to Plaintiff's third set of interrogatories;

WHEREAS, on March 12, 2021, Americas Mining answered Plaintiff's Amended Complaint;

WHEREAS, on March 26, 2021, Plaintiff responded to the Director Defendants' first request for production and first set of interrogatories;

WHEREAS, on April 1, 2021, the Court entered and signed the Parties' stipulation and order governing expert discovery;

WHEREAS, on April 20, 2021, Americas Mining supplemented its responses to Plaintiff's second set of interrogatories;

WHEREAS, on May 24, 2021, the Parties attended a one-day mediation session, by Zoom, with Robert Meyer (the "Mediator") of JAMS. During the one-day mediation, the Parties negotiated in good faith and at arms-length with respect to a potential settlement of the Action. The Parties did not reach an agreement to settle the Action during the mediation;

WHEREAS, following the mediation, the Parties and the Mediator continued to negotiate a possible resolution of the Action;

WHEREAS, on July 12, 2021, as a result of post-mediation negotiations conducted through the Parties and the Mediator, and following a double-blind

mediator's proposal from the Mediator, the Parties reached an agreement-in-principle to settle the Action. On August 5, 2021, following further negotiations between the Parties, the Parties executed a settlement term sheet (the "Term Sheet"). Thereafter, the Parties drafted this Stipulation, which sets forth the terms of Settlement contemplated by the Term Sheet;

WHEREAS, on August 9, 2021, the Parties informed the Court of their agreement-in-principle to resolve all claims asserted by Plaintiff against Defendants in the Action, and requested that the Court stay the Action in its entirety pending filing by the Parties of a stipulation of settlement;

WHEREAS, Defendants and the Company have denied, and continue to deny, that they have committed or threatened to commit any violations of law, breaches of duty, breaches of contract, or other wrongdoing toward the Company, Plaintiff, or anyone else concerning any of the claims, allegations, or requests for relief set forth in the Amended Complaint;

WHEREAS, Plaintiff believes that the Released Claims (defined below) had merit when filed and continue to have merit, and Plaintiff is settling the Released Claims (defined below) because Plaintiff believes that the Settlement will provide substantial value and benefits to the Company;

WHEREAS, in addition to the substantial value and benefits provided by the Settlement to the Company, Plaintiff and Plaintiff's Counsel have considered, *inter*

alia: (i) the attendant risks of continued litigation and the uncertainty of the outcome of the Action; (ii) the probability of success on the merits; (iii) the inherent problems of proof associated with, and possible defenses to, the claims asserted in the Action; (iv) the desirability of permitting the Settlement to be consummated according to its terms; and (v) the expense and length of continued proceedings necessary to prosecute the Action against Defendants through trial and appeal;

WHEREAS, Plaintiff and Plaintiff's Counsel believe based on their review and analysis of the relevant facts, allegations, defenses, and controlling legal principles, that the Settlement is fair, reasonable, and in the best interests of the Company, and that it is reasonable to pursue the Settlement based on the terms and procedures outlined herein;

WHEREAS, this Stipulation reflects the results of the Parties' negotiations and the terms of the Settlement set forth herein, and an agreement-in-principle was reached only after arm's-length negotiations, with the assistance of—and following a mediator's proposal from—the Mediator, among the Parties, all of which were represented by counsel with extensive experience and expertise in stockholder derivative litigation;

WHEREAS, prior to reaching an agreement on the material terms of the Settlement, the Parties did not begin negotiating the amount of attorneys' fees to be requested in any petition by Plaintiff for an award of attorneys' fees;

NOW, THEREFORE, in consideration of the mutual promises contained herein, the adequacy of which is acknowledged and agreed to by the undersigned counsel on behalf of the Parties, the Parties agree as follows:

DEFINITIONS

1. As used in this Stipulation, the following terms have the meanings specified below:

(a) “Effective Date” means the first date by which Final Judicial Approval has been obtained.

(b) “Final” means the expiration of all time to seek appeal or other review of the Order and Final Judgment, or if any appeal or other review of such Order and Final Judgment is filed and not dismissed, after such Order and Final Judgment is upheld on appeal in all material respects and is no longer subject to further review or reargument to the Delaware Supreme Court.

(c) “Final Judicial Approval” of the Settlement means that (i) the Court has entered the Order and Final Judgment—with no material modification to the form of Order and Final Judgment attached to this Stipulation as Exhibit A—approving the Settlement, dismissing Defendants and the Company from the Action with prejudice on the merits and without costs to any of the Parties (except any costs specifically identified in this Stipulation), and providing for the releases set forth herein; and (ii) such Order and Final Judgment is Final; *provided, however*, and

notwithstanding any provision to the contrary in this Stipulation, Final Judicial Approval shall not include (and the Settlement is expressly not conditioned on) the Court's ruling on Plaintiff's Fee and Expense Request (defined below) to Plaintiff's Counsel or any other Person who may intervene in the Action, including any appeal related to such award.

(d) "Funding Date" means the date on which Americas Mining pays or causes to be paid the Net Settlement Amount to Southern Copper, which date shall be no later than twenty (20) calendar days after the proposed Settlement receives Final Judicial Approval.

(e) "Net Settlement Amount" means the Settlement Amount *minus* (i) the attorneys' fees and expenses awarded by the Court to Plaintiff's Counsel in the Order and Final Judgment; and (ii) the Notice Costs.

(f) "Notice" means the Notice of Pendency of Proposed Settlement of Action, substantially in the form annexed to this Stipulation as Exhibit C, after such Notice is approved by the Court.

(g) "Notice Costs" means all costs and expenses incurred in providing Notice of the Settlement to the Public Stockholders, including any costs and expenses associated with any additional copies of the Notice requested by record holders of the Company's common stock (whether for purpose of providing the Notice to beneficial owners or otherwise).

(h) “Order and Final Judgment” means the Order and Final Judgment, substantially in the form attached to this Stipulation as Exhibit A, approving the terms of the Settlement set forth in this Stipulation, dismissing this Action with prejudice, and providing for release of the Released Claims.

(i) “Person” means any individual, corporation, partnership, association, affiliate, joint stock company, estate, trust, unincorporated association, entity, government and any political subdivision thereof, or any other type of business or legal entity.

(j) “Plaintiff’s Counsel” means Andrews & Springer LLC and Friedman Oster & Tejtel PLLC.

(k) “Public Stockholders” means the holders of common stock in the Company other than Defendants and Grupo México.

(l) “Released Claims” means Released Claims Against the Defendant Parties and Released Claims Against the Plaintiff Parties.

(m) “Released Claims Against the Defendant Parties” means any and all manner of claims, demands, rights, liabilities, losses, obligations, duties, costs, debts, expenses, interest, penalties, sanctions, fees, attorneys’ fees, actions, potential actions, causes of action, suits, agreements, judgments, decrees, matters, issues and controversies of any kind, nature, or description whatsoever, whether legal or equitable, known or unknown, disclosed or undisclosed, accrued or unaccrued,

apparent or nonapparent, foreseen or unforeseen, matured or not matured, suspected or unsuspected, liquidated or not liquidated, fixed or contingent (including Unknown Claims) that have been or could have been asserted by the Released Plaintiff Parties in any capacity against the Released Defendant Parties or that Southern Copper could have asserted directly against the Released Defendant Parties or that any Southern Copper stockholder could have asserted derivatively on behalf of Southern Copper against the Released Defendant Parties in any court, tribunal, forum or proceeding, whether direct, derivative, individual, or class in nature, that are based upon, arise out of, or relate in any way, directly or indirectly to the allegations made in, or the subject matter of, the Action, including, but not limited to, the Southern Copper Board of Directors' compliance with Article Nine of Southern Copper's Charter during the time period covered by the Action and/or the following transactions and any transactions or actions related thereto: (i) the Minerals Contracts; (ii) the Transportation Contracts; (iii) the Construction Contracts; (iv) the Support Services Agreements; (v) the power purchase agreement between Mexico Generadora de Energia Eolica S. de R.L. de C.V, an indirect subsidiary of Grupo Mexico, and subsidiaries of Southern Copper, (the "Eólica Agreement"); (vi) the contracts between certain Grupo México and Southern Copper subsidiaries to reinforce and clean BDC tailings dam 3 in 2010 and 2012, to engineer/construct the embankment at BDC dam 4 in 2006, and to engineer/construct/reinforce the

embankment/curtain at the tailings dam 7 at the La Caridad mine in 2007 and 2010 (the “Dam 3, 4 and 7 Contracts”); (vii) the drilling contracts through which Grupo México subsidiaries provided drilling services to Southern Copper (the “Drilling Contracts”), as described in Southern Copper’s Form 10-K filed with the SEC on March 1, 2019, at 159 (“Form 10-K”); and (viii) the aviation contracts through which Grupo México affiliates provided “aviation services” to Southern Copper (the “Aviation Contracts”), as described in Southern Copper’s Form 10-K at 160.

(n) “Released Claims Against the Plaintiff Parties” means any and all manner of claims, demands, rights, liabilities, losses, obligations, duties, costs, debts, expenses, interest, penalties, sanctions, fees, attorneys’ fees, actions, potential actions, causes of action, suits, agreements, judgments, decrees, matters, issues and controversies of any kind, nature, or description whatsoever, whether legal or equitable, known or unknown, disclosed or undisclosed, accrued or unaccrued, apparent or nonapparent, foreseen or unforeseen, matured or not matured, suspected or unsuspected, liquidated or not liquidated, fixed or contingent (including Unknown Claims) that have been or could have been asserted by the Released Defendant Parties against the Released Plaintiff Parties in any court, tribunal, forum or proceeding that are based upon, arise out of, or relate in any way, directly or indirectly to the institution, prosecution, or settlement of the claims against any or

all of the Released Defendant Parties and the Company, except for claims relating to the enforcement of the Settlement.

(o) “Released Defendant Parties” means, whether or not each or all of the following Persons or entities were named, served with process, or appeared in the Action, Defendants, the Company, Grupo México, and their respective successors, successors-in-interest, predecessors, predecessors-in-interest, parents, subsidiaries, affiliates, partners, directors, employees, officers, lawyers, advisors, insurers, reinsurers, trustees, executors, heirs, estates, spouses, marital communities, assigns or transferees and any person or entity acting for or on behalf of any of them and each of them, and each of the respective successors, successors-in-interest, predecessors, predecessors-in-interest, parents, subsidiaries, affiliates, partners, directors, employees, officers, lawyers, advisors, insurers, reinsurers, trustees, executors, heirs, estates, spouses, marital communities, assigns and transferees of the foregoing.

(p) “Released Parties” means the Released Plaintiff Parties and the Released Defendant Parties, individually or collectively as the context may require.

(q) “Released Plaintiff Parties” means Plaintiff, Plaintiff’s Counsel, and their respective successors, successors-in-interest, predecessors, predecessors-in-interest, parents, subsidiaries, affiliates, partners, directors, employees, officers, lawyers, advisors, insurers, reinsurers, trustees, executors, heirs, estates, spouses,

marital communities, assigns or transferees and any person or entity acting for or on behalf of any of them and each of them, and each of the respective successors, successors-in-interest, predecessors, predecessors-in-interest, parents, subsidiaries, affiliates, partners, directors, employees, officers, lawyers, advisors, insurers, reinsurers, trustees, executors, heirs, estates, spouses, marital communities, assigns and transferees of the foregoing.

(r) “Scheduling Order” means an order, substantially in the form annexed to this Stipulation as Exhibit B, scheduling a hearing on the fairness, reasonableness and adequacy of the Settlement and approving the form of Notice and method of, and directing the giving of, Notice of the Settlement to the Public Stockholders.

(s) “Settlement” means the settlement of the Action on the terms set forth in this Stipulation.

(t) “Settlement Amount” means the twenty-four million, five hundred thousand U.S. dollars and zero cents (\$24,500,000.00) cash payment to be paid or caused to be paid by Americas Mining to settle the Action.

(u) “Settlement Hearing” means the hearing set by the Court in the Scheduling Order to consider final approval of the Settlement and Plaintiff’s Fee and Expense Request (defined below), including any continuances or adjournments of the hearing.

(v) “Unknown Claims” means any claims that any of the Parties does not know or suspect exists in his, her, or its favor at the time of the release of the Released Claims as against any of the Released Parties, including without limitation those which, if known, might have affected the decision to enter into the Settlement or this Stipulation. With respect to any of the Released Claims, the Parties stipulate and agree that upon Final Judicial Approval of the Settlement, the Released Parties shall be deemed to have, and by operation of the Order and Final Judgment shall have, waived, relinquished, and released any and all provisions, rights, and benefits conferred by any law of the United States, any law of any state, or principle of common law which governs or limits a Person’s release of unknown claims to the fullest extent permitted by law, and to have relinquished, to the fullest extent permitted by law, the provisions, rights, and benefits of Section 1542 of the California Civil Code, which provides:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY.

The Parties acknowledge that they may discover facts in addition to or different from those that they now know or believe to be true with respect to the Released Claims, but that it is their intention to fully, finally, and forever settle and release any and all of the Released Claims, known or unknown, suspected or unsuspected, which now

exist or heretofore existed, from the beginning of time to the Effective Date, without regard to the subsequent discovery or existence of such additional or different facts, to the fullest extent permitted by law. The Parties acknowledge that the foregoing waiver was separately bargained for and is a key element of this Stipulation and the releases that are part of this Stipulation, and was relied upon by each and all of the Parties in entering into the Settlement and this Stipulation.

SETTLEMENT CONSIDERATION

1. In consideration for the full settlement and release of the Released Claims against the Released Parties, and subject to the terms and conditions of this Stipulation, Americas Mining shall pay, or cause to be paid, the Settlement Amount as provided in this Stipulation.

2. In further consideration for the full settlement and release of the Released Claims against the Released Parties, and subject to the terms and conditions of this Stipulation, Plaintiff agrees to sell in the open market (and not to any relative or affiliated person or entity) all of her shares in Southern Copper at the market price for such shares within thirty (30) days of the Effective Date. Plaintiff will provide written proof of such sale to Southern Copper's counsel. Notwithstanding the foregoing, Plaintiff is not prohibited from acquiring indirect ownership of Southern Copper securities if such indirect ownership is solely a result

of Plaintiff's purchase of interests in mutual funds, exchange-traded funds or other such index funds that may include Southern Copper securities.

3. In further consideration for the full settlement and release of the Released Claims against the Released Parties, and subject to the terms and conditions of this Stipulation, Plaintiff shall not, directly or indirectly, commence, prosecute, or cause to be commenced or prosecuted, any action or other proceeding of any nature before any court, tribunal, governmental authority or other body asserting derivative claims on behalf of Southern Copper or any direct claims on behalf of herself and other stockholders, except for the breach of this Stipulation.

PAYMENT AND DISTRIBUTION OF THE SETTLEMENT AMOUNT

4. Americas Mining shall pay or cause to be paid the Net Settlement Amount to Southern Copper on the Funding Date.

5. Within five (5) business days of the Funding Date, Southern Copper shall provide Plaintiff's Counsel with a declaration from a suitable Company employee or representative attesting to the fact that the payment has been received in accordance with the terms of this Stipulation.

OTHER MONETARY OBLIGATIONS OF THE PARTIES

6. Americas Mining shall pay or cause to be paid the reasonable and necessary costs and expenses incurred in providing the Notice to the Public Stockholders in accordance with Paragraph 17 of this Stipulation.

7. No Released Defendant Party (other than Americas Mining, solely as provided for in this Stipulation) shall have any monetary obligation to Plaintiff, any stockholder of the Company, Plaintiff's Counsel, or the Company in connection with the Settlement Amount, the Net Settlement Amount, or any potential award of attorneys' fees and expenses.

8. All amounts paid or due to be paid by the Company to any of the Defendants in connection with the Action, including any indemnification the Company is contractually required to provide for any legal and expert fees and expenses incurred by any of the Defendants, shall remain obligations of the Company as to Defendants. Defendants shall have no obligation to reimburse or refund to the Company any amounts advanced or indemnified by the Company for such fees and expenses. For the avoidance of doubt, the Company is not obligated to, and shall not, pay any portion of the Net Settlement Amount.

RELEASE OF CLAIMS

9. Upon the Effective Date, the Released Parties shall be deemed to have, and by operation of the Order and Final Judgment approving the Settlement shall have, completely discharged, dismissed with prejudice on the merits, released and settled, to the fullest extent permitted by law, the Released Claims against the Released Parties and shall be forever barred and enjoined from commencing, instituting, prosecuting, or continuing to prosecute any of the Released Claims

against any of the Released Parties. The obligations incurred pursuant to this Stipulation shall be in full and final disposition of the Action and each of the Released Claims. It is the intention of the Parties that the Settlement eliminate all further risk and liability relating to the Released Claims, and that the Settlement shall be a final and complete resolution of all claims asserted or which could be or could have been asserted with respect to the Released Claims against any of the Released Parties, including without limitation (i) any claims for contribution in accordance with 10 *Del. C.* § 6304 and any similar laws or statutes; and (ii) any appeal of any of the claims against any of the Released Parties previously dismissed by the Court.

10. Pursuant to 10 *Del. C.* § 6304(b) and any similar laws or statutes, the Parties hereby agree that damages recoverable for the Released Claims against any alleged tortfeasor other than the Released Parties will be reduced to the extent of the *pro rata* share, if any, of the Released Parties.

11. Except as expressly provided herein, the contemplated releases are not intended to release and shall not be deemed to release (a) any claims that are not Released Claims; and/or (b) any claims to enforce the Settlement.

12. Upon the Effective Date, the Parties shall be deemed bound by this Stipulation and the Order and Final Judgment. The Order and Final Judgment, including, without limitation, the release of the Released Claims against the Released Parties, shall have *res judicata*, collateral estoppel, and all other preclusive

effects in all pending and future lawsuits, arbitrations, or other proceedings maintained by, or on behalf of, the Parties, as well as their legal representatives, legal heirs, executors, administrators, estates, predecessors, predecessors-in-interest, successors, successors-in-interest, affiliates, and assigns, and any Person acting for or on behalf of, or claiming under, any of them, and each of them, together with their respective officers, directors, and employees.

CONDITIONS OF THE SETTLEMENT

13. This Stipulation shall be null and void and of no force and effect, unless otherwise agreed to by the Parties hereto pursuant to the terms hereof, if (a) the Settlement is terminated pursuant to the terms of this Stipulation; or (b) the Settlement does not obtain Final Judicial Approval. If either of the foregoing conditions arises and is not waived by each of the Parties hereto in writing within ten (10) days following the receipt of such ruling or event, this Stipulation shall not be deemed to prejudice in any way the respective positions of any of the Parties in the Action, and all of the Parties to this Stipulation shall be deemed to have reverted to their respective litigation status immediately prior to the execution of this Stipulation, and the Parties shall proceed in all respects as if this Stipulation had not been executed and the related orders had not been entered, and in that event all of their respective claims and defenses as to any issue shall be preserved without prejudice in any way. In such an event, and consistent with the applicable

evidentiary rules, none of this Stipulation, its contents, nor this Stipulation's existence shall be admissible in evidence, nor shall any of this Stipulation, its contents, or this Stipulation's existence be referred to for any purpose in the Action or in any other proceeding, except in connection with any claim for breach of this Stipulation or as otherwise specifically provided herein.

14. In the event that any final injunction, decision, order, judgment, determination or decree is entered or issued by any court or governmental entity prior to Final Judicial Approval of this Stipulation and the Settlement embodied therein that would make consummation of the Settlement in accordance with the terms of this Stipulation unlawful or that would restrain, prevent, enjoin, or otherwise prohibit consummation of the Settlement, the Parties hereto each reserve the right to withdraw from the Settlement. In addition, in the event that any preliminary or temporary injunction, decision, order, determination, or decree (an "Interim Order") is entered or issued by any court or governmental entity prior to Final Judicial Approval of this Stipulation and the Settlement that would restrain, prevent, enjoin, or otherwise prohibit consummation of the Settlement, then, notwithstanding anything herein to the contrary, the Parties hereto shall have no obligation to consummate the Settlement unless and until such Interim Order expires or is terminated or modified in a manner such that consummation of the Settlement

in accordance with the terms of this Stipulation would no longer be restrained, prevented, enjoined, or otherwise prohibited.

SUBMISSION AND APPLICATION TO THE COURT

15. As soon as practicable upon execution of this Stipulation, Plaintiff's Counsel shall submit this Stipulation together with its Exhibits to the Court, and the Parties shall apply jointly for entry of the Scheduling Order, substantially in the form attached hereto as Exhibit B, providing for, among other things: (a) approval of the form and content of the proposed Notice; and (b) a date for the final Settlement Hearing. At the Settlement Hearing, the Parties shall jointly request that the Order and Final Judgment be entered by the Court.

16. Upon the entry of the Order and Final Judgment, the Action shall be dismissed with prejudice on the merits and without costs (except as expressly provided herein).

NOTICE

17. The Company shall be responsible for providing Notice of the Settlement to the Public Stockholders in the form and manner directed by the Court, substantially in the form attached hereto as Exhibit C and as finally approved by the Court. Americas Mining shall pay or cause to be paid the Notice Costs.

FINAL JUDICIAL APPROVAL

18. The Parties will present the Settlement to the Court for hearing and approval in accordance with the Scheduling Order, and will use their best efforts to

obtain Final Judicial Approval of the Settlement, the dismissal of the Released Claims with prejudice and the dismissal of Defendants from the Action with prejudice without fees, costs, or expenses to any of the Parties, except as expressly provided herein.

STAY AND INTERIM INJUNCTION

19. Pending Final Approval of the Settlement by the Court, the Parties agree to continue to stay proceedings in this Action and Plaintiff agrees not to initiate any other proceedings bringing Released Claims against the Released Parties, other than those proceedings incident to the Settlement itself.

20. Subject to an Order of the Court, until the earlier of the Effective Date or an order of the Court substantially denying or declining to approve the Settlement in accordance with this Stipulation, the Released Parties, or any individual, will be barred and enjoined to the maximum extent permitted by law from commencing, prosecuting, instigating, or in any way participating in the commencement or prosecution of any action asserting any of the Released Claims, either directly, representatively, derivatively or in any other capacity, against any of the Released Parties. The Parties agree to use their best efforts to prevent, stay, seek dismissal of, or oppose entry of any interim or final relief in favor of any of the Released Parties in any other litigation against any of the Released Parties or their affiliates that

challenges the Settlement or brings claims, the release of which are contemplated by this Stipulation.

ATTORNEYS' FEES AND EXPENSES

21. Plaintiff intends to petition the Court for an award of fees and expenses in connection with the Action (the "Fee and Expense Request"), inclusive of a mootness fee for the changes implemented to Southern Copper's corporate governance that Plaintiff claims were implemented in response to Plaintiff's litigation efforts (*e.g.*, the New RPT Policy), not to exceed \$7,500,000. Plaintiff's Counsel also intends to apply to the Court for an incentive fee award to Plaintiff in an amount not to exceed \$5,000, which amount, if granted, shall be paid from any amount awarded by the Court pursuant to the Fee and Expense Request. Defendants reserve the right to object to all or a portion of any attorneys' fee, expense, or incentive award, including any purported mootness fee sought by Plaintiff.

22. Any award to Plaintiff's Counsel for fees and expenses shall be determined by the Court.

23. Subject to the terms and conditions of this Stipulation, and subject to Final Judicial Approval of the Settlement and an award of attorneys' fees and expenses by the Court, Americas Mining shall pay or cause to be paid any such Court-approved attorneys' fees and expenses to Plaintiff's Counsel on the Funding

Date via a wire transfer to an account designated by Plaintiff's Counsel prior to the Funding Date.

24. The Parties agree that Americas Mining's entire financial obligation in connection with the Settlement, including for the payment of any attorneys' fees (including expenses) or mootness fee ordered by the Court, shall not exceed the \$24.5 million Settlement Amount. For the avoidance of doubt, Americas Mining is obligated to make or cause to be made the payments solely as required by this Stipulation, and Americas Mining's obligations to make or cause to be made the payments required by this Stipulation will be fulfilled when those payments are made.

25. Any failure by the Court to approve an award of attorneys' fees and expenses, the incentive fee request, or any mootness fee request shall not affect the validity of the Settlement, affect or delay the enforceability of the Settlement, or provide any of the Parties with the right to terminate the Settlement. Except for the payment of any Court-approved award of attorneys' fees and expenses by Americas Mining resulting from the Fee and Expense Request, none of the Released Defendant Parties (with the exception of Americas Mining, as set forth herein) shall have an obligation to pay any amount of any attorneys' fees and expenses awarded by the Court to Plaintiff or Plaintiff's Counsel, and none of the Released Defendant Parties (with the exception of Americas Mining, as set forth herein) shall bear any expenses,

costs, damages, or fees alleged or incurred by Plaintiff, by any stockholder of the Company, or by any of their attorneys, experts, advisors, agents, or representatives in connection with the Released Claims or the Settlement.

26. Neither a modification nor a reversal on appeal of the amount of attorneys' fees, costs, and expenses awarded by the Court to Plaintiff's Counsel shall be deemed a material modification of the Settlement or this Stipulation.

27. Without admitting any wrongdoing, Defendants acknowledge that the filing and prosecution of the Action and discussions with Plaintiff's Counsel were the sole causes of the terms of the Settlement.

28. Plaintiff's Counsel warrants that no portion of any award of fees or expenses shall be paid to Plaintiff except as approved by the Court. Plaintiff's Counsel shall be solely responsible for allocating any award of fees and expenses amongst Plaintiff's Counsel.

ENTIRE AGREEMENT

29. This Stipulation and the Exhibits constitute the entire agreement among the Parties with respect to the subject matter hereof and supersede all written or oral communications, agreements or understandings that may have existed prior to the execution of this Stipulation. No representations, warranties or statements of any nature whatsoever, whether written or oral, have been made to or relied upon by any

of the Parties concerning this Stipulation or its Exhibits, other than the representations, warranties and covenants expressly set forth in these documents.

CONSTRUCTION

30. This Stipulation shall be construed in all respects as jointly drafted and shall not be construed, in any way, against any of the Parties on the ground that any of the Parties or its counsel drafted this Stipulation or any specific portion(s) thereof.

31. Headings have been inserted for convenience only and will not be used in determining the terms of this Stipulation.

GOVERNING LAW; DISPUTE RESOLUTION

32. This Stipulation and the Settlement contemplated herein shall be governed by and construed in accordance with the laws of the State of Delaware without regard to Delaware's principles governing choice of law. Any disputes arising out of or relating in any way to this Stipulation or the Settlement shall be resolved by (i) the Court, in which case the Parties consent to submit to the sole and exclusive jurisdiction of the Delaware Court of Chancery (or, if the Delaware Court of Chancery lacks jurisdiction, a court located in Delaware having jurisdiction); or (ii) if the Parties so choose, and the Court approves, through mediation before the Mediator. The Parties expressly waive any right to demand a jury trial as to such dispute.

33. Subject to the provisions of Paragraph 32 of this Stipulation, the Parties irrevocably and unconditionally (i) consent to submit to the sole and exclusive jurisdiction of the Delaware Court of Chancery (or, if the Delaware Court of Chancery lacks jurisdiction, a court located in Delaware having jurisdiction) for any litigation arising out of or relating in any way to this Stipulation or the Settlement; (ii) agree that any dispute arising out of or relating in any way to this Stipulation or the Settlement shall not be litigated or otherwise pursued in any forum or venue other than any such court; (iii) waive any objection to the laying of venue of any such litigation in any such court; and (iv) agree not to plead or claim in any such court that such litigation brought therein has been brought in any inconvenient forum.

AMENDMENTS

34. This Stipulation may be modified or amended only by a writing, signed by all the Parties (or their duly authorized counsel), including in counterparts, that refers specifically to this Stipulation.

SETTLEMENT NOT AN ADMISSION

35. The provisions contained in the Settlement or this Stipulation shall not be deemed a presumption, concession, or admission by any of the Parties to this Stipulation of any fault, liability, wrongdoing, or any infirmity or weakness of any claim or defense, as to any facts or claims (including the Released Claims) that have been or might be alleged or asserted in the Action, or any other action or proceeding

that has been, will be, or could be brought, and shall not be interpreted, construed, deemed, invoked, offered, or received in evidence or otherwise used by any person in the Action, or in any other action or proceeding, whether civil, criminal, or administrative, for any purpose other than as permitted by applicable court rules and rules of evidence.

36. Each of the Parties denies any and all allegations that any of the Parties committed wrongdoing, that any of the Parties has any fault or liability, or that any of the Parties caused damage in the Action. This Stipulation is not a finding or evidence of the validity or invalidity of any claims or defenses in the Action or any wrongdoing by any of the Released Parties. Neither this Stipulation, nor any of the terms and provisions of this Stipulation, nor any of the negotiations or proceedings in connection therewith, nor any of the documents or statements referred to herein or therein, nor the Settlement, nor the fact of the Settlement, nor the Settlement proceedings, nor any statements in connection therewith, (a) shall (i) be argued to be, used, or construed as, offered, or received in evidence as, or otherwise constitute an admission, concession, presumption, proof, evidence, or a finding of any liability, fault, wrongdoing, injury, or damages, or of any wrongful conduct, acts, or omissions on the part of any of the Released Parties, or of any infirmity of any defense, or of any damage to Plaintiff or any of the Released Plaintiff Parties; or (ii) otherwise be used to create or give rise to any inference or presumption against

any of the Released Parties concerning any fact or any purported liability, fault, or wrongdoing of the Released Parties or any injury or damages to any person or entity; or (b) shall otherwise be admissible, referred to, or used in any proceeding of any nature, for any purpose whatsoever; provided, however, that this Stipulation may be introduced in any proceeding, whether in the Court or otherwise, as may be necessary to argue and establish that this Stipulation has *res judicata*, collateral estoppel, or other issue or claim preclusion effect or to otherwise consummate or enforce the Settlement or to secure any insurance rights or proceeds of any of the Released Parties.

37. The inclusion of Grupo México among the Released Defendant Parties shall not be deemed a presumption, concession, or admission that Grupo México is subject to the jurisdiction of the Delaware Court of Chancery or any other court.

38. The provisions in this subpart shall remain in force in the event that the Settlement is terminated for any reason whatsoever.

BINDING EFFECT

39. This Stipulation shall be binding upon and inure to the benefit of the Parties hereto and the Released Parties and their respective agents, executors, heirs, successors, and assigns.

COUNTERPARTS

40. This Stipulation (and any amendment thereto) may be executed in one or more counterparts, each of which when so executed and delivered shall be deemed to be an original but all of which together shall constitute one and the same instrument.

AUTHORITY

41. The Parties represent and agree that the terms of the Settlement were negotiated at arm's-length and in good faith by the Parties, and reflect a settlement that was reached voluntarily based upon adequate information and sufficient discovery and after consultation with experienced legal counsel.

42. This Stipulation will be executed by counsel for each of the Parties, each of whom represents and warrants that he or she has the authority from his or her respective client(s) to enter into this Stipulation and bind the clients hereto.

NON-ASSIGNMENT OF CLAIMS

43. Plaintiff represents and warrants that she has been a stockholder of Southern Copper as of March 16, 2012 to the present, that as of the date hereof she continues to hold stock in the Company, and that she shall continue to hold such stock in the Company through the Effective Date.

44. Plaintiff and Plaintiff's Counsel represent and warrant that none of the claims or causes of action asserted in the Complaint, or any claims Plaintiff could

have alleged in the Action, have been assigned, encumbered, or in any manner transferred in whole or in part.

NO WAIVER

45. Any failure by any of the Parties to insist upon the strict performance by any of the other Parties of any of the provisions of this Stipulation shall not be deemed a waiver of any of the provisions hereof, and such of the Parties, notwithstanding such failure, shall have the right thereafter to insist on the strict performance of any and all of the provisions of this Stipulation to be performed by such other of the Parties. No waiver, express or implied, by any of the Parties of any breach or default in the performance by any of the other Parties of its obligations under this Stipulation shall be deemed or construed to be a waiver of any other breach, whether prior, subsequent, or contemporaneous, under this Stipulation.

CONFIDENTIALITY

46. To the extent permitted by law, all agreements made and orders entered during the course of the Action relating to the confidentiality of documents or information, including, without limitation, the stipulation and order governing the production and exchange of confidential information so-ordered by the Court on January 21, 2021, and all amendments and joinders thereto, shall survive this Stipulation.

47. Plaintiff and her counsel agree not to issue or cause to be issued any press release or public announcement of the terms of this Stipulation or of the Settlement, except through any necessary filings with the Court to effectuate the Settlement.

IN WITNESS WHEREOF, the undersigned Parties, by and through their respective counsel, have executed this Stipulation effective as of the date set forth above.

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Dated: September 21, 2021