

Agenda

Santa Cruz Technical College, Nogales South 32 Advisory Panel Meeting January 9, 2025

Schedule

Greetings and updates	3:30 – 3:40
CAP Overview	3:45 – 4:10
Review of Q and A website	4:10 – 4:30
South 32 Project Update	4:20 – 4:40
Next Meeting/Tour/Closeout	4:40 – 5:05

Attendance

Meeting Facilitators (Acorn International): Dean Slocum and Ranay Guifarro

South 32 Hermosa Advisory Panel Members Present: Linda Shore, Lou Jeong, Francisco Padilla, Trina de la Ossa, Jonathan Lutz, Daniel Gutierrez, Micheal Young, Guillermo Valencia. Josh Rubin and Fritz Sawyer

South32 Hermosa Advisory Panel Members Absent: Eva Zuniga, Maureen de la Ossa, Gerry Isaac, and George Wise

South32: Sandra Moraga, Troy Kimball

Minutes

3:30 Greetings

Meeting is called to order.

3:45 CAP Overview

- Reviewed section 1 of the Charter.
- The purpose of the CAP is to serve as an interface between South32 and the public. It provides an opportunity to listen to what South32 has to say and to advocate for accurate information (stick up for the truth, not for South32). It also serves as a channel for providing South32 with feedback on issues of importance and documenting the exchange in meeting notes and the Q&A tool.
- The necessity for a new/additional mechanism to document questions/comments coming from the community to ensure that “no question goes unanswered” was discussed.

Review of QandA Website

- The website is in place and populated with all the Q&A questions—about half of them have responses, and South32 is working on the balance.
- The website is not searchable yet, so it is hard to find specific questions of interest.
- Expanding the site (new tab?) to allow the public to post comments or questions is under consideration – an additional protocol to show the public how to submit their questions and concerns would be required.
- An additional survey tool with drop-down categories for different types of comments, that would be filtered and searchable is a possibility.
- Agreed that this is better than the Excel version but that it still needs more work on functionality and content – once those issues are addressed, the website can be rolled out.

Mining 101 Presentation

- There are 3 separate deposits (Manganese - Clark, Zinc - Taylor, Copper - Peak)
- The process starts by taking samples using a drill shaft to determine the grade. The samples are transported to the crusher.
- After the crusher, the samples are turned into wet powder, then into concentrates, and trucked to the smelter.
- The tailings are backfilled into voids in the form of a paste.
- Discharging some water to the aquifer via rapid infiltration basins is under consideration as an alternative in the NEPA EIS.
- A flotation video demonstrating how minerals are collected on bubbles was recommended.

Project Update

- South 32 presented the 2024 highlights: a \$2 bn investment + \$20M DOD for mining infrastructure and a \$166Mn investment in a DOE processing facility.
- South 32 requested CAP to develop questions about Clark to help the project craft responses for the public.
- It was mentioned that many questions in the Q&A database are answered “NA” (e.g., trucking) but that they might apply to Clark.
- Manganese hasn’t been mined in the US for over 50 years, so there is little information on impacts and no specific regulation of Mn as a substance. A UofA health study is looking at this.
- South32 has a manganese expert on retainer helping the project develop performance standards and operational protocols that would address concerns about long-term, repeated exposure via inhalation/ingestion
- A video on the Q&A website provides more detailed information

Next Meeting/Tour/Closeout /

- The roadmap was presented.
- South32 Workforce development will present next month – CAP members were requested to send their questions in advance.
- With regard Regarding the health survey, a meeting is scheduled for Jan. 21 to confirm the scope. South32 wants a health baseline vs the broader environmental health study that UofA wants).
- The next meetings are scheduled for Feb 5, March 5, and Apr 2. If desired, another mine tour can be organized.
- The CAP is looking for a new student member.

- The floor was opened to other questions that the CAP members are hearing from the community:
 - Rumors about the Elgin wells going dry
 - Lots of questions from Mexico about how to get hired on the project
 - One big unknown is regarding the workforce – is South32 really going to hire so many people? Are there enough trained people?
- The newsletter is good; articles have been featured in the Patagonia Regional Times.
- Excitement was expressed about the possibility of some non-residents who come to work becoming residents.
- South 32 is not training large equipment operators but is instead focusing on trade skills—electricians, plumbers, and construction workers (with high turnover)—which will benefit the community independently of the mine.
- What are the statistics on local employment in?
- Bird watchers from South Dakota who come every year – will bird life and birding opportunities change?
- Are there any positive benefits of water discharge?
 - Will help water pastures and create miles of relief for wildlife.
 - Discharge from Mexico to SC River – Rio Rico – could be diluted. South32 is posting this positive impact on social media, suggests the CAP encourage people to take this seriously vs viewing it as greenwashing.
- Chemical transports coming through may be very caustic. Reference was made to the acid spill on I-10 around Vail and the train spill, which took a long time to clean up; how much time would it take here – days vs hours? Concern was expressed that the Fire department is totally unequipped.
 - South 32 has meetings with all emergency services and the Cap Assessment studying this
 - Were members of the public expected to attend tonight? No, but people were not made aware to look at the website. Members can invite people to come. It is unclear whether members want to promote broader public participation in CAP meetings.

Adjourned at 5:05 PM

Reflection/evaluation sheet

How are you feeling so far? What could improve?

- Good we are advancing
- Mining 101 presentation was great and informative
- Feeling great and informed
- Great!
- Good
- Very Good. Appreciate the pace and amount of information provided

What do we need to address next?

- All preliminary questions being answered. Looking forward to workforce development.
- Community knowledge with facts
- 1.) Permitting updates, 2.) Health evaluation update with UofA, 3.) Water release alternative update
- Permits-Air, Water, etc., and spill response
- Looking forward to the next meeting on workforce, and information about air quality and what will be monitored.

How well have you felt heard so far? (0-5, with 0 not at all and 5 very well)

- 0-0
- 2-0
- 3-1
- 4-1
- 5-4



Community Advisory Panel on the South 32 Hermosa Project

Monthly Meeting

South32 Hermosa Project

January 9, 2024

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Meeting Agenda

- 3:30-3:45 - CAP overview and meeting rules
- 3:45-4:00 - Review of the QandA website
- 4:00-4:45 - Mining 101 Session - Fritz Sawyer
- 4:45-5:15 - South32 General Project Update - Sandra Moraga
- 5:15-5:30- Meeting Wrap-up and confirm February meeting date/time



Topics

- CAP Overview
- Meeting Rules
- QandA Website Review



CAP Overview

Section 1 – Purpose

South32 is committed to promoting the well-being of the Santa Cruz County, Arizona community and understanding community needs and concerns for the Hermosa underground mine development known as the Hermosa Project. For this reason, South32 has initiated and will support a process by which a self-governing panel of community leaders (a “Community Advisory Panel”, or “CAP”) with diverse perspectives and strong networks will:

- 1) Advise South32 on aspects of their project development that impact communities in Santa Cruz County, Arizona; and
- 2) Identify goals and priorities that could benefit both the larger community and South32 The Panel will be a safe space for constructive dialogue and debate around alternatives to maximize proper impact management and generation of shared value around the Hermosa project.



Meeting Rules

Section 6 – Meeting Arrangements

“Meetings will be open to the public, but those who are not members of the CAP will be observers only (not active participants or speakers in the meetings.) CAP members may decide (by consensus) to make any portion of a meeting, or a full meeting, closed to the public. Any items raised during the meeting not included on the agenda may be deferred to the following meeting if information needs to be obtained or personnel present are unable to provide an informed response. No question will remain unanswered.”



QandA Website

Overview for Discussion

- The QandA database will be linked to the CPBA website once it is up and functional
- The QandA database is an evergreen document, and if you have questions that are not already answered, please have them added to the document
- Whose responsibility is it to update the QandA website?
- [Website Link](#)



Mining 101 - Presented by Fritz Sawyer



South32 Project Update

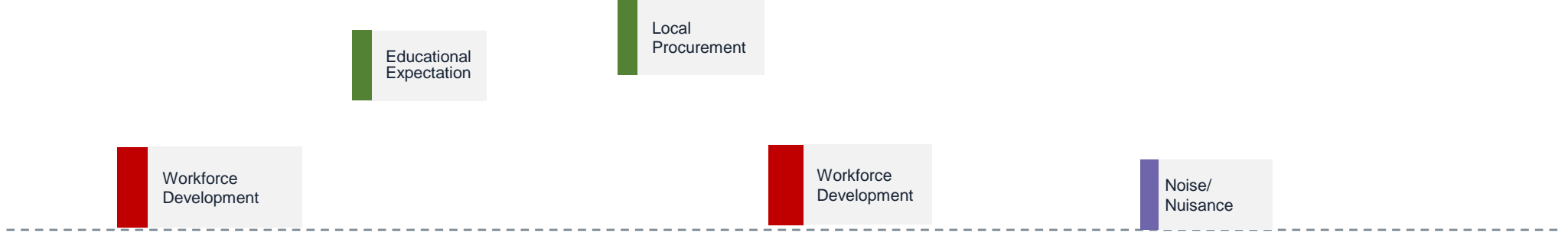


SANTA CRUZ COUNTY HERMOSA PROJECT ADVISORY PANEL

ROADMAP UPDATE

JAN 2025	FEB 2025	MAR 2025	APR 2025	MAY 2025	JUN 2025	JUL 2025	AUG 2025	SEPT 2025	OCT 2025	NOV 2025	DEC 2025
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Project Update



Identifying the opportunities in which CAP can support the community and South32 in each of these topics will be ongoing. This is the 'Involve' aspect of this Roadmap.

EMPOWER

Participate in community meetings to connect interested groups with the panel and bring forward their questions to facilitate outcomes desired by the panel

INVOLVE

Identify alternatives through participating in meetings, doing homework and own research, responding to surveys, participating in temporary workgroups

COLLABORATE

Participate in developing solutions and monitoring for accountability

CONSULT

Provide South32 feedback as to alternatives course of action during meetings, homework, surveys

INFORM

Share information through panelist

Next Meetings & Tour Info

Meeting	Location
January 9th	Patagonia
February 5 th	Nogales
March 5 th	Patagonia
April 2 nd	Nogales





Thank you!

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SOUTH32 HERMOSA

Project Update
January 2025

PROJECT UPDATE

Hermosa

1. Working on DOE Grant for the Clark decline – manganese sampling
2. Site construction is at 30% completion
3. Around 500 workers at site daily (direct employees and contractors)
4. Continue with Public Tours (2024 – 611 visitors 20% increase from 2023)
5. Taylor – Main shafts at about 120 ft. and ventilation shaft over 200 ft.
6. Clark – Manganese decline at 522 ft.

2024 RECAP - \$2.16 billion investment for zinc deposit - \$20 million U.S. Department of Defense (DOD) grant for manganese infrastructure - \$166 million U.S. Department of Energy (DOE) grant for development of a state-of-the-art, commercial scale battery-grade manganese production facility.

FAST-41: PERMITTING COUNCIL AND DASHBOARD



- [South32 Hermosa Critical Minerals Project | Permitting Dashboard \(performance.gov\)](#)

Permitting Timetable

The permitting timetable below displays data as reported by agencies. Dates for Environmental Review and Permitting processes (Actions) that are in 'Paused' or 'Planned' status are subject to change and are not indicative of a project's final schedule.

- For information about extensions, select an Action from the timetable below and select 'View Action Details' at the bottom of the page.

