

Kerwin S. Dewberry, Forest Supervisor
Coronado National Forest
ATTN: Hermosa Critical Minerals Project
300 West Congress Street
Tucson, AZ, 85701

SUBJECT: Letter of Support for South32's Hermosa Critical Minerals Exploration and Mine Plan of Operations

Dear Mr. Dewberry,

I am writing to express my support for South32's Hermosa project. I am a native Arizonian. My father worked in mining for over 40 years. I had the opportunity to work as an undergraduate student during the summers at the Sierrita mine in the tailings dam, mill, and crusher. As an academic, I have researched, written on, and consulted with mining companies all over the world on topics including leadership, safety culture, and corporate social responsibility. I am a firm believer that South32 is tending to the triple bottom line or 3BL (**People, Planet, and Profit**) with the Hermosa project.

South32 has demonstrated a duty of care to the **People** of Southern Arizona in general and Santa Cruz County in particular. The company has listened to the wants, needs, and concerns of community members. In fact, the company has made significant investments that will benefit current and future generations, helping to build human capacity. South32 has invested in key infrastructure, community development, and social service improvements in neighboring communities, including road upgrades, funding the arts, welfare, and civic engagement, and supporting STEM education programs for school-age children.

South32 has exemplified a commitment to the **Planet** through their sustainability efforts. From the onset, the company committed to cleaning up the mine site left by previous operators to the tune of \$30 plus million dollars. This saved taxpayers from footing the bill, preserving the natural environment, and mitigating the leaching of heavy metals and tailings into the water system. The company has pledged to monitor wildlife, biodiversity, and set an aspirational goal of no-net loss for biodiversity. Furthermore, with advances in technology, the company will operate with a minimal footprint and use less than 75% of water when compared to other mines in the region.

South32 has committed to turn a **Profit** for both the private and public sectors statewide. The multiplier-effect would be evidenced through increased personal income, economic development, and government revenues. Hermosa will help transform and grow the local economy by creating both direct and indirect jobs. Hermosa will create more than 900 direct jobs, with each job generating labor income equal to 2 times the average household income in the county and create more than 1,600 indirect jobs across Santa Cruz County. The company has made a \$2.16 billion investment in Hermosa, representing the largest private investment in the local economy to date. This will add nearly \$1.2 billion to Arizona's economy during

construction. Lastly, Hermosa will deliver millions annually in new tax dollars to fund public schools, community colleges, and county services etc.

Please consider the overwhelming support, evidence, and long-term benefits for the Hermosa Plan of Operations during the NEPA scoping period. I believe South32 is committed to achieving the triple bottom line or 3BL (**People, Planet, and Profit**) with the Hermosa project. Thank you for your consideration and feel free to reach out to me personally should you have any questions.

Sincerely,

Dr. Paul Melendez

A handwritten signature in black ink, appearing to read 'Paul Melendez', with a long, sweeping flourish extending upwards and to the right.