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Organization:

Title:

Comments: May 14, 2024

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,

The Arizona Mining Association is writing to express our support for South32's Hermosa project as the only advanced mine development project to date in the United States that could produce two federally designated critical minerals - manganese and zinc - both of which are essential minerals for powering the nation's clean energy future.

The Arizona Mining Association is a non-profit corporation comprised of entities engaged in mining and mineral processing in Arizona. In 2022, AMA member companies produced approximately 74% of the nation's newly-mined copper, along with significant amounts of associated valuable co-products (e.g., gold, silver, selenium, tellurium and molybdenum). Arizona's hard rock mining industry employs approximately 13,645 people directly which supported an additional 47,262 indirectly and has an estimated direct and indirect impact on the Arizona economy of nearly \$14.2 billion. The AMA is the unified voice of responsible, sustainable, and safe mining in Arizona. Through our advocacy, we help Arizona continue to be a premier location for mining investment in the U.S.

As a member of the community, AMA recognizes Hermosa's potential to bring numerous benefits not only to Southern Arizona but to the entire nation, while also leading change in the industry by operating in an environmentally responsible manner.

Hermosa is being designed from the ground up with advanced technology and monitoring systems to deliver on the company's sustainability commitments and in response to community interests. With a total footprint of 750 acres, it's a fraction of the footprint of open-pit mines and even other underground mines, and its water use intensity is 75% less than other mines in the region.

South32 is a responsible neighbor in Santa Cruz County and is working closely with the community to ensure their needs and concerns are addressed as the project moves forward, including for water management, sustainability, and protecting our region's unique ecosystem. Wildlife and biodiversity monitoring has been ongoing at Hermosa since 2012 and South32 regularly conducts surveys for threatened and endangered plant and aquatic species, in a concerted effort to meet their goal of no-net loss for biodiversity.

In addition, Hermosa will help to transform and grow the local economy, creating good paying jobs so the next generation have opportunities to stay in Santa Cruz County.

South32 recently made a \$2.16 billion investment in Southern Arizona, representing the largest private investment in the local economy to date. Hermosa will create more than 900 family-sustaining jobs, with each job generating an average income of \$90,000 annually - over double the average household income in the county today. The project will also deliver millions annually in new tax dollars to fund public schools, community colleges, and county services. Hermosa will additionally create 1,600 indirect and induced jobs across Santa Cruz County, over 3,100 jobs across the state of Arizona, generate a cumulative \$29 million in local taxes for the county, and add nearly \$1.2 billion to Arizona's economy during construction alone.

Further, Hermosa will invariably strengthen our domestic supply of critical minerals to reduce our reliance on foreign sources, reduce overall greenhouse gas emissions by removing the need to transport these materials abroad, and combat human rights risks by producing these materials safely and sustainably here in the United States with strong labor and environmental protections. Right now, the US is 100% reliant on foreign sources for manganese and produces just 6% of the world's zinc at a single mine in Alaska that is nearing the end of its service life. Hermosa has the potential to responsibly boost our nation's critical mineral security.

Thank you for your consideration of our views as the Hermosa project's scoping period continues. We recognize that South32 is committed to developing Hermosa in a way that benefits the community, minimizes impact on the environment, and creates new opportunities across the region for years to come. You can contact me at [steve@azmining.org](mailto:steve@azmining.org) or (602) 989-3854 with any questions or to discuss this issue in more detail.

Signed,

Steve Trussell  
Executive Director  
Arizona Mining Association