

September 11, 2020

Mr. Neil Bosworth
Tonto National Forest
Supervisor's Office
2324 East McDowell Road
Phoenix, AZ 85006-2496

Subject: Response to September 8, 2020 Letter on ASLD Comments Regarding the North Skunk Camp Pipeline Route

Dear Mr. Bosworth,

Enclosed, please find Resolution Copper's response to questions received from Arizona State Land Department (ASLD) on September 8, 2020 regarding the North Skunk Camp pipeline corridor.

Should you have any questions or require further information please contact me.

Sincerely,



Vicky Peacey,
Senior Manager, Permitting and Approvals; Resolution Copper Company, as Manager of Resolution Copper Mining, LLC

Cc: Ms. Mary Morissette; Senior Advisor – Land & Permitting; Resolution Copper Company

Enclosure(s):

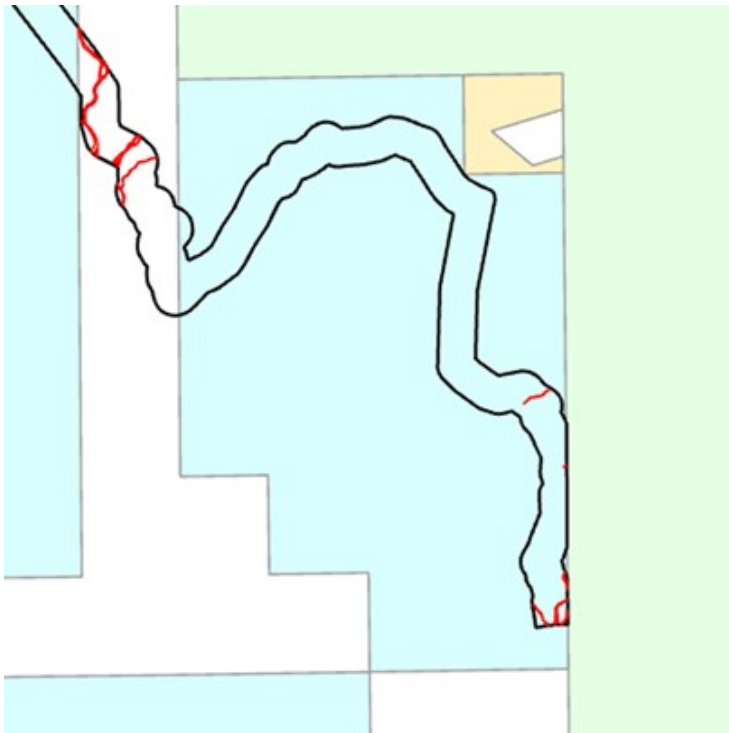
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ASLD Comment:

1. *Att. 1B shows the powerline corridor no longer going into T02S-R14E Sections 08 and 17. Is this correct? A prior map submitted to ASLD on 6/9/20 and GIS files dated 7/28/20 associated with the Corps approved Section 404 Preliminary Jurisdiction Determination (PJD) show the corridor going into these non-State Trust land sections.*

Resolution Copper Response:

This is correct. The final pipeline alignment being reviewed in the FEIS and 404b1 Alternatives Analysis does not include the National Forest System (NFS) lands in Sections 08 and 17 of Township 02 South, Range 14 East. The pipeline corridor was narrowed slightly from its normal 500-foot width to avoid minor encroachment on to the NFS lands. As displayed in the graphic of the final corridor, no corresponding addition of State Trust lands were added to the corridor to make the 500-foot width. This change does not add impacts to potential waters of the United States or Arizona State Trust Lands.



ASLD Comment:

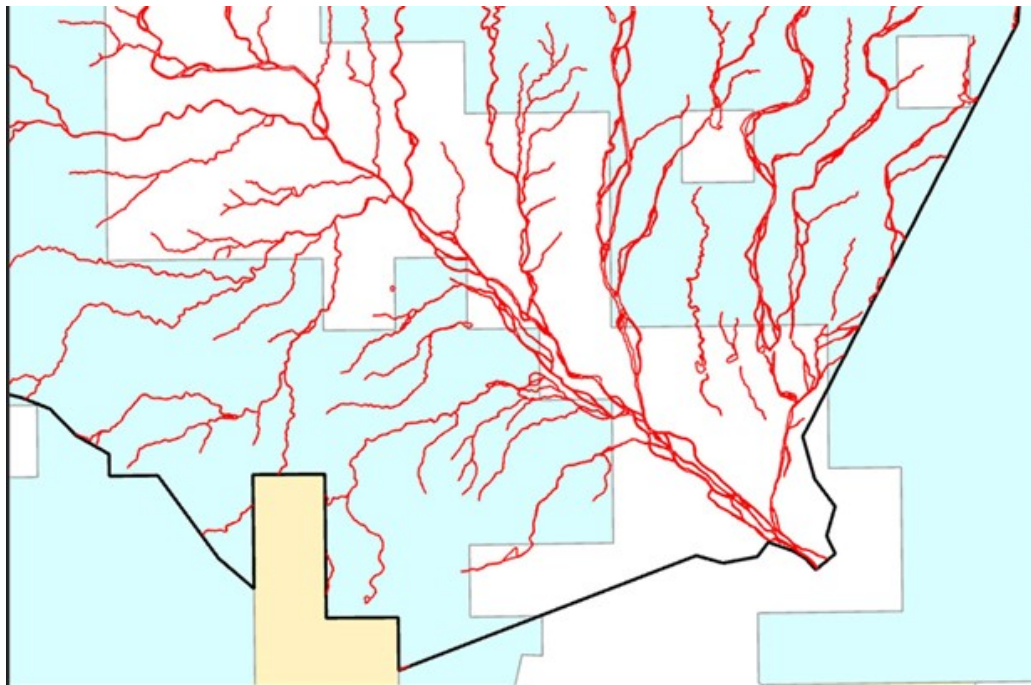
2. *Att. 1D shows there are many potential severance areas for the proposed TSF fence line area which is called the "Preferred Alternative" on the map. If the ASLD sale is issued and does not adjust the boundary to eliminate these, severance needs to be applied. RCM and adjacent landowners may want to be notified that the ASLD sale boundaries may expand beyond with the "Preferred Alternative" TSF boundary which might necessitate redoing the*

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PJD and the Clean Water Act Section 404 permit.

Resolution Copper Response:

The purchase does not affect potential waters of the United States. The transition from publicly held to privately held land management similarly does not affect future Clean Water Act permitting requirements. As such, there is no need to revise the PJD to include those lands where no impacts under the jurisdiction of the Army Corps of Engineers is proposed.



ASLD Comment:

- Att. 1D shows the Skunk Camp TSF boundary. This boundary either meets or is less than the PJD boundary approved by the Corps (GIS submitted to ASLD on 7-28-2020) with following exception: T3S-R14E-Sections 13 and 24. In these two sections, the PJD boundary will need to be expanded or the proposed TSF boundary reduced.*

Resolution Copper Response:

Similarly, Item 3 from the letter correctly notes that features of the TSFs appurtenant infrastructure, specifically portions of the run-on diversion channel, go outside of the boundary of the PJD on private lands in Sections 13 and 24 of Township 3 South, Range 14 East. As with Item 1, inclusion of this area of private lands is being reviewed in the FEIS and 404b1 Alternatives Analysis. This additional area in the vicinity of the TSF does not include new potential waters of the United States that might be impacted by the project and does not add impacts to Arizona State

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Trust Lands and occurs solely on privately held lands. Item 3 incorrectly suggests, however, that the Corps has already issued a Clean Water Act Section 404 permit for the project.

Both of the project design changes noted in 1 and 3 occurred on the same day that the PJD documentation was signed by the Army Corps of Engineers on June 17, 2020. As neither of these edits involved additional or undisclosed impacts on potential waters of the United States that were not already considered in the PJD submittal, the Army Corps of Engineers determined that no revision to the signed PJD was necessary. To the extent that changes in project disturbance to uplands are within their scope, the Army Corps of Engineers chose to address them in 404(b)(1) Alternatives Analysis, the FEIS, and the Clean Water Act Section 404 permit they may choose to issue for the project. Neither of the changes described under Items 1 and 3 involves State Trust lands that were not previously considered under the ASLD authorizations for the Army Corps of Engineers' review of the PJD.

ASLD Comment:

Additionally, while evaluating the proposed route, the Range Section of the Natural Resources Division highlighted possible impacts to a stock tank in the NW corner of Section 3, Township 2S, and Range 13E, which may require mitigation. The route could also potentially impact the well and livestock facilities and other ranch infrastructure in the S2 of Section 20, Township 2S, Range 14E. During construction of the pipeline, there could be potential hazards to livestock. We believe these points are important to note for the purposes of the EIS.

Resolution Copper Response:

Per Resolution Copper's June 25, 2020 letter in response to comments on the proposed ROW corridors from ASLD, Resolution Copper has identified one stock tank in the corridor which can be avoided by adjusting the location of the pipeline within the corridor without affecting the corridor.

Resolution Copper has partnerships with and/or owns multiple properties with associated grazing rights/permits on National Forest System Lands, Bureau of Land Management and Arizona State Trust Land within the footprint of the proposed mine, land exchange, tailings storage facility and a portion of the pipeline/powerline corridor as described below:

- Resolution Copper currently holds the grazing rights via permits with the Tonto National Forest and the Arizona State Land Department over the Oak Flat Land Exchange, the mine area and a portion of the pipeline/powerline corridor (Devil's Canyon Grazing Allotment) and intends to continue grazing.
- Resolution Copper currently holds the grazing rights via permits with the Arizona State Land Department (and BLM) for a portion of the Skunk Camp Tailings Storage Facility (Victory Cross Grazing Allotment) and intends to continue grazing.
- Resolution Copper holds the grazing rights through a future interest in the Slash S Allotment for the remainder of the Skunk Camp Tailings Storage Facility footprint and a portion of the pipeline corridor and intends to continue grazing.

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Resolution Copper has and will continue to work collaboratively with the Arizona State Land Department and ranchers who hold private property and/or grazing leases/rights within the vicinity of the proposed project footprint. To minimize ranching impacts, the corridor pipeline/powerline has been designed consistent with feedback from ranchers to have minimal impact on ranching land uses and day to day activities. In the event that other ranching and range improvements may be impacted in the future, Resolution Copper would replace those improvements as a result of the construction of the pipeline corridor. Range fencing will be opened during pipeline construction with temporary fencing installed at the end of each work day to prevent livestock migration. After construction, permanent repairs will be made to the fencing including a gate to permit right-of-way access for inspection and maintenance activities along the pipeline corridor.

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