



August 20, 2024

Mr. Ardeshir Sharifabadi
Project Manager
APP Unit, Groundwater Protection Value Stream
Water Quality Division
Arizona Department of Environmental Quality
1110 W. Washington Street
Phoenix, Arizona 85007

RE: Copper World Project – Aquifer Protection Permit Application – Response to “Additional Information Request”,
Email dated July 29, 2024

Dear Mr. Sharifabadi:

This letter transmits the requested information per your email dated July 29, 2024 regarding the Copper World Project (CWP) aquifer protection permit (APP) application submitted to the Arizona Department of Environmental Quality on September 21, 2022. Per the email, this information is required to complete the responsiveness summary document that ADEQ is preparing for the CWP and to update the draft permit. In addition to providing the requested information, proposed edits to the draft permit are also provided.

Item 1: Updated project latitude / longitude coordinates

Response: The updated project latitude / longitude are as follows: 31° 51' 43.2" N / 110° 46' 26.4" W. These updated coordinates reflect the approximate centroid of the CWP. These coordinates have been updated in the draft permit provided as Attachment 1 of this transmittal.

- Attachment 1_51390_90620_Permit-Final_Hudbay edits_20Aug2024 (separate document)

Item 2: Updated POC well latitude / longitude coordinates

Response: Figure 36 from the original APP application has been updated (see Attachment 2 of this transmittal). Slight coordinate adjustments were made based on property boundaries in response to comments. These coordinates have been updated in the permit (see Attachment 1).

- Attachment 2_Figure 36 Point of Compliance (POC) Wells_20240610 (separate document)

Item 3: Additional non-POC monitoring wells for the Rosemont Pit (latitude / longitude coordinates) and monitoring schedule

Response: Figure 1 was prepared showing the coordinates of two proposed non-POC monitor wells associated with the Rosemont Pit (see Attachment 3 of this transmittal). These wells are proposed in response to comments received during the comment period for the CWP. These wells will monitor both water levels and groundwater quality. These wells will be installed upon commencement of Rosemont Pit dewatering and will be monitored annually during operations and for the first 10 years of the post-closure period. Additional details and suggested edits to the draft permit have also been provided in Attachment 1.

- Attachment 3_Figure 1 Rosemont Pit Non-POC MWells_20240610 (separate document)

Item 4: Financial Assurance (FA) staging schedule

Response: The proposed FA staging schedule is as follows: 10% of the total at permit issuance, 25% of the total at the start of construction, and 100% prior to the placement of pollutants. The estimated closure cost is \$26,600,000, and the estimated post-closure cost is \$70,500,000, for a total of \$97,100,000. This proposed schedule reflects the delay between permit issuance and actual operations, i.e., placement of pollutants. Additionally, the 25% amount (of the total) at the start of construction matches the estimated closure cost post-operations. This amount is conservative as there will be minimal buildout of some facilities during the construction phase. Additionally, a bond will also be in place for reclamation of surface disturbances and building demolition and removal with the Arizona State Mine Inspector (ASMI) under the Mined Land Reclamation Program. Suggested edits to the draft permit have also been provided in Attachment 1.

Item 5: Map showing the Copper World Project location in relation to schools and hospitals

Response: Attachment 4 provides a map showing the requested information.

- Attachment 4_Figure 1 School and Hospital Locations 20240516 (separate document)

Item 6: Corrected Piteau technical documents from the September 2022 CWP application

Response: Due to their size, the following corrected Piteau documents have been uploaded to ADEQ's file server:

- F.1 Hydrogeologic Study_Stamped_Updated Dec292022
- F.2 Water Quantity Impacts A_Stamped_Updated Dec292022
- G.1 Geochemical Impact A_Stamped_Updated Dec292022
- G.2 Supplemental Geochemical_Stamped_Updated Dec292022

Item 7: Sulfate fate and transport analysis

Response: A fate and transport analysis has been prepared for sulfate. This analysis shows the migration of sulfate and how the concentration from the tailings storage facility (TSF) "dilutes" to less than 250 mg/L before reaching any drinking water sources.

- Attachment 5_4286_TM24-02 – Sulfate F&T_20240405 (separate document)

Please do not hesitate to contact me at (520) 495-3527 (office), (520) 260-3490 (cell) or via e-mail at david.krizek@hudsonbayminerals.com if you have any questions regarding this response.

Sincerely,



David Krizek, P.E.

Senior Manager, Environmental & Permitting

Attachments:

- Attachment 1: 51390_90620_Permit-Final_Hudbay edits_20Aug2024 (separate document)

- Attachment 2_Figure 36 Point of Compliance (POC) Wells_20240610 (separate document)
- Attachment 3_Figure 1 Rosemont Pit Non-POC MWells_20240610 (separate document)
- Attachment 4_Figure 1 School and Hospital Locations 20240516 (separate document)
- Attachment 5_4286_TM24-02 – Sulfate F&T_20240405 (separate document)

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