

MEDIA RELEASE



FOR IMMEDIATE RELEASE

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SOUTH32 COMPLETES VOLUNTARY REMEDIATION OF HISTORIC TRENCH MINE CAMP IN SANTA CRUZ COUNTY

South32 today announced the completion of its multimillion-dollar voluntary remediation project at the former Trench Mine, a closed mine last operated more than 50 years ago on the present-day Hermosa Project site in Santa Cruz County, Arizona.

The project involved remediating waste known as tailings from historic mining activities. Previously, the tailings had a high moisture content and were located directly on native ground. This once-common type of tailings storage facility (TSF) allowed for stormwater to soak through the tailings, reach the native ground, and enter local waterways during heavy rainfall, carrying with it heavy metal contaminants.

The TSF has now been redesigned as a dry stack system, which means the tailings are highly compressed with low moisture levels – minimising the risk of run-off. A multilayer liner system now underlays the dry stacked tailings, which collects any water that soaks through the tailings and feeds it to a water treatment plant. The liner system includes sophisticated leak detection. The redesigned TSF complies with the Australian National Committee on Large Dams – a globally recognised industry standard for tailings management.

The remediation work was completed in accordance with the Voluntary Remediation Program of the Arizona Department of Environmental Quality. The approach adopted, which was selected to ensure the highest standards of safety in tailings storage and water conservation, cost over US\$30 million. The project commenced in 2017 and involved over a million combined work hours from South32 employees and contractors, most of them local to Santa Cruz County.

Pat Risner, President of the Hermosa Project, said: “South32 works to high standards because that matters deeply to our stakeholders, whether they own wells downstream from our site, own livestock close to the waterways, or own shares in our company. It also matters deeply to all of us who work at Hermosa. We need to be able to hold our heads high when we talk about our work, and I’m proud to say that our project team can do that.”

“South 32 has done a great job in designing and working with the VRP to ensure that we have the right system in place to address everything that’s coming off their property, to include their future processing,” said VRP program director for ADEQ Laura Malone. “It’s a win for the environment, and that’s first and foremost. It’s a win for South32, because they have a viable mine site, and they’re going to be able to be in that area for a long time. And it’s a win for the agency, because we know we have a site that is being managed appropriately and works well with the agency to address any of our concerns.”

The Hermosa Project, a development option near the Town of Patagonia, was acquired by South32 as part of its acquisition of Arizona Mining in August 2018.

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About South32

South32 is a globally diversified mining and metals company. We produce bauxite, alumina, aluminium, energy and metallurgical coal, manganese, nickel, silver, lead and zinc at our operations in Australia, Southern Africa and South America. We are also the owner of a high-grade zinc, lead and silver development option in North America and have several partnerships with junior explorers with a focus on base metals. Our purpose is to make a difference by developing natural resources, improving people's lives now and for generations to come, and to be trusted by our owners and partners to realise the potential of their resources.

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