

Hermosa Advisory Panel Meeting #1
April 14, 2021
Patagonia Public Library, 46 Duquesne Ave

Opening

The meeting of the Hermosa Advisory Panel Meeting #1 was called to order at 11:45am on April 14, 2021 in Patagonia Public Library, 46 Duquesne Ave by Angie Donelson.

Attendance

- Meeting Facilitators: Angie Donelson, Robin Breault
- Hermosa Advisory Panel: Olivia Ainza-Kramer, Maritza Cervantes, Jaime Chamberlain, Liz Collier, Ruth Ann LeFebvre, Damian Rawoot, Ron Robinson, Adelmo Sandoval, Carolyn Shafer, Linda Shore, Nils Urman, Marcelino Varona, Michael Young
- Hermosa Advisory Panel Members Absent: Mark Beres
- South32: Pat Risner, Melanie Lawson
- Scribe: Lizbeth Perez

11:45a Introductions/Review Agenda

- Welcome, reviewed packet and printed slides 1-6 (see Attachment A)
- Hermosa Advisory Panel Introductions
 - Liz Collier, Board of Santa Cruz County Provisional Community College District; School in search for adjunct professors
- Pat Risner, South32 President is looking for feedback from advisory panel

12:00p What We Hope for As a Group/Panelists' Responsibilities

- Reviewed handout, Principles for Hermosa Advisory Panel Charter Terms of Reference (see Attachment B). We are using this as the "bare bones" of the Advisory Charter Document; the panelists will be adding on to this and will review next time
- Activity: What do you need from this panel to participate? Panelists engaged in self-reflection, then generated ideas in pairs, and shared at their table.
- Responses from table discussions: What key values and themes stood out in your conversation?
 - Focused, structured, time effective (purposeful, not a "marketing" exercise)
 - Respect for each other and diverse voices
 - Productive conversations producing action with concrete outcomes
 - Mindful discussions

- All able to voice concerns
- Curiosity
- Additional values and principles generated from individual self-reflection:
 - Engagement
 - Structure is important
 - Understanding; kindness; honesty
 - Having purpose
 - Being heard
 - Knowing and being comfortable with the people I am working with; psychological safety so people feel comfortable being open

12:25p Roles of the Advisory Panel/South32/Facilitator

- Opportunity to write down questions for after-lunch discussion; opportunity to vote on panel name (panelists completed survey while they listened to presentation)
 - Panel names:
 - Santa Cruz County Advisory Panel on the South32 Hermosa Project (6 votes)
 - Hermosa Community Advisory Panel (3 votes)
 - Hermosa Advisory Panel (2 vote)
 - South 32 Hermosa Advisory Group (1 vote)
- Angie, Facilitator (reviewed printed slide 7, Attachment A)
 - Your roles/responsibilities as panelists: asking good questions, framing issues that impact you and your networks and that you would like to influence as priorities for this group (now and later in our work); making sure your values are well represented in the panel's work; responding to surveys that help bridge work between meetings
 - My role: ensure your values/rules of engagement are respected, make sure we have good meeting minutes that can be shared publicly; help you identify and rank interests (including prioritizing that beginning at our next meeting); assist you in planning measurable activities; help identify what the panel can or cannot impact; try to ensure your interests are heard and represented in clear and fair ways.
- Melanie, South32 (reviewed printed slides 8-12, Attachment A)
 - Desire to be community partner, planning to use local services to become one
 - Looking to benefit Santa Cruz County and needs panel feedback to achieve that
 - South32 assessment is not complete, looking to expand the assessment and wants panel to contribute to that
 - The panel can shape 1) aspects of project development (on-site infrastructure, certain off-site development plans such as uses for water discharge); 2) local support – such as

economic support for workforce development programs, local businesses development & local procurement; 3) influence and help shape the company-required Social Impact & Opportunity Assessment; 4) advise on priorities and direction of S32's existing grant funding opportunities for county

- Prefeasibility study will give an idea of where concerns will be, and possible direction of panel priorities
- Example: Routes for mine currently narrowed down to Flux Canyon and Harshaw to Cross Creek connector. Panel can advise on several points, such as providing feedback as to route selection and collaboration on road design and mitigation strategies
- Financial commitment from South32 of \$150,000 over 3 years to bring in technical experts, technical studies, do field trips. Funded infrastructure projects (such as mitigation strategies) will be above and beyond this commitment.
- Much of the work of this panel will become more specific/clear as South 32 releases public information in its prefeasibility study

12:45p Working Lunch/Getting to Know Other Panelists

- Opportunity to get to know other panelists through “life mapping” activity/sharing out in small groups.

1:30p Q&A with South32

- Where will minutes be available to public?
 - After minutes are approved by all members, they will be posted on South32 website; link will be sent out
- How will South32 participate with local businesses?
 - Once Prefeasibility Phase concludes, towards end of June, South32 will have better idea of what the mine will look like, where investments will go, what training in the workforce is required
- What is the level of investment South32 has planned?
 - There will be workforce projections for mine. Data will include types of skills needed along mine's phases
 - Will have higher skilled jobs due to advanced technology used
 - Looking towards panel for the type/level of education to which the mine will contribute. Have seen training is effective when it starts in K-12, they begin focusing on STEM
- Jaime C.- Can you take high school seniors into the mine?
 - Such opportunities will open up past COVID, is something the mine has done in the past

- Site visit would be open to the panel
- What are strategies to prevent contamination issues?
 - Taking time to understand area, which is where South32 is devoting extra time
 - Using a new way of managing waste that leads to better outcomes
 - Using 1 route for construction/early production
- Prefeasibility phase wraps up next month, work will be peer reviewed Next is Feasibility phase, which will run for 12 more months
- Liz C.- What resources would be mined?
 - Zinc, lead, silver, manganese mineral resources; currently, resources are almost entirely imported
- Wineries rep. not present, but were still able to submit questions/concerns about truck use on Hwy 82 and Hwy 83. Wineries depend on tourists and visitors. What is South32's projected use of the road and what is their plan to mitigate heavy trucking?
 - Would fund maintenance on route

1:50p Looking Ahead: Future Hermosa Panel Meetings

- Wrap-up and survey; results:
 1. Now that you have heard more about the planned work of this panel, what top priority do you have for the panel to address/explore at the next meeting? (see Attachment C)
 2. How well have you felt heard so far? (0-5, with 0 not at all and 5 very well)
 - 0 (1 vote)
 - 4 (7 votes)
 - 5 (5 votes)
- Follow up survey to gather additional feedback for the panel's charter document/next steps will be sent through email
- Setting up next meeting for Wednesday May 19; meeting likely to be inside. Will send survey to address potential concerns (given Covid)
- Marcelino V.- request for cold drinks available at the start of the meetings

Open Issues

- Official Panel Name
- Location/Time of next Meeting
- Panelists comfort with publicizing names to media
- Send minutes for approval at next meeting

Agenda for Next Meeting

- Review and agree on a charter
- Work group priorities moving forward

Adjournment

Meeting was adjourned at 2:05 by Angie Donelson. The next general meeting will be at on Wednesday May 19, in Patagonia. Location it to be determined.

Attachment A

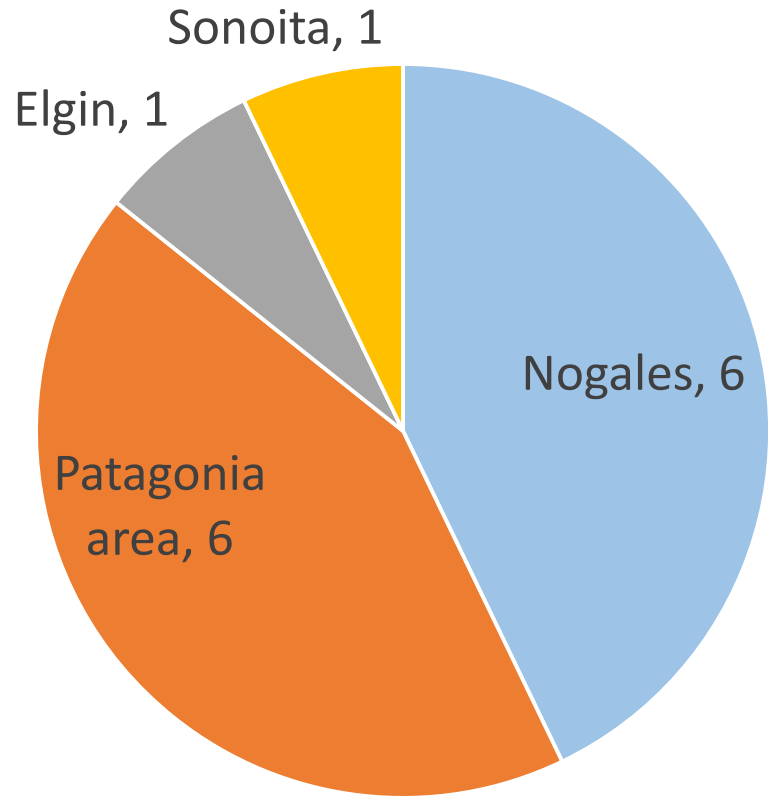
Hermosa Advisory Panel Meeting #1

April 14, 2021

Hermosa Advisory Panelists

Panelist	Community Represented
1. Olivia Ainza-Kramer	Nogales
2. Mark Beres	Sonoita/Elgin
3. Martiza Cervantes	Nogales
4. Jaime Chamberlain	Nogales
5. Liz Collier	Patagonia Lake
6. Ruth Ann LeFebvre	Sonoita
7. Damian Rawoot	Patagonia
8. Ron Robinson	Patagonia
9. Adelmo Sandoval	Nogales
10. Carolyn Shafer	Patagonia
11. Linda Shore	Patagonia
12. Nils Urman	Nogales
13. Marcelino Varona	Nogales
14. Michael Young	Patagonia

Hermosa Advisory Panelists, By Community



Population

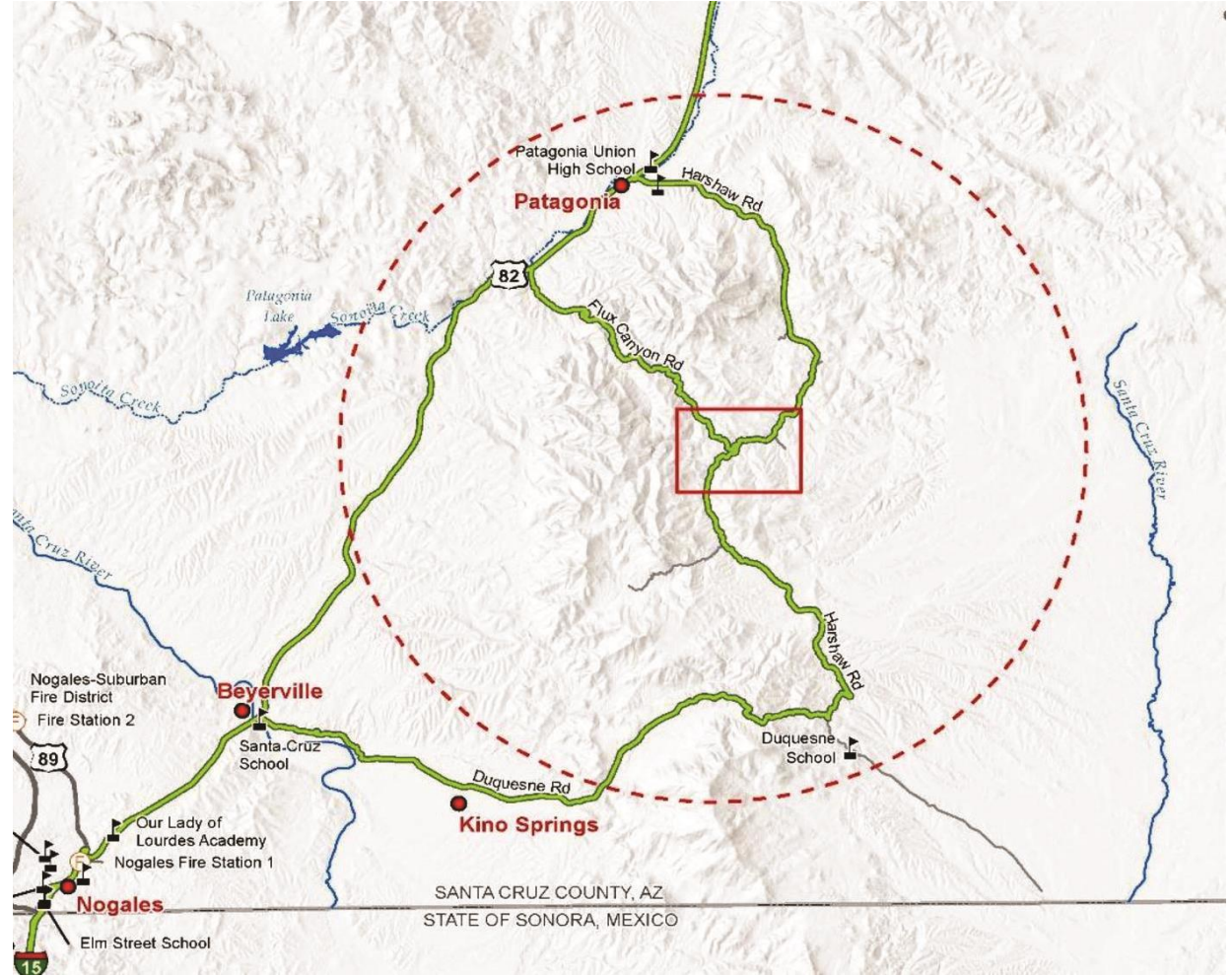
Nogales = 20,031

Sonoita = 864

Patagonia = 864

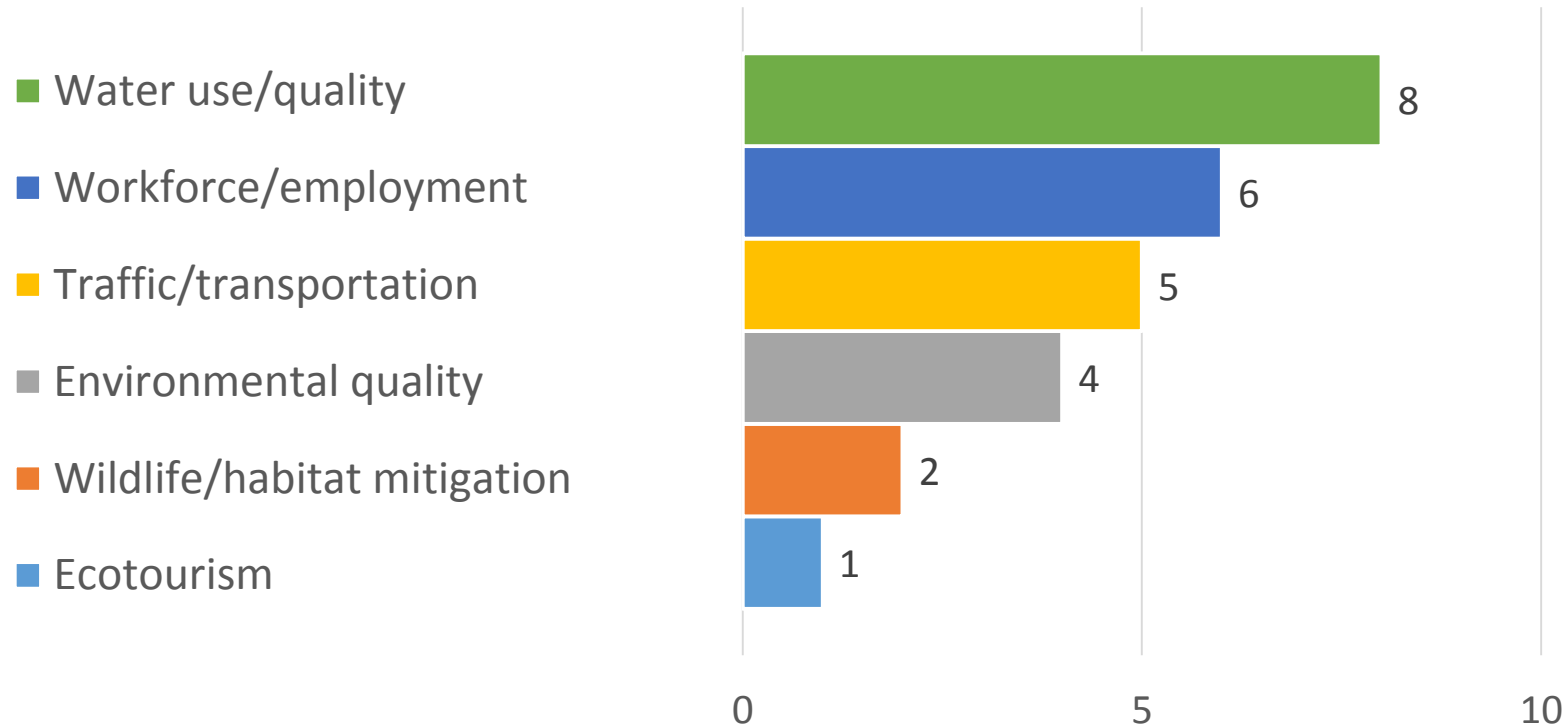
Elgin = 91

Hermosa Project: Area of Direct Influence



Source: ERM, 2019

Hermosa Advisory Panelists: Top Issues Named In Application Process



Hermosa Advisory Panelists

Why are you interested in becoming a member of the advisory panel?

Most “informative”/“central” sentences*

My overall interest in becoming a member of the advisory panel includes safe management of our resources, the quality of life of our county residents, and preserving natural geographic beauty, while balancing economic prosperity.

Protect water and wildlife; 112 protected species; drought; proactive people have gathered in our community; water is important; our work is to hold mining to highest levels of existing laws

I want to learn more about the long term plans of South32. I want to be able to communicate information about the mine and its process from a place of knowledge

Hermosa Advisory Panelists

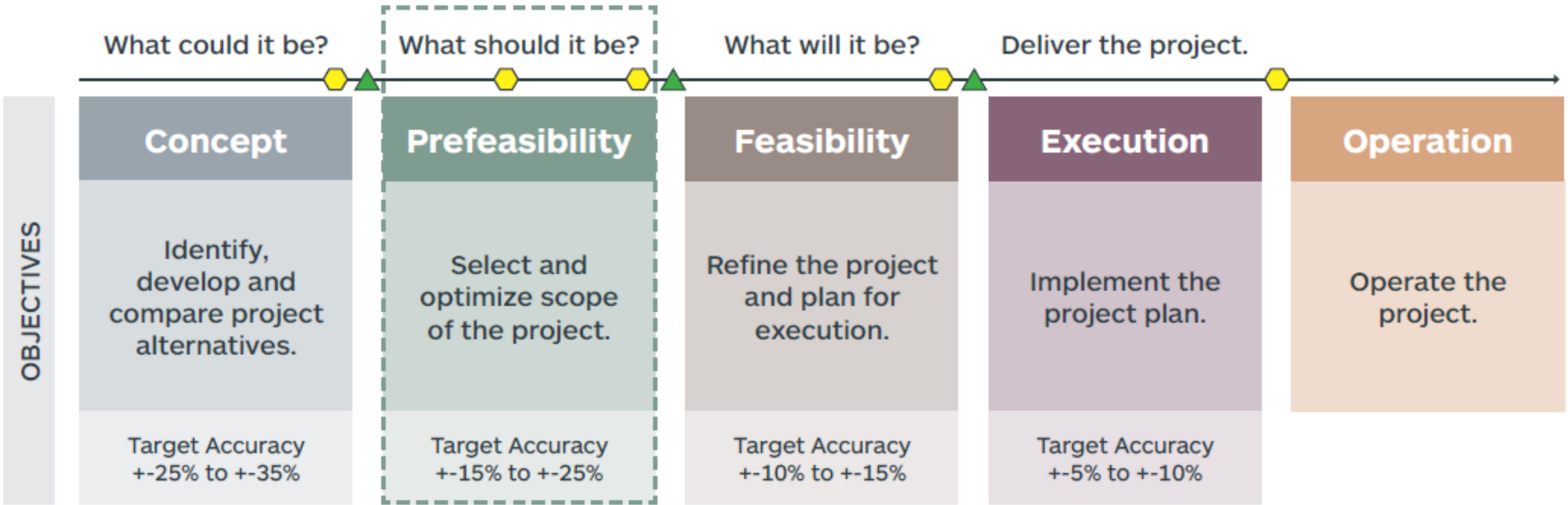
Commitments

What Can You Influence?

WHY DID SOUTH32 PUT THE PANEL TOGETHER?



Hermosa Advisory Panelists: Relationship to Hermosa Prefeasibility Phase

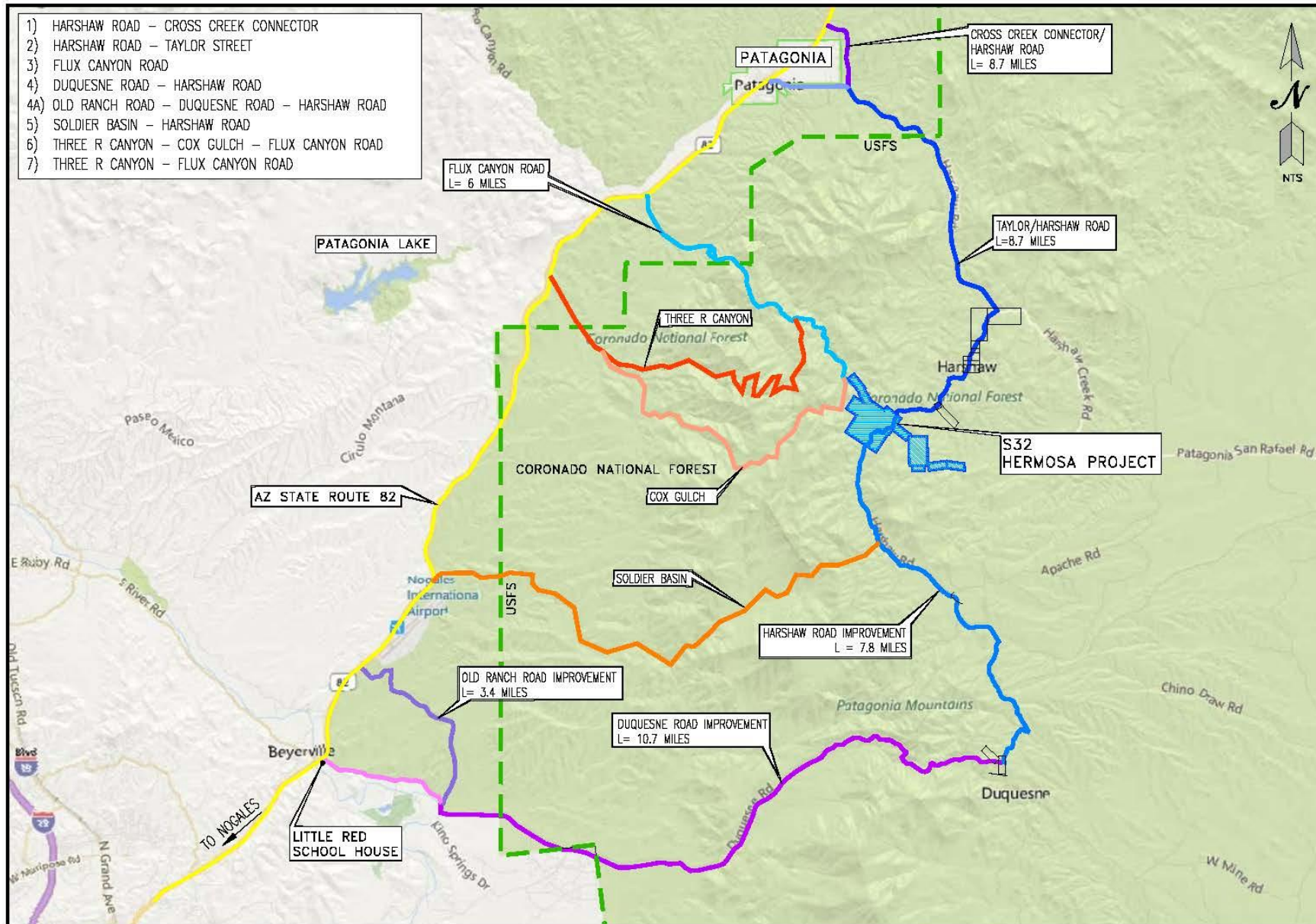


Independent Peer Review

Decision to Proceed

In relation to what Hermosa is projected to be, How can the panel engage?

Example - Hermosa Advisory Panelists: ACCESS ROUTES



- Initially evaluated 7 routes
- Eliminated routes due to constructability, USFS management plan, or other issues
- Narrowed evaluation to 3 routes: Flux Canyon, Harshaw / CCC, and Duquesne
- Communicated Harshaw / CCC as preference in August 2020
- PFS extension allowed for reevaluation of routes – reviewing Flux Canyon & Harshaw / CCC options

Example - Hermosa Advisory Panelists: ACCESS ROUTES

Engage in Two Points in the Process of the Spectrum of Public Participation

developed by the international association for public participation



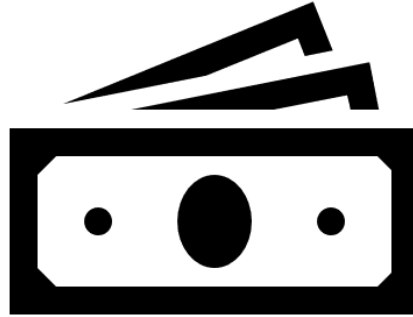
Road design and mitigation strategies

	INFORM	CONSULT	INVOLVE	COLLABORATE	EMPOWER
PUBLIC PARTICIPATION GOAL	To provide the public with balanced and objective information to assist them in understanding the problem, alternatives and/or solutions.	To obtain public feedback on analysis, alternatives and/or decision.	To work directly with the public throughout the process to ensure that public concerns and aspirations are consistently understood and considered.	To partner with the public in each aspect of the decision including the development of alternatives and the identification of the preferred solution.	To place final decision-making in the hands of the public.
PROMISE TO THE PUBLIC	We will keep you informed.	We will keep you informed, listen to and acknowledge concerns and aspirations, and provide feedback on how public input influenced the decision.	We will work with you to ensure that your concerns and aspirations are directly reflected in the alternatives developed and provide feedback on how public input influenced the decision.	We will look to you for advice and innovation in formulating solutions and incorporate your advice and recommendations into the decisions to the maximum extent possible.	We will implement what you decide.

Route selection



WHAT'S THE FINANCIAL COMMITMENT?



\$150,000 over the next 3 years

- These funds are to be used for additional technical assessments or program development.
- Large contributions to assist with local infrastructure development or support for workforce development programs will be budgeted as a separate commitment outside of this allotment.

Attachment B

Principles for Hermosa Advisory Panel Charter

Purpose of the Panel

South32 is committed to promoting the well-being of the Santa Cruz County community and understanding community needs and concerns during the early stages of studying the potential for an underground mine development known as the Hermosa Project about six miles southeast of Patagonia. For this reason, South32 has contracted for a process by which a panel of community leaders with diverse perspectives and strong networks will:

- 1) Advise South32 on aspects of their project development that impact communities in Santa Cruz County, Arizona; and
- 2) Identify goals and priorities that could benefit both the larger community and South32

Panelist Roles and Responsibilities

The key **roles** of the advisory panel are to:

- 1) Facilitate communication between the community and South32
- 2) Discuss and explore community impacts related to the Hermosa operation
- 3) Enable issues or questions to be raised and addressed that are relevant to the local community as it relates to impacts of the operation
- 4) Share the findings and discussions from the panel with the community, including groups where panelists have strong connections and networks
- 5) Guide, change and improve the way that South 32 engages with the community (Santa Cruz County), including recommending ideas to ensure those impacted have the opportunity to benefit from the project
- 6) Provide advice and recommendations on aspects of the project that reflect values held by the community (Santa Cruz County)

Key **responsibilities** are to:

- 1) Attend all scheduled meetings (or provide apologies prior to the meeting if unable to attend)
- 2) Be willing to contribute constructively in all aspects, from planning, meeting participation and evaluations

Attachment C

What top priorities do you have for the panel to address/
explore at the next meeting?

