

Cathy McGrath

Hudbay acknowledges their current plan is not optimal and not their first choice. In fact, it is plan C. Plan A was the original Rosemont layout. Plan B was to move to the west side and move to private land. Then, after exploratory drilling exposed more deposits, Plan C emerged, increasing the number of pits from 2 to 6.

The Permit includes TSF-1 and TSF-2 and addresses dust mitigation from those two tailings piles (to the top of the "F")

Yet, there is a third tailings area, TSF-N, which will be necessary to store tailings generated over the proposed life of the mine. TSF-N is listed in their 2022 PEA and their 2023 PSF. It is not included in the Permit, as Hudbay has not acquired the state land needed to connect them to TSF-N on their private land north of the two current storage areas.

This Permit should not be granted for the life of the mine, as it fails to contain enough storage for the amount of tailings that will be excavated from the 6 pits over the life of the mine.

If Hudbay is ever successful in acquiring the 160 acre state parcel, a significant amendment to the Permit will be required in order to add in TSF-N. This storage area is by far the most devastating to the community 1/2 mile north of its location. There are many ephemeral washes in the area, high wind and rain events are prevalent during monsoon season. Monitoring stations will need to be relocated, public comment will need to be re-initiated and there is no guarantee that TSF-N will be added into the Permit. Therefore, it is premature to grant a Permit for the proposed life of this mine, without all necessary facilities included in the current Permit.

The addition of TSF-N could change the Permit and require a Class One instead of a Class Two, which could further complicate things.

This Permit includes on-site cathode processing facilities which were removed from their initial start up operations in their 2023 PSF. They will consider adding those facilities back in as an add-on component in year four, to be paid for out of operating revenue. There is no guarantee this will happen at this time, and by year four, cost restraints could change those plans significantly, causing another significant amendment and public comment period.

This Permit should only be granted for the period of time where there are no variables. That would be year one through four, when they are simply exporting copper concentrate and selling it overseas.

It would be irresponsible to issue a Class 2 Permit for a longer period. Hudbay has not decided, or stated definitively how they will proceed beyond that.

Attached: Hudbay 2022 PEA showing TSF's, Map showing what's just north of TSF-N

HUBBAY

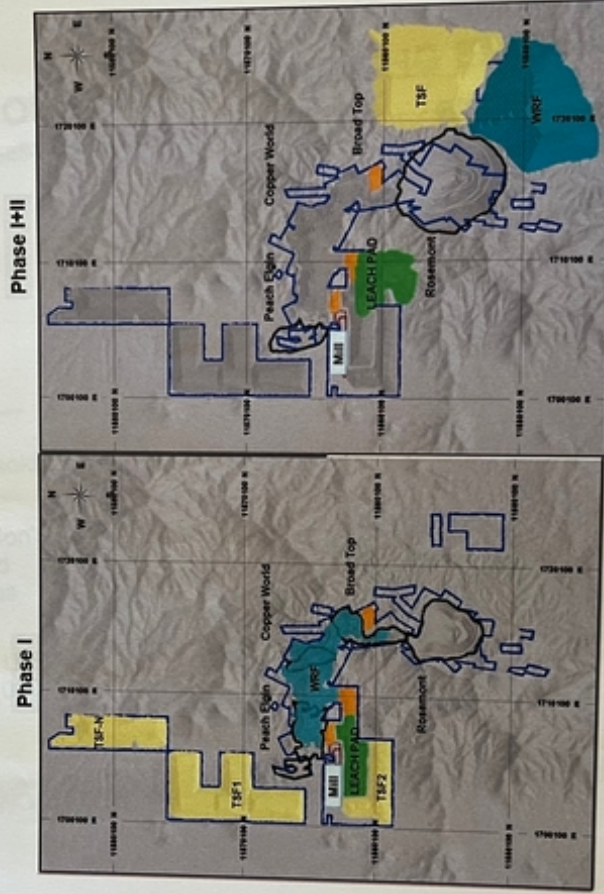
18.5 COMMUNICATIONS

High bandwidth routers and switches will be used to segment the ethernet network and to provide the ability to monitor and control traffic over the network. A voice-over Internet Protocol (VoIP) phone system will be part of the office network, and VoIP handsets will be used for voice communication. Mobile radios will be used by the mine and plant operation personnel for daily control and communications while outside the offices.

18.6 TAILINGS STORAGE FACILITY

The Project includes the construction of four Tailings Storage Facilities: TSF-1, TSF-2 and TSF-N for Phase I and TSF-E in Phase II. A conventional tailings deposition is planned for Phase I and dry stacking tailing deposition for Phase II. The dry stack tailings storage facility (TSF-E) shall be located east of the East pit and shall be constructed for Phase II of the Project as per the design criteria adopted in the 2017 Feasibility Study. (See Figure 18-2)

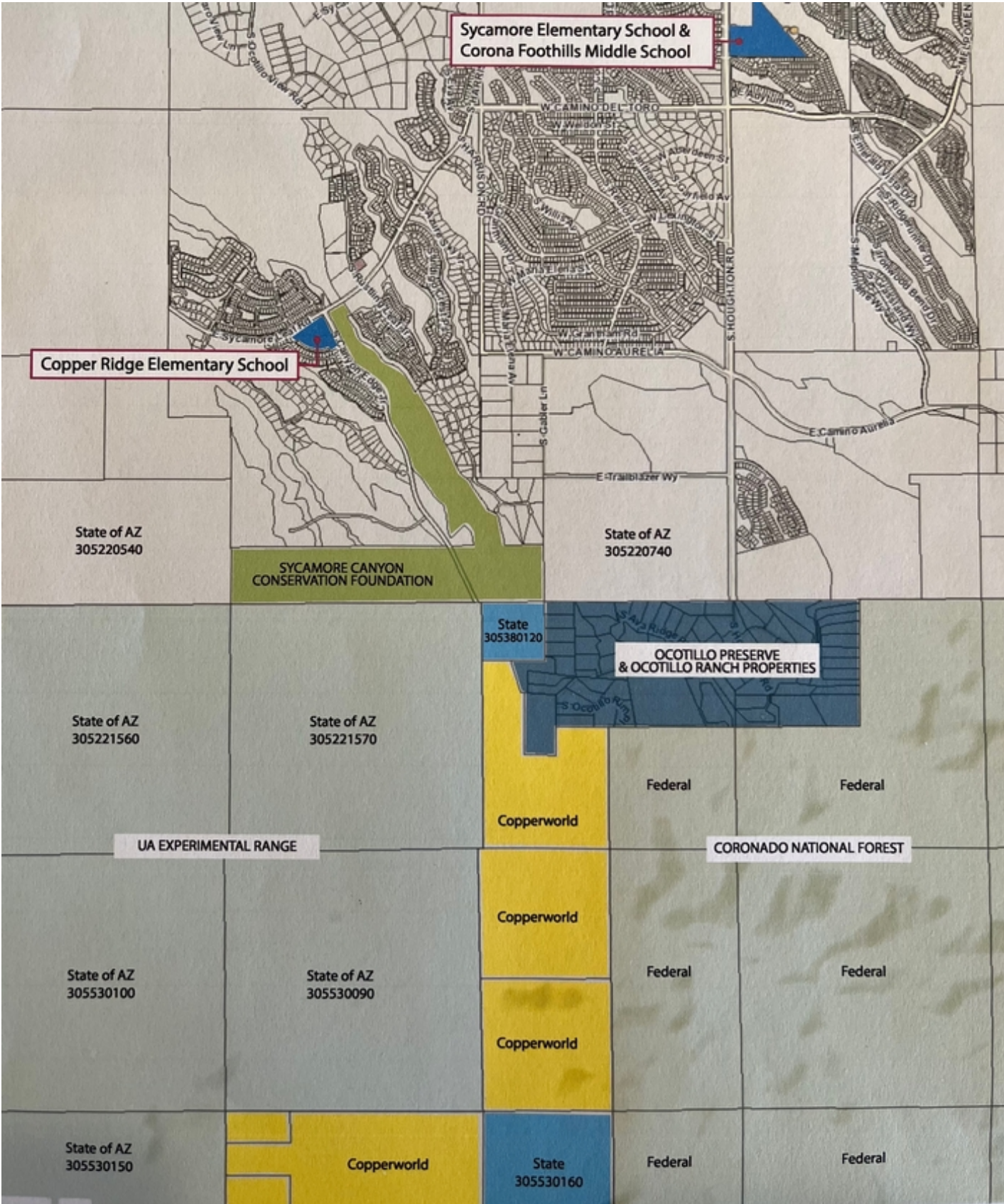
FIGURE 18-2: INFRASTRUCTURE ARRANGEMENTS



18.6.1 TAILINGS STORAGE FACILITY DESIGNS

The TSFs have been designed to receive tailings from the processing plant at a nominal rate of 60,000 tons per day for Phase I and for 90,000 tons per day for Phase II (Figure 18-2).

The design criteria and objectives for the TSFs for Phase I included:



Sycamore Elementary School & Corona Foothills Middle School

Copper Ridge Elementary School

State of AZ
305220540

State of AZ
305220740

SYCAMORE CANYON
CONSERVATION FOUNDATION

State
305380120

OCOTILLO PRESERVE
& OCOTILLO RANCH PROPERTIES

State of AZ
305221560

State of AZ
305221570

Federal

Federal

Copperworld

UA EXPERIMENTAL RANGE

CORONADO NATIONAL FOREST

Copperworld

State of AZ
305530100

State of AZ
305530090

Federal

Federal

Copperworld

State of AZ
305530150

Copperworld

State
305530160

Federal

Federal