



Resolution Copper and the National Environmental Policy Act of 1969 (NEPA)

Before any commercial ore extraction or processing begins, the proposed mine and all of its associated facilities and lands including transmission and conveyor corridors and mill and tailing sites will go through a comprehensive environmental review process in compliance with the National Environmental Policy Act of 1969 or NEPA. This has been the company's commitment from the start. The NEPA process allows for considerable public input all along the way.

The project must comply with numerous federal regulations that protect natural and cultural resources including protection of plant and animal species and their habitats and Native American cultural and historical sites. These regulations include consultation with Native American tribes under Section 106 of the National Historic Preservation Act, Section 7 of the Endangered Species Act and Section 404 of the Clean Water Act.

Many of the project's activities to this point have been in preparation for the NEPA process. *Under any circumstances, a complete NEPA analysis of the project, including impacts on lands to be acquired under the exchange bill, will be completed before any mining can commence.*

This reality is set forth in H.R. 687 and S.B. 339, The Southeast Arizona Land Exchange and Conservation Act of 2013. Under Environmental Compliance in Section 4 (J) of the bill it states:

Compliance with the requirements of the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.) under this Act shall be as follows:

- (1) Prior to commencing production in commercial quantities of any valuable mineral from the Federal land conveyed to Resolution Copper under this Act (except for any production from exploration and mine development shafts, adits, and tunnels needed to determine feasibility and pilot plant testing of commercial production or to access the ore body and tailing disposition areas), Resolution Copper shall submit to the Secretary a proposed mine plan of operations.
- (2) The Secretary shall, within 3 years of such submission, complete preparation of an environmental review document in accordance with section 102(2) of the National Environmental Policy Act of 1969 (42 U.S.C. 4322(2)) which shall be used as the basis for all decisions under applicable Federal laws, rules and regulations regarding any Federal actions or authorizations related to the proposed mine plan of operations of Resolution Copper, including the construction of associated power, water, transportation, processing, tailings, waste dump, and other ancillary facilities.

Resolution Copper expects to submit a mine plan of operations to the U.S. Forest Service later this year, effectively triggering the NEPA process.

The current bill allows the administrative work on the exchange to proceed simultaneously with the Environmental Impact Statement, which brings more certainty to the project. This greatly increases efficiency, demonstrates progress and as such helps provide confidence to Rio Tinto to subsequently continue investment in the project. But again, under no circumstances can mining begin until the NEPA process is completed and approved.

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