



MEDIA RELEASE

Progress on Community Protection and Benefit Agreement for Hermosa Project

October 22, 2025- Representatives from Santa Cruz County, Nogales, Patagonia, and South32 are continuing to work together to develop a Community Protection and Benefit Agreement (CPBA) for the Hermosa project. Through regular working sessions, the group is focused on creating an agreement that facilitates transparency between South32 and the communities, ensures that the project protects the local communities and environment and provides for financial benefits of the mine to be dispersed to the communities. The agreement also looks to ensure the mine is developed, operated, and closed with sustainable protections and benefits for the community.

The signatories are considering supplemental protections in a number of key areas in the CPBA, including but not limited to groundwater, air quality, biodiversity, soil and public health.

The signatories are considering the following in the CPBA:

- Governance
- Protections, including monitoring and mitigations
- Benefits
- Data and third-party input
- Community feedback mechanisms
- Dispute resolution
- Evolving changes and updates to community needs

The CPBA is designed to complement—rather than duplicate—existing regulatory requirements.

Progress since our last press release (May 2025) includes:

- Completion of a Community Needs and Capacity Study by the University of Arizona (U of A) to guide CPBA priorities. This study included an assessment of current assets, infrastructure, service capacity, and existing gaps at both the county and community levels. It provided recommendations on short-term needs that warrant more immediate investment considerations to guide decisions on which benefits should be prioritized under the CPBA.
- Formation of an Engagement Team, with representation from each of the four signatories, to develop and lead an Engagement Strategy. This included updates to the CPBA website and FAQ page available at: <https://cpba-hermosa.org/>. The purpose of the Engagement Strategy is to guide the signatories and their representative Engagement Team to plan and execute opportunities for sharing and obtaining feedback on the CPBA development process and contents.



- Ongoing community engagement, including the launch of Topic-Specific Feedback Groups in late September / early October to review and provide recommendations on the draft early action benefits.
- Drafting of prioritized “early action” benefits to be funded – based on signatory input, findings from the U of A Capacity Study, and community feedback and focus groups. Specifically, the Capacity Study identifies early action, needs-based benefits in the following key areas:
 - Education - Support and resources that ensure accessible, high-quality care and early education for children.
 - Emergency Management - Actions and programs that strengthen response times, decrease fragmentation of systems, and improve or replace outdated equipment.
- Health Care - Initiatives that improve limited access to health services. The development of commitments for enhancing local employment and workforce development, as well as local business development.
- The adoption of a phased approach to the CPBA. This allows for the initiation of certain actions (benefits) that will help address immediate and significant needs in the region while the current Federal permitting processes are underway. Phase 1 also commits all parties to continue developing additional protections and benefits through further planning, discussion among signatories, and incorporation of community feedback. At the conclusion of Federal Permitting, supplemental environmental protections can be identified and included in Phase 2.
- Appointment of independent technical environmental experts, Spheros Environmental (<https://spherosenvironmental.com/>), to assist with the definition of Phase 1 protections and help develop a protections roadmap. This roadmap will be a step plan and timeline for developing commitments for monitoring requirements and other protections needed for definition in Phase 2.
- A draft of the Phase 1 agreement is now under review by attorneys from all four signatories.

We are preparing for broader public engagement, which will be announced via additional press releases and updates on the CPBA website: <https://cpba-hermosa.org/> .

The CPBA group is working toward finalizing and signing a Phase 1 CPBA following these engagement opportunities.

Residents of the County are encouraged to visit the CPBA website to take the survey or leave a comment. The survey asks which Hermosa project protection and benefit topics people feel should be explored, and what types of engagement (e.g. public notices, listening sessions, focus groups) they prefer. Your input will help CPBA group representatives ensure community feedback is fully considered in further development of the agreement.