

MEDIA RELEASE

FOR IMMEDIATE RELEASE May 12, 2023

SOUTH32'S HERMOSA PROJECT BEGINS CONSTRUCTION TO FURTHER EXPLORE ZINC RESOURCE



Left to Right: Aaron Lamb, South32 Hermosa Projects Director; Liza Montiel, Nogales Councilwoman; Steve Finch, Patagonia Councilman; Ron Robinson, Patagonia Town Manager; Jennifer St. John, Outgoing Santa Cruz County Manager; Jesus Valdez, Incoming Santa Cruz County Manager; Roy Bermudez, Police Chief and Acting City Manager of Nogales; Jorge Maldonado, Nogales Mayor; Pat Risner, South32 Hermosa Project President; Michael Young, Patagonia High School Assistant Principal; Rudy Molera, Santa Cruz County Supervisor; Memo Valencia, Chairman, Greater Nogales and Santa Cruz County Port Authority; Josh Rubin, Board Member, Greater Nogales and Santa Cruz County Port Authority; Gerry Isaac, Patagonia Planning and Development Committee Member; Christopher Young, Chief Deputy, Santa Cruz County School



South32's Hermosa Project today began initial excavation for the main exploration shaft that will provide underground access to the zinc resource found at Hermosa, one of the world's largest undeveloped resources of this federally designated critical mineral.

Shaft construction will support ongoing efforts to learn more about the best way to develop the resource and inform the building of the infrastructure needed for safe passage of vehicles and people underground.

Hermosa is home to manganese, zinc, silver, and lead, minerals that are needed to power the nation's clean energy future. Zinc is integral for renewable energy battery storage, as well as galvanizing wind turbines, electric vehicles and any exterior steel infrastructure.

Currently, the United States produces only six percent of the world's zinc and is highly reliant on foreign sources for this metal.

During the groundbreaking ceremony, which was attended by more than a dozen community leaders, Hermosa Project President Pat Risner said, "I want to thank each and every one of our stakeholders for your partnership with South32 over the past several years and as we continue on the road ahead. The continued partnership will help South32 and this project deliver on our purpose of making a difference in people's lives, now and for generations to come, as we develop what is underground here to help meet important clean energy goals for the nation, state, and region in a sustainable way."

Nogales Mayor Jorge Maldonado said, "Today symbolizes a big day for our community, for our county, and for our state. The Hermosa Project is going to be a major economic opportunity that will help families to stay and grow here."

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About the South32 Hermosa Project

Located in a historic mining district in the Patagonia Mountains of Southern Arizona, South32's Hermosa Project is currently the only advanced mine development project in the United States that could produce two federally designated critical minerals—manganese and zinc—both of which are essential minerals for powering the nation's clean energy future. Learn more at <u>www.south32hermosa.com</u>.

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