

South32 Breaks Ground on Centro: Hermosa's Remote Operating Center

South32 broke ground today on Centro, a remote operations center in Nogales, Arizona, that will support Hermosa's innovative and responsible approach to mining. Centro will use advanced automation to enhance both safety and productivity—key pillars of sustainable operations.

"Centro represents more than just a facility – it is a commitment to create economic opportunity and shared value in Santa Cruz County," said Pat Risner, President of South32 Hermosa. "By establishing Centro in Nogales, we are ensuring that the economic benefits of Hermosa stay local, providing high-skilled, good-paying jobs and supporting the development of a skilled workforce for generations, right here at home, while also providing opportunities for both populations historically excluded from the industry and underrepresented community groups."

The groundbreaking marks the culmination of nearly three years of thoughtful design and planning to align with South32's long-term economic and employment goals in Santa Cruz County.

Attendees at the ceremony included Arizona Governor Katie Hobbs, local and state officials, municipal leaders, and representatives from organizations such as the Port Authority, The Nature Conservancy, and the University of Arizona.

"Centro represents innovation in mining, a commitment to sustainability, and an investment in Southern Arizona that will deliver high-quality, well-paying jobs to Arizonans for generations to come," said Governor Katie Hobbs. "As the largest private investment in Southern Arizona history, the Hermosa project will strengthen our community and create a brighter future for the families of Santa Cruz County."

"The Hermosa project is a major investment in Arizona's future as our state leads the way in producing critical minerals that power everything from clean energy to national defense," said

Arizona Senator Mark Kelly. "Centro, as the project's state-of-the-art operations center, will create good-paying jobs and strengthen our economy."

"South32 Hermosa's Centro is a major step forward for regional development and the production of critical minerals in southern Arizona," said Congressman Juan Ciscomani. "By anchoring high-quality jobs, workforce training, and critical infrastructure in our communities, this project strengthens the local economy and positions our region to continue to serve as a hub for responsible innovation and growth. I'm proud to support efforts that bring long-term investment and opportunity to the people of southern Arizona and beyond."

Supporting an 'All in Community' Workforce Development Ecosystem

Today's groundbreaking also marks the launch of the South32 Hermosa Workforce Development Executive Committee — an expanded initiative aimed at supporting long-term workforce development across Santa Cruz County that will move beyond the needs of South32's workforce development efforts into the broader needs of the community. This initiative is part of South32's commitment to support establishing an "all of community" workforce development ecosystem in collaboration with intermediaries and partners across the county and southern Arizona. The committee brings together local education leaders and South32 representatives to focus on post-secondary education, facilities development, resources and training needs of the local businesses. It will develop a long-term vision, plans and a resourcing strategy to deliver on this vision for the community.

Committee members are:

- Angel Canto, Nogales Unified School District # 1 Superintendent
- Skylie Estep, South32 Human Resources Director, North America
- Kenny Hayes, Patagonia Public Schools Superintendent
- Greg Lucero, Director, Strategic Initiatives, Santa Cruz County Provisional Community College District
- Pat Risner, Hermosa President, South32
- Alfredo Velasquez, Santa Cruz County School Superintendent
- David Verdugo, Santa Cruz Valley Unified School District No. 35 Superintendent
- Chris Young, Deputy County Manager, Santa Cruz County

To further support local workforce development, tied to Centro and the broader Hermosa project, South32 has partnered with the Nogales-Santa Cruz County Chamber of Commerce to launch a Vendor Readiness Program. South32 Hermosa's Workforce Development Taskforce has also collaborated with Pima Community College to bring an Electrician Certificate Program to the

Santa Cruz Center Provisional College District. This is the first of many programs that will be delivered in the county specifically to train the local workforce for Hermosa.

High-Skilled Careers, Close to Home

Centro will be a modern commercial building with an office-like setting, designed to accommodate around 200 full-time employees across multiple shifts in a 24-hour period. These employees will use advanced automation technology to remotely monitor and operate underground and surface equipment at Hermosa. In addition to operations roles, Centro will also house professionals in engineering, geoscience, environmental science, human resources, supply chain, and other technical and functional areas. By creating high-skilled, degree-relevant career opportunities in Santa Cruz County, Centro plays a critical role in reducing local talent flight and allowing professionals to build careers close to home. Through electrified equipment and innovative technology, South32 is setting a new standard for safer, lower-emission mining operations.

As part of the development process, South32 hosted a community naming competition, where "Centro" was selected to reflect the center's pivotal role in Hermosa's success—and the project's commitment to hiring 80 percent of its workforce from the surrounding region.

Centro will be part of a ten-acre complex that includes an employee parking lot and a bus station for park-and-ride service to the project site. Construction is expected to begin this summer and conclude in 2027. Centro renderings are available here.

Hermosa's National Significance and Economic Potential

As the first mining project included in the federal government's FAST-41 permitting process, Hermosa is positioned to become a "critical minerals district" for the nation, supplying essential resources such as zinc and manganese, as well as the potential for copper, silver, lead, and potentially other mineral byproducts crucial to infrastructure and national security.

Once in operation, the project would help transform and grow the local economy and could create up to 900 good-paying jobs and support investment across surrounding communities for decades to come. Each job will pay an average of \$90,000 annually in total compensation which is nearly two times the average household income in Santa Cruz County.

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About South32 Hermosa

Located in a historic mining district in the Patagonia Mountains of Southern Arizona, South32 Hermosa 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 energy future. Learn more at www.south32hermosa.com.

Hermosa is a polymetallic development comprised of a zinc-lead-silver sulfide deposit, a battery-grade manganese deposit and an extensive, highly prospective land package with the potential for further polymetallic and copper mineralization.

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