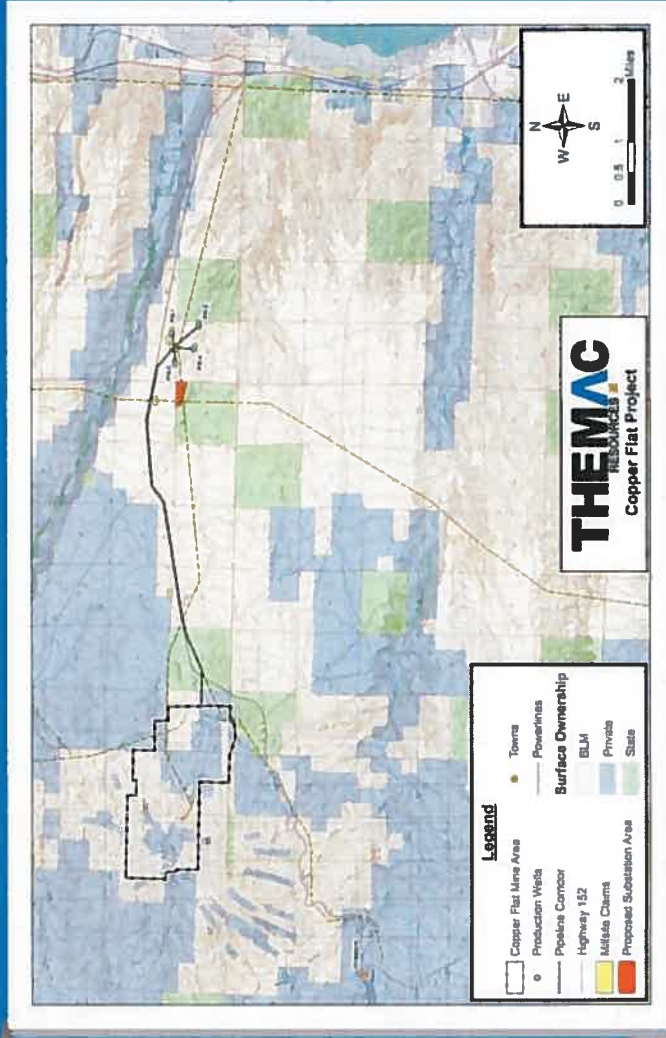
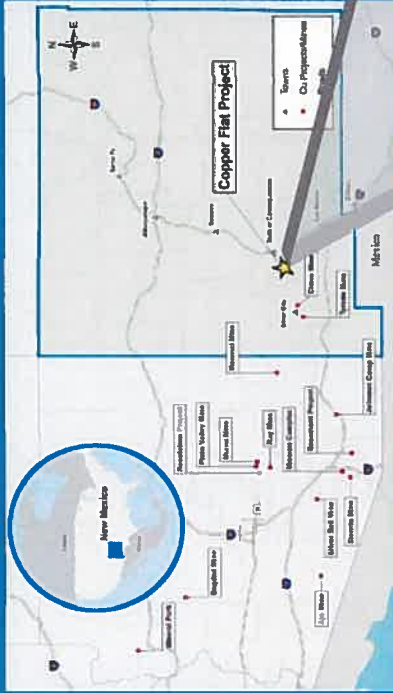


COPPER FLAT MINE LOCATION

- LOCATED 20 MILES SOUTH OF TRUTH OR CONSEQUENCES AND 4 MILES EAST OF HILLSBORO

- FOUNDATIONS
- POWERLINES
- FLOOD CONTROL (GREYBACK ARROYO DIVERSION)
- WATER WELLS, PIPELINES
- ACCESS ROADS



JOBS AND TRAINING



A broad diversity of positions will include:

- Drillers
- Crusher Operator
- Blast Crew
- Concentrate Filter
- Welder
- Safety & Environmental Technicians
- Laborer
- Warehouse Personnel
- Haul Truck Driver
- Instrument Techs
- Tire Crew
- Assayers
- Surveyors
- Moly Plant Operator
- Diesel Mechanics
- Control Room Operator
- Samplers
- Tailings Operator
- Grader Operator
- Dozer Operators
- Warehouse Personnel
- Maintenance Planners
- Buyer
- Process Plant Mechanic
- HR Clerk
- Flotation Operator
- Accountant
- Pipefitters
- Security
- Electricians
- Data Entry & Clerical

In addition to the direct jobs created at the mine, Sierra County should also experience a substantial economic boost from indirect jobs created in a range of industries such as health care, foodservices, lodging, and real estate.

In order to ensure Sierra County residents are qualified for positions at the mine, we have been working closely with local leaders, educational institutions, and government officials to encourage the development of training programs.

LOCAL PARTNERS INCLUDE:

Dona Ana Community College
Western New Mexico University
Truth or Consequences Schools
Department of Workforce Solutions
Department of Veteran Affairs
The Mayors of TorC, Elephant Butte, and Williamsburg

DURING OPERATIONS:

**368~407
JOBS GENERATED**



THE MINE WILL EMPLOY
270 FULL-TIME EMPLOYEES
WITH AVERAGE ANNUAL SALARIES
RANGING BETWEEN

\$35,000
to
\$60,000
+ BENEFITS



OPERATIONAL STAFF

(eg Mechanics, Electricians, Security, Equipment Operators, Drillers, Laborers)



MINE TECHNICIANS

(eg Geologists, Engineers, Planners, Surveyors, Laboratory)



SUPERVISORS,
ADMINISTRATION AND
GENERAL MANAGEMENT



• TAX CONTRIBUTIONS •

☞ Total Project Federal and State Taxes:

\$175 million

☞ Total New Mexico State Taxes:

\$53 million

\$21 million
In Resource Taxes

\$15 million
In Gross Receipts Taxes

\$17 million
In Income Taxes

Note: Extending the mine life beyond 11 years will increase federal and state taxes above.

☞ Sierra County and other neighboring counties will also receive tax benefits.

• ECONOMIC CONTRIBUTION •

\$ DURING CONSTRUCTION:

\$360 million
Total Cost

\$49 million
Total State Spending

\$45 million
Total Sierra County Spending

\$ DURING OPERATIONS:

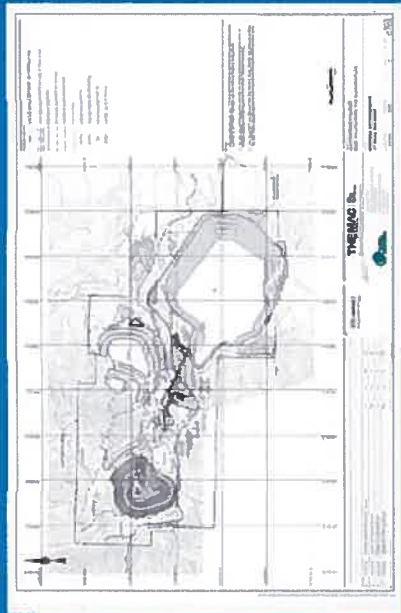
\$115 million
Average Annual Operating Expenses

\$24.3~\$30.3 million
Annual Labor Income In Sierra County



COPPER FLAT MINE—AT BUILD OUT

- 2 Years of Development
- Mine Pit
- Plant Site
- WRSPS
- TSF
- GMSPS
- EWRSP Reclamation



- 12 Years of Operation
- 30,000 TPD Processing
- 125 Acre Plant Site
- 166 Acre Mine Pit
- 220 Acres WRSPS
- 604 Acres TSF

South to North Perspective



East to West Perspective



COPPER FLAT POST-MINING RECLAMATION

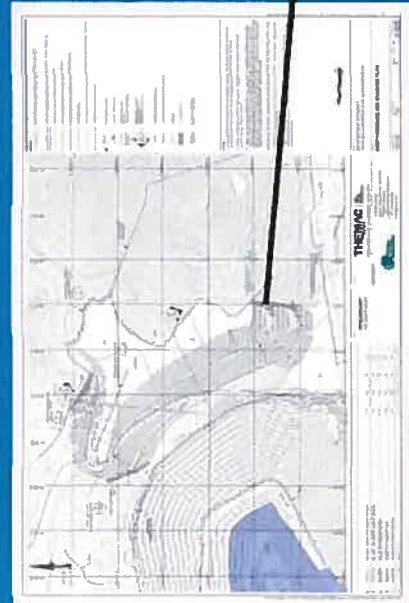
South to North Perspective



East to West Perspective

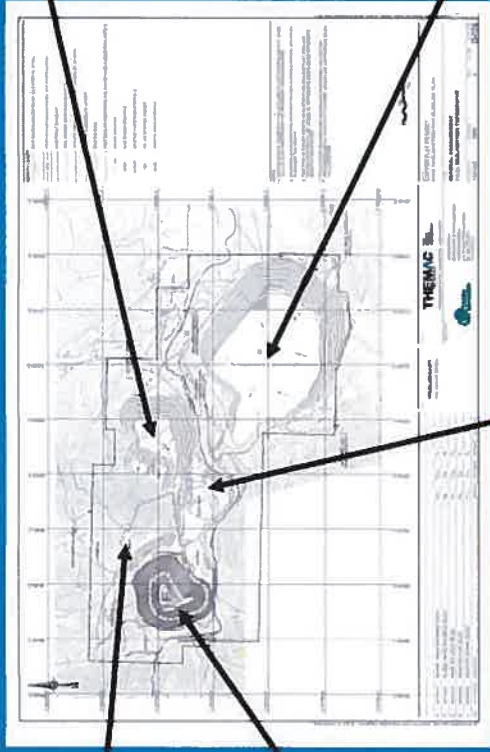


RECLAMATION PLAN DETAILS

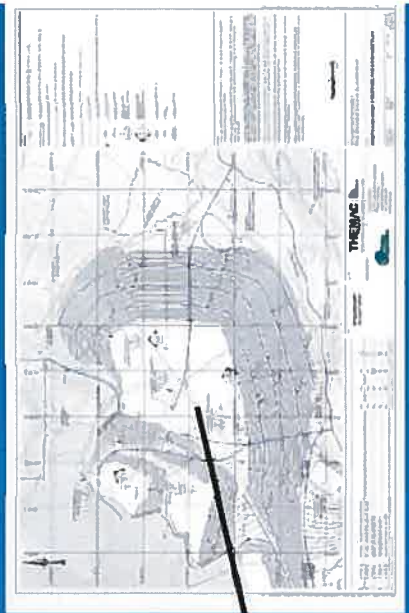


WRSP—1

MINE PIT



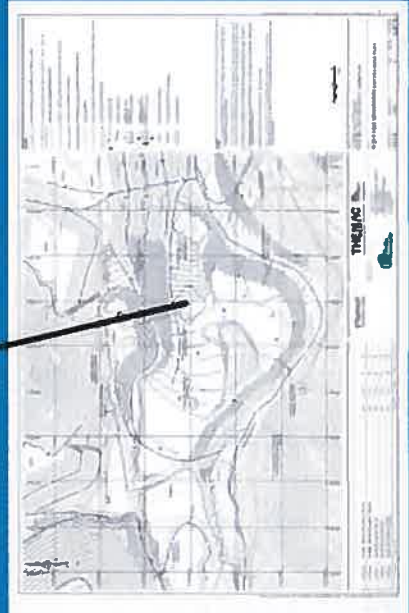
PLANT AREA



WRSP 2 & 3

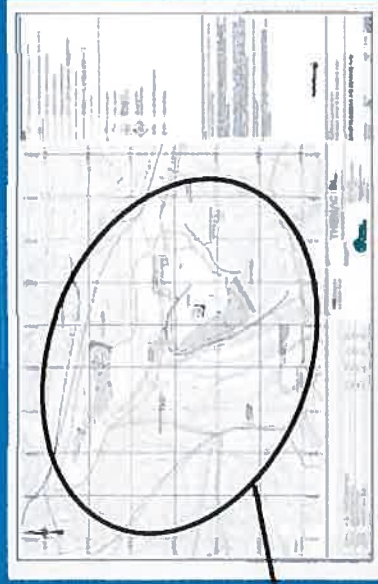


TSF



EXISTING WRSP RECLAMATION

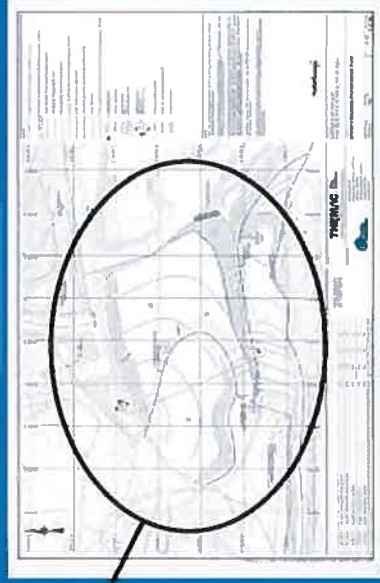
- Performed during site development phase
- Regraded
- Recontoured
- 3 ft of growth media
- Revegetated
- Provide test plot area to evaluate future vegetation success
- EWRSP 2a & 3 to be reclaimed at mine closure



Reclaimed at mine closure



EWRSP-4



SURFACE WATER RUNOFF THROUGH SITE



GRAYBACK ARROYO AT TAILING STORAGE FACILITY
END OF MINE LIFE



GRAYBACK ARROYO AT TAILING STORAGE FACILITY
RECLAMATION COMPLETED



Grayback Arroyo Diversion—Mine Pit / Plant Area / WRSF's



Grayback Arroyo Diversion—Plant Area



Grayback Arroyo Diversion—WRSP 2 & 3, TSF

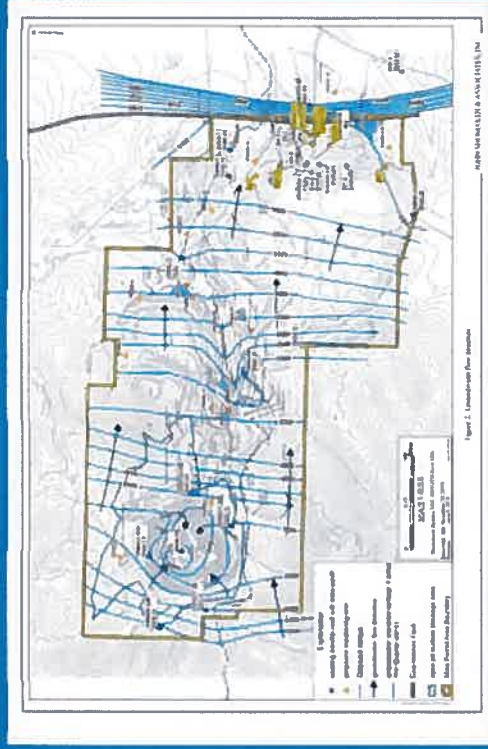


PROBABLE HYDROLOGIC CONSEQUENCES / HYDROLOGIC SINK

Area of Open Pit Hydrologic Containment



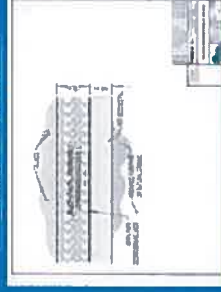
Site Groundwater Flow



TSF Underdrain



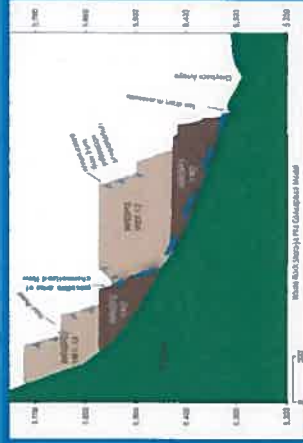
Liner Detail



PROTECTION OF GROUNDWATER—DURING OPERATION

- Mine Pit is a hydrologic Sink
- Storm water diverted
- Andesite permeability underlying WRSPs is less than 1×10^{-6} cm/s
- Low moisture content and high negative soil pore-water pressure of the coarse-grained waste rock prevents downward migration of surface infiltration
- Toe drain allows for capture of impacted storm water
- Infiltration through WRSPs is not expected; 30 years of observations at existing WRSPs on-site
- TSF and underdrain collection system

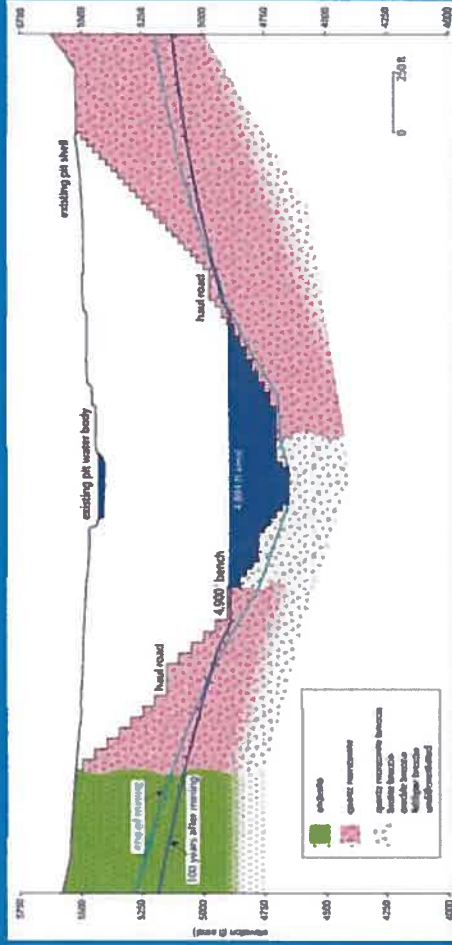
WRSP Operational Conceptual Model



PROTECTION OF GROUNDWATER—AFTER RECLAMATION

- Hydrologic sink maintained
- 36-in.-thick store-and-release cover over WRSPs and TSF
- Storm water diverted
- Discharge to groundwater will be nil:
 - Limited time between operations and reclamation for development of conditions for net infiltration at WRSPs
 - Cover system

MINE PIT RAPID FILL / RECLAMATION



RECLAIMED PIT WITH RAPID FILL

- Incorporates reclamation from NMCC's Mine Reclamation Plan, including:
- Reclamation of the pit haul road
 - Reclamation of the 4900 ft. catch bench
 - Reclamation of benches at the crest of the pit
 - Rapid fill of the pit with fresh water from the production supply wells

HYDROLOGIC SINK

- Rapid fill with good quality water from production wells
- Steady-state conditions below 4,900 ft amsl
- Result in a 22 acre water surface (on private property)
- Evaporation from water surface will exceed the water inflow to maintain hydrologic sink conditions
- Water will NOT flow from open pit to groundwater

PIT LAKE WATER QUALITY SIMILARITY

- Changes to the hydrologic balance of the future pit will be nil or minimal, i.e., similar to existing conditions
- Future water quality will be similar or better than existing pit lake
- Rapid refilling of the pit results in further improvement of water quality
- Future pit lake will be moderately alkaline (pH 7.9-8.2)
- Increase in TDS over time due to evapoconcentration
 - Similar to trends in existing pit lake