



Freeport-McMoRan Chino Mines Company Closure/Closeout Plan Update Information

Freeport-McMoRan's Chino Mines will hold an **open house on its closure/closeout plan at 4:30 p.m. July 24**, which will be followed by a **5:30 p.m. July 24 public hearing** on the plan by the New Mexico Mining and Minerals Division. Both events will be at the Grant County Administration Center. Read the FAQs below for more information.

What is a Closure/Closeout Plan?

- Chino is required to prepare and obtain MMD's approval of a closure/closeout plan under the New Mexico Mining Act, which is one of the most stringent and protective mine reclamation laws in the U.S.
- The closure/closeout plan must describe the reclamation measures Chino will take after the mine closes or when a part of the mine no longer will be used for current or future mining.

Why is the Closure/Closeout Plan being updated, and what is in the Plan?

- The updated closure/closeout plan, originally approved in 2003, is based on detailed scientific studies and engineering. Chino engages experts familiar with state-of-the-art reclamation techniques and widely accepted engineering practices to help develop its plan.
- The plan includes stormwater and erosion controls, water treatment, ground water protection, soil cover requirements, revegetation and details on the long-term operations and maintenance activities required after closure/closeout.
- Stormwater controls in the plan use design criteria for, **at minimum**, the peak flow from a 100 year storm event which is standard engineering practice and what is required by law. This very high standard is consistent with other similar regulations across the nation. It even exceeds the New Mexico design standard for closure of landfills.
- The Chino plan and cost estimate were completed in collaboration with MMD, New Mexico Environment Department, GRIP and the public. Numerous reviews, comments and edits have occurred over the past year. This plan achieves our common goal of providing an updated closure/closeout plan based on professional engineering and sound science to ensure protection of the environment and our community after the mine is closed.
- The over 5,000 acres at Tyrone and Chino already reclaimed are evidence of the quality of reclamation work described in the closure/closeout plan.

What is Financial Assurance?

- Chino submitted an updated estimate of the cost to implement the closure/closeout plan, including operation and maintenance for 100 years after the mine closes. MMD uses this to determine the amount of money that must be set aside by the company for this future work (financial assurance).
- Chino currently has financial assurance in several forms including a cash trust and a Third Party Guarantee as allowed by New Mexico law.
- Third Party Guarantees are also allowed for other municipal and federal programs. There has never been a default of a Third Party Guarantee by a mining company in New Mexico.
- Eliminating the use of Third Party Guarantees was considered by the 2019 Legislature. A lengthy hearing was held on this and other topics in front of the Grant County Commission. Thanks to overwhelming community opposition, the legislation was not successful.

How is the Open House different from the Hearing?

- During the open house, Chino representatives will be available to respond informally to questions to provide better understanding about the proposed closure/closeout plan update. Those questions and responses will not be part of the hearing record. If you have comments, you should testify or submit written comments to MMD in accordance with the public notice and Hearing Officer's direction. Chino encourages all public members to testify and comment as they choose.