

## Media Release

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## EPA Recommends Against Federal Water Permit for Rosemont Mine Mine would cause "substantial and unacceptable impact" to southern Arizona water supplies

(TUCSON, Ariz.) The U.S. Environmental Protection Agency has dealt a dramatic and potentially devastating blow to Augusta Resource Corporation's proposal to build the Rosemont mine, a massive open-pit copper mine in the Santa Rita Mountains just south of Tucson.

In a <u>Nov. 7 letter</u> to the U.S. Army Corps of Engineers, the EPA recommended that the proposed Rosemont copper mine should not receive a permit that would allow the company to dump potentially toxic mine wastes into area waterways.

After completing a comprehensive and detailed analysis, EPA concluded that Rosemont's proposals to mitigate the mine's severe and permanent damage to area water supplies are "scientifically flawed" and "grossly inadequate," and advised the Corps of Engineers that the project "should not be permitted as proposed."

The EPA's recommendation to deny Rosemont's permit application is a potentially devastating blow to the mining project because EPA has veto authority over the permit, which would be issued by the Corps of Engineers only if the proposed mine meets Clean Water Act standards. The permit is required before construction could begin on the mile-wide, half-mile deep open pit mine.

EPA was highly critical of all three components of Rosemont's mitigation proposal, undermining the company's high-profile attempts to claim that the mine will comply with environmental standards. In particular, EPA said that it agreed with the Corps of Engineers that two of the three sites Rosemont was proposing to acquire (Sonoita Creek Ranch and Mulberry Canyon) "would not provide appropriate compensatory mitigation for impacts to waters from the Rosemont Mine project."

With respect to the third proposed Rosemont mitigation acquisition (water rights and land below

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Pantano Dam), the EPA indicated that it might have some mitigation value for a much smaller project ("e.g., flood control or highway project") but "is inadequate compensation for impacts proposed to be permitted at Rosemont Mine."

EPA's recommendation to deny the Clean Water Act permits comes at an inopportune time for Augusta Resource, Rosemont Copper's parent company. Its stock is hovering at a 52-week low and the company reported less than \$750,000 in cash reserves as of Sept. 30, according to regulatory filings released last week.

Augusta's cash crisis raises serious questions as to whether Augusta will have the financial capacity to secure technical expertise to address EPA's latest criticisms of the crucial Clean Water Act permit.

For more information go to: <a href="http://www.scenicsantaritas.org">http://www.scenicsantaritas.org</a>.

The full EPA letter and analysis can be downloaded at: <a href="https://www.scenicsantaritas.org/20131107">www.scenicsantaritas.org/20131107</a> EPA Letter.pdf

Save the Scenic Santa Ritas is a non-profit organization working to protect the Santa Rita and Patagonia Mountains from environmental degradation caused by mining and mineral exploration activities. Our current activities are centered around the proposed Rosemont Copper mine in the Santa Rita Mountains.