

Background

The Florence Copper Project is a unique in-situ copper recovery project planned for Florence, Arizona that was recently added to the Taseko Mines portfolio. Not a mine in the traditional sense of the term, Florence Copper is an in-situ (in place) recovery project, that seeks to dissolve copper minerals from an underground deposit by introducing water with a lowered-pH (making it slightly acidic). This low-PH, water-based solution dissolves the copper and allows it to be pumped to the surface through a continuous loop water treatment system.

The advanced stage development, located in Central Arizona within the municipal boundaries of the Town of Florence, was acquired by Curis in February 2010 and later acquired by Taseko Mines in November 2014. Florence Copper's landholdings total 1,342 acres and include 1,182 acres of patented claims and 160 acres of state mineral leases. The company is in the advanced permitting stages for a Production Test Facility (PTF) which will demonstrate to regulators and regulators the safety and reliability of the process.

History

In the late '90's BHP successfully completed an in-situ production test after receiving permits from Arizona

Department of Environmental Quality (ADEQ) and Environmental Protection Agency (EPA). They did not go into full production because of a sharp drop in worldwide copper prices and their divestiture of North American assets shortly thereafter.

The Florence Copper Project has already received their Aquifer Protection Permit from ADEQ, which requires an additional public comment period to address a few

specific issues. They have received their draft Underground Injection Control Permit (UIC) from the US EPA and expect it to be finalized in the near future. These permits will be used to conduct a 1-2 year Production Test to verify the technology can again safely extract copper from the deposit while protecting the groundwater.

"In today's competitive global economy, we know that the mining industry will play a large part in restoring Arizona's economic competitiveness and can lead to a better future for all Arizonans."

Joe Hart, Arizona State Mine Inspector

The Production Test Facility will be located on State Land, which makes up 150 acres of the total deposit area. The State Land Department has stated that this acreage is the highest valued piece per acre in the entire portfolio.

Economic Benefits

The Florence Copper Project

will generate 170 full time jobs in Florence and nearly 800 jobs statewide when fully operational.

During the life the of project, the Florence Copper Project will pay \$468 million in state and federal income taxes and more than \$68 million in local property taxes to help local police and fire departments.

According to *The Florence Copper Project: Economic Impact Study* conducted by the L. William Seidman Research Institute at Arizona State University, over the next 28 years The Florence Copper Project represents:

- ✓ \$3.4 billion in economic activity for the state of Arizona;
- ✓ \$2.1 billion in economic activity for Pinal County;
- ✓ \$468 million in taxes and royalties for Arizona government; and
- ✓ \$1.98 billion in increased personal income in Arizona.

AZAGC Position

- ✓ Encourage ADEQ to grant and finalize the Aquifer Protection Permit.

