

## **Resolution Copper, Queen Creek Coalition & The Access Fund Letter of Intent on Climbing Issues**

WHEREAS, Resolution Copper Mining, L.L.C. (hereinafter "RCM") is proposing a land exchange with the United States to acquire approximately 3,025 acres of National Forest land in Pinal County, Arizona;

WHEREAS, portions of the land being sought for acquisition by RCM are currently used by members of the general public for rock climbing, bouldering and other outdoor recreation, and such activities may not be compatible with RCM's future mining activities in certain areas;

WHEREAS, in recognition of the potential loss of certain rock climbing and bouldering opportunities, RCM signed a license with the Access Fund in 2006 to allow continued rock climbing on certain parcels of RCM's existing private land and land to be acquired by RCM;

WHEREAS, in 2008, RCM also encouraged the introduction, and testified in favor, of legislation in the 110th U.S. Congress (S. 3157) which would convey three parcels of RCM land with rock climbing opportunities to the United States; and

WHEREAS, after further discussion among RCM, the Access Fund and the Queen Creek Coalition (QCC), these parties have determined that additional accommodations can be made to mitigate potential rock climbing and bouldering losses, and to promote new or enhanced rock climbing and bouldering opportunities and access in certain other areas;

NOW, THEREFORE, RCM, the Queen Creek Coalition and the Access Fund do hereby agree to, and enter into, this Letter of Intent outlining certain agreements and actions that will be implemented by the parties to promote rock climbing and bouldering opportunities, or to address other issues related to such activities, by legislation or other means.

### **Issues to be addressed by Congressional legislation**

1. As part of RCM's land exchange with the United States, RCM will transfer to the United States three parcels of RCM land, totaling approximately 365 acres, known as: i) the "Pond"; ii) "Dripping Springs"; and iii) "Apache Leap South End." These three parcels of land will be transferred to the United States regardless of the values of any other lands or cash equalization involved in the exchange.

2. RCM will pay the sum of \$1,250,000 to the United States Forest Service in the land exchange, and will ask Congress to add language to the legislation specifying that the Forest Service shall use these funds for the construction or improvement of access roads, turnouts, trails, camping, parking areas and other facilities to promote and enhance rock climbing and bouldering opportunities in the areas near Superior, Arizona known as the "Pond", "Upper Pond," "Inconceivables," and "Chill Hill" areas.

3. RCM agrees to surrender and extinguish all existing mineral, mining, or other rights in the Pond, Dripping Springs, and Apache Leap South End, except for the right to explore and/or put tunnels or other facilities under Apache Leap and the Apache Leap South End parcel by methods that do that adversely impact the surface of Apache Leap. RCM will continue to support the existing legislative language which permanently withdraws all land it conveys to the United States from all forms of appropriation under the public land laws, including, but not limited to, the mining and mineral leasing laws and the Geothermal Steam Act of 1970.
4. RCM will ask Congress to specify that the Forest Service allow reasonable climber access to Apache Leap from the west as part of the Apache Leap study process already in the legislation.

### **Issues to be resolved by amended climbing License and/or other means**

1. Access to the Pond, Upper Pond and Upper Devils Canyon: RCM will use its best efforts to work with QCC and the Arizona Department of Transportation (ADOT) to identify and construct safe turnouts and access from State Highway 60 to the Pond, Upper Pond and Upper Devils Canyon. RCM, in consultation with QCC, will locate and construct a road, parking area and trails on RCM's existing 95 acres at the Pond, prior to transferring the parcel to the Forest Service, for the purpose of enhancing access to the rock climbing areas located within the Pond area. Any such work will be at RCM expense and will be provided in addition to the \$1.25 million identified in paragraph 2 above for improvements on the National Forest land at the Upper Pond, Inconceivables and Chill Hill areas.
2. Atlantis climbing parcel: This 74 acre parcel is existing RCM private land, and is under existing license to the Access Fund. RCM believes this area may be needed for tunnels or other mining facilities in the future, but that any such uses are unlikely to interfere with climbing activities for any significant period of time. Therefore, RCM will extend the existing license for the Atlantis parcel until 2060. If the Atlantis parcel is no longer needed for mining activities at the expiration of the license, RCM will consider a transfer of the land to the U.S. Forest Service or other governmental entity at that time. Otherwise, the license may be renewed on similar terms, for 10-year periods.
3. Central Oak Flat: This 234 acre parcel, and access thereto, will be under license to the Access Fund once RCM acquires it in the land exchange. RCM will extend the existing Access Fund license for this parcel until 2019, with an option for renewal.
4. "Eurodog Valley": The area is on land that is either already owned by RCM, or land that will be acquired by RCM in the land exchange. RCM will grant a license allowing access to and use of this area for rock climbing and bouldering until 2019, with option to renew. Reasonable access and parking on RCM land will be provided by RCM. RCM presently expects that a new Shaft 9 access road (to replace the Magma Mine Road) will be constructed, and will be licensed for climber access to Eurodog Valley once completed. RCM also agrees to be able to license Lower Eurodog (i.e. the portion below any new Shaft 9 road) for climbing on a long term basis, similar to the Atlantis license, if upon completion of RCM's feasibility studies for Lower Eurodog, it does not appear to be needed for mining activity.

5. The "Mine Area": Portions of the rock climbing area known as the "Mine Area," including but not limited to Upper Looner Land, Lower Looner Land, Magma Gardens, The Arena, Simpsons Hall, and the Grodens, are located on land that either currently belongs to RCM, or that will be acquired by RCM in the land exchange. RCM will grant a license allowing access and use of this area for rock climbing and bouldering until 2019, with option to renew.
6. Apache Leap and access from the East: RCM will grant a license allowing climbers reasonable access to Apache Leap from the east (top side) across RCM property. Further, those portions of Apache Leap, if any, which are property of RCM following the land exchange, or which thereafter become property of RCM through any means, will be subject to a license allowing access and use of such area(s) for rock climbing and bouldering until 2019, with option to renew.
7. Apache Leap Westside Access: RCM will grant an access easement across its property in the Cross Creek drainage on the west side of Apache Leap to allow climber access to Apache Leap from the west. Use of the easement will be contingent on the Forest Service approving access on its land to the east and west of the RCC easement area – a matter which will be examined in the Apache Leap study process already in the legislation.
8. Upper Devils Canyon: RCM will grant a public access easement on the existing “power line road” to the existing trailhead and trail (near the 500KV powerline) which access upper Devil’s Canyon. The easement may be extinguished and replaced by another easement of similar character, conferring equivalent access, without cost to the easement grantee and at RCM's sole expense, if relocation of the existing access road becomes necessary to accommodate future mining activities.
9. Lower Devils Canyon: RCM will license use of the Magma Mine and “drill roads” until 2019, or until new access to Lower Devils Canyon becomes available via an improved Rawhide Road on east side of Devil’s Canyon and/or via an improved road from Highway 177 into Oak Creek. RCM will make reasonable efforts to assist and encourage the Forest Service to keep any such improved roads open for recreational use.
10. License terms: Each license agreement described herein shall be in a form and contain provisions acceptable to QCC and Access Fund, and, except as otherwise specifically provided in this Letter of Intent, neither QCC nor the Access Fund shall have any obligation or duty hereunder prior to their approval and acceptance of such license agreements. The privileges granted under any license shall not be unreasonably suspended by RCC, but may be temporarily or permanently suspended if necessary to: 1) accommodate RCC’s mining operation needs in a specific area or areas; 2) to protect public health and safety; and/or 3) if licensee or its members utilize a licensed area in a manner so as to significantly damage the climbing resource or environment, or engage in consistent and repeated behavior that violates the terms and conditions of the license and/or creates risks to the licensees or to public health and safety.
11. MSHA: RCM will work with QCC and the Access Fund in an attempt to insure that MSHA regulation does not interfere with activities authorized under any climbing license or licenses granted by RCM.

12. Tam O'Shanter: It is acknowledged that existing law permits the State of Arizona and/or local government to apply to BLM for an RPP Act conveyance of Tamo land in the future. Once RCM acquires the Oak Flat Federal land in the land exchange, and if and when the State and/or a qualified unit or units of local government make a written request to RCM, RCM will provide \$1 million to assist the entity(s) making the request for Tamo lands. RCM will also work with climbers and others to consider providing additional funds to such entity to assist in the development of a Tamo climbing area upon the transfer of Tamo land to the State and/or unit(s) of local government.

13. The Drip, Steamboat Mountain, Land of Lost, and The Homestead: RCM has been advised of access issues with regard to these areas and agrees to consult with representatives of the climbing community and State or local governments, after RCM receives mine plan approval, regarding creation of a memorandum of understanding pursuant to which RCM would assist efforts to preserve or enhance climbing opportunities in these areas.

14. Boulder relocation: RCM and QCC agree to discuss relocation of a limited number of boulders and/or a limited amount of vegetation, off- site, from land currently owned by RCM or which will be owned by RCM following completion of the land exchange.

15. Route development fund: RCM will furnish \$50,000 upon signing of this Letter of Intent to be used as a fund to purchase hardware for developing new rock climbing routes and/or the maintenance of established routes, subject to a memorandum of understanding acceptable to RCM governing the custody and disposition of the funds.

16. Queen Creek greenbelt: RCM agrees to facilitate meetings with QCC, Forest Service, Town of Superior, State and ADOT to discuss and develop a long-term memorandum of understanding pursuant to which a greenbelt in and near Queen Creek Canyon can be established and maintained.

17. "Co-existence" agreement: Each license referenced herein shall recite that RCM intends for climbing and mining to co-exist in Queen Creek Canyon and environs to the greatest extent possible consistent with reasonable safety and mining operation concerns, and this Letter of Intent and any agreements which it contemplates shall be interpreted so as to give effect to this intention.

18. Insurance: All future insurance premiums for insurance required by any license agreement referenced herein, if RCM elects not to self-insure, shall be paid by RCM.

19. Scope of Agreement: Except as otherwise specifically provided, the provisions of this Letter of Intent are conditioned on passage into law of S.3157 or a measure substantially similar to it, with the modifications described herein, prior to the end of the 111th Congress. If that does not occur, then the provisions of this Letter of Intent shall expire at the end of the 111th Congress, unless extended by the parties. Further, it is hereby agreed that upon signing of this Letter of Intent, QCC and the Access Fund will promptly sign a letter of support for the proposed legislation, with the modifications described herein, and send the letter to the Arizona Congressional delegation.

Agreement of Parties

This Letter of Intent is hereby agreed to and entered into by Resolution Copper Mining, L.L.C. (RCM), the Queen Creek Coalition and the Access Fund as forth below:

\_\_\_\_\_  
David Salisbury  
President, Resolution Copper Mining, LLC

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Date

\_\_\_\_\_  
The Queen Creek Coalition

\_\_\_\_\_  
Date

\_\_\_\_\_  
The Access Fund

\_\_\_\_\_  
Date