



COUNTY ADMINISTRATOR'S OFFICE

PIMA COUNTY GOVERNMENTAL CENTER
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JAN LESHER
County Administrator

May 15, 2026

Randy Smallwood, Chair of the Board of Directors
Wheaton Precious Metals Corp.
1021 West Hastings Street, Suite 3500
Vancouver, BC V6E 0C3
Canada

Re: Hudbay Minerals Copper World Project – Delivery and Risk Considerations

Dear Mr. Smallwood,

I am writing at the direction of the Pima County Board of Supervisors regarding your streaming investment in the Copper World project being advanced by Hudbay Minerals and associated partners.

Pima County is located in Southern Arizona and includes the Tucson metropolitan area, a fast-growing region in the Southwestern United States. This region is recognized for its extraordinary ecological diversity—home to an exceptional array of plants, wildlife, and landscapes—and its natural beauty is a major attractor for visitors, residents, and businesses alike. Pima County has a long-standing commitment to balancing economic development with conservation through the Sonoran Desert Conservation Plan.

The proposed Copper World project is located in the Santa Rita Mountains—an area of significant ecological, cultural, and hydrologic importance that serves as the headwaters for key regional watersheds. Pima County is not anti-mining and in fact we have worked successfully with other mining projects in less environmentally sensitive areas of the County.

Attached are the most recent resolutions approved by the Pima County Board of Supervisors and the City of Tucson Mayor and Council, in opposition to the Copper World project. In early 2026, the Mayor of Tucson and all six members of the Tucson City Council publicly opposed the project, joining three members of the Pima County Board of Supervisors, four state legislators, and two leaders of the Tohono O’odham Nation in signing a joint public statement opposing a state land auction for Copper World. Community opposition is similarly strong, well organized, and well-funded, with active resistance led by longstanding regional organizations and residents who have successfully opposed large-scale mining in the Santa Rita Mountains for almost 50 years.

Hudbay Minerals has indicated that it expects to release a final feasibility study in the near term. Because that study will inform key investment, financing, and development decisions

- including those relevant to streaming investments such as yours - we are writing now to ensure that these issues are carefully scrutinized as part of your review.

Based on our review of Hudbay's 2023 pre-feasibility study, state permit applications, and related public disclosures, Pima County has identified unresolved risks that that may affect project timing, development certainty, and long-term operational performance—all of which are directly relevant to Wheaton Precious Metals's interests:

- **Water supply uncertainty and impacts:** The project relies on groundwater from a declining basin that is already causing subsidence and impacting well owners, and the proposed recharge is dependent on Colorado River allocations that are highly uncertain and are not occurring in the watershed of impact.
- **Other hydrologic impacts:** The planned Rosemont pit is expected to alter groundwater flow, reducing flows to protected riparian systems, plants and wildlife.
- **Tailings risk:** The proposed tailings storage is upstream of residential areas and a school along a canyon that experiences significant flows during storm events.
- **Permitting and oversight limitations:** The project's location on private land reduces federal review, increasing reliance on accurate and complete corporate disclosures.
- **Lack of meaningful mitigation:** The Preliminary Feasibility Study stated that Hudbay intended to engage key stakeholders to solicit input to develop an effective mitigation plan, but we question the extent to which this has occurred considering the continued community opposition.
- **Ongoing litigation and community opposition:** The sustained legal and political challenges from community groups, elected officials and local governments, continue to cause uncertainty for project timing, cost, and corporate reputation.
- **Tribal communities and intergenerational cultural loss:** Tribal opposition centers on anticipated irreversible impacts to sacred places and traditional practices, resulting in intergenerational cultural loss and creating sustained social and reputational risk to the project.
- **Cumulative operational risk:** Hudbay's announced intent to acquire the Cactus Mine, a separate mine in Pinal County to the north, raises the potential for linked operations and expanded environmental exposure.

As a streaming partner, Wheaton Precious Metals's interests are closely tied to the timely development, stable operation, and long-term production profile of the project. In addition, we note your commitment to supporting neighbors and communities. We therefore encourage careful consideration of:

- The extent to which current project timelines reflect realistic permitting and litigation risk

Mr. Randy Smallwood, Chair of the Board of Directors
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- Whether identified environmental and community concerns may materially affect development or operations, and pose reputational risk
- The degree to which these risks are fully reflected in project disclosures and assumptions

We also wish to inform you that Pima County is sharing these concerns with a range of relevant stakeholders, including the Canadian Securities Administrators, Ontario Securities Commission, the Board of Directors for Hudbay and Mitsubishi Corporation, and other major investors, to ensure a comprehensive understanding of the risks associated with this project.

We would welcome the opportunity to provide additional information.

Sincerely,



Jan Lesher
Pima County Administrator

Enclosures

c: The Honorable Chair and Members, Pima County Board of Supervisors

ATTACHMENT 1

RESOLUTION NO. 2025-49

**RESOLUTION OF THE PIMA COUNTY BOARD OF SUPERVISORS REAFFIRMING
OPPOSITION TO THE PROPOSED COPPER WORLD PROJECT**

WHEREAS, in January 2007, the Pima County Board of Supervisors approved Resolution No. 2007-15 opposing the proposed Rosemont Mine in the Santa Rita Mountains because of the significant impacts the proposal would likely have on the area's natural and cultural resources;

WHEREAS, in April 2019, Pima County Board of Supervisors approved Resolution No. 2019-28, reaffirming Resolution 2007-15 opposing the Rosemont Mine, and considering Rosemont Copper Company's failure to address the County's concerns regarding the significant impacts the proposal would likely have or to offer sufficient mitigation for those impacts;

WHEREAS, in June 2022, Pima County Board of Supervisors approved Resolution No. 2022-32 reaffirming Resolution 2007-15 and Resolution 2019-28 after plans were announced to develop portions of the mine on the west side of the Santa Rita Mountains on private land east of Sahuarita and Green Valley and south of Corona de Tucson, and the name of the project was changed to Copper World;

WHEREAS, the proposed Copper World Project ("Project") includes the construction of up to five open-pit mines as well as new waste rock and tailing storage facilities, processing facilities, and associated infrastructure such as new haul roads and new water production wells;

WHEREAS, the proposed Project would cause irreparable harm to the network of ephemeral streams in and around the project area, as well as downstream perennial waters, including Cienega Creek, an Arizona Outstanding Water, and aquifers that contribute to Tucson's groundwater;

WHEREAS, the Project is proposing to pump thousands of acre feet of water a year from wells adjacent to the Santa Cruz River, significantly increasing groundwater withdrawals from the Tucson Active Management Area with minimal replenishment in the area of withdrawal;

WHEREAS, the Project will likely drastically increase heavy truck traffic across the unpaved portion of Santa Rita Road, and correspondingly drastically increase the amount of fugitive dust released into nearby communities, which may result in exceedances of the health standards for particulate matter that could lead to a nonattainment area designation by the Environmental Protection Agency against Pima County;

WHEREAS, the air permit issued to Copper World by the Arizona Department of Environmental Quality does not regulate fugitive dust pollution generated from Project traffic on the dirt roads outside of the Copper World facility boundaries because it is outside of the boundaries of the proposed project facilities;

WHEREAS, the proposed Project would result in significant harm to the County's Maeveen Marie Behan Conservation Lands System and associated wildlife habitat including habitat for threatened and endangered species;

WHEREAS, the proposed Project would have significant destructive impacts on cultural and archaeological resources known to occur in and near the area of the Project.

NOW THEREFORE BE IT RESOLVED THAT:

1. The Pima County Board of Supervisors reaffirms its opposition to the proposed Project;
2. The Board of Supervisors directs the County Administrator and staff, as federal, state, and local authorities allow, to:
 - a. Provide information to other entities as needed to document the County's continuing concerns about the impacts of the proposed Project as the Project evolves;
 - b. Take all necessary measures to protect the health, safety, and welfare of residents of, and visitors, to Southern Arizona using or enjoying County infrastructure and resources affected by the Project;
 - c. Take all necessary measures to protect the health, safety, and welfare of people using the air and water resources affected by the Project;
 - d. Take all necessary measures to protect County Conservation Lands, and all lands within the Maeveen Marie Behan Conservation Lands System, that may be affected by the Project;
 - e. Actively advocate at the State and Federal level against the Project, including the Project's proposed acquisition of 160 acres of State Trust land, that will facilitate the development of mine tailings near residential homes and the Copper Ridge Elementary School.

Passed, adopted and approved, this 21 day of Oct., 2025.

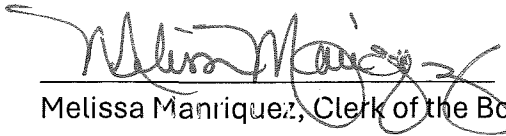


OCT 21 2025

Rex Scott, Chair
Pima County Board of Supervisors

ATTEST:

APPROVED AS TO FORM:



Melissa Manriquez, Clerk of the Board



Bobby Yu, Deputy County Attorney

ATTACHMENT 2

ADOPTED BY THE
MAYOR AND COUNCIL

May 5, 2026

RESOLUTION NO. 24114

RELATING TO ENVIRONMENTAL AND CULTURAL RESOURCES; OPPOSING THE HUSBAY MINERALS' PROPOSED COPPER WORLD MINE AND MINING IN THE SANTA RITA MOUNTAIN RANGE; AND DECLARING AN EMERGENCY.

WHEREAS, foreign corporation Hudbay Minerals is seeking to acquire 160 acres of State Trust Land at the western base of the Santa Rita Mountains southeast of Tucson for their Copper World (formerly Rosemont) mining development ("Copper World"); and

WHEREAS, the Mayor and Council has consistently opposed open-pit mining operations in the Santa Rita Mountains as a threat to the City of Tucson's water, environmental, wildlife and cultural resources; and

WHEREAS, decisions by the United States District Court for the District of Arizona ("District Court") in 2019 and the Ninth Circuit Court of Appeals ("Ninth Circuit") in 2022 halted the construction of the then proposed Rosemont Mine on the eastern slopes of the Santa Rita Mountains and the proposed dumping of mining waste on federal lands; and

WHEREAS, Hudbay Minerals Inc., the current owner of the land proposed for Copper World, has shifted its mine processing operations from the eastern slope of the Santa Rita Mountains to the western slope; and

WHEREAS, Hudbay Minerals Inc. alongside their partners Japan-based Mitsubishi Corp., are seeking to develop Copper World as a four to six open pit mine

complex on 4,000 acres of land just south of the City of Tucson to include the Rosemont pit; and

WHEREAS, the proposed mining operations at Copper World threaten to diminish our regional groundwater supply significantly as our state prepares for Colorado River shortages, and

WHEREAS, the Copper World development could significantly undermine regional water quality, risking contamination to our aquifers and to two Outstanding Arizona Waters that are protected by law from degradation, and

WHEREAS, in a time of drought, the Copper World development could undercut critical groundwater resources as the Santa Rita Mountains provide a disproportionately high amount of water for runoff and groundwater recharge for the Tucson basin; and

WHEREAS, the area proposed for the Copper World development is recognized for its extraordinary biodiversity and its recreation and tourism value to our region, and

WHEREAS, conservation, watershed protection, climate mitigation, traditional uses by Tribal Nations, cultural and historic preservation, healthy forest management, and other uses of this land contribute significantly to the local, state, and national economies; and

WHEREAS, on April 21, 2026, the Mayor and Council unanimously voted to oppose the State Trust Land sale to Hudbay Minerals & Copper World to facilitate the expansion and development of the project.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF TUCSON, ARIZONA, AS FOLLOWS:

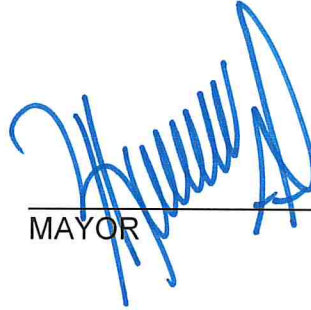
SECTION 1. The Mayor and Council unanimously oppose the development of Hudbay's Copper World Mine, a project that would undermine conservation, watershed protection, climate mitigation, tourism and recreation, traditional uses by Tribal Nations, cultural and historic preservation, healthy forest management, and other uses that contribute significantly to the local, state, and national economies and communities.

SECTION 2. The Mayor and Council call on elected leaders representing the region to join in expressing concern and opposition to the development of the Copper World mine in the Santa Rita Mountains and the destruction of valuable environmental, cultural, wildlife and water resources.

SECTION 3. The Mayor and Council direct staff to take the necessary measures to communicate the City of Tucson's opposition to Copper World mine and support for key environmental resources.

SECTION 4. WHEREAS, it is necessary for the preservation of the peace, health, and safety of the City of Tucson that this Resolution become effective immediately, an emergency hereby is declared to exist, and this Resolution shall be effective immediately upon its passage and adoption.

PASSED, ADOPTED AND APPROVED by the Mayor and Council of the City of
Tucson, Arizona, May 5, 2026.




MAYOR

ATTEST:



CITY CLERK

APPROVED AS TO FORM:



CITY ATTORNEY

REVIEWED BY:



CITY MANAGER

LD/RL/iv
4/27/26