



PRESS RELEASE

For Immediate Release December 4, 2019

Press contact: Benjamin Bitter
Assistant to the Town Manager / Public Information Officer
Office: (520) 868-7541
Benjamin.Bitter@FlorenceAZ.gov

Let's Ask Florence Copper....

Florence Copper, Inc. ("FCI") is operating a copper mine test facility on land that is zoned for residential use. This zoning became the law in the Town of Florence ("Town") in 2007 at the request of the previous property owner and after a year of negotiation and public input. During this process, the public was told that over 7,000 homes would be built on the property as part of a massive 5,000-plus acre Master Planned Community. The former property owner asked that the 2007 Town ordinance adopting the new development plan specifically state that it "supersedes" all previous development plans for the property. This meant that under the zoning laws, when the Town adopted the 2007 ordinance, the right to mine on the property authorized by a 2003 development plan was extinguished.

This zoning was in effect when Florence Copper purchased the property out of foreclosure in 2009. The lawsuit the Town brought against Florence Copper was to enforce the 2007 zoning ordinance. It is true that the Town lost this lawsuit at the trial court level and has appealed. The Town has posted its Opening Brief for its appeal on its website and is also available at the Town Clerk's Office. The Town encourages all interested parties to read it at <http://bit.ly/FCIbrief>.

The only active litigation at the trial court level is Florence Copper's lawsuit against the Town, where FCI is seeking damages. Whether these claims, called counterclaims, continue to be prosecuted is the decision of Florence Copper, not the Town. While Florence Copper continues to sue the Town, it is in the Town's best interest to not dismiss either the zoning appeal or an environmental appeal that is also pending.

After the Town filed its brief in the Arizona Court of Appeals, Florence Copper created a Facebook post accusing the Town of continuing legal attacks against them and of not being willing to settle the litigation. However, months ago, the Town made a public offer of settlement that included:

- Ending the litigation by the Town dismissing the appeals and Florence Copper dismissing its counterclaims against the Town.

- Recognition of the right to mine on the property.
- The payment of the \$1.7 million dollars awarded by the trial court.
- Relief from specific development requirements that Florence Copper did not meet under a 2003 Development Agreement.
- Establishment of a communication procedure that would reduce future conflict.
- An offer to partner on projects of value to both the Town and Florence Copper.

This offer has not been accepted by Florence Copper. It seems that Florence Copper, through its Facebook posts and press releases, seeks to put a critical eye on the Town. *We believe people should be asking Florence Copper exactly what it wants from the Town to end the litigation.* The Town's offer was substantially more beneficial to Florence Copper than the decision entered by the trial judge.

If, either through settlement or litigation, Florence Copper is permitted to mine the property, the Town will always remain deeply concerned about protecting the quality and usability of its water resources for its citizens. Through the Town's litigation efforts, safety measures for the current Florence Copper operations have already increased. Notably, mining in this area would not be possible but for a lifetime exemption granted by the Environmental Protection Agency ("EPA") in 1997 that allows injection of pollutants into the aquifer; and, to date the EPA has been unwilling to modify or revoke this exemption. On tours, in multiple public presentations and in public meetings, Florence Copper presented its test facility as a two-year test operation to gather data on the safety of the process. Contrary to Florence Copper's commitment to prove the safety and environmental sustainability of their technology, in less than a year, Florence Copper applied for a full-scale production permit with the Arizona Department of Environmental Quality and with the Environmental Protection Agency. The Town is committed to monitoring and, where necessary, participating in the process that may ultimately authorize an operation that has the potential to negatively impact our citizens.