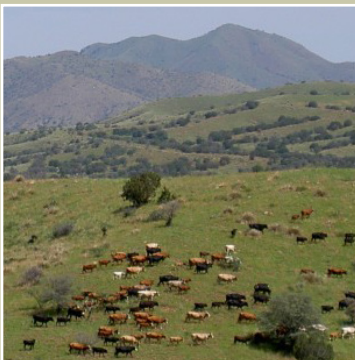




MINING CLAIMS

THE FACTS

ROSEMONT COPPER will minimize the visual impact of the project through use of mined rock. The innovative facility design and reclamation efforts begin the first year of operation. In addition, the operational footprint will be less than half the size of current mines in Arizona.



What is a mining claim?

A mining claim is a description by boundaries of real property in which metal ore or minerals may be located.

What is a patent?

A deed or grant from the government.

WHAT IS THE DIFFERENCE BETWEEN A PATENTED MINING CLAIM AND AN UNPATENTED MINING CLAIM?

Patented Mining Claim:

You own the land as well as the minerals.

A patented mining claim is one for which the Federal Government has passed its title to the claimant, making it private land. A person may mine and remove minerals from a mining claim without a mineral patent. However, a mineral patent gives the owner exclusive title to the locatable minerals. It also gives the owner title to surface and other resources. Due to a Congress-imposed moratorium, the federal government has not accepted any new applications for mining claim patents since October 1, 1994.

Unpatented Mining Claim:

You are leasing, from the government, the right to extract minerals. No land ownership is conveyed.

All mining claims are initially unpatented claims, which give the right only for those activities necessary to exploration and mining, and last only as long as the claim is worked every year. An unpatented mining claim is a particular parcel of Federal land, valuable for a specific mineral deposit or deposits. It is a parcel for which an individual has asserted a right of possession. The right is restricted to the extraction and development of a mineral deposit. The rights granted by a mining claim are valid against a challenge by the United States and other claimants only after the discovery of a valuable mineral deposit.

The Arizona copper industry produces more copper than all other 49 states combined on less than one quarter of one percent of the total land area of the state.