

**FREEPORT-MCMORAN**

Freeport-McMoRan Chino Mines Company
P.O. Box 10
Bayard, NM 88023

January 28, 2026

Certified Mail # 70221670000184290939

Mr. Jonas Armstrong, Director
New Mexico Environment Department
Water Protection Division
P.O. Box 5469
Santa Fe, New Mexico 87502

Dear Mr. Armstrong:

Re: Freeport-McMoRan Chino Mines Company - AOC Quarterly Report, Fourth Quarter 2025

This Administrative Order on Consent (AOC) Quarterly Report documents activities performed during the reporting period from October 1 through December 31, 2025. The report is submitted and organized as outlined in Article IX, Section E of the AOC, an agreement between the New Mexico Environment Department (NMED) and Freeport-McMoRan Chino Mines Company (Chino). Chino also submits a copy of this report to the New Mexico Energy, Mineral and Natural Resources Department, Mining and Minerals Division (MMD), per its request.

AOC Activities

During the fourth quarter of 2025, the following major activities occurred:

- Chino submitted the finalized Feasibility Study (FS) for the Smelter Tailing Soils Investigation Unit (STS IU).
- NMED performed additional soil sampling to evaluate the effectiveness of the removal action under the Hurley Soils IU (HSIU).
- Chino submitted the annual Groundhog Remedial Interim Action Report under the Hanover Whitewater Creek Investigation Unit (HWC IU).
- NMED issued public and stakeholder comments regarding the revised final Lampbright Investigation Unit (LIU) FS.
- Chino submitted the second revised final FS for the LIU.
- Community Work Group (CWG) participated in their annual site tour on October 25th and met for an end of year meeting on December 9th.
- The AOC Technical Group discussed current activities in a quarterly conference call on November 20th. Additionally, Chino and the NMED conferred monthly to discuss current AOC activities.

Hanover/Whitewater Creeks Investigation Unit (HWC IU)

IRAs in the Groundhog Mine Area

Groundhog Mine Site: NMED approved Chino's proposal in the 2024 annual report for removing the Lower Pond Collection System, as well as the bi-annual surface water and ground water quality monitoring from the Groundhog Mine Site annual reporting in a letter dated April 28, 2025. Under the renewed discharge permit DP-484, the lower pond is now an operational tailing pipeline containment area, and the surface water is no longer under the AOC Interim Remedial Action (IRA) or a sampling requirement. Additionally, groundwater sampling for the site is now under the discharge permit DP-1340 Site Wide Abatement draft sampling analysis plan under review by the NMED. On October 28th, Chino submitted the annual monitoring report for the Groundhog Mine Site for NMED review. This annual report summarizes past and recent administrative changes to the IRA site, documenting removal of AOC monitoring requirements. Due to the incorporation of land area and monitoring requirements into active discharge permits, Chino requested to terminate the annual monitor reporting for the Groundhog Mine Site IRA and to assess remedial success under the pending Feasibility Study and Record of Decision (ROD) for the Hanover and Whitewater Creeks Investigation Unit. NMED anticipates commenting on the letter in the first quarter of 2026.

Lucky Bill Canyon: Reclamation construction is now complete for the Lucky Bill Groundhog Mine No. 5 site and is in post-reclamation monitoring as per Modification 14-1 to the MMD Permit GR009RE.

Current activities for the Groundhog No. 5 Stockpile site in sequencing reclamation requirements with the AOC:

- MMD approved the completed reclamation detailed in the Chino Lucky Bill Groundhog #5 Stockpile Reclamation Construction Quality Assurance Report in a letter dated August 2023.
- Chino continues to monitor and collect samples from the updated seepage collection system at the toe of the Groundhog No. 5 Stockpile in alignment with DP-1340 requirements. It has been noted that despite high precipitation events in 2022, no seepage is reporting into the collection system indicating that the stormwater diversions and soil cover are successfully limiting percolation into the stockpile.
- The reclaimed stockpile is currently inspected quarterly for stability to meet the MMD Permit GR009RE requirements and is no longer monitored under the AOC.

Bayard Canyon: Chino performed additional mass removal of stockpile material in Bayard Canyon in 2021 as a supplemental IRA to the 2019 HWC IU IRA. Chino performs quarterly inspections of the site as per the approved IRA completion report. On September 15 and 16, Chino performed a survey at the Bayard Canyon IRA site to document vegetation success for species and cover for the five-year quantitative vegetation monitoring per the requirements of the completion report approved in a letter dated November 3, 2022. Chino anticipates submitting the five-year monitoring report in the first quarter of 2026.

2019 Whitewater Creek IRA

This HWC IU IRA completed a removal of impacted material from Whitewater Creek in 2019. Under DP-1340, Chino submitted in 2021 and in early 2022, two workplan proposals for sampling base flow surface water and for sampling high flow stormwater runoff, respectively, for Whitewater Creek. These workplans are in support of sitewide abatement activities, but that would also document water quality following the recent IRAs in HWC IU. Chino implemented both workplans during the summer of 2022 and completed sampling in early October 2022. NMED is currently reviewing a draft of the first annual base flow surface water data report. Chino anticipates submitting formally both sampling data results reports in the first quarter of 2026. During the second, third, and fourth quarters, Chino monitored Whitewater Creek for base flow surface expression of the alluvial groundwater in the attempt to conduct the second year of sampling per the approved workplan. Under current drought conditions, there was not sufficient recharge to the alluvial system to drive baseflow to surface expression within Whitewater Creek in 2025.

Chino submitted a revised residual risk assessment report (RRA) and received approval from NMED in 2023, as a follow up to the completed IRA. On September 3, 2025, the AOC Technical Group with their consultants held a conference call with the NMED Groundwater Quality Bureau to discuss next steps under the AOC and the DP-1340 abatement plan for Hanover and Whitewater Creeks. NMED is currently developing pre-FS RAC for the HWC IU and anticipates discussion of the draft with Chino during the first quarter of 2026.

Hurley Soils Investigation Unit (HSIU)

Following the posting of public notices to advise of the evaluation review of the remediation, NMED conducted soil sampling of 13 selected sites in the town of Hurley in July 2024. NMED and Chino, with their respective consultants, reviewed the sampling results via conference call in April 2025. On August 19 and 20, 2025, NMED, with field support from their consultants and Chino, performed additional soil sampling at 9 of these residential sites to provide a more robust sampling data set. On October 24, NMED, with field support from Chino, collected a sample from an additional household at the owner's request. The HSIU Record of Decision (ROD) requires NMED to perform an assessment periodically to evaluate the remedy effectiveness for the 2007 to 2014 removal action in remediating copper above 5,000 ppm. Currently, NMED is drafting a Review Assessment Report, with issuance anticipated in the first quarter of 2026.

During subsequent conference calls following the evaluation review, Chino and NMED discussed a proposal for an additional removal action at a 2.5-acre area previously used as a parking lot supporting the old Smelter operations within the Hurley Operational area. The area is encircled by reclamation and past AOC removal actions, with the proposed removal action intended to eliminate a potential source of copper for the HIU. In early January 2025, NMED approved Chino's request to implement this removal action under the HIU and the previously approved 2008 Golf Course IRA Workplan.

Lampbright Investigation Unit (LIU)

NMED provided Chino with their decision for the pre-FS RAC in a letter dated July 10, 2024. Chino submitted the formal draft FS for NMED and stakeholder review on November 5, 2024. Chino provided a presentation of the draft FS to CWG on January 14, 2025. NMED issued public and stakeholder review comments to Chino on May 16, 2025. Chino submitted a response to those comments with the revised final FS on August 8, 2025. NMED issued public and stakeholder review comments for the revised final FS in a letter dated November 12, 2025. Chino submitted a response to those comments with the second submittal of the final FS on December 11, 2025. NMED plans to provide final comments on the FS and commence drafting the Record of Decision (ROD) during the first quarter of 2026.

Smelter Tailings Soil Investigation Unit (STS IU)

Feasibility Study

Chino submitted the formal draft FS for NMED and stakeholder review on February 19, 2025. Chino provided a presentation of the draft FS to the CWG in March 2025. NMED issued public and stakeholder review comments to Chino on May 23, 2025. Chino submitted a response to those comments with the final FS on October 3, 2025. In response to comments received on the draft FS, Chino conducted sampling to update data results from the 2015 Five-Year pH Monitoring Report of the 2008 "white rain" event in support of finalizing the STS IU FS. A technical memorandum report updating the 2015 data results is appended to the revised final FS dated October 3, 2025. NMED anticipates providing final comments on the FS and commence drafting the ROD during the first quarter of 2026.

Interim Remedial Actions

As an extension of the completed 2008 Golf Course IRA and utilizing the 2006 IRA workplan, Chino completed the Hurley Railroad IRA, the Razorback Ridge IRA, and the B-Ranch IRA, intermittently between 2008 and 2019. Chino performs quarterly erosion and revegetation monitoring of the B-Ranch site as per the approved IRA completion report. On September 16, Chino performed a survey at the B-Ranch IRA site to document vegetation success for species and cover for the five-year quantitative vegetation monitoring per the requirements of the completion report approved in a letter dated August 20, 2021. Chino anticipates submitting the five-year monitoring report in the first quarter of 2026.

Community Relations

The Community Work Group (CWG) participated in their annual AOC site tour on October 25, 2025, touring the LIU area as a follow up to the recently submitted FS. The CWG met on December 9, 2025, and Chino presented an upcoming soil removal action under the HIU of a parking area previously used to support the old Smelter Operations within the Hurley Operational area. The CWG voted to meet again on March 10, 2026. The three local Chino AOC document repositories continue to be maintained and updated with current documentation. The online electronic document repository (<http://www.fcx.com/chino/>) is also up to date.

Next Quarter's Scheduled Activities

The following work and activities have occurred or are projected for the first quarter of 2026:

- Chino initiated the construction phase of excavation and backfill processes for the removal action of the old Smelter parking area under the HIU.
- NMED anticipates providing comments on the Groundhog IRA annual report.
- Chino will submit the five-year quantitative vegetation monitoring report for the Bayard Canyon IRA and the B-Ranch IRA.
- NMED will draft the Hurley Soils IU remedy assessment report.
- NMED will complete their review of the STS IU FS and the Lampbright IU FS and begin drafting the ROD for each of these IUs.
- NMED will provide the pre-FS RAC for the HWC IU.
- The CWG will meet on March 11, 2025.
- Chino will conduct quarterly inspections of interim remediation sites within the HWC IU and STS IU.
- The AOC Technical Group plans to meet quarterly, and Chino and NMED will review AOC activities monthly.

Personnel Changes

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No personnel changes occurred for the AOC in the fourth quarter of 2025.

Problems and Solutions

There were no problems that adversely affected the AOC this quarter.

Please contact Ms. Pam Pinson at (575) 912-5213 with any questions or comments concerning this report.

Sincerely,



Sherry Burt-Kested, Manager
NMO Environmental Services

SBK:wk
Enclosures
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cc: David Mercer, NMED
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