

For the moment, San Juan's mining construction activity centers around exploration work. Dumandzic said: "In exploration, we engineered and built access and platforms for Los Azules, and we support Pachón and Altar. With Fortescue, we are now in our seventh exploration season, providing heavy machinery services across their projects."

Water

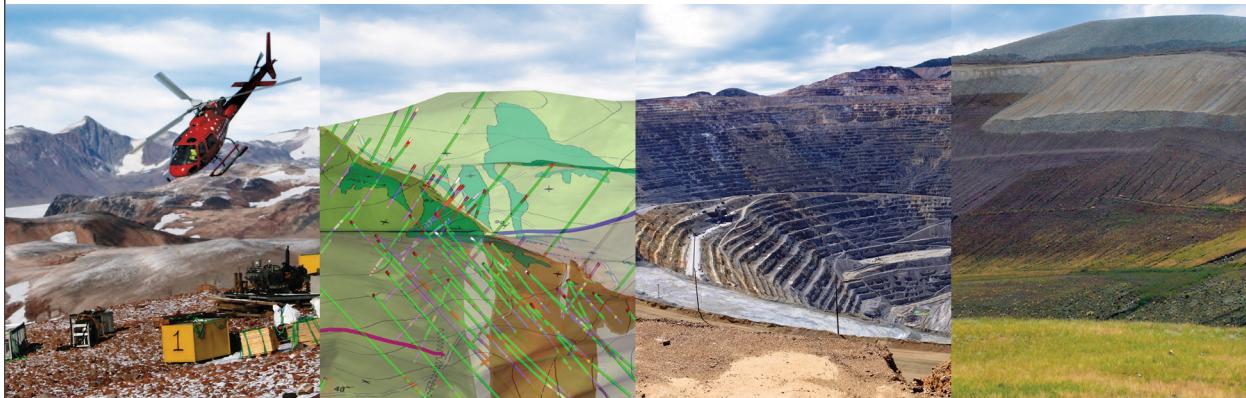
Water, politics, and mining in Argentina are closely intertwined. Public sensitivity to the use of cyanide in mining has been heightened in the country since the 2015 Veladero incident, when over one million gallons of cyanide solution were spilled into nearby rivers in San Juan. Public sensitivity and resistance to mining activities in Argentina are primarily rooted in concerns about water. In 2019, the Mendoza government's attempts to overturn its ban on the use of cyanide in the province's mining industry were met with fierce street protests and

>>63

public resistance. In addition, Argentina's primary industries, such as agriculture, are major water consumers. Evidently, water conservation and management are critical factors in the mining process, and engineering and consulting companies in the sector have dedicated considerable resources and talent to studying, managing and improving water use in mining. Carlos Chana, Andean managing partner for Environmental Resources Management, said: "Nationwide, water use is a common challenge. Competition for limited resources requires mining projects to demonstrate compatibility with other needs."

Compounding the issue, some of Argentina's most important mining provinces, including San Juan, are also among the most arid, putting mining projects in competition with urban and agricultural uses for water resources. BHP & Lundin's Vicuña, which will develop Josemaría, has claimed it will utilize a multi-source water management system. Desalinated water

Impartiality. Experience. Trust.



With innovation and sustainability as pillars, we provide professional consulting throughout the lifecycle of mining projects. We have global experience to assess risks, seize opportunities, and deliver practical solutions.



1,800+ specialists | 40+ offices | 30,000+ projects | 50 years

SRK Consulting (Argentina) S.A.
+54 11 7700-0308 – info@srk.com.ar

Buenos Aires: Chile 300 | Mendoza: Av. Emilio Civit 404 | Salta: Ciudad Oeste, Manzana 28 Lote 6, San Lorenzo (4401)



Jorge Laiún and Ignacio Ezama

JL: President
IE: Mining Practice Leader
SRK ARGENTINA

"Initially, around 85% of projects were infrastructure, and 10% were mining. Today, the ratio is reversed. **"**

Can you introduce SRK Argentina?

JL: In the early years, we were a niche geotechnical consultancy, but being part of SRK gave us access to a global brand and network. In 2011, we won a contract for the Line H subway extension in Buenos Aires. Being part of SRK allowed us to assume that responsibility. With time, our portfolio of work shifted. Initially, around 85% of projects were infrastructure, and 10% were mining. Today, the ratio is reversed, with most of our work being linked to mining projects in Argentina and also for other SRK offices abroad.

How did you develop the Salta practice?

IE: We opened the office in Salta, when the lithium sector was still at a very early stage but with strong potential. We consolidated two main areas in Salta: tailings and lithium residue management, as well as a group specializing in hydrogeology and geochemistry for lithium brines. We also developed mining planning capabilities for copper and other metals. More recently, we started initiatives in process and supply chain consulting, which are essential because Argentine projects are often located in very remote areas where logistics are critical.

What challenges exist in waste and water management?

IE: In Salta, the resource is mainly brine. With traditional evaporation processes, there is minimal solid waste, whereas direct extraction methods yield a brine from which the lithium has been removed. The challenge is to manage this liquid waste without damaging the aquifer. Rejection maintains the aquifer's

stability but risks diluting the resource. Ponds avoid dilution but create zones of saline accumulation similar to tailings dams. The primary concern is to prevent resource depletion and protect water reserves while allowing for extraction.

What capabilities did SRK bring from infrastructure into mining?

JL: Our foundation was always the hard sciences: geotechnics, soil mechanics, hydraulics, and computational modeling. One of our founders, Alejo Sfriso, was a specialist in computational geomechanics. That expertise became a strong niche for SRK Argentina. Today, our office in Buenos Aires has about twenty professionals dedicated to computational geomechanics, which is one of the largest groups in Latin America. We also provide this expertise to other SRK offices.

IE: We have always believed in developing our own talent and retaining it. Our staff turnover is low because we prioritize steady growth and long-term development. From this solid technical background, we expanded with mining engineers, hydrogeologists, geochemists, and tailings experts. The combination allows us to build integrated teams for projects. Training people internally requires time, but it ensures loyalty and deep expertise. That approach allowed us to provide specialized services in lithium, copper, gold, and silver.

What are the main challenges of the Argentine mining environment?

JL: The federal structure of Argentina means that provinces control mining. Only four or five provinces have mid-tier or world-class operational mining projects. The others often show disin-

terest or outright rejection of mining. That prevents potential projects from developing. It also creates differences in regulation and acceptance across the country.

IE: Another challenge is the lack of educational infrastructure. Out of 23 provinces, only about five have mining engineering programs, and about 10 have geology. This means there are very few technically trained interlocutors, which makes regulatory discussions difficult. Often, decisions are driven by politics rather than technical knowledge. For us, it is essential to train our own people internally because the local market does not provide a sufficient number of qualified professionals.

What are SRK Argentina's priorities for the next year?

JL: In infrastructure, we are shifting toward oil and gas because public works remain paralyzed. If mining projects move forward, infrastructure will also be required; however, in the meantime, oil and gas remain our primary focus.

IE: In mining, our primary focus is on copper. Argentina has ample copper resources, and if business rules remain stable, they are viable. We continue to support our existing clients in gold, silver and lithium. We provide Engineer of Record and auditing services for tailings facilities, which is an international requirement, and we emphasize hydrogeology and water management. Declining ore grades mean higher water use, and managing water efficiently is critical. Our strategy is to integrate geomechanics, hydrogeology, and tailings expertise while continuing to train our people and maintain quality as the core of our business. ■