Subject: The Chilean Billionaire Pushing the Boundary Waters Mine Would Send American Minerals to State-Owned Chinese Refineries, Leaving American Workers Behind

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Executive Summary

The proposed mine at the edge of the Boundary Waters – America's most cherished wilderness – is a distinctly anti-American project. Twin Metals Minnesota, the company focused on developing the sulfide-ore copper mine, is a wholly owned subsidiary of Antofagasta Plc, a Chilean mining company with a dangerous track record. Antofagasta has deep and enduring ties with the Chinese government and its mineral processing operations. Most recently, Antofagasta secured record-breaking, zero-cost (meaning free) processing agreements with Chinese copper smelters, all of which are state-owned in whole or part. These agreements mean that state-owned Chinese companies would be covering the entire cost of processing copper for Antofagasta. This unprecedented arrangement and Antofagasta's long commitment to promoting China's economic development, raise important questions about who ultimately benefits from the proposed Boundary Waters mine.

Zero-Cost Deals with Chinese Smelters

Press reports confirm that Antofagasta has secured multiple contracts with state-owned Chinese smelting companies that guarantee the company free processing of their copper.[1] Each of these deals is in direct partnership with the Chinese Communist Party, as all smelting companies in China are entirely or partially state-owned. Given this reality, any copper mined in Minnesota and processed under these agreements would be smelted by facilities under Chinese government control, undercutting the American worker and moving limited American resources into the hands of our primary global competitor.

These zero-cost contracts with Chinese, government-funded processors help shine a light on a 40-year history between Antofagasta's majority shareholder, the billionaire Luksic family, and the Chinese government. This long-term partnership has been consistently oriented toward advancing China's economic interests and mineral processing dominance.[2]

Exporting American Resources to Support the Chinese Energy Build Out

Given Antofagasta's free processing agreements, it is all but assured that any copper metal concentrate it produces in Minnesota would be shipped to China for processing. This creates a direct pipeline from Minnesota's Superior National Forest to Chinese state-owned facilities. Once processed in China, the refined copper would almost certainly be consumed domestically as China rapidly expands its energy infrastructure. In 2025 alone, China added 543 GW in new power generation capacity.[3] This means that in a single year, China built enough energy capacity to match

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[1] Jackson, Lewis, Amy Lv, and Hongmei Li. 2025. "China's Copper Smelters Win Better-Than-Expected $0 Processing Fee from Antofagasta, Sources Say." *Reuters*, June 27, 2025. https://www.reuters.com/world/china/chinas-copper-smelters-win-better-than-expected-0-tcrc-deal-antofagasta-sources-2025-06-27/.

[2] Xinhua. 2018. "China's Growth Will Benefit Chile's Economy, Says Mining Magnate." Chinadaily.com.cn. 2018. https://www.chinadaily.com.cn/a/201806/26/WS5b31ac12a3103349141ded76.html.

[3] Slav, Irina. 2026. "China Added 543 Gigawatts in New Power Capacity in 2025." OilPrice.com. January 28, 2026. https://oilprice.com/Latest-Energy-News/World-News/China-Added-543-Gigawatts-in-New-Power-Capacity-in-2025.html.

forty percent of all the installed generation capacity in the United States. With the unmatched growth of the Chinese energy sector and the vast resources needed for that build out, no American copper sent to Chinese refineries is going to find its way back to the United States.

Bad for American Jobs

According to Antofagasta, Minnesotans will not benefit from the few long-term jobs that the proposed mine would create. Twin Metals spokesperson, David Ulrich, has openly stated that Minnesotans lack the necessary technical skills and employees would be sourced from elsewhere.[4]

In addition to this, the source of Minnesota's economic strength is abundantly clear: Minnesota's outdoor recreation economy, centered around the Boundary Waters, generates $13.5 billion each year and supports thousands of jobs. Meanwhile, all of Minnesota's extractive industries combined – mining, timber, sand & gravel, etc. – generate only $1.2 billion statewide.[5] Trading a thriving multi-billion industry for a false promise that enriches Chilean billionaires and Chinese state interests is not just bad policy, it is in direct conflict with American interests.

A One-Way Flow of Value to China

The proposed mine at the headwaters of the Boundary Waters, a treasured landscape and America's most-visited Wilderness, would create a one-way flow of value out of the United States. Mining here would impose all costs on the American communities left behind and run counter to American mineral dominance and national security.

A Chilean company would extract copper from American soil, ship the concentrate to Chinese state-owned processing facilities, and sell the refined product to support Chinese energy development. At no point in this supply chain – from ownership to processing to final sale – do American interests benefit. The Boundary Waters would be left with polluted waters and a weakened economy, while foreign entities capture the benefit.

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[4] Orenstein, Walker & Killelea, Eric. "New Mines Might Bring New Jobs: But Where Are The Workers?" *The Timberjay*, 30 October 2019.
[5] State of Minnesota. "Minnesota's Outdoor Recreation Economy Shows Resilience With Steady Growth." *Explore Minnesota*, 5 December 2024. https://www.exploreminnesota.com/media-room/news-releases/minnesotas-outdoor-recreation-economy-shows-resilience-steady-growth