The Navajo Nation shows the mining industry how ‘Hozro’ is the only path forward.

written by Melissa (Mel) Sanderson | December 28, 2022

There is a word in the Navajo language, in English written as: “hozro.” This one word encapsulates an important philosophy for the Navajo people, as it translates to mean putting oneself in harmony with one’s surroundings. “Hozro” has helped the Navajo, one of the largest Tribes in the US, to coexist more harmoniously than many other Tribes with the dominant White culture. The Navajo reservation is the largest in the US and hosts many natural resources essential to the economic development of the country.

These resources have not always been developed either harmoniously, respectfully or conscientiously by companies. Uranium mining on the Navajo reservation remains a disgraceful episode in US history, with radioactive contamination of essential water sources and soil and associated human sickness and death still a reality, not a memory, for many Navajo families. As a consequence, many Navajo are adamantly opposed to new uranium mining anywhere on or near the reservation.

Despite this, coal mining has a much more successful history with the Navajo. Until 2019, when the Navajo Generating Plant closed, many Navajo worked both at the coal mine feeding the Plant and in the Plant itself for 45 years. The Navajo Nation initially attempted to purchase just the coal mine, but then pivoted to a much more ambitious vision, establishing the Navajo Transitional Energy Company (NTEC). NTEC’s website states its mission is: to be a reliable, safe producer of coal, while diversifying the Navajo Nation’s energy resources to create

economic sustainability for the Nation and the Navajo People. One visible effort by the company is the large solar panel array near Kayenta on the reservation.

Less visible efforts include building a mining portfolio, until recently heavily focused on coal. NTEC owns and operates the Antelope and Cordero Rojo coal mines in Wyoming, Spring Creek in Montana, and Navajo Mine in New Mexico (the latter located on the reservation). Utilizing its multi-generational mining expertise, NTEC has built a sound operational foundation and increasingly is being recognized for its efforts. In November of this year, the National Mining Association, in conjunction with the Department of the Interior's Office of Surface Mining Reclamation and Enforcement recognized NTEC with two awards, for Mine Safety and for Stewardship of National Resources through Reclamation.

But while building on its strengths NTEC also kept an eye on its mission to develop sustainable energy sources. In 2019 NTEC took an investment position in both Texas Mineral Resources Corp. (OTCQB: TMRC) and its USA Rare Earth project in Round Top Texas. More recently, NTEC has entered a more active partnership with Arizona Lithium Limited (ASX: AZL | OTCQB: AZLAF) to develop the Big Sandy lithium project near Wikieup, Arizona. This latest agreement may pose potential difficulties for NTEC, however.

NTEC's December 5 announcement of the strategic alliance states that "NTEC has committed to lead the operational development of Big Sandy, which will include everything from Bureau of Land Management (BLM) project permitting, mine design, drilling environmental assessments, and construction and contract mining operations. The agreement provides for AZL and NTEC to commence work towards development of the Big Sandy project while at the same time continuing due diligence and negotiation of a definitive agreement."

The announcement goes on to say that when NTEC meets certain mining development milestones with respect to Big Sandy, it (NTEC) will receive remuneration in cash or AZL shares and options to purchase additional ordinary shares. Importantly, the announcement notes that "NTEC understands the cultural significance of the land near the mining site. The company plans to work with the Navajo Nation and other Indian Nations to ensure the development at Big Sandy prioritizes appropriate cultural and environmental safeguards throughout the process."

This latter statement appears to be a reference to the opposition of the Hualapai Nation to the Big Sandy project, which abuts the Hualapai lands in one area but does not lie within the Hualapai reservation. A December 15 interview on KNAU News Talk noted that "In April of 2021, the Hualapai Tribal Council passed a resolution strongly objecting to the proposed mining claim area, citing devastating impacts to significant cultural and spiritual resources." Likewise, the Environmental Justice Atlas registers the Hualapai opposition, with the Hualapai claiming that exploratory drilling has affected a sacred spring on their land. According to the Atlas, the project also faces opposition from some residents of nearby Wikieup, Arizona.

It would appear that the Navajo, as part of the strategic agreement with AZL, may be about to become entangled in trying to resolve a pre-existing conflict between AZL and the Hualapai. If so, this could pose problems for not only the two Tribes but also BLM and the broader Department of the Interior, whose permitting processes require it to take into account objections from Native peoples to mining projects. BLM also is supposed to give priority to critical materials projects, including lithium, which is essential to the development of the electric vehicle industry, a growing component of the Arizona economy.

Kudos to the Navajo Nation for focusing on cooperation instead of conflict, and for taking the standard model of indigenous involvement in mining to new and more lucrative levels. In this particular case, let us see if “hozro” can prevail.