




MINERALS PROGRAM INSPECTION REPORT
PHONE: (303) 866-3567

The Division of Reclamation, Mining and Safety conducted an inspection of the mining operation noted below. This report documents observations concerning compliance with the terms of the permit and applicable rules and regulations of the Mined Land Reclamation Board.

MINE NAME: Henderson Mine	MINE/PROSPECTING ID#: M-1977-342	MINERAL: Molybdenum	COUNTY: Clear Creek, Grand
INSPECTION TYPE: Monitoring	INSPECTOR(S): Peter Hays	INSP. DATE: April 7, 2020	INSP. TIME: 09:00
OPERATOR: Climax Molybdenum Company	OPERATOR REPRESENTATIVE: None	TYPE OF OPERATION: 112d-3 - Designated Mining Operation	
REASON FOR INSPECTION: Normal I&E Program	BOND CALCULATION TYPE: None	BOND AMOUNT: \$37,993,785.00	
DATE OF COMPLAINT: NA	POST INSP. CONTACTS: None	JOINT INSP. AGENCY: None	
WEATHER: Clear	INSPECTOR'S SIGNATURE: 	SIGNATURE DATE: April 7, 2020	

GENERAL INSPECTION TOPICS

This list identifies the environmental and permit parameters inspected and gives a categorical evaluation of each. No problems or possible violations were noted during the inspection. The mine operation was found to be in full compliance with Mineral Rules and Regulations of the Colorado Mined Land Reclamation Board for the Extraction of Construction Materials and/or for Hard Rock, Metal and Designated Mining Operations. Any person engaged in any mining operation shall notify the office of any failure or imminent failure, as soon as reasonably practicable after such person has knowledge of such condition or of any impoundment, embankment, or slope that poses a reasonable potential for danger to any persons or property or to the environment; or any environmental protection facility designed to contain or control chemicals or waste which are acid or toxic-forming, as identified in the permit.

(AR) RECORDS----- <u>N</u>	(FN) FINANCIAL WARRANTY----- <u>N</u>	(RD) ROADS----- <u>N</u>
(HB) HYDROLOGIC BALANCE----- <u>N</u>	(BG) BACKFILL & GRADING----- <u>N</u>	(EX) EXPLOSIVES----- <u>N</u>
(PW) PROCESSING WASTE/TAILING---- <u>N</u>	(SF) PROCESSING FACILITIES----- <u>N</u>	(TS) TOPSOIL----- <u>N</u>
(MP) GENL MINE PLAN COMPLIANCE- <u>N</u>	(FW) FISH & WILDLIFE----- <u>N</u>	(RV) REVEGETATION---- <u>N</u>
(SM) SIGNS AND MARKERS----- <u>N</u>	(SP) STORM WATER MGT PLAN---- <u>N</u>	(RS) RECL PLAN/COMP-- <u>N</u>
(ES) OVERBURDEN/DEV. WASTE----- <u>N</u>	(SC) EROSION/SEDIMENTATION--- <u>N</u>	(ST) STIPULATIONS----- <u>N</u>
(AT) ACID OR TOXIC MATERIALS----- <u>N</u>	(OD) OFF-SITE DAMAGE----- <u>N</u>	

Y = Inspected / N = Not inspected / NA = Not applicable to this operation / PB = Problem cited / PV = Possible violation cited

OBSERVATIONS

The Henderson Mill was scheduled to be inspected by Peter Hays, D.J. Cunningham and Amy Eschberger with the Division of Reclamation, Mining and Safety (Division/DRMS) as part of the Division's monitoring inspection program on April 7, 2020. However, due to the COVID-19 pandemic, Governor Polis issued an executive order with travel restrictions for state employees. Therefore, the Division is unable to perform the inspection at this time.

The Division was prepared to inspect the storm water control structures at the Mill facility and tour the Mill building for the purpose of familiarizing the new DRMS staff member with the Henderson Mill operation. The storm water inspection and the facilities tour at the Mill will be rescheduled once the travel ban is lifted by the Governor.

TR-29

The Operator provided As-Built Drawings and Engineering Certification for Phase 1 of the 3-Dam Buttress Project on March 20, 2020. The Division sent an adequacy letter to Henderson on March 25, 2020. The Operator informed the Division by email a response to the Division's adequacy items would be provided soon.

TR-31

The Operator provided As-Built Drawings and Engineering Certification for the Additional 3-Dam Seepwater Return Line Cleanout Ports on March 20, 2020. The Division sent an adequacy letter to Henderson on March 27, 2020. The Operator informed the Division by email a response to the Division's adequacy items would be provided soon.

3-Dam Buttress Project – Phase 2

The Operator informed the Division by email the design for Phase 2 of the 3-Dam Buttress Project would be submitted for the Division's review in a few weeks. The construction of Phase 2 is scheduled for this summer.

Inspection Contact Address

Aaron Hilshorst
Climax Molybdenum Company
19302 County Rd. #3
Parshall, CO 80468

Ec: Jared Ebert, DRMS
Amy Eschberger, DRMS
D.J. Cunningham, DRMS