

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

The Division of Reclamation, Mining and Safety has 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:	MINE/PROSPECTING ID#:	MINERAL: COUNTY:		
Climax Mine	M-1977-493	Molybdenum Lake, Summit		
INSPECTION TYPE:	INSPECTOR(S):	INSP. DATE: INSP. TIME:		
Aerial Inspection	Dustin Czapla	June 10, 2020 13:00		
OPERATOR:	OPERATOR REPRESENTATIVE	E: TYPE OF OPERATION:	TYPE OF OPERATION:	
Climax Molybdenum Company	NA	112d-3 - Designated Mining Operation	112d-3 - Designated Mining Operation	
REASON FOR INSPECTION:	BOND CALCULATION TYPE:	BOND AMOUNT:	BOND AMOUNT:	
High Priority		\$91,011,850.00	\$91,011,850.00	
DATE OF COMPLAINT:	POST INSP. CONTACTS:	JOINT INSP. AGENCY:	JOINT INSP. AGENCY:	
NA	None	None	None	
WEATHER:	INSPECTOR'S SIGNATURE:	SIGNATURE DATE:		
Clear	the	June 17, 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>Y</u>	(BG) BACKFILL & GRADING <u>Y</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>Y</u>	(FW) FISH & WILDLIFE N	(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 and found in compliance / N = Not inspected / NA = Not applicable to this operation / PB = Problem cited / PV = Possible violation cited

OBSERVATIONS

This inspection was conducted as part of the Division of Reclamation, Mining and Safety's (Division) normal monitoring program. This was an aerial inspection, during which photographs were captured by Division inspector Brock Bowles. Photographs are included with this report in order to illustrate some of the conditions observed.

The inspection was focused on the following areas:

- Tailings Storage Facilities
- Overburden Storage Facilities

The Mayflower TSF and 5 Dam, Tenmile TSF and 3 Dam, Robinson TSF and 1 and 2 Dams, Robinson Lake, Eagle Park Reservoir and 4 Dam were observed. Scattered snow cover was still remaining on the TSF's and associated dams. No staining or discoloration were noted at any of the TSF dams. No abnormal conditions were noted. TSF's appear to be functioning within the established design criteria.



Mayflower TSF

Mayflower TSF



5 Dam



5 Dam

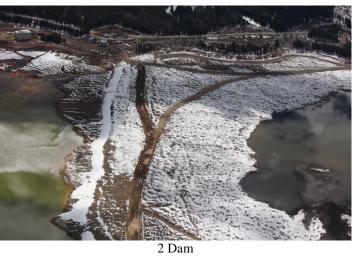
PERMIT #: M-1977-493 INSPECTOR'S INITIALS: DMC INSPECTION DATE: June 10, 2020



3 Dam



Tenmile Pond-3 Dam





Robinson Pond



1 Dam

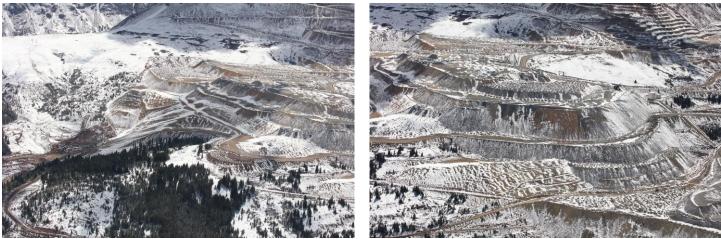


Robinson Lake and Chalk Mountain Reservoir



Eagle Park Reservoir-4 Dam

The McNulty and North 40 OSF's were observed. Deposition did not appear to be occurring during this inspection. Several inches of snow covered the OSF's in scattered areas. The current OSF operating plan was drafted by Golder Associates in December 2016. The plan was submitted to the Division as part of TR-25. Climax appears to be in compliance with Golder recommendations for OSF operations. No problems were noted with the OSF's.



McNulty OSF



North 40 OSF

No problems or violations were noted during this inspection.

Responses to this inspection report should be directed to Dustin Czapla at the Division of Reclamation, Mining and Safety, 1313 Sherman Street Room 215, Denver, Colorado, 80203, phone number (303) 866-3567, ext. 8188.

Inspection Contact Address

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