




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: Climax Mine	MINE/PROSPECTING ID#: M-1977-493	MINERAL: Molybdenum	COUNTY: Lake, Summit
INSPECTION TYPE: Monitoring	INSPECTOR(S): Dustin Czaplá	INSP. DATE: October 21, 2020	INSP. TIME: 13:00
OPERATOR: Climax Molybdenum Company	OPERATOR REPRESENTATIVE: Diana Kelts	TYPE OF OPERATION: 112d-3 - Designated Mining Operation	
REASON FOR INSPECTION: Normal I&E Program	BOND CALCULATION TYPE: None	BOND AMOUNT: \$91,011,850.00	
DATE OF COMPLAINT: NA	POST INSP. CONTACTS: None	JOINT INSP. AGENCY: None	
WEATHER: Clear	INSPECTOR'S SIGNATURE: 	SIGNATURE DATE: November 9, 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>Y</u>	(FN) FINANCIAL WARRANTY----- <u>N</u>	(RD) ROADS----- <u>Y</u>
(HB) HYDROLOGIC BALANCE----- <u>Y</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>Y</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>Y</u>	(ST) STIPULATIONS----- <u>N</u>
(AT) ACID OR TOXIC MATERIALS----- <u>Y</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

This inspection was conducted as part of the Division of Reclamation, Mining and Safety's (Division) normal monitoring program. Climax representatives, Alex Ungers, Sam Saunders and Tim Richards, guided DRMS during the inspection.

The inspection was focused on the following areas:

- Mayflower Tailings Storage Facility, 5 Dam and Seepwater Pump System
- 3 Dam Seepwater Pump System
- Tenmile Tunnel
- East Tailing Delivery Line
- DSM Interceptors
- Eastside Channel-Robinson Section

Mayflower Tailings Storage Facility, 5 Dam and Seepwater Pump System

The Mayflower TSF is the furthest downstream TSF in the Tenmile watershed. The TSF provides critical containment of acid producing tailing, as well as providing a place for containment of contaminated materials or designated chemicals in case of accidental release up-gradient of the TSF. Additionally, the Mayflower TSF contains, mixes, and treats impacted waters from several historic mines and smelter sites as well as non-point run-off waters which contact mine wastes within a large portion of the historic Consolidated Tenmile Mining District. During this inspection it appeared that operations of the Mayflower TSF are in accordance with the approved plan. No seepage or instability issues were visibly observed on 5 Dam.

The 5 Dam seepwater pump system is located within the Mayflower Pump Station below 5 Dam. Seepage from the dam is routed to concrete ponds. Collected seepage is pumped back by vertical turbine pumps to the 3 Dam Pump Station or the water pool on the Mayflower TSF. No problems were noted with the 5 Dam pump system.





3 Dam Seepwater Pump System

The 3 Dam Seepwater Pump System is located below 3 Dam and the Tenmile TSF. Seepage from the dam is routed to a collection pond and pumped back by vertical turbine pumps to the SDP or diverted to the water pool on the Mayflower TSF. No problems were noted with the 3 Dam Seepwater Pump System.



Tenmile Tunnel

The Tenmile Tunnel is a water conveyance feature running from the west side of 3 Dam on the north, to Robinson Lake on the south. Water can be directed to Robinson Lake or Mayflower TSF by operating valves at a bulkhead within the tunnel. The tunnel is part of the mill water reclaim system. There is a process water barge located in the Mayflower TSF water pool that delivers water from the pool to the north portal of Tenmile Tunnel. No problems were noted with Tenmile Tunnel.





East Tailing Delivery Line, Eastside Channel-Robinson Section, DSM Interceptors

The ETDL conveys impacted water to the SDP and serves as an emergency tailing conveyance line should the main delivery line from the Mill to the first discharge point be taken out of service for short periods. The line is constructed of 36-inch and 42-inch reinforced concrete pipe that isolates the impacted water from the environment until it is delivered to the SDP or deposited in one of the TSFs. No problems were noted with the ETDL.

The Robinson Section of the East Side Channel conveys water from the Robinson Pond water pool and areas tributary to the Robinson Pond through the 2 Dam Spillway to Tenmile TSF. No problems were noted with Eastside Channel-Robinson Section.

The DSM Interceptors are several separate interceptor systems that collect process water from impacted areas and discharge into the ETDL. System includes South Camp Interceptor, North Camp Interceptor, Ore Dump Interceptor, and the McNulty Interceptor. No problems were noted with the DSM interceptors.



No problems or violations were noted during this inspection.

Inspection Contact Address

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