

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	March 31, 2021	12:00	
OPERATOR:	OPERATOR REPRESENTATIVE:	TYPE OF OPERA	TYPE OF OPERATION:	
Climax Molybdenum Company		112d-3 - Designated	112d-3 - Designated Mining Operation	
	T	T = =====		
REASON FOR INSPECTION:	BOND CALCULATION TYPE:	BOND AMOUNT:	BOND AMOUNT:	
Normal I&E Program	None	\$91,011,850.00		
DATE OF COMPLAINT:	POST INSP. CONTACTS:	JOINT INSP. AGENCY:		
NA	None	None	None	
WEATHER:	INSPECTOR'S SIGNATURE:	SIGNATURE DATE:		
Clear	De	April 9, 2021		

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 N	(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 N	(SF) PROCESSING FACILITIES \underline{N}	(TS) TOPSOIL <u>N</u>
(MP) GENL MINE PLAN COMPLIANCE- Y	(FW) FISH & WILDLIFE \underline{N}	(RV) REVEGETATION <u>N</u>
(SM) SIGNS AND MARKERS <u>N</u>	(SP) STORM WATER MGT PLAN N	(RS) RECL PLAN/COMP N
(ES) OVERBURDEN/DEV. WASTE N	(SC) EROSION/SEDIMENTATION \underline{Y}	(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

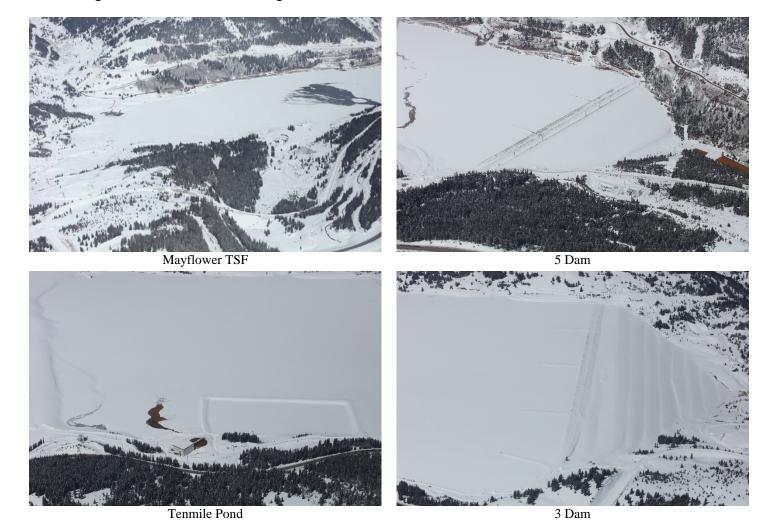
OBSERVATIONS

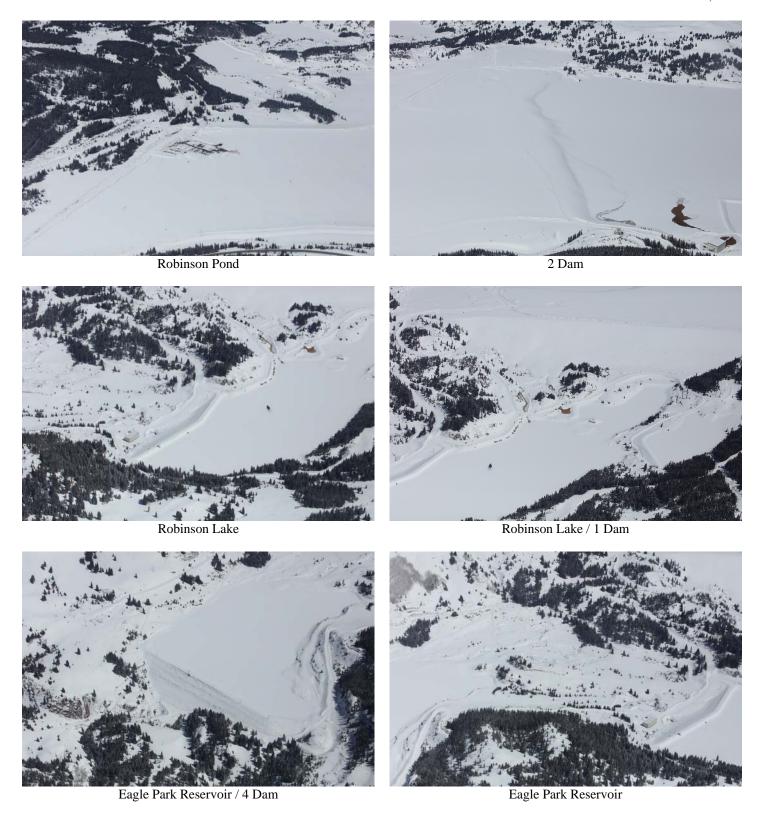
This inspection was conducted as part of the Division of Reclamation, Mining and Safety's (Division) normal monitoring program. This was an aerial inspection, during which photographs were captured by Division inspector Brock Bowles. Photographs are included with this report in order to illustrate some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





The North 40 and McNulty OSF's were observed. Deposition was occurring during this inspection, in the upper north part of the McNulty OSF. 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. In the Plan Golder states that snow accumulations of up to 2-3 feet on OSF faces do not significantly impact operation of large OSFs, however larger accumulations greater than 3 feet can become trapped as a continuous layer and form a weak layer or saturate finer grained layers as melting occurs. Therefore Golder recommended that waste rock only be deposited on slopes with less than 3 feet of snow accumulation. Accumulated snow was not observed in the area of deposition. Climax appears to be in compliance with Golder recommendations for OSF operations. No problems were noted with the OSF's.





North 40 OSF



Troitii 10 OSI/IVIII Filed



McNulty OSF

McNulty OSF/Pit Area





McNulty OSF Expansion Area

Dumping at McNulty 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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