



June 22, 2021

Diana Kelts
Climax Molybdenum Company
Highway 91, Freemont Pass
Climax, CO 80429

Re: M-1977-493, Climax Mine, Permit No. M-1977-493, Revision Required

Mrs. Kelts,

The Division of Reclamation, Mining and Safety (Division) continually reviews permits in order to ensure they adequately satisfy the requirements of the *Colorado Mined Land Reclamation Act* (Act) and the associated *Mineral Rules and Regulations of the Colorado Mined Land Reclamation Board for Hard Rock, Metal, and Designated Mining Operations* (Rules), and that they are protective of human health, safety and the environment. During review of the Climax Mine permit (M-1977-493) the Division determined that the mill facility shall be identified in the Environmental Protection Plan (EPP) as an Environmental Protection Facility (EPF). This determination is based on the fact that designated chemicals are utilized in, and acid-forming materials are processed in, the mill facility. Therefore, the permit must be revised accordingly, through the Technical Revision process, to include the mill facility as an EPF, addressing all sections of Rule 6.4.21 applicable to the mill. The revision should include but is not limited to:

- Mill Facility Construction Details
 - General Design Summary
 - Details regarding how the concrete foundation and containment structures were designed and built, including any coatings applied to the floor and or walls, if QA/QC documentation is available for the construction this should also be included to be verified.
 - For existing facility, re-bar details, foundation details, and excavation information not required
 - Drawings and narrative of piping and delivery systems of designated chemicals, verification that the entire length of delivery lines exist within a form of secondary containment.
- Secondary/tertiary Containment Structures
 - Details regarding the secondary containment structures, separation between crusher circuit, flotation circuit, thickener tanks. This should include calculations demonstrating maximum containment volumes of each area, as well as details regarding the sump systems and where they report to.
 - Details regarding tertiary containment. At Climax the entire mill is located on a paved asphalt area that would act as tertiary containment, and is within the greater affected water control system that would report to the TSF, so include a discussion on the potential flow path should the mill suffer a catastrophic failure.



- Milling process
 - A detailed narrative of the milling process including the use and application of designated chemicals in the milling process. The narrative should also include the crossover documentation from the Reagent Room, discussing the nature of the chemicals, their hazards, SDS sheets, all storage locations within the Mill Facility, delivery of reagents into the milling process, piping systems etc. Also, discussions and diagrams of the Lime tank, storage, receiving procedures, and use in the milling process.
 - Diagrams and drawings demonstrating the flow of material from source to sink including crusher circuit, flotation circuit, drying and packaging as well as tailings flow path.
 - This should also include tailings chemistry, SPLP, ABA, TCLP Etc.
 - Milling capacity, including maximum output, and an average range of material processed.
- As Built Certifications
 - Engineering evaluations and stamped certified as-built documentation should be submitted for the Mill building foundation and concrete super structure, secondary containment structures for all circuits, and for the milling and tailings handling equipment. The certifications should also include the credentials of the individual or team certifying the review.

The revision should be submitted within 180 days from the date of this letter, December 20, 2021. If more time is needed to prepare the information, please request additional time in writing, submitted to the Division's Denver Office. If you have any questions comments or concerns please contact me at the Division's Grand Junction Field Office, by phone at 303-866-3567 Ext. 8187 or by email at lucas.west@state.co.us.

Sincerely,



Lucas West
Environmental Protection Specialist
Division of Reclamation, Mining and Safety

Cc: Travis Marshall, Senior Environmental Protection Specialist
Dustin Czapla, Environmental Protection Specialist

Ec: Amy Yeldell, Environmental Protection Specialist
Diana Kelts, Climax
Alex Ungers, Climax