




**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.

<b>MINE NAME:</b> Climax Mine	<b>MINE/PROSPECTING ID#:</b> M-1977-493	<b>MINERAL:</b> Molybdenum	<b>COUNTY:</b> Lake, Summit
<b>INSPECTION TYPE:</b> Monitoring	<b>INSPECTOR(S):</b> Dustin Czaplá	<b>INSP. DATE:</b> January 7, 2022	<b>INSP. TIME:</b> 10:00
<b>OPERATOR:</b> Climax Molybdenum Company	<b>OPERATOR REPRESENTATIVE:</b> Diana Kelts	<b>TYPE OF OPERATION:</b> 112d-3 - Designated Mining Operation	
<b>REASON FOR INSPECTION:</b> Normal I&E Program	<b>BOND CALCULATION TYPE:</b> Complete Bond	<b>BOND AMOUNT:</b> \$91,011,850.00	
<b>DATE OF COMPLAINT:</b> NA	<b>POST INSP. CONTACTS:</b> None	<b>JOINT INSP. AGENCY:</b> None	
<b>WEATHER:</b> Clear	<b>INSPECTOR'S SIGNATURE:</b> 	<b>SIGNATURE DATE:</b> January 12, 2022	

**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>Y</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>N</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. Dianna Kelts, representing Climax, guided DRMS during the inspection.

The inspection was focused on the following areas:

- Tailings Storage Facilities Dams
- Overburden Storage Facilities

1 Dam, 3 Dam and 5 Dam were observed. The dams were under snow cover, up to approximately one foot depth. No staining or discoloration was noted at any of the TSF dams. No abnormal conditions were noted.



1 Dam



1 Dam



3 Dam



3 Dam





5 Dam



5 Dam

The McNulty and North 40 OSF's were observed. There was snow cover on most of the OSF area, up to approximately one foot depth. 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. 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. This inspection confirmed that Climax is limiting waste rock deposition to slopes with little to no snow accumulation, and therefore appears to be in compliance with Golder recommendations for winter time OSF operations.



North 40 OSF



North 40 OSF



North 40 OSF



McNulty OSF viewed from North 40 OSF



McNulty OSF viewed from 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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