




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

The Division of Reclamation, Mining and Safety 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: Henderson Mine	MINE/PROSPECTING ID#: M-1977-342	MINERAL: Molybdenum	COUNTY: Clear Creek, Grand
INSPECTION TYPE: Monitoring	INSPECTOR(S): Peter Hays	INSP. DATE: March 31, 2022	INSP. TIME: 10:00
OPERATOR: Climax Molybdenum Company	OPERATOR REPRESENTATIVE: Geoff Niggeler	TYPE OF OPERATION: 112d-3 - Designated Mining Operation	
REASON FOR INSPECTION: Normal I&E Program	BOND CALCULATION TYPE: None	BOND AMOUNT: \$135,204,778.00	
DATE OF COMPLAINT: NA	POST INSP. CONTACTS: None	JOINT INSP. AGENCY: None	
WEATHER: Clear	INSPECTOR'S SIGNATURE: 	SIGNATURE DATE: May 10, 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>N</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>Y</u>
(MP) GENL MINE PLAN COMPLIANCE- <u>N</u>	(FW) FISH & WILDLIFE----- <u>N</u>	(RV) REVEGETATION---- <u>N</u>
(SM) SIGNS AND MARKERS----- <u>Y</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>N</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

The Henderson Mill was inspected by Peter Hays with the Division of Reclamation, Mining and Safety (Division/DRMS) as part of the Division's monitoring inspection program. Mr. Geoff Niggeler with Climax Molybdenum - Henderson Operations (Henderson) was present during the inspection.

Designated Chemical Storage:

The current Environmental Protection Plan (EPP) for the Mill was approved by the Division under technical revision no. 34 (TR34) on August 24, 2021. The technical revision supersedes the previous EPP approved under TR18. The purpose of the inspection was to inspect the designated chemical storage facilities listed in Section 7.2.2 of the approved EPP.

The Environmental Protection Facilities (EPF) for designated chemicals at the Henderson Mill include enclosed buildings, trailers, tanks, bins and berms used individually or in combination to contain the designated chemicals at the site. The following EPF facilities were observed during the inspection;

Mill EPF 2.1 - Sodium Hydroxide Storage
Mill EPF 2.2 - Hydrochloric Acid Storage
Mill EPF 2.3a - Frother Chemical Storage (Dowfroth 250-C)
Mill EPF 2.3b - Depressant Chemical Storage (Orform D8 Depressant)
Mill EPF 2.4 - Pine Oil Storage
Mill EPF 2.5 - Collector Oil Storage (vapor oil and diesel #2)
Mill EPF 2.6 - Syntex Storage
Mill EPF 2.7 - Sodium Lauryl Sulfate Storage
Mill EPF 2.8 - Tergitol NP-9/9N9 Surfactant Storage
Mill EPF 2.9 - Quickline Storage
Mill EPF 2.10 - Nokes Storage

One (1) question regarding the designated chemical signage was noted during the inspection:

- The Hydrochloric Acid Storage tank sign does not include the capacity of the tank(s). The capacity of the tank(s) on the sign is not a requirement of the EPP, however all other observed tank signs indicate the capacity. The Operator stated they would investigate the issue.

A photograph taken during the inspection is attached. If you need additional information or have any questions, please contact me at the Division of Reclamation, Mining and Safety, 1313 Sherman Street, Room 215, Denver, CO 80203, by telephone at 303.866.3567 x 8124, or by email at peter.hays@state.co.us.

Inspection Contact Address

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Ec: Jared Ebert, DRMS

PHOTOGRAPHS



Hydrochloric Acid Storage Tank (1 of 2) and Sign