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Date: July 6, 2022

To: Jordan McCourt
Project Coordinator
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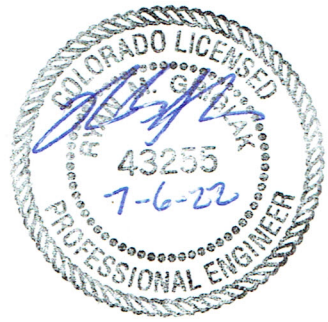

From: Ryan Griglak, P.E.
Project Manager
Stoner Engineering & Surveying

Re: King Coal I – Quarterly Waste Pile/Embankment Inspection

On June 29, 2022, Ryan Griglak, P.E. visited the GCC Energy, LLC King I Mine site to conduct the quarterly inspection of the coal waste pile/embankment. Mr. Griglak, P.E. has conducted inspections for the placement of earthwork/embankment fill material for numerous commercial, residential and municipal projects in which buildings, roadways and parking facilities were installed over the placed materials.

The south treated water ditch (Reach 10) and the north clear water ditch (Reach 1) are in generally good condition. There has been some sedimentation of the north clear water ditch where the ditch slope flattens out just above the lower waste embankment pile. This needs to be cleaned out to maintain ditch capacities (see Pic. 1). The south treated water ditch appeared to be in generally good condition though there has also been some sedimentation at the culvert inlet under the haul road located under the vertical face (see Pic. 2). The inlet area for the culvert should be cleaned to prevent the potential for clogging.

The lower waste pile material has been pulled back from the clear water ditch and a new berm has been installed at the top to prevent surface runoff from the lower pile from entering the clear water ditch (see Pic. 3).

There does not appear to have been any waste material placed at the top of the main waste embankment pile since the previous inspection. There has been additional material placed on the lower pile. The slope of the top of the existing pile is closer to that defined in the Waste Bank Design produced by Don May, 1997.

The face of the embankment appeared to be in generally good condition. There were no signs of excessive erosion, instability, sloughing or weakness observed on the face of the embankment of either of the waste embankment piles at the time of the inspection (see Pic. 4).

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The only structure with any proximity to the embankment material is the old, abandoned bath house which is no longer utilized and a newly installed, temporary fueling/fuel storage station. A temporary construction/project office trailer has been located in the area of the mine rescue training area (south of the east sediment pond). The job trailer is located on the north side of the site well away from the embankment material. The site is closed to the public and there is a locked gate at the entrance to keep the public out.

The waste pile has been and continues to be constructed and maintained as specified in the design approved by the Division of Reclamation, Mining & Safety. Potential hazards to life and property are minimal due to the fact that GCC has moved most of their operations to their King II facility and the temporary construction office is located away from the waste embankment pile.

Please let me know if you have any additional questions or concerns in regards to the issues that are discussed above.

Sincerely,

Ryan M. Griglak, P.E.
Project Manager

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Pic. 1 –Reach 1 clear water channel with sedimentation from erosion.

Pic. 2 –Culvert inlet under haul road, below vertical face.

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Pic. 3 – NE corner of lower waste pile, new berming.

Pic 4 – Face of the main waste pile in good condition.

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