

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:		MINE/PROSPECTING ID#:	MINERAL:	COUNTY:	
Henderson Mine		M-1977-342	Molybdenum	Clear Creek, Grand	
INSPECTION TYPE:		INSPECTOR(S):	INSP. DATE:	INSP. TIME:	
Monitoring		Peter Hays	July 22, 2022	09:00	
OPERATOR:		OPERATOR REPRESENTATIVE:	TYPE OF OPERATION:		
Climax Molybdenum Company		Geoff Niggeler	112d-3 - Designated Mining Operation		
REASON FOR INSPECTION:		BOND CALCULATION TYPE:	BOND AMOUNT:		
Normal I&E Program		None	\$135,204,778.00		
DATE OF COMPLAINT:		POST INSP. CONTACTS:	JOINT INSP. AGENCY:		
NA		None	None		
WEATHER:	INSPECTOR'S SIGNATURE:		SIGNATURE DATE:		
Clear	Ω_1 /		July 25, 2022		
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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 N	(RD) ROADS <u>N</u>
(HB) HYDROLOGIC BALANCE <u>N</u>	(BG) BACKFILL & GRADING <u>N</u>	(EX) EXPLOSIVES <u>N</u>
(PW) PROCESSING WASTE/TAILING <u>N</u>	(SF) PROCESSING FACILITIES N	(TS) TOPSOIL <u>N</u>
(MP) GENL MINE PLAN COMPLIANCE- <u>Y</u>	(FW) FISH & WILDLIFE <u>N</u>	(RV) REVEGETATION N
(SM) SIGNS AND MARKERS <u>N</u>	(SP) STORM WATER MGT PLAN N	(RS) RECL PLAN/COMP N
(ES) OVERBURDEN/DEV. WASTE <u>N</u>	(SC) EROSION/SEDIMENTATION N	(ST) STIPULATIONS <u>N</u>
(AT) ACID OR TOXIC MATERIALS N	(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

PERMIT #: M-1977-342 INSPECTOR'S INITIALS: PSH INSPECTION DATE: July 22, 2022

OBSERVATIONS

The Henderson Mine was inspected by Peter Hays and Brock Bowles with the Division of Reclamation, Mining and Safety (Division/DRMS) as part of the Division's monitoring inspection program. The purpose of the inspection was to familiarize the DRMS staff with the above ground Henderson Mine facilities. Mr. Geoff Niggeler and Ms. Jolyn Bryant with Climax Molybdenum - Henderson Operations (Henderson) were present during the inspection.

The following mine facilities were observed and/or discussed by the Division during the inspection; the machine shop and warehouse, the compressor building, the hoist house, the #2 shaft collar, the #1 shaft, the #3 shaft, the #5 shaft and ventilation system, the former underground warehouse adit, surface water sampling points CC-10 and CC-30, Butler Gulch, No Name Creek, groundwater compliance well MNGW-1 and the URAD treatment plant.

The #2 shaft is the main shaft for access to the underground mine workings. The service and man cages are located in the shaft and are controlled by the hoist house operator. The shaft also serves as the main air inlet for the mine. The #1 and #3 shafts were previously used as air outlet shafts, but are now passive air inlets. The #5 shaft is the current air outlet shaft of the underground mine operations. All of the shaft related structures and the other observed mine facilities were as depicted on the approved maps for the site.

No photographs were taken during the inspection. If you need additional information or have any questions, please contact me at 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