




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.

MINE NAME: Climax Mine	MINE/PROSPECTING ID#: M-1977-493	MINERAL: Molybdenum	COUNTY: Lake, Summit
INSPECTION TYPE: Monitoring	WEATHER: Snowing	INSP. DATE: April 20, 2023	INSP. TIME: 13:00
OPERATOR: Climax Molybdenum Company	OPERATOR REPRESENTATIVE: Eric Detmer	TYPE OF OPERATION: 112d-3 - Designated Mining Operation	
REASON FOR INSPECTION: Normal I&E Program	BOND CALCULATION TYPE: None	BOND AMOUNT: \$91,011,850.00	
DATE OF COMPLAINT: NA	POST INSP. CONTACTS: None	JOINT INSP. AGENCY: None	
INSPECTOR(S): Dustin Czapla	INSPECTOR'S SIGNATURE: 	SIGNATURE DATE: April 24, 2023	

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>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----- <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>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

This inspection was conducted as part of the Division of Reclamation, Mining and Safety's (Division) normal monitoring program. Eric Detmer guided DRMS for the inspection.

The inspection focused on the following areas:

- Robinson TSF, 1 and 2 Dam
- Tenmile TSF and 3 Dam
- Mayflower TSF and 5 Dam

Robinson TSF, 1 and 2 Dam

The Robinson TSF and pond are an EPF and function as the primary process water storage facility for the site. The reservoir stores process water that is collected from the Tenmile and Mayflower TSFs and delivered through the Tenmile Tunnel. Water collected from the Tenmile TSF is decanted through the Tenmile Decant to the Tenmile Tunnel and water collected from the Mayflower TSF is pumped by the Mayflower barge system to the Tenmile Tunnel. Robinson Pond also collects seepwater and toe drain discharge from 1 Dam as well as seepwater pumped from the Robinson Dam and 4 Dam seepage collection systems. The reservoir primarily contains industrial process water, TSF seepwater and 4 Dam seepwater, along with unintercepted storm water from the surrounding area and overflow from Chalk Mountain Reservoir. 2 Dam is partially inundated by the upstream portion of the Tenmile TSF in the Tenmile Creek drainage. The area was covered by snow during this inspection. No problems were noted.



1 Dam

Tenmile TSF and 3 Dam

The Tenmile TSF and 3 Dam are an EPF. The TSF contains acid-generating material. Mill tailing is delivered to the TSF through the tailings delivery line. A water pool is maintained at the upstream end of the Tenmile TSF for process water storage, storm water management, and as the first stage in the water treatment system. Seepage from 3 Dam is routed to a collection pond and pumped back by vertical turbine pumps to the Sludge Densification Plant or diverted to the water pool on the Mayflower TSF. The pumping system is located within the 3 Dam Pump Station below the Tenmile TSF. The area was covered by snow during this inspection. No problems were noted.



3 Dam

Mayflower TSF and 5 Dam

The Mayflower TSF and 5 Dam are the last downstream TSF in the Tenmile Creek Watershed. The TSF contains acid-generating material. To prevent dam failure, the Mayflower TSF includes an emergency flood bypass tunnel. Along with tailings storage, the Mayflower TSF also provides containment of contaminated materials or designated chemicals that might be accidentally released up-gradient of the TSF. Seepage from 5 Dam is routed to concrete ponds. Collected seepage is pumped back by vertical turbine pumps to the 3 Dam Pump Station or the water pool on the Mayflower TSF. The 5 Dam seepwater pumping system is located within the Mayflower Pump Station below the TSF. The area was covered by snow during this inspection. No problems were noted.



5 Dam

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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