




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: Henderson Mine	MINE/PROSPECTING ID#: M-1977-342	MINERAL: Molybdenum	COUNTY: Clear Creek, Grand
INSPECTION TYPE: Monitoring	WEATHER: Clear	INSP. DATE: July 26, 2023	INSP. TIME: 09:00
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	
INSPECTOR(S): Brock Bowles Timothy Cazier, P.E.	INSPECTOR'S SIGNATURE: 	SIGNATURE DATE: August 11, 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>N</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>N</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 by Brock Bowles and Tim Cazier of the Division of Reclamation, Mining and Safety (Division). Geoff Niggeler, Sam Saunders and Ian Wood of Climax Molybdenum- Henderson Operations (Henderson) were present for the inspection. The Henderson Mill is located 15 miles south of Parshall in Grand County. This site is a 112d-3 Designated Mining Operation (DMO) permitted for 11,877.5 acres. At the time of the inspection, it was warm and partly cloudy. The ground was mostly dry.

The purpose of this inspection was to accompany AECOM Technical Services, Inc. on their monthly inspection of the tailings storage facility (TSF). Lisa Yenne and Pooya Sheykhloo of AECOM are the engineers of record and conducted the inspection.

The southern end of the TSF is in the Ute Creek canyon (photo 1). The tailings in this area is contained by the canyon on 3 sides and the mass of 3 dam on the north. This area is used to store fine tailings which are separated out by a cyclone in the tailings pipeline.

Tailings were being deposited on Dam 1. The tailings are deposited through a series of spigots located at the dam face (photo 2). The flow rate of each spigot is controlled by a mining engineer who monitors the deposition depths at each spigot to ensure an even distribution of material. A row of pvc pipes were placed vertically in the tailings at pre-determined heights next to the spigots and at 100 feet out from the spigots (photo 3). These pipes are a visual aid to monitor tailings deposition depth.

The areas on top of the TSF that were dry enough to support machinery had been treated with Coherex to control dust (photo 4). Coherex had also been applied to the dam faces.

The clean water diversion around the west and north side of the TSF was in good condition. Water was flowing through the ditch and thrash rack on at the culvert entrance on the northeast side was free of obstructions (photo 5). A few small patches of cattails were seen in the ditch. The Henderson team explained they will be removed as part of the regularly scheduled maintenance this year.

The horizontal drain wells at the toe of 1 and 3 Dams were looked at. The wells remove water that accumulates behind the dams. The water is directed into a series of ditches and culverts to the pump station. The dams and culverts were clear of obstructions. The surface drains at the 3 Dam were being ripped to control the sediment flow into the drains (photo 6).

PHOTOGRAPHS



Photo 1 – South end of TSF in Ute Creek Canyon



Photo 2 – Tailings line spigots depositing tailings on pile



Photo 3 – PVC depth markers



Photo 4 – Coherex applied to top of TSF



Photo 5 – Clean water diversion ditch at culvert entrance



Photo 6 – Drainages being riprapped on 3 Dam

Inspection Contact Address

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