




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: Clear	INSP. DATE: October 18, 2023	INSP. TIME: 12:00
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: October 25, 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>Y</u>
(HB) HYDROLOGIC BALANCE----- <u>Y</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>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

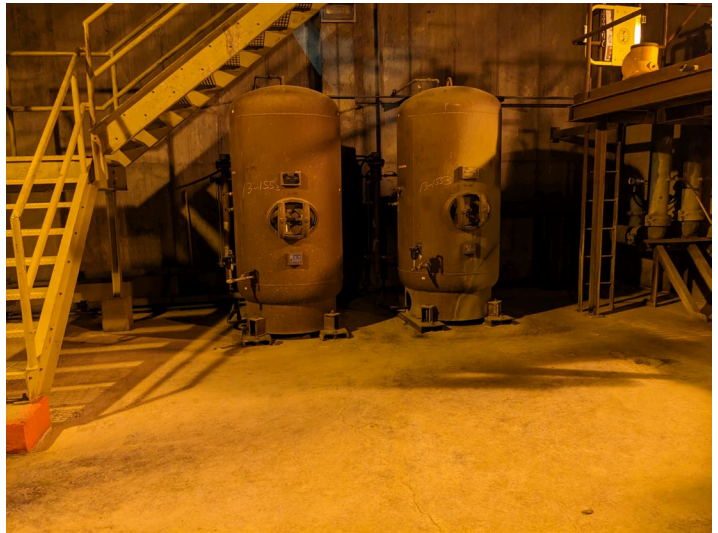
This inspection was conducted as part of the Division of Reclamation, Mining and Safety's (Division) normal monitoring program. Climax representative, Eric Detmer, guided DRMS for the inspection.

The inspection was focused on the following areas:

- Storke Wastewater Pump Station
- Lake Irwin
- 3 Dam
- 5 Dam

Storke Wastewater Pump System

The Storke Wastewater Pump Station is located just below the Storke Yard and acts as a seepage and storm water collection and return system where collected impacted water is pumped to the water treatment/process water circuit in the Tenmile Creek drainage. Two concrete lined ponds serve to collect seepage and storm water/snowmelt run-off from the yard area and it is pumped to the ETDL where it mixes with other mine water prior to treatment. The Storke Wastewater Pump System appeared to be functioning as designed. A minor water leak from a pump seal was observed at one of the pumps within the pump station. Mr. Detmer made note of the leak and stated it would be repaired right away. No other problems were noted.





Lake Irwin

The final plan for the Lake Irwin area was reconfigured through TR35. Phases II and III of the wetlands mitigation plan will no longer be constructed, and the outlet in the Phase I area was redesigned. Much of the grading is complete in this area and the Phase I channel and outlet have been constructed. No problems were noted in this area.



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. No problems were noted in this area.



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. No problems were noted in this area.



5 Dam

Construction of the 5-Dam Seepwater Collection Area - Secondary Containment System that was approved through TR36 is underway. The project involves constructing a cutoff wall, collection sump, and pumping infrastructure downstream of the Mayflower Clear Pond. Any water collected in the sump would be conveyed back to the Mayflower Clear Pond.



5-Dam Seepwater Collection Area - Secondary Containment System

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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