



COLORADO OPERATIONS

Henderson Mine and Mill
P.O. Box 68
Empire, CO 80438
Phone (303) 569-3221
Fax (303) 569-2830

June 5, 2025

Via Email

Ms. Nikie Gagnon
Division of Reclamation Mining and Safety
1313 Sherman St., Rm. 215
Denver, CO 80203

Re: Follow-up Notice for Mill TDL Tailings Leak, Permit No. M-1977-342

Dear Ms. Gagnon:

Henderson Mill is providing this written follow-up notice to a voicemail notification made to you on Wednesday, June 4, 2025, pursuant to Rule 8.1 and 8.2 of the DRMS Rules and Regulations. This notice is regarding a tailings leak from the Mill Tailings Delivery Line (TDL). The TDL is part of the Tailings Delivery System EPF and conveys tailings to the Henderson Mill tailing storage facility (TSF).

On June 4, 2025, during a start of shift inspection, a leak in the HDPE section of the TDL was discovered by an operator. It is estimated that less than one hundred gallons of tailings leaked out of the TDL and onto the TSF access road between Drop Tower No.12 and the No. 1 Cutout, which is located below County Road 3. The tailings that leaked from the TDL were fully contained beneath the pipe on the TDL access road, which is located within the TSF catchment area.

The following paragraphs correspond to the elements of the follow-up written notice set forth in Rule 8.2.3, paragraphs (a) through (e), of the DRMS Rules and Regulations:

- (a) After discovering the issue at 6:50 AM, Henderson employees immediately switched all tailings flow to the Emergency Cutout (ECO), thereby isolating the TDL above the leak by 7:10 AM. Spilled material was cleaned up from below the pipe and placed into the impoundment as practicable.
- (b) The tailings that released onto the access road to the TSF did not adversely impact human health, property, or the environment. This is based on the known chemistry of the tailings and the location of the events. The tailings from the pipeline leak did not flow from the spot and remained within an approximate 10-foot radius.
- (c) The contact person for this event is:

Ron Hickman
19302 County Road 3
Parshall, CO 80468
Phone: 720-942-3438

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- (d) No monitoring or analyses were performed for this situation since the tailings from the TDL were not released off-site and did not impact any natural surface water body and has no potential to impact groundwater.
- (e) After diverting tailings flow to the ECO, an inspection of the TDL revealed a small hole near a fused joint in the HDPE portion of the TDL. A metal repair band was installed on the fuse and was successful in preventing further releases after tailings were returned to the pipeline. TDL HDPE repairs are scheduled in this area over the summer and the band will remain in place until then.

Henderson is allocating resources to immediately conduct additional Non-Destructive Testing (NDT) along the TDL. The new data will be compared with previous data from June 2024 and evaluated for preventative measures at other locations until repairs can be made later in the summer. Additional bands will be installed on areas where the data shows there is increased wear and risk between now and the summer HDPE repair.

If you have any additional questions or concerns, please feel free to contact me at 720-942-3438 or Miguel Hamarat at 720-942-3255.

Sincerely,



Ron Hickman
Chief Environmental Engineer
Climax Molybdenum Company
Henderson Operations

CC:

M. Hamarat, Climax