



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
INSPECTION TYPE: Monitoring	WEATHER: Clear	INSP. DATE: August 20, 2025	INSP. TIME: 10:00
OPERATOR: Climax Molybdenum Company, Climax Mine	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: \$284,783,656.00	
DATE OF COMPLAINT: NA	POST INSP. CONTACTS: None	JOINT INSP. AGENCY: None	
INSPECTOR(S): Todd Jesse	INSPECTOR'S SIGNATURE: 	SIGNATURE DATE: September 15, 2025	

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>Y</u>
(HB) HYDROLOGIC BALANCE----- <u>Y</u>	(BG) BACKFILL & GRADING----- <u>N</u>	(EX) EXPLOSIVES----- <u>N</u>
(PW) PROCESSING WASTE/TAILING---- <u>Y</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>Y</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 Colorado Division of Reclamation, Mining and Safety (Division) normal monitoring program. Climax Mine is a 112d-3 Molybdenum mine and milling operation located in Summit, Eagle and Lake County and is accessed from Colorado State Highway 91. The site consists of 14,000 permitted acres, of which approximately 8,000 acres have been affected. The Division currently holds \$284,783,656.00 in Financial Warranty for the site. Eric Detmer represented Climax Molybdenum Company. J.T. Lawson, a Mandela Fellow working with SDSG observed the inspection. The weather was sunny and clear with temperatures in the 60s. The site was free of snow. Roads were well maintained, and the site was completely accessible.

The following areas were inspected:

- TSF's (Tenmile TSF and 3 Dam, Mayflower TSF and 5 Dam, Robinson TSF and 1 and 2 Dams),
- Mayflower Tunnel
- Tenmile Tunnel
- 5 Dam Seepwater Pump System and Secondary Containment System

Robinson TSF and 1 Dam & 2 Dam:

1 Dam forms the eastern embankment of the Robinson TSF. The operator created a reclamation plot on the southern end of the dam (Photo 1). No excessive erosion or displacement was observed on 1 Dam. 2 Dam on the northern end of the Robinson TSF is partially inundated by the upstream portion of the Tenmile TSF in the Tenmile Creek drainage. The dam face was vegetated and stable. No excessive erosion or displacement was observed on the dam face (Photo 2).

Tenmile Tunnel

The Tenmile Tunnel delivers process water to the Robinson Pond that is collected in the Tenmile TSF. (Photo 3) The tunnel is walked and inspected annually. Water was flowing through the tunnel at the time of the inspection. The southern portal is in good condition with no signs of significant erosion around the portal. The portal was secured by a gate. There was no signs of slumping or erosion around the portal. The decant intake structure for the tunnel on is located in the southwest corner of the Tenmile TSF. There was a lime delivery occurring at the north portal of the Tenmile Tunnel in the Tenmile TSF. Lime is used to treat water before it is used as process water.

Tenmile TSF and 3 Dam:

The Tenmile TSF (Photo 4) and 3 Dam (Photo 5) are downstream of the Robinson TSF and 2 Dam in the Tenmile Creek Watershed. The Tenmile TSF contains acid-generating material. Mill tailings are 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. Lime was currently be delivered. 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. There was no excessive stormwater erosion noted on the dam face and berms along the benching of the dam appear to be functioning as designed. No slumping or displacement was observed.

Mayflower TSF and 5 Dam:

The Mayflower TSF (Photo 6) 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. There was no excessive stormwater erosion noted on the dam face and berms along the benching of the dam appear to be functioning as designed. No slumping or displacement was observed.

5 Dam Seepwater Pump System and Secondary Containment System

The 5 Dam Seepwater Pump System is design to contain seepage from the toe of 5 Dam. The system consists of 3 cells, all of which were holding water at the time of the inspection. The cells can be cleaned when needed. The cells were below discharge level. No erosion concerns were identified. (Photo 7) A secondary collection system is just downgradient from the main Seepwater Pump System and it is utilized in the event that seep water bypasses the primary collection system.

Mayflower Tunnel

The Mayflower Tunnel acts as an overflow for the Mayflower TSF. The intake for the tunnel on the Mayflower TSF was well maintained with no erosional features noted (Photo 8). The lower portal was sealed at the time of the inspection. The area around the portal is protected by rock bolts and shotcrete. No erosion or displacement was noted around either portal.

No Problems or Possible Violations were identified during this inspection.

All responses to this report should be directed to Todd Jesse at the Colorado Division of Reclamation, Mining, and Safety at Room 215, 1001 East 62nd Ave. Denver, CO 80216. Direct contact can be made at the Division's Grand Junction Field Office, by phone at 720-688-0626 or by email at todd.jesse@state.co.us

PHOTOGRAPHS



Photo 1: View to the east of the reclamation test plot on 1 Dam.



Photo 2: View to the southeast of 2 Dam.



Photo 3: View to the north of the Tenmile Tunnel



Photo 4: View to the northeast across Tenmile TSF.



Photo 5: View to the west across 3 Dam



Photo 6: View to the north of tailings deposition of Mayflower TSF



Photo 7: View to the north of 5 Dam Seepwater Collection System



Photo 8: View to the southeast of Mayflower Tunnel

Inspection Contact Address

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Enclosure

CC: Dustin Czapla, DRMS
 Amy Yeldell, DRMS
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