



INSPECTION REPORT: KENSINGTON GOLD MINE

Tongass National Forest Minerals Group
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Date of Inspection: Wednesday August 21, 2019
Date of Report: Thursday September 5, 2019
USDA Forest Service Inspector: Richard Dudek

Ranger District: Juneau Ranger District
Weather Conditions: Partly cloudy with sun. Temperature: High 50's °F.

Exploration in accordance with operating plan	Not Applicable
Timber removal following timber sale contract	Not Applicable
BMPs for erosion control	Satisfactory
Water Quality BMPs	Satisfactory
Public safety & fire prevention	Satisfactory
Reclamation work adequate and timely	Satisfactory
Roads maintenance adequate and current	Satisfactory
Tails placement in accordance with plan	Satisfactory
Waste Rock placement in compliance	Satisfactory
Company supervision of operation	Satisfactory
Operating in a clean and orderly manner	Satisfactory

Any conditions noted as UNSATISFACTORY will require follow up action by the Mine Inspector and a written memorandum to the operator, outlining the necessary work.

NEW REMARKS

Ward Air provided (Cessna 206) transportation to and from site.

Peter Strow (Environmental Manager, Coeur Alaska) accompanied Richard Dudek (Geologist, USFS), Shannon Kelly (ADNR), and David Khan (ADEC).

This inspection included the Access roads, Comet Development Pile, Comet Water Treatment Plant (CTWP), Sherman Creek Outfall 001, Pit 4, the vegetation test plots, and the TTF area.

ACTION ITEMS:

- **No new action items were documented during this inspection.**

NOTEWORTHY ITEMS

- **The seven generators (Photo 1) have been removed from the mill area and will be shipped off site.**

ACCESS ROADS

During the inspection, the access roads were in good condition (2016 BMP Plan; Table 4-4).

COMET DEVELOPMENT PILE

Coeur Alaska continues to deposit waste rock from the Raven drift at this location (Photo 2).





COMET WATER TREATMENT PLANT (CWTP)

On 8/21/2019, the CWTP was treating 1,200 per minute (gpm). Pond-1 (Photo 3) was receiving mine site water. CWTP operators continue with the dredging of Pond-1. Pond-2 (Photo 4) was receiving backwash from the water treatment plant.

White material was observed on the test rock used for monitoring white material (Photo 5).

The pipeline (Photo 6) for the de-watering bags sump is disconnected and needs to be fixed.

SHERMAN CREEK OUTFALL

White material was observed in the creek bed (Photos 7). Coeur Alaska continues to use calcium chloride (CaCl_2) as part of the treatment process for removing white material out of solution.

An empty super sack located at Comet SH-113 needs to be removed from this location (Photo 8).

PIT 4

Coeur personnel continue to dispose of the graphitic phyllite (GP) as cemented underground backfill (Photo 9). Approximately 8,238 tons of GP material has been placed underground with 12,306 tons remaining.

VEGETATION TEST PLOTS

It was observed that alders are now growing in and around the test plots (Photo 10).

TAILINGS TREATMENT FACILITY (TTF) AREA

The TTF's recorded water level on 8/21/2019 was 702.85 feet (Photo 11), and algae was observed in the TTF.

Due to the lack of precipitation during the summer months, and to maintain the nine-foot water cover over tailings. The TTF water treatment plant was not treating and discharging effluent water. Water was still being pumped from the TTF reclaim barge to the mill, and then pumped back into the TTF.

The acid rock drainage (ARD) collection sumps located at northern TTF laydown yard are functioning as intended (Photo 12).

The installation of the second diversion pipeline for the Upper Slate Lake is complete (Photo 13).

FOLLOW UP ITEMS

- Inspect the access roads.
- Inspect the Comet water treatment plant and settling ponds.
- Inspect for white material in Sherman Creek.
- The removal of the empty super sack at SH-113.
- Inspect the TTF area.



PHOTOS (Additional photos available upon request)



Photo 1. The former location for the seven decommissioned generators.



Photo 2. Comet development pile.



Photo 3. Pond-1 at the Comet Water Treatment Plant.



Photo 4. Pond-2 at the Comet Water Treatment Plant.



Photo 5. The test rock used for monitoring white material in effluent mine site water.



Photo 6. The section of water pipe near the de-watering bags that needs to be connected.



Photo 7. White material covering rocks in Sherman Creek.



Photo 8. A super sack located at site SH-113.



Photo 9. The pug plant at Pit-4.



Photo 10. The vegetation test plots have become overgrown with alders.



Photo 11. The TTF.



Photo 12. The northern TTF ARD sumps.



Photo 13. The installation for the second diversion pipeline Upper Slate Lakes is completed.

Thanks to Kensington Mine for a safe visit.
U.S. Forest Service Officer: /s/ Richard Dudek
