



INSPECTION REPORT: KENSINGTON GOLD MINE

Tongass National Forest Minerals Group
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Date of Inspection: Thursday, July 14, 2022
Date of Report: Monday, July 25, 2022
USDA Forest Service Inspector: Casey Loofbourrow

Ranger District: Juneau Ranger District
Weather Conditions: Sunny. Temperature: mid 60'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
Road 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.

Any conditions noted as Requires Action will require attention from the operator and suggestions for necessary work are listed below

Transportation to and from the mine was on the Coeur crew boat.

Kevin Eppers (Coeur Environmental Manager) accompanied Casey Loofbourrow (Geologist) and Pat Dryer (Hydrogeologist) of the USFS Tongass Minerals Group.

Sites visited during the inspection included: Access roads, Comet waste rock storage area, Comet Water Treatment Plant (CWTP), Sherman Creek Outfall 001, Pit 4, Pit 7, the Tailings Treatment Facility (TTF) and access road, the “mud dump”, the Slate Cove port facility, and the Fuel Depot.

STATUS OF PENDING ACTION ITEMS FROM PREVIOUS INSPECTIONS:

ID	Action Item	Status
183-2	ARD seepage at the TTF SE abutment.	Resolved. Coeur has reapplied shotcrete to reduce oxidation of the ARD-producing outcrop.
188-1	Kensington access road guard rails are damaged and need to be replaced.	Pending. Coeur has planned repair of the guard rails.
189-1	Fine sediments mucked from TTF Access Road BMPs should be permanently disposed of in an authorized location, i.e., underground.	Resolved. Coeur surface operations will dispose of this sediment underground in future operations.



189-2	Silt fencing below the No Name Creek and Upper Sherman Creek bridges should be removed.	Resolved. Silt fencing has been removed.
189-3	Surface flow from exploration drill hole at Pit 4 should be appropriately mitigated.	Resolved. Drill hole has been plugged and surface flow has ceased.

NEW ACTION ITEMS:

No new action items to report.

ACCESS ROADS

RESOLVED ACTION ITEM 189-1: The Coeur environmental department has informed surface operations of the need to more effectively dispose of fine sediments mucked from stormwater BMPs along the TTF Access Road. Previously this sediment was occasionally mucked onto the adjacent road berm where it could easily be transported back into the BMPs, increasing the necessary maintenance frequency. Surface operations will collect and dispose of this sediment underground in future operations.

COMET DEVELOPMENT PILE

The slopes of the Comet waste rock storage area appear stable (Photo 1). There has been no recent waste rock placement at this site.

COMET WATER TREATMENT PLANT (CWTP)

The CWTP was treating approximately 2,590 gallons per minute (gpm). A dredge was located in Pond 1, which at the time of inspection was nearly filled with sediment (Photo 2), and Pond 2 had a water level lower than observed in recent inspections (Photo 3). Pond 1 was draining into Pond 2 via the connecting spillway.

White material was not observed on the test rocks used for monitoring in the CWTP (Photo 4).

SHERMAN CREEK OUTFALL

No white material was observed at Outfall 001, where treated water from the CWTP is discharged (Photo 5).

UPPER SHERMAN CREEK BRIDGE AND NO NAME CREEK BRIDGE

These bridges and abutments appeared in stable and orderly condition.

RESOLVED ACTION ITEM 189-2: Silt fencing installed during construction to reduce fine sediment discharge to the streams was no longer needed and has been removed (Photos 6-7).

MUD DUMP

Coeur has completed relocating the graphitic phyllite previously stockpiled at the north end of the Mud Dump to Pit 4, where it will be processed at the Pug Plant for permanent underground disposal.

A concrete slab foundation has been poured at this location (Photo 8), where the surface equipment shop currently at Pit 4 (Photo 9) will be relocated. This slab is located on private land.

PIT 4/PUG PLANT



The Pug Plant (Photo 10) was operational and processing graphitic phyllite stockpiled in Pit 4 (Photo 11) for underground backfill.

RESOLVED ACTION ITEM 189-3: In the previous inspection, an exploration drill hole appeared to have intercepted groundwater, resulting in water discharging to the surface. Coeur has plugged the hole and surface flow of water has ceased (Photo 12).

PIT 7

Coeur continues to transport and store waste rock at Pit 7 (Photo 13). Coeur intends to use this material as fill for POA1 Stage 4 dam construction.

TAILINGS TREATMENT FACILITY (TTF)

The water level for the TTF was 715.05 feet.

Since the previous inspection, the tailings deposition barge and water treatment reclaim barge have been relocated. Tailing deposition is currently occurring in the southern area of the TTF near the dam (Photo 14). The reclaim barge is located to the north (Photo 15).

The TTF dam spillway appeared in good condition and there was not visual indication of ARD entering the spillway (Photo 16).

RESOLVED ACTION ITEM 183-2: Coeur has applied shotcrete to the source of the ARD seepage located by the east TTF dam abutment. No additional seepage was visible at the time of inspection (Photo 17).

Good housekeeping practices were observed inside the TTF water treatment plant (Photo 18, Appendix 4g BMP plan; Table 4-1). The TTF water treatment plant was treating 980 gpm, and the water discharged to Outfall 002 measured 7.58 pH and .323 NTU.

Coeur recently completed geotechnical drilling near the Upper Slate Lake diversion intake, in support of engineering the back dam as described in POA1 (Photos 19-20).

MARINE PORT FACILITY AND FUEL DEPOT

The fuel depot was in good condition with no sheen or spills observed (Photo 21).

At the time of inspection, the fuel barge was refilling the tank farm (Photos 22-23).

PHOTOS. All photos taken on day of inspection. Additional photos available upon request.



Photo 1. Comet waste rock storage area.



Photo 2. Comet Water Treatment Plant (CWTP) Pond 1.



Photo 3. CWTP Pond 2.



Photo 4. CWTP white material test rocks.



Photo 5. Sherman Creek Outfall 001.



Photo 6. No Name Creek abutment, location of removed silt fencing.



Photo 7. Upper Sherman Creek bridge abutment, location of removed silt fencing.



Photo 8. Concrete slab at the north end of the Mud Dump, where the equipment maintenance shop currently located at Pit 4 will be relocated.



Photo 9. Equipment shop at Pit 4 that will be moved to the concrete foundation at the Mud Dump.



Photo 10. Pug Plant loading an underground haul truck with graphitic phyllite mixed with concrete and aggregate for backfill underground.



Photo 11. Graphitic phyllite stockpile at Pit 4.



Photo 12. Borehole location at Pit 4 where groundwater had previously been flowing to the surface.



Photo 13. Looking from top of waste rock stockpiled at Pit 7 down to the TTF access road.



Photo 14. TTF tailings deposition barge located at the southwest of the facility.



Photo 15. TTF reclaim barge located at the northeast of the facility.



Photo 16. TTF dam spillway.



Photo 17. Shotcrete covering ARD seep by east TTF dam abutment.



Photo 18. TTF water treatment plant interior.



Photo 19. Drill pad constructed for geotechnical drilling near the Upper Slate Lake bypass intake.



Photo 20. Second drill pad constructed for geotechnical drilling near the Upper Slate Lake bypass intake.



Photo 21. Fuel depot.



Photo 22. Fuel barge.



Photo 23. Line connecting the fuel barge to the fuel depot header.

Thanks to the Kensington Mine for a safe visit.
U.S. Forest Service: /s/ Casey Loofbourrow
