



## Kensington Mine Field Inspection Report

<b>Inspection Date:</b>	April 30, 2025
<b>Time:</b>	7:00 AM to 4:00 PM
<b>Weather:</b>	Light rain. Scattered low thick broken clouds and high overcast clouds. The temperature fluctuated around 43°F.
<b>Agency Personnel:</b>	Jesse Garnett White, Carolyn Curley, Jenny March, Jonathan Kummer, and Steve Buckley
<b>Operator Contact:</b>	Peter Strow and Sierra Lammers
<b>Inspection Objectives:</b>	Site Inspection

### Operations:

The Kensington Mine (Map 1) is located approximately 45-miles northwest of Juneau in the Tongass National Forest between Berners Bay and Lynn Canal. Coeur Alaska, Inc. (Coeur) is the operator of the mine, a wholly owned subsidiary of Coeur Mining. The mine operates on and within private property, federal claims, and a state upland mining lease. Coeur Mining has 100% ownership in the mining operations and mineral land holdings totaling 12,338 net acres.<sup>1</sup> Gold is the primary resource within this load deposit, mined wholly as an underground operation.

Mineralization and geology of the operational area are examples of orogenic-style, or mesothermal vein-style gold deposits. Significant gold vein deposits are hosted in Jualin diorite with discrete vein systems defined by one or more through-going, fault-filling quartz veins. Gold and gold-silver telluride minerals with associated native gold is the predominant vein mineralization characterization.<sup>2</sup>

Kensington Mine began commercial production in 2010 and operates 24-hour days, 365 days a year. Gold production rate is approximately 125,000 ounces per year. Historically, daily production averages 1,800 tons of ore while generating approximately 800 tons of waste rock. Milled concentrate is shipped off site for processing. Tailings are disposed of by two methods: 40% are sent to the underground paste plant and used as back fill in previously mined-out stopes and 60% is deposited within the Tailings Treatment Facility (TTF). Currently, life of mine is expected to continue through 2033.<sup>3</sup>

<sup>1</sup> Coeur Mining. (2023). *Kensington, AK*. Operation Facts. Retrieved: 8/7/2024. <https://www.coeur.com/operations-projects/kensington-ak/default.aspx>

<sup>2</sup> Pascoe, C., Keim, R.P., Haarala, P. (2021) *Kensington Gold Operations Alaska Technical Report Summary*. Coeur Mining.

<sup>3</sup> Coeur Alaska, Inc. (2018). *Plan of Operations Amendment 1 (POA 1) For the Kensington Gold Mine*. Coeur Mining.

## **Field Inspection Plan, Execution and Summary Schedule:**

The Department of Natural Resources (DNR) Large Mines Permitting Team (LMPT) conducted a site inspection on April 30<sup>th</sup>, 2025, at Kensington Mine for compliance with their Reclamation Plan Approval (RPA) (J20223158RPA.01) as required under AS 27.19 and 11 AAC 97.

The primary objectives for DNR personnel were to inspect above ground mine facilities for active disturbance, reclamation, and water management. A drone was utilized during the inspection to document mining-related disturbance.

DNR staff arrived at Slate Cove Terminal (Map 2) in Berners Bay around 6:30 AM, then boarded a crew bus that travels the Jualin Road to the Main Camp to meet with Kensington Environmental Manager, Peter Strow. DNR staff completed safety and site-specific training and were issued appropriate PPE. Afterwards, we discussed the inspection plan for the day based on the weather forecast, mining activity, and time constraints.

From the Kensington Camp Administration Building (Map 3) we travelled via Jualin Road to Pit 4 (Map 4). A drone was deployed to inspect the entirety of the area including Pit 4, Pit 4 pond, waste rock dump 4 (WRD4), sediment pond, growth media stockpiles, mud dump, graphitic phyllite storage cell, and bridge 1 ponds. After completing tasks at Pit 4 we went to the Tailings Treatment Facility (TTF) (Map 5) and Water Treatment Plant (WTP) via the TTF Pipeline and Access Road viewing Pit 7 waste rock storage (WRS) facility along the way. A drone was deployed from the new WTP pad to view the TTF including the main dam, west abutment, seepage collection facility, active construction, cleared land, current spillway and plunge pool, construction of the new spillway and plunge pool, WTP, new WTP pad, growth media stockpiles, back dam, tent structures, north (stormwater) diversion, and laydown yard. After completing our inspection at the TTF, we transited underground from Jualin portal to Comet portal to view the Comet area and associated facilities (Map 6) including the Comet WRS, WRS Expansion, WTP, Sherman Creek outfall 001, and construction of the new path to the outfall. A drone was deployed from the top of the WRS. The exploration drill core storage area and associated infrastructure at Comet Beach were not inspected as the road was blocked by an articulated dump truck.

At each location current and ongoing activity was documented including construction, land clearing, and new disturbance. Water management included in this inspection focused on settling and stormwater ponds, ditches and diversions, intakes, and discharge locations.

## **Findings:**

A summary of findings can be found below with a description of sites that were visited. Detailed maps with areas of interest, including photos of all inspected sites with observations notes, are in Appendix A. Please note that the North arrow in the photos is the best approximation of direction.

### **1. Inspection of Active Areas of Disturbance and Reclamation**

#### 1.1. Pit 4, WRD4, and associated facilities.

Pit 4 and WRD 4 are located approximately 1 mile south of the main camp on the east side of Jualin Road. It is permitted to hold 323,040 st<sup>4</sup>. At the time of this inspection almost all the graphitic phyllite in Pit 4 had been placed underground with Coeur chasing some that had inadvertently been covered up with waste rock. As of September 29<sup>th</sup>, 2025, all graphitic phyllite had been completely removed from Pit 4. There was no activity occurring on or around Pit 4 or

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<sup>4</sup> Coeur Mining. (2023). *Kensington, AK*. Operation Facts. Retrieved: 8/7/2024. <https://www.coeur.com/operations-projects/kensington-ak/default.aspx>

associated facilities at the time of inspection. Pit 4 high walls and benches were stable with some waste rock added and contoured. WRD 4 and WRD 4 expansion area roads, surfaces, and slopes were stable and in good condition. All ponds (Pit 4 pond, bridge 1 ponds, WRD 4 sediment pond, and mud dump ponds) contained water and pond liners were in good condition. The growth media stockpile was stable and material contained. The mud dump hasn't changed much over the last few inspections apart from additional tires in the laydown area. For locations and images of Pit 4 and associated facilities see Maps 1 and 4 and Photos 1 through 9.

- 1.2. Pit 7 waste rock storage (WRS) is approximately 2.4 miles from the main camp, located on both sides of the TTF Access Road and can hold 125,000 st<sup>5</sup>. There was no activity at the time of inspection, and the facility was stable and in good order (Maps 1 and 4).
- 1.3. TTF – The TTF (Lower Slate Lake) and surrounding facilities include the WTP, contractor buildings, construction area for the new WTP, main dam, west abutment, seepage collection facility, current and future spillways and plunge pools, growth media stockpiles, back dam, northwest diversion, laydown yard, and tent structures. Land has been cleared on both the east and west slopes of the TTF and below the main dam for the TTF expansion project. There was active construction occurring below the main dam, and behind the western abutment to the main dam. Slopes below the new WTP pad were stable. The growth media stockpiles at the new WTP and back dam were stable and contained. The northwest diversion area was stable, and the ditch liner was in good condition and contained flowing water. The back dam was stable and in good condition. Construction activities continue for the 30ft main dam raise. Below the toe of the main dam there was evidence of excavation for the new seepage collection system, and a temporary plunge pool has been constructed. Graphitic phyllite on the west side of the dam is to be blasted and removed after which shotcrete will be placed as needed. Tails domes are visible in the pond and placed as a baffle to protect the upstream face of the dam. At the back dam, we observed the last bit of graphitic phyllite to be removed. Trees to the east of this area had been cut down but not cleared. The face of the main dam is gradually being populated by shrubbery. For locations and images of the TTF and associated facilities see Maps 1 and 5 and Photos 10 through 24.
- 1.5. Comet area (CMT) and associated facilities – The CMT area waste rock storage facility (WRS), WRS expansion, WTP buildings, ponds, and dewatering bags, and Sherman Creek outfall 001 were all in good condition. We did a brief walkthrough of the WTP where everything was in working order. The ponds were bank full and holding. The gravel path to outfall 001 was under construction and not completed and the old boardwalk is no longer in use. Outfall 001 hasn't changed since the last inspection and no "white stuff" was visible or documented. The lined sediment filtration bag pit contained some water, and the liner and bags were in good condition. Active construction was occurring below the sediment filtration bags for a future additional lined pit. The road to Comet Beach core storage and associated facilities was impassable due to equipment blockage (articulated dump truck). For locations and images of the Comet Area and associated facilities see Maps 1 and 6 and Photos 25 through 30.

## 2. Water Management

- 2.1. Ponds in the Pit 4, WRD 4, and mud dump areas (Map 1 and 4, Photos 1, 3, 5, and 7): Bridge 1 ponds, Pit 4, WRD 4, and the mud dump pond all contained water with liners that were in good condition and operating normally. We viewed Johnson Creek from Bridge 1, and the water was clear and clean (Photo 4).

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<sup>5</sup> Coeur Mining. (2023). *Kensington, AK*. Operation Facts. Retrieved: 8/7/2024. <https://www.coeur.com/operations-projects/kensington-ak/default.aspx>

- 2.2. TTF (Map 1 and 5, Photos 10 through 24): DNR staff visited the TTF and associated facilities. Coeur personnel were actively working at the site of the original plunge pool. Active disturbance below the main dam included gravel road construction and a separate path (excavator tracks) where pipes had been laid to the new plunge pool area. The spillway chute was in good condition. At the time of inspection, the spillway was dry. The seepage pump area was tidy and accessible. Disturbance below the dam is associated with construction of the new spillway location. The crest of the dam was walked in its entirety to the western abutment where it was noted that the graphitic phyllite cover was in good condition. The TTF had exposed tailings in the form of mounds from the upstream slope of the dam to the boom. Land was cleared and most downed trees removed along the east side of the TTF from the new WTP Area to the main dam and beyond to the new plunge pool area for the expansion to construct the next dam lift and elevate the access road. The area of disturbance for the new WTP is about 5.76 acres. The new WTP Area was in good condition, graded, and sloped to contour. After completing the drone flight, we travelled to the Back Dam to view the completed construction, organics stockpile, tent structures, north diversion, and laydown yard.
- 2.3 Comet area (Maps 1 and 6, Photos 25 through 30): Sherman Creek outfall 001 operated normally and was in good condition. The new gravel path to the outfall was not completed at the time of inspection. The old boardwalk has been decommissioned and is no longer in use. We walked through the woods on a narrow footpath to reach the outfall. The WTP ponds were full (Photo 29). Active work was occurring in the dewatering bag dredging/sludge area at the time of inspection (Photos 26, 27, and 30).

### **Violations:**

All observed activities followed the stipulations in the Kensington Mine Reclamation Plan Approval J20223158RPA and regulations AS 27.19 and 11 AAC 97. No violations were seen on site during the inspection.

### **Conclusion and Recommendations:**

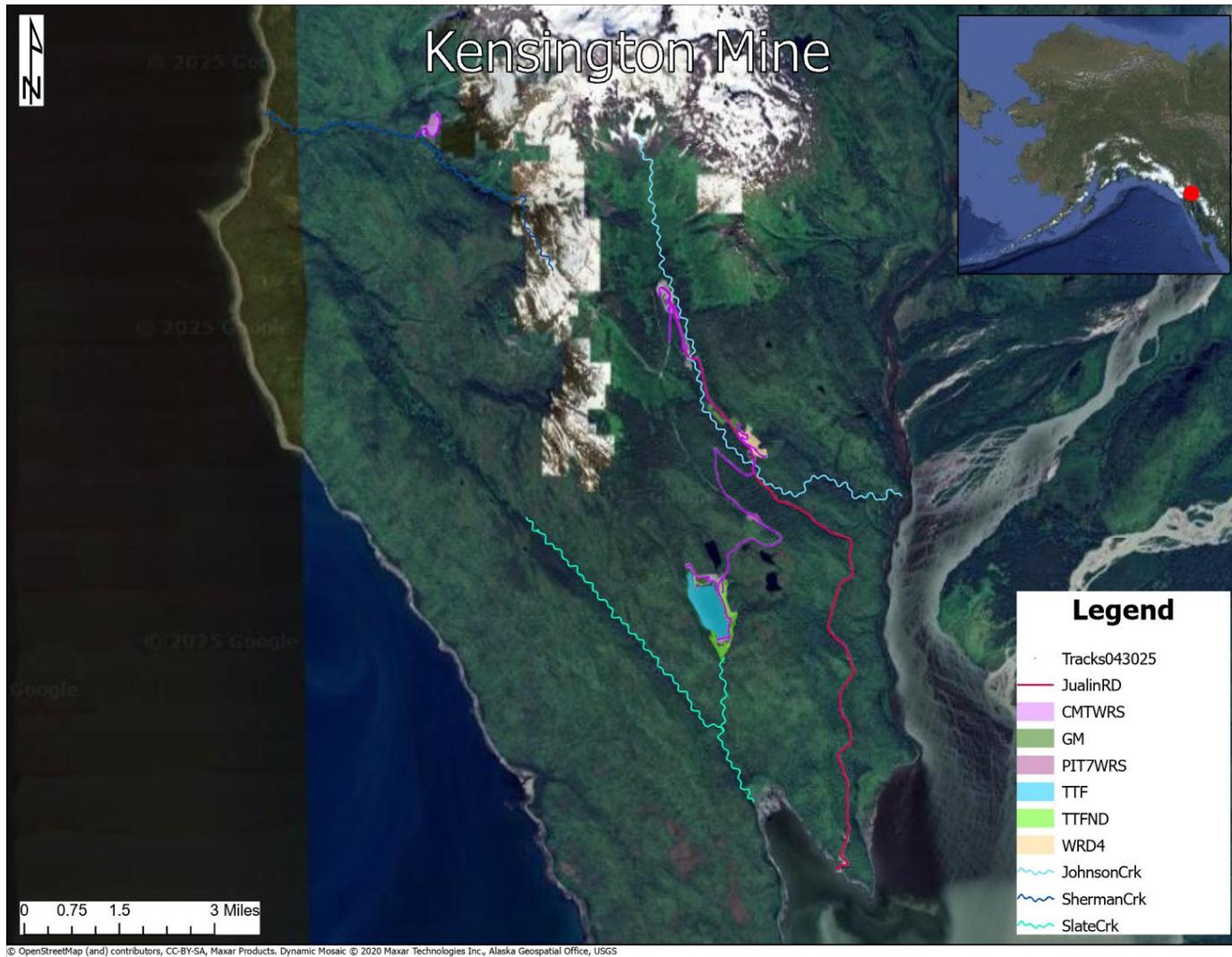
The operation facilitates activities in a manner which prevents unnecessary and undue degradation of private property, federal property, and State land and water resources. Current reclamation meets the state's requirements under AS 27.19.020 and 11 AAC 97.200. DNR finds the Kensington Mine operation is in good condition and is consistent with industry standards.

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Cc: Steve Buckley (DNR), William Groom (DNR), Aaron Kruse (DNR), Carolyn Curley (DNR), Sylvia Kreeel (DNR), Jenny March (DNR), Jonathan Kummer (DNR), Ben Wagner (DNR), Kim Bustillos (DNR), Allan Nakanishi (DEC), David Khan (DEC), Mark Minnillo (ADF&G), Kate Kanouse (ADF&G), Matthew Reece (USFS), Pete Strow (Coeur), and Sierra Lammers (Coeur).

# **Appendix A**

## **Inspection Maps and Observations of Note**



Map 1:

Map of the entire Kensington Mine site including inspection tracks, major creeks, and the Jualin Road. Major areas of interest include Waste Rock Dumps, Waste Rock Storage areas, the TTF and new disturbance. Legend acronyms; Crk – Creek, CMT – Comet, GM – growth media, ND – new disturbance, WRD – waste rock dump, and WRS – waste rock storage.



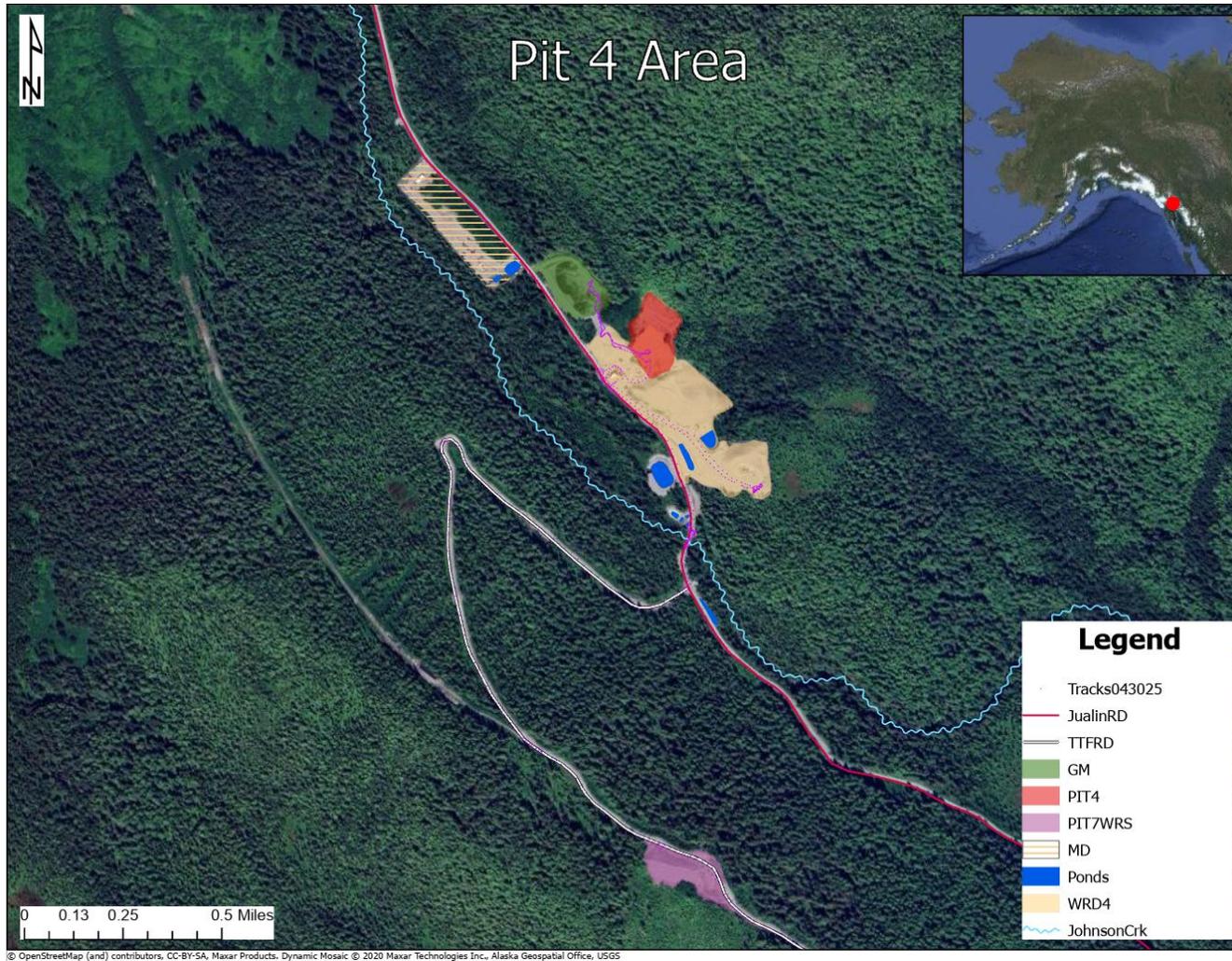
Map 2:

Map of Slate Cove Terminal showing locations of the Slate Cove Fuel Tanks, Laydown Area 1, and Jualin Road. Legend acronyms; LDA – laydown area, SC – Slate Cove.



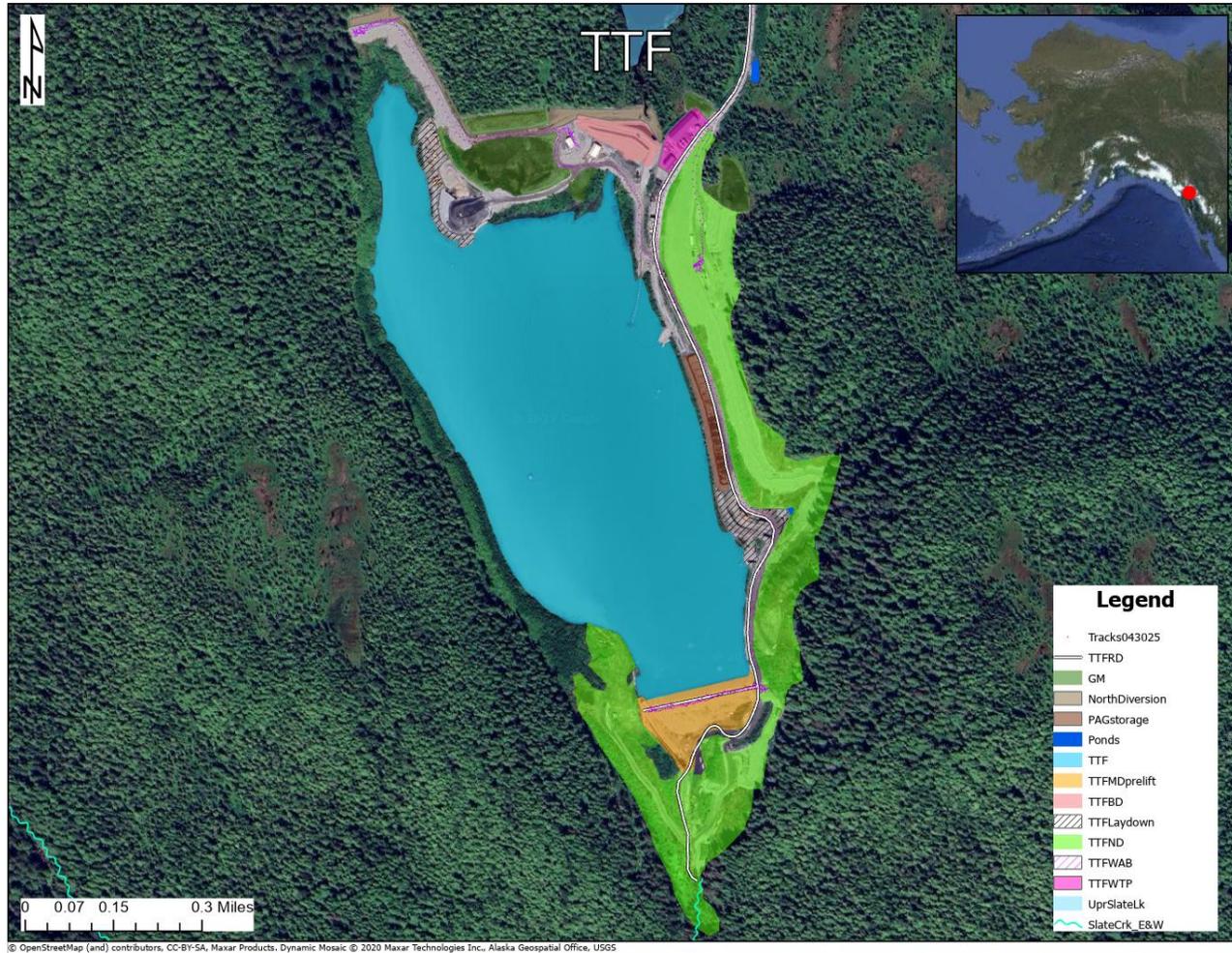
Map 3:

Map of inspection tracks, Main Camp, Mill, Warehouse, associated facilities, and ponds.



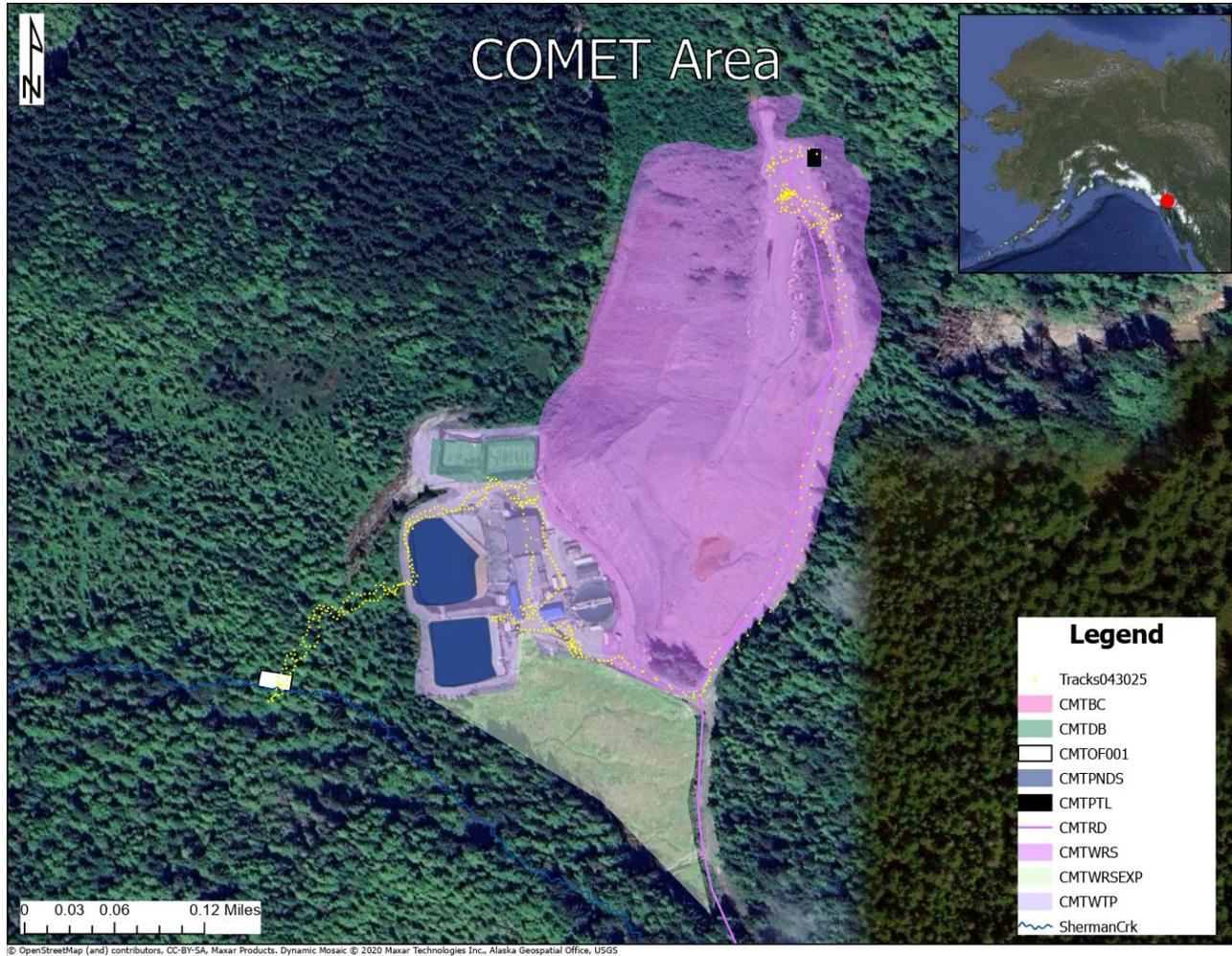
Map 4:

Map showing the locations of inspection tracks, Pit 4, WRD 4, mud dump, mud dump, ponds, and growth media stockpiles. Note Pit 7 Waste Rock Storage (Pit7WRS) along the TTF Access Road. Legend acronyms; Crk – Creek, GM – Growth Media, MD – mud dump, RD – Road, WRD – Waste Rock Dump, WRS – Waste Rock Storage



Map 5:

TTF and including inspection tracks, back dam, laydown yards, new disturbance, main dam, west abutment, water treatment plant, upper Slate Lake, TTF road, and east and west forks of Slate Creek. Legend acronyms; BD – back dam, Crk – creek, Lk – Lake, MD – main dam, ND – new disturbance, ND – north diversion, RD – road, WAB – west abutment, and Upr – upper.



Map 6:

Map of the Comet area (CMT) and associated facilities including the portal, WRS, WRS expansion, WTP, WTP ponds, dewatering bags, and outfall 001. Legend acronyms; Crk – Creek, DB – dewatering bags, EXP – Expansion, OF – Outfall, PNDS – ponds, PTL – portal, RD – road, WRS – Waste Rock Storage, WTP – Water Treatment Plant.

# Field Inspection Observations of Note

Photo 1: WRD 4 and WRD 4 expansion with views of Pit 4, Pit 4 pond, Bridge 1 ponds, WRD4 sediment pond, pug plant, and Jaulin Road.



Photo 2: Pit 4 Area ponds including Bridge 1 ponds, Pit 4 pond, and WRD 4 sediment pond with views of the WRD 4 expansion, Johnson Creek, and partial view of WRD 4.



Photo 3: Bridge 1 pond (lowermost pond with respect to Jualin Road).



Photo 4: View of Johnson Creek from Bridge 1.

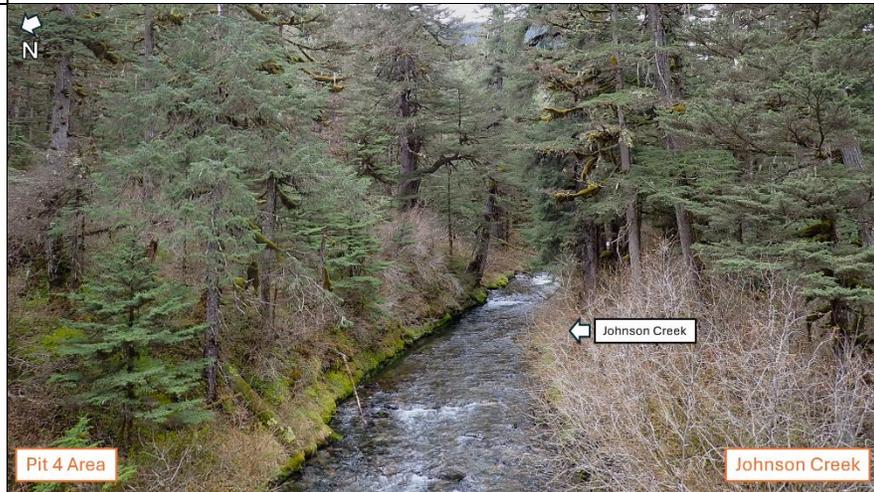


Photo 5: Pit 4 including views of WRD 4, WRD 4 expansion, graphitic phyllite removal area, pug plant, and partial views of Bridge 1 ponds, Pit 4 pond, and WRD 4 sediment pond.



Photo 6: Pit 4 growth media stockpile with views of Pit 4, graphitic phyllite removal area, pug plant, and Jualin road.



Photo 7: Pit 4 growth media stockpile, and mud dump with partial views of the mud dump ponds, Snowslide Gulch, Jualin Road, TTF Pipeline Road, camp, and mill.



Photo 8: Pit 4 growth media stockpile.



Photo 9: Partial views of Snowslide Gulch, TTF pipeline road, and mud dump from the Pit 4 growth media stockpile.



Photo 10: TTF and main dam with views of the west abutment, seepage collection, spillway chute, plunge pool, pipes to new plunge pool area, cleared land, and active construction.



Photo 11: TTF and main dam with views of cleared land, future east access road, new WTP pad, back dam, north diversion, and partial views of the spillway chute, and west abutment.



Photo 12: Active construction and cleared land below the main dam with views of the new plunge pool area, TTF main dam, west abutment, tails domes, seepage collection, current spillway chute, and plunge pool.



Photo 13: Top of the TTF main dam with partial views of the current spillway and west abutment.



Photo 14: View from the main dam crest of the tailings domes, back dam, new WTP pad, and construction of the future east access road.



Photo 15: View of the active construction below the main dam including the spillway chute, plunge pool, seepage collection, and location of the future plunge pool.



Photo 16: Future East access road with views of the TTF and main dam, active construction of the future east access road, and cleared land.



Photo 17: New WTP Pad with views the current WTP, growth media stockpile, back dam, active construction of the east access road, and partial views of the TTF road, Upper Slate Lake, Lower Spectacle Lake, and Lace River.



Photo 18: New WTP pad with views of contractor buildings, TTF, main dam, growth media stockpile, and active construction of the east access road.



Photo 19: Back Dam, with views of the northern diversion, northern stormwater diversion channel (NSWDC), laydown yard, growth media stockpiles, tent storage structures, current WTP and contractor buildings, and partial views of Upper Slate Lake and the TTF.



Photo 20: Back Dam with views of the growth media stockpiles, tent storage, laydown yard, NSWDC, back dam diversion intake, and partial views of the current WTP, new WTP pad, and TTF.



Photo 21: Center middle of the back dam. Note the liner is in good condition.



Photo 22: East side of the back dam and partial view of the current WTP. Note the liner is in good condition.

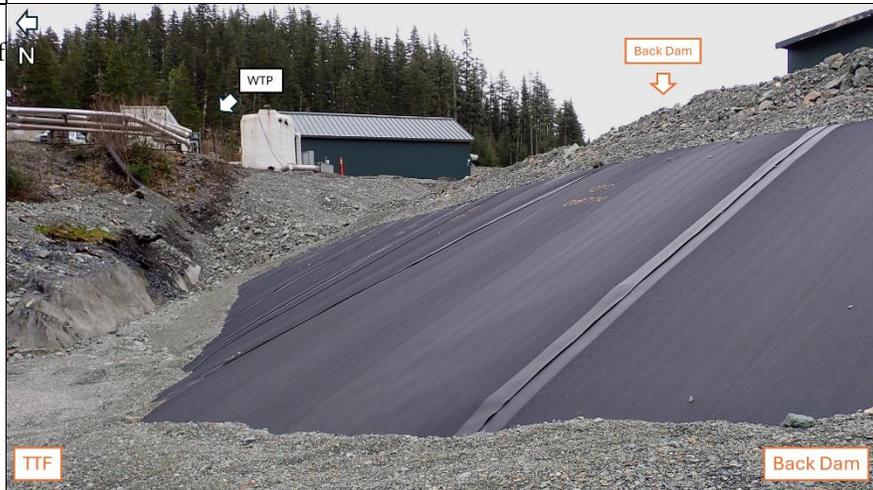


Photo 23: Northern Diversion. View of the laydown yard, TTF, main dam, and west abutment from the Northern Diversion area.



Photo 24: Northern Diversion. View of a gravel road or embankment with workers in the background.



Photo 25: Comet Portal



Photo 26: Comet Area with views of Comet portal, WRS, WRS expansion, WTP, treatment settling ponds 1 and 2, sediment filtration bags, and active construction (dewatering bag dredging/sludge area).

Note the articulating haul truck blocking the road to the Comet Beach facilities.



Photo 27: Comet Area. View of the WTP and treatment settling ponds 1 and 2, new footpath construction leading to outfall 001, old boardwalk footpath (decommissioned), sediment filtration bags, active construction in containment area for the dewatering bag sludge dredge area, and partial views of the WRS and WRS expansion.



Photo 28: Comet Area. View of the new footpath construction leading to outfall 001, old boardwalk footpath (decommissioned), treatment settling ponds 1 and 2, and partial view of the WTP.



Photo 29: Comet Area WTP treatment settling ponds 1 and 2.



Photo 30: Comet Area WTP sediment filtration bags. The active construction area is in the containment for the dewatering bag sludge dredge area. Typically, there is one active containment cell while the other is being hauled underground for disposal and reset for continued dredging.

