



Fact Sheet

CLEANING UP MINE WASTE

Colorado-based CJK Milling is planning and permitting remediation projects to clean up historic mine waste in Leadville. The company will extract the remaining valuable minerals, benefitting the environment and providing an economic boost to the local economy.

This will be one of the largest, most innovative environmental cleanups of abandoned mine waste undertaken in Leadville. The company will remove approximately 1 million tons of acid-generating mine waste, with the potential of remediating another 500,000 tons, dumped by historic mine operations in

and around California Gulch. The area was designated an Environmental Protection Agency Superfund site in 1983. This waste negatively impacts water quality at the headwaters of the Arkansas River. Breece Hill and Evans Gulch, located East and North of the town respectively, are the first areas targeted for cleanup. The Colorado Department of Public Health and Environment supports this work and the remediation approach exceeds the EPA Record of Decision for the waste pile on Breece Hill.

THE CJK MILLING MINE WASTE REMEDIATION PLAN



A MODERN APPROACH TO A HISTORIC PROBLEM

Historically, material that didn't contain enough metal to mine economically was removed to the surface and placed in piles as waste. While considered uneconomic by miners at the time, the material contains sulfur-bearing minerals with other metals including iron. Once brought to the surface these minerals oxidize, or rust, forming sulfuric acid. The metals bearing acid leach into the ground and streams flowing into the Arkansas River.

CJK's cleanup plan removes this material from the environment, processes it to recover economically viable quantities of gold and silver, then places it in an encapsulated double-lined storage facility where it can no longer contaminate water. Cyanide, required to extract the metals, is recovered and re-used. Any cyanide that's not recovered is detoxified using an industry-proven method before the waste is placed in a storage facility.

Physically removing acid-leaching historic mine waste from the environment is a unique approach to a centuries-old environmental problem. It is more effective than traditional methods of leaving the waste in place and capping it with soil/clay and vegetation and/or using a synthetic cover. This project could serve as a model for abandoned mine clean-ups throughout the Colorado high country.

The cleanup will ultimately benefit the environment by moving mine waste to a lined, zero-discharge facility where it can no longer contaminate local water. Zero discharge means all water is recycled and no water is discharged from the mill into the environment. All water will be obtained through Parkville water, and no water will be obtained from the aquifer used by residents. In addition, no aquifers, including the one used by residents, will be impacted from operations.

Once the waste piles are removed, the areas will be restored to pre-mining conditions by planting native grasses and trees as required by the reclamation permit.



REMOVAL OF SLAG PILES

CJK also plans to remove and sell the slag material south of town for use as aggregate in road base and construction. Slag is rock material separated from metals during refining. The EPA has determined it can be beneficially reused for this purpose. Elimination of these slag piles will improve the appearance of the south entry into Leadville.



A NET BENEFIT FOR THE ENVIRONMENT AND COMMUNITY

CJK's innovative remediation plan improves water quality in the upper Arkansas River, the health of the river and surrounding habitat. It removes mine waste and slag from the environment, creates natural spaces for wildlife and serves as a template for the responsible clean-up of other historic mining districts. The company will operate in a manner protective of people and the environment. At the same time it will provide significant economic benefits and opportunities for Leadville and Lake County through jobs and procurement of local goods and services.