

AZURITE MINE REMOVAL ACTION OVERVIEW



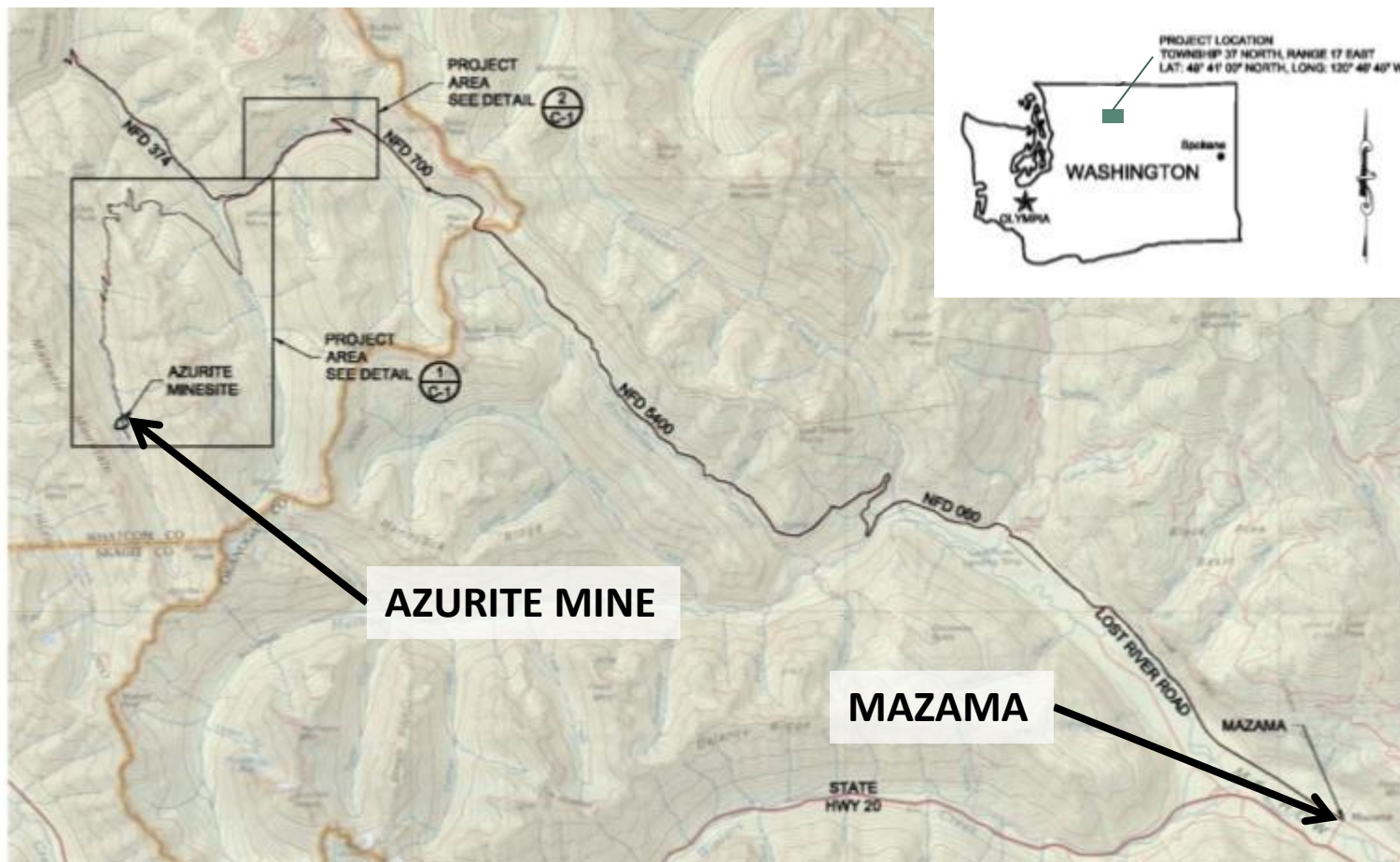
Dustin G. Wasley, PE, Principal – CES

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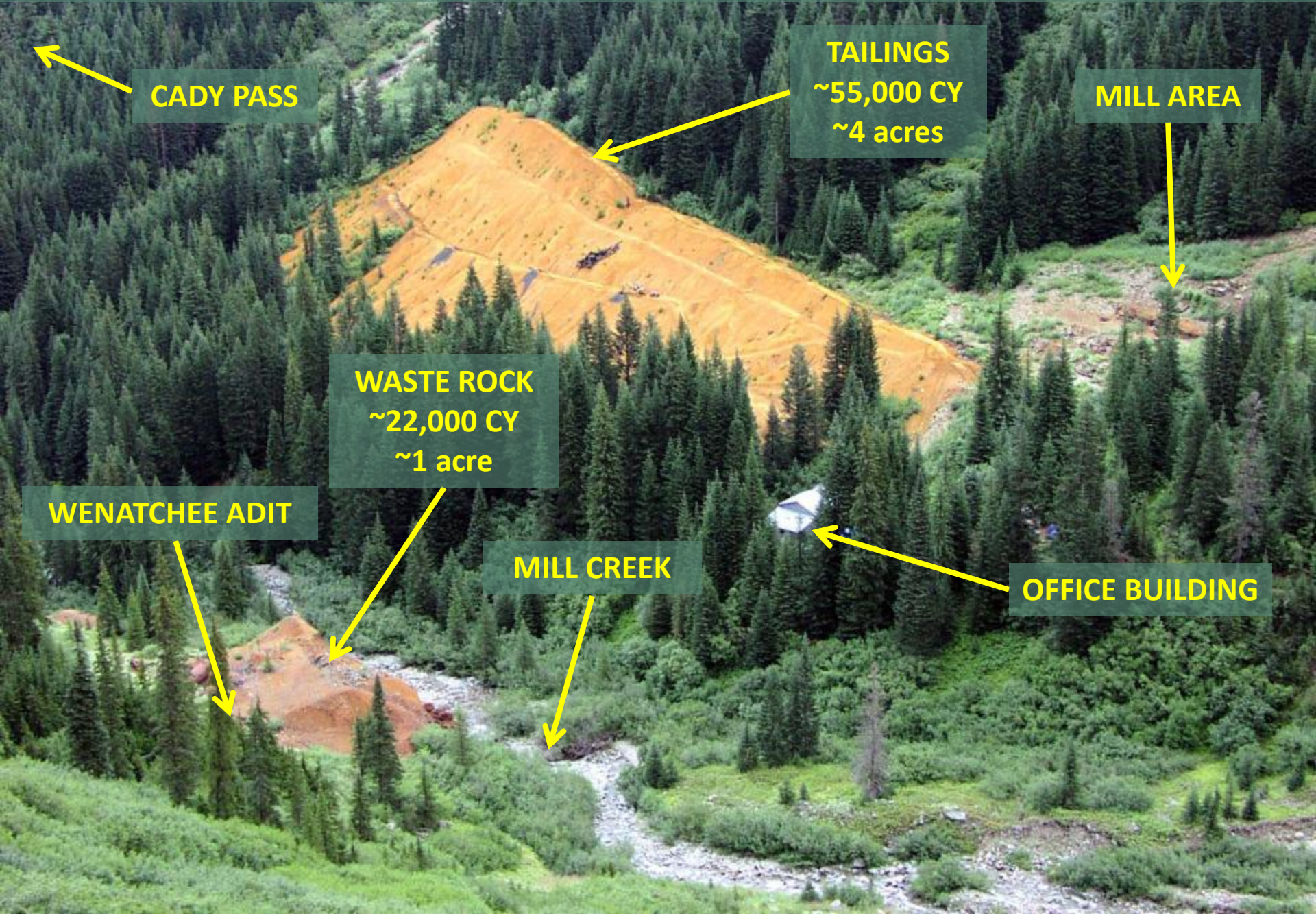
Azurite Mine Overview

- Abandoned Underground Gold Mine, Located in North-Central WA on USFS-Administered Land
- Northwest of Mazama, Near Harts Pass Recreation Area & Pacific Crest Trail
- Remote with Poor Access, Steep Terrain
- Several RTE Species – Aquatic and Terrestrial
- Inventoried Roadless/Non-Motorized Management Area
- High Value for Potential Wilderness Area in Future

Azurite Mine Location



OVERVIEW OF AZURITE MINE FROM TINSON ADIT



CADY PASS

TAILINGS
~55,000 CY
~4 acres

MILL AREA

WASTE ROCK
~22,000 CY
~1 acre

WENATCHEE ADIT

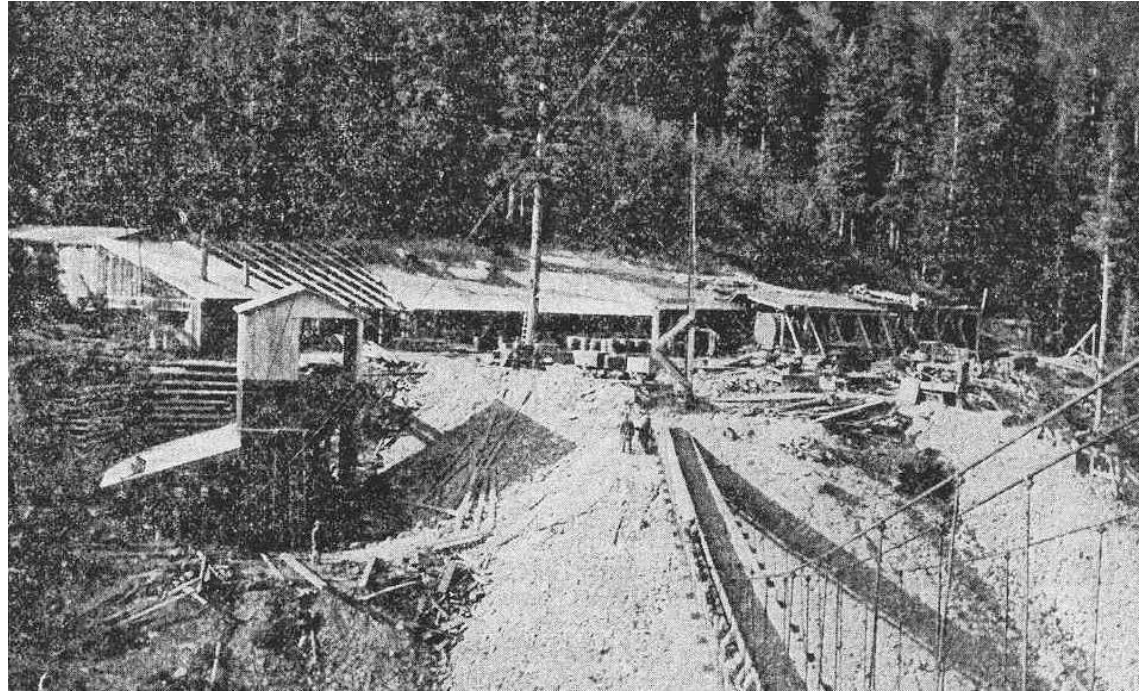
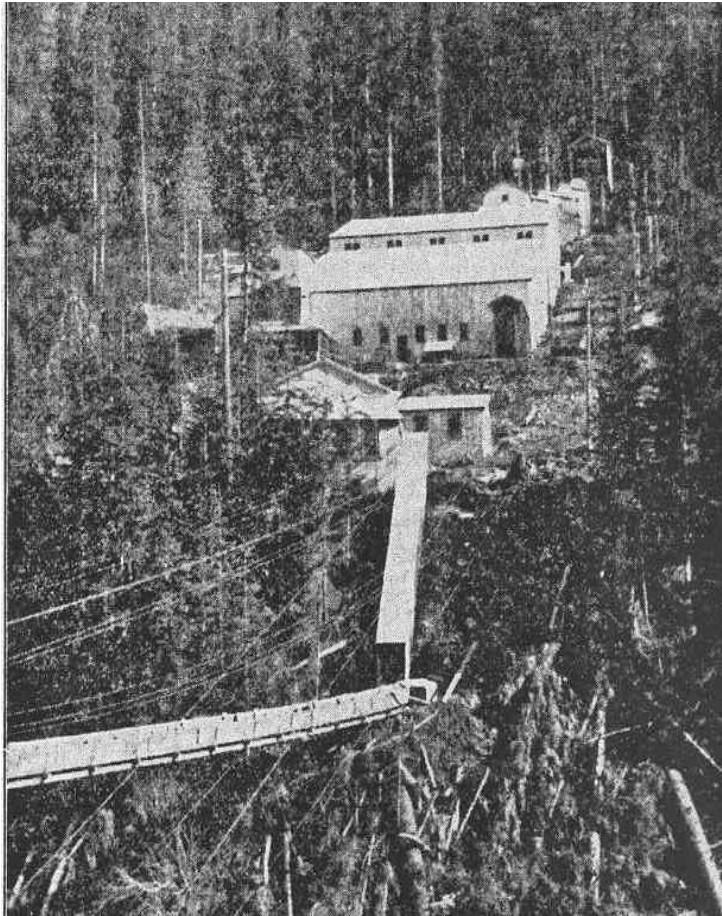
MILL CREEK

OFFICE BUILDING

Azurite Mine – Early History

- 1915 – 31 Claims Staked
- 1916 – Azurite Copper Company (renamed Azurite Gold)
- 1918 to 1931 – Underground Development
- 1934 – ASARCO Leased Mine
- 1934 to 1936 – 100 TPD Mill and Infrastructure
- 1936 to 1942 – Development, Production
 - ~73,000 tons @ 0.38 opt gold
- 1942 – ASARCO Removes Equipment

Historic Photos - 1936



Azurite Mine – Recent History

- 1995 – Discovery Assessment (USFS)
- 2002 – IAM Open File Report (WA DNR)
- 2004/2005 – CERCLA Site Inspection (USFS/CES)
- 2005 – Reprocessing Study (USFS/CES);
– PRP Report (USFS)
- 2006 to 2008 – EE/CA & Risk Assessment (ASARCO/MFG)
- 2008 – ASARCO Settlement with USFS ~\$5.5M
- 2007 to 2010 – Data Gaps/Removal Design (USFS/CES)
- 2011 – Removal Action Activities

Final Removal Action Alternative

- Access Road Improvements / Bridge Replacement (2010)
- Temporary Access Road Across Mill Creek (2011)
- Mill Creek Diversion Away from Waste Rock Pile (2011)
- Onsite Covered Repository (2011)
 - Reinforced Stabilized Slope/Repository Toe Berm
 - Waste Rock and Mill Area Soil Blended with Tailings
 - Multi-Layer Cover, HDPE Membrane, and Talus/Rock Cover
- Physical Hazard Closures (2011)
- Revegetation (2011) – USFS Lead

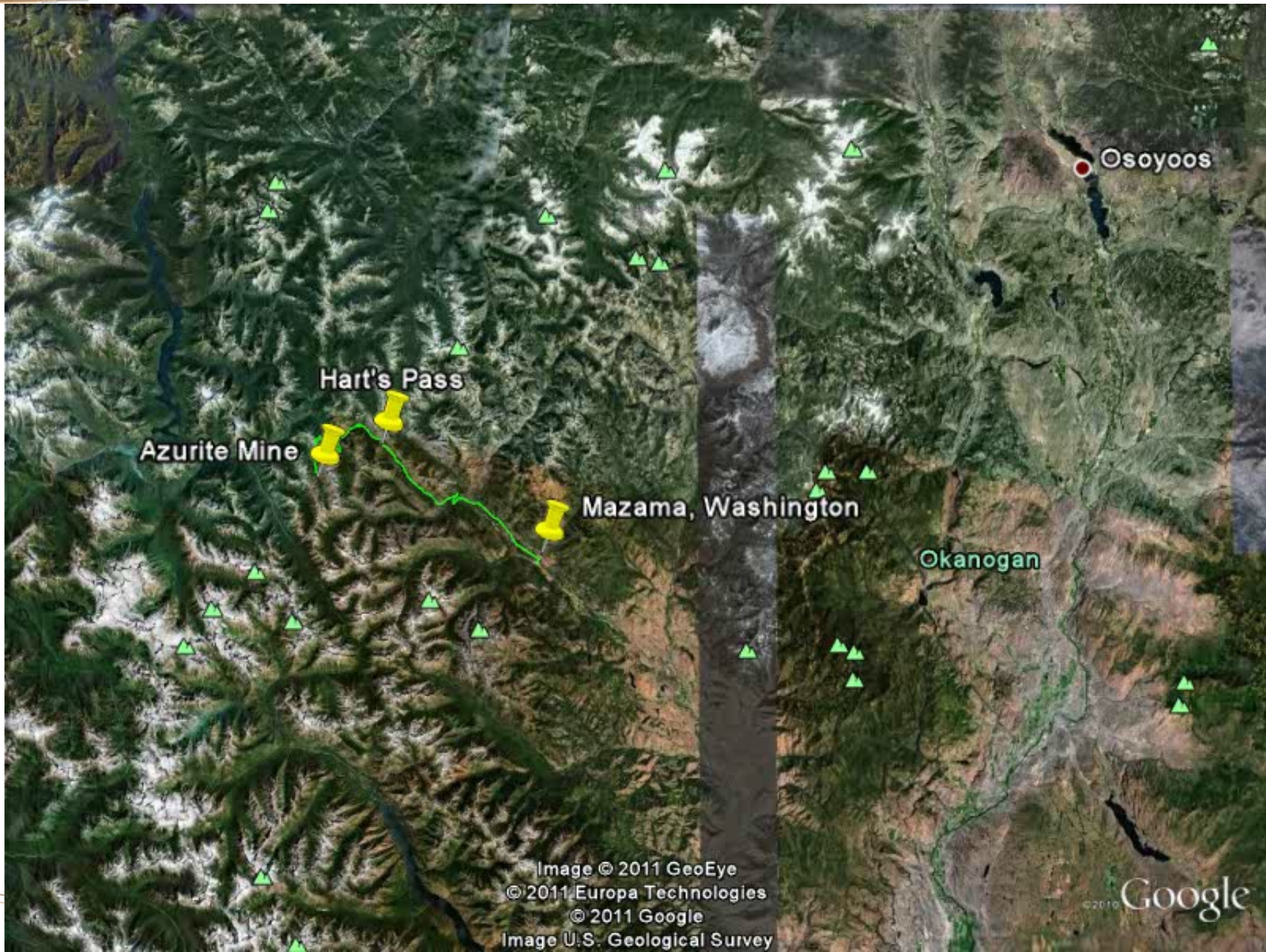
Construction Challenges

- Weather Conditions (rain, snow, heat)



Construction Challenges

- Weather Conditions (rain, snow, heat)
- Typical Construction Window (late June – early October)
- Steep Slopes / Difficult Terrain
- Limited Onsite Staging Areas
- All Borrow Material from Onsite
- Remote Access/Logistics/Communication



Azurite Mine

Hart's Pass

Mazama, Washington

Osoyoos

Okanogan

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2011 Removal Action Summary

- Turnkey “Design/Build” Contract Structure
 - CES – Prime Contractor
 - Palm Construction – Main Subcontractor (Local)
- Mobilization – July 11, 2011 – 3 weeks late (weather)
- Continuous Work Schedule, CES and Subs
- Demobilization – September 26, 2011 – 1 week early

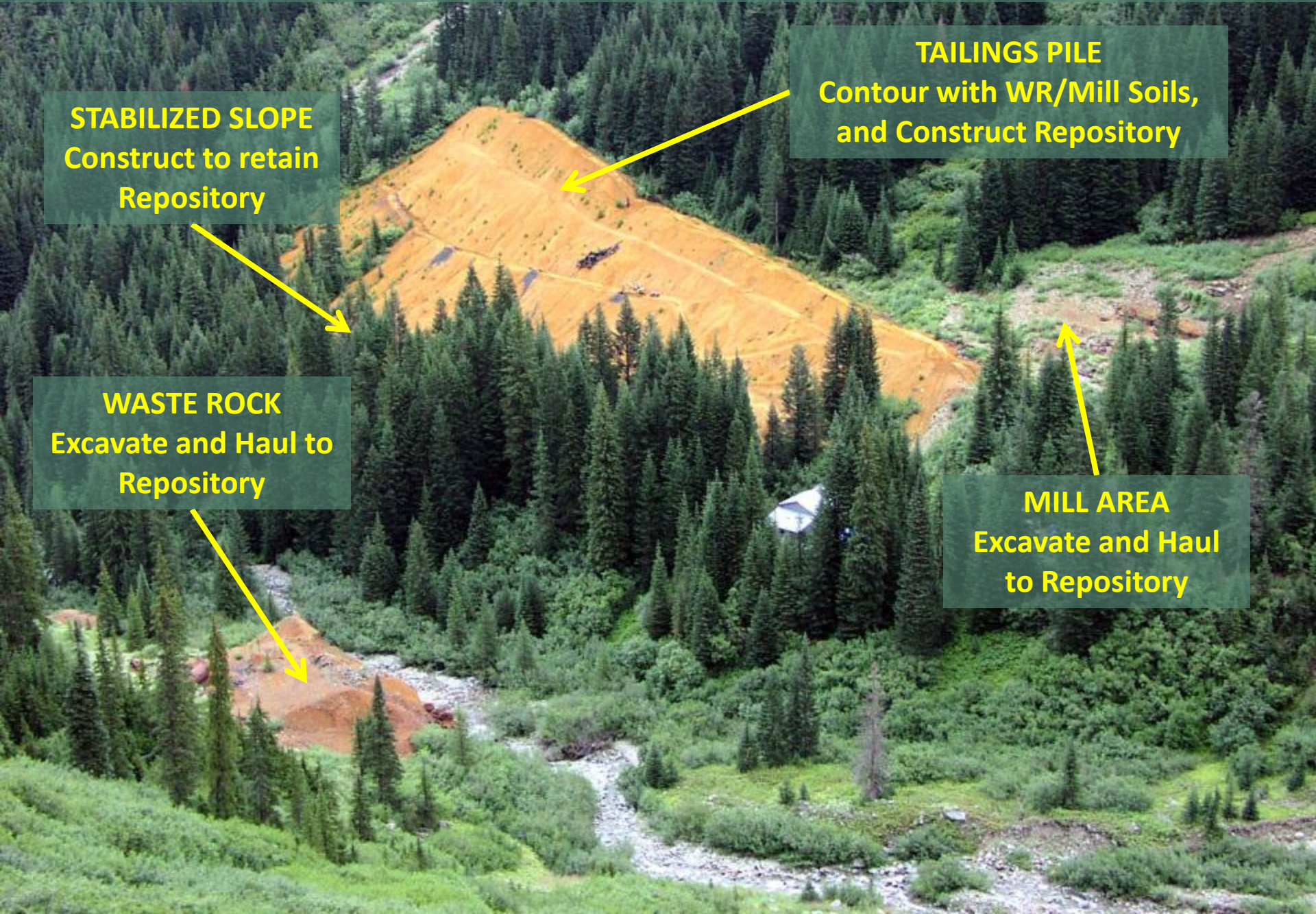
OVERVIEW OF AZURITE MINE REMOVAL ACTION

STABILIZED SLOPE
Construct to retain
Repository

TAILINGS PILE
Contour with WR/Mill Soils,
and Construct Repository

WASTE ROCK
Excavate and Haul to
Repository

MILL AREA
Excavate and Haul
to Repository



Camp, Equipment and Manpower

- Remote Camp (internet, phones, running water, flushing toilets, showers, washer/dryer, cook, tents/campers)
- 3 Excavators
- 2 Loaders
- 3 Dozers
- 2 Off-Road, Articulated Haul Trucks
- Roller Compactor, Water Truck, Misc. Work Trucks
- Bear Proof Storage Containers
- Manpower – 10 to 20 (Palm/Subs) / 1 to 3 (CES)

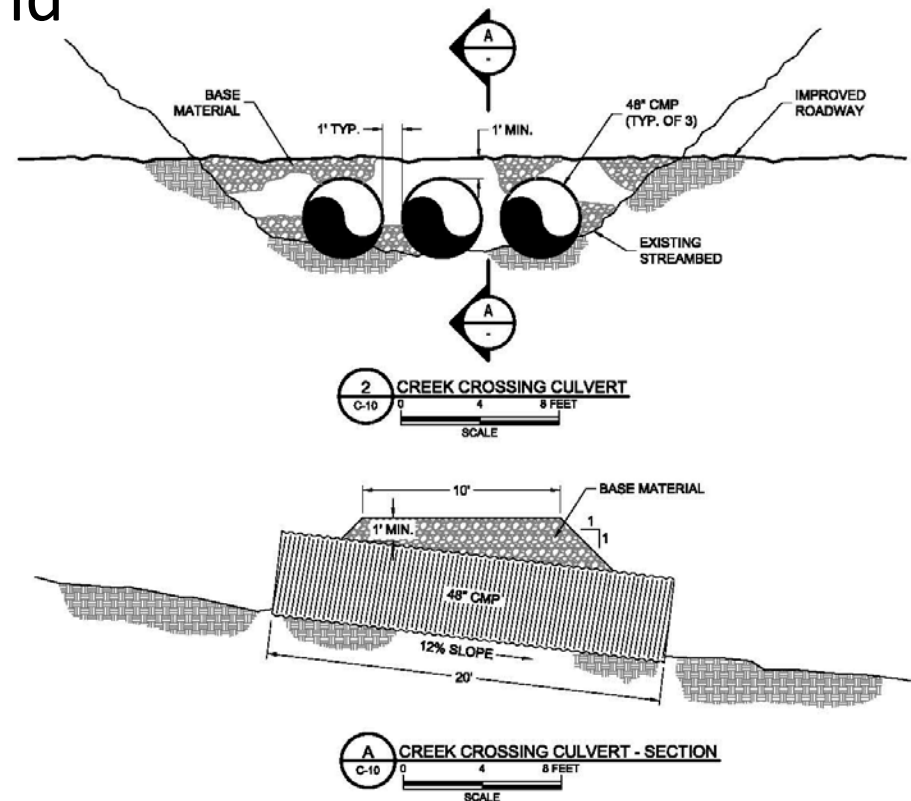
Erosion and Sediment Control

- Run-On Ditches
 - Waste Rock / Tailings
- Silt Fence
 - Borrow Area / Waste Rock
- Filter Berms
 - Borrow Area / Waste Rock
- Sedimentation Pond
 - Tailings / Repository



Mill Creek Crossing and Diversion

- Access Waste Rock Pile, and Transport to Repository
- Three, 48-inch CMPs
- Temporarily Divert Mill Creek Away From Waste Rock Pile



Mill Creek Crossing



Borrow Area Development

- Onsite Source for Screening / 3 Products
- 2-inch minus
 - Stabilized Slope Fill, Road Bed/Base, Fill Material
 - 40,000+ cubic yards used, more remains onsite
- 2-inch to 36-inch
 - Repository cover, rockered diversion ditches
 - ~20,000 cubic yards
- 36-inch plus
 - Misc. Placement, armoring

Borrow Area Development

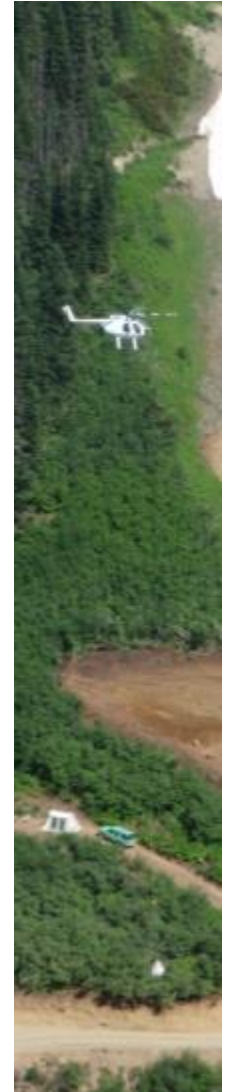


Borrow Area Development



Underground Working Closures

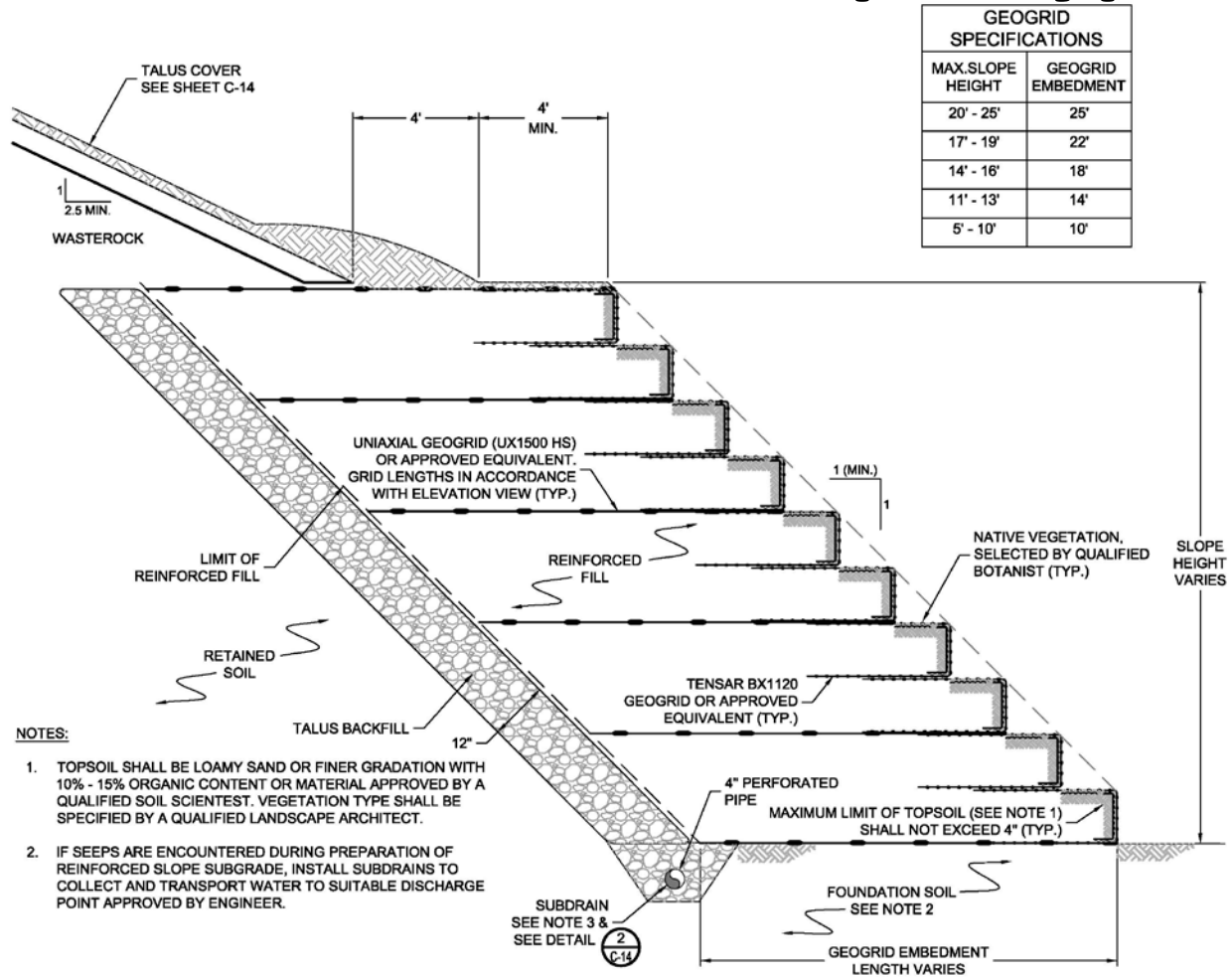
- Planned for 5 Closures (4 Adits / 1 Vent)
- Pre-Cut Steel and Culverts Delivered to Site
- Final Onsite Fabrication
- Installation with Helicopter and Onsite Welder
- 4 Closures
 - Burnham, Tinson, and Discovery Adits
 - Discovery Vent
- Wenatchee Adit
 - Collapsed - No Bat Gate Installed



Reinforced Stabilized Slope

- Designed to Stabilize/Retain the Repository
- Original Design was 15-feet (H) x 15-feet (W) – 12 lifts
- Final Layout was 22-feet (H) x 25-feet (W) – 17 lifts
 - Competent Soil Deeper Than Planned
 - Increased Quantities For Borrow Material/Geogrid
- Onsite QA/QC Testing – All Final Tests Met Compaction Requirements (95% of Proctor)
- 23 days to build
 - Bottom lifts ~ 1.5 days to complete
 - Upper lifts ~ 1 day to complete

Reinforced Stabilized Slope Typical



Reinforced Stabilized Slope – Lift 1



Reinforced Stabilized Slope – Lift 4



Reinforced Stabilized Slope – Lift 8



Reinforced Stabilized Slope – Lift 12



Reinforced Stabilized Slope – Lifts 14/15



Reinforced Stabilized Slope – Complete



Waste Rock Excavation and Placement

- Design Estimate was 22,000 bcy of Waste Rock
- Risk Assessment Cleanup Goal – 104 mg/kg Total Arsenic
- Revised Cleanup Goal – 204 mg/kg Total Arsenic
 - Additional Background Soil Sampling
 - Used MTCA Stat 3.0 to Calculate Natural Background
- In-Field Screening with Niton XRF (RPDs \leq 33%)
- Final Quantities ~ 16,500 bcy

Waste Rock Pile – Before



Waste Rock Pile – Removal



Waste Rock Pile – Removal



Waste Rock Pile – Final



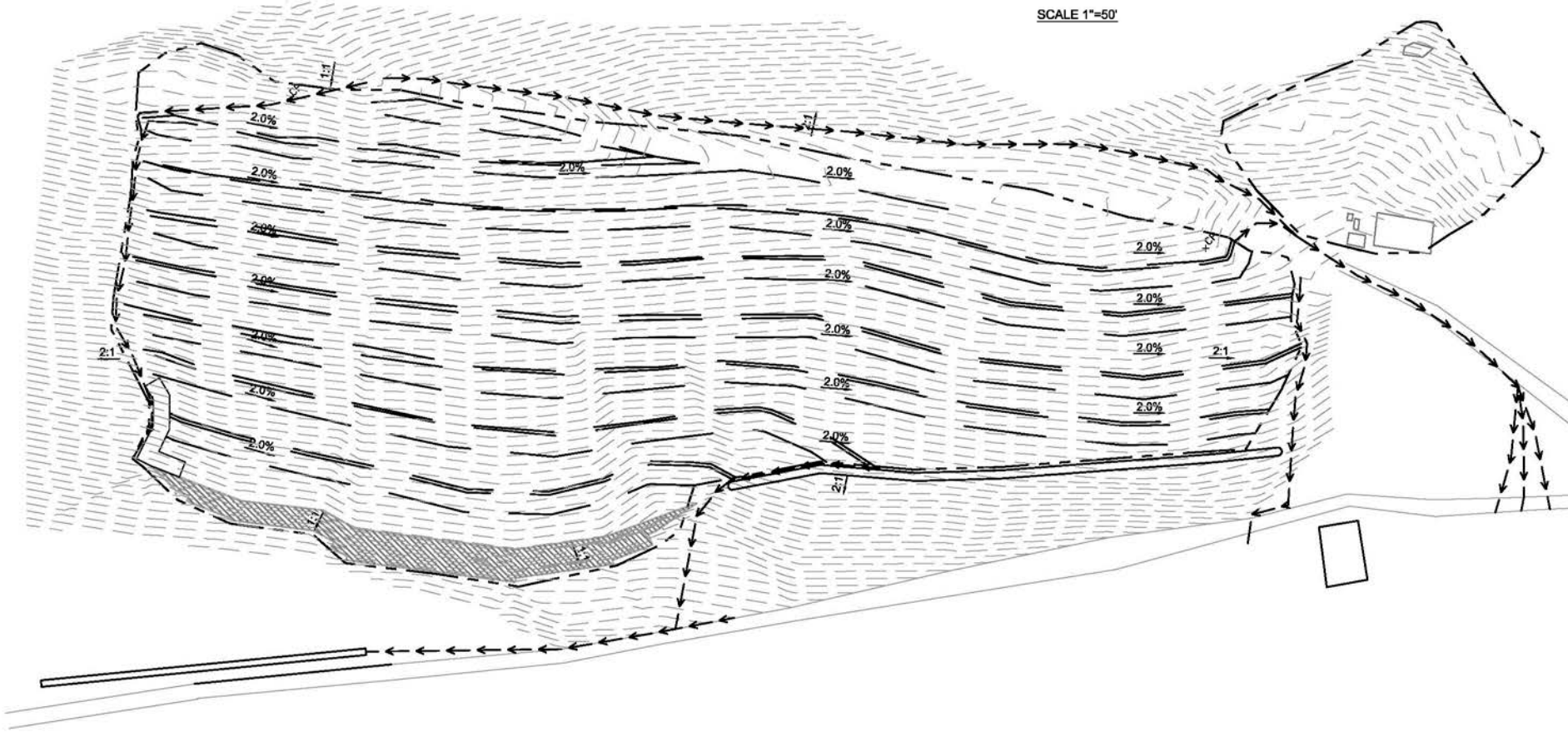
Onsite Repository

- Overall Slope = 2.5:1
- Reinforced Slope and Berm to Stabilize Repository
- Waste Rock Blended with Tailings to Achieve Slope
- In-sloped Benches Every 9 Vertical Feet
- Repository Cover (Multi-Layer)
 1. Talus/Rock Cover – Top
 2. Geogrid
 3. 12-oz Nonwoven Geotextile
 4. 40-mil HDPE Membrane
 5. 12-oz Nonwoven Geotextile
 6. Waste Rock/Tailings – Bottom

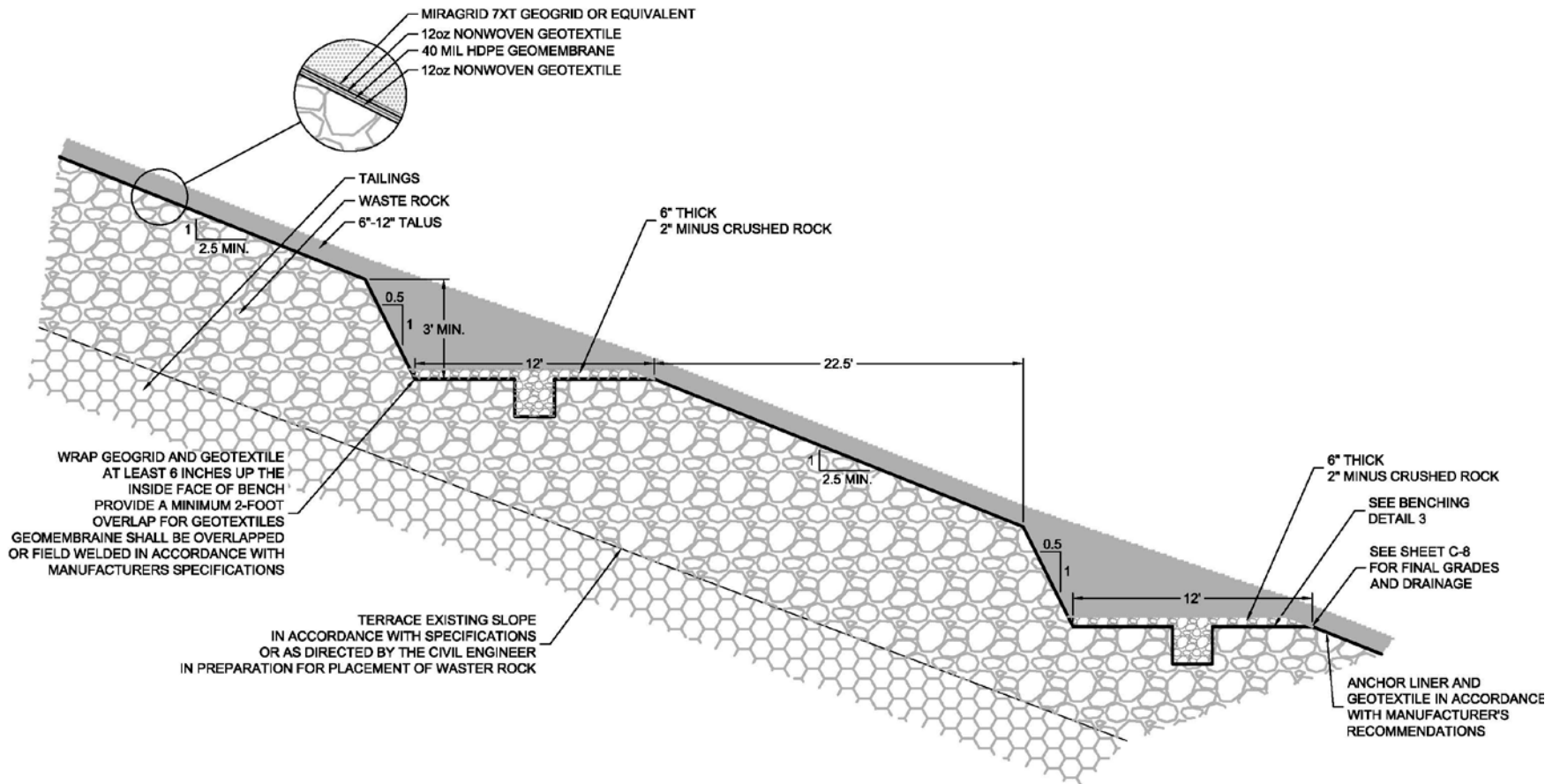
Repository Grading Plan



SCALE 1"=50'



Repository Cross Section Detail



Tailings Pile - Before



Tailings Pile - Before



Tailings Pile – Oxidation Profile



Repository Benching / Grading



Repository Benching / Grading



Repository Benching / Grading



Liner Installation



Liner Layers



Liner Installation



Liner Installation



Liner / Cover Installation



Repository – Final



Repository – Final



Repository / Tailings Pile – Before



Repository – Final





Summary

- Completed 4 Weeks Ahead of Schedule
- Field Changes Easily Made with Continuous Oversight & Communication
- No Health/Safety Concerns
- 3-Years of Long-term O&M Inspections, & Monitoring
- RA Cost - \$2.5M Capital



QUESTIONS

