INACTIVE PRODUCTION ROCK SITES AND QUARRIES 2004 ANNUAL REPORT

Kennecott Greens Creek Mining Company

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1.0 Executive Summary

This annual report has been prepared by Kennecott Greens Creek Mining Company in accordance with the mine's General Plan of Operations Appendix 11, Attachment C. Monitoring data summaries are presented for five inactive production rock sites (1350, 960, Mill Backslope, Site C and Site E) and five quarries (Pit 405, Pit 6, Pit 174, Pit 5 and Pit 7). Pit 5 is currently the only quarry where active rock excavation still occurs.

The report is separated such that all aspects of the inactive production rock sites are discussed first in Section 2 followed by discussion of the quarries in Section 3. Information that is pertinent to both sections is generally not repeated but is discussed in the most relevant section and identified by reference in the other section.

Acid base accounting results from grid samples collected at inactive production rock sites in 2004 support previous investigations. The sites contain a mixture of acid generating and acid neutralizing rock and except for specific Mill Backslope and Site 1350 samples, the bulk of the material has near-neutral pH. All inactive sites have drainage dominated by near-neutral waters having sulfate and metals concentrations consistent with exposed production rock. Base flows at inactive site sample locations are low (generally less than 10 gpm), and no significant influence on sensitive receiving areas has been identified.

The exposures in the rock quarries generally contain far less pyrite and carbonate than is contained in production rock. Two of the five quarries (Pit 405 and Pit 174) have zones of potentially acid generating rock that are of significance, however the volume of runoff from these zones is small. Lower sulfide contents and smaller surface areas yield a lower flux of oxidation products from quarries compared to production rock sites. Water monitoring indicates that metal loading from pit walls is also lower than loading from production rock sites. Metal loading identified in the drainage from Pit 5 does not appear to be solely associated with the pit walls and may reflect influences from the water treatment plant and the tailings facility.

2.0 Inactive Production Rock Sites

2.1 Introduction

Kennecott Greens Creek Mining Company (KGCMC) has prepared this section of the Annual Report in accordance with the mine's General Plan of Operations (Appendix 11, Attachment C). A summary of all operational and monitoring activities performed at inactive production rock sites in 2004 is provided. Site locations are shown on Figure 2.1. Refer to GPO Appendix 11 for a detailed description of the facilities and associated monitoring requirements. Aspects of the inactive Site D are covered in the Tailings and Production Rock Site 2004 Annual Report (KGCMC, 2005), which also covers the active production rock site (Site 23) and tailings facility.

Surface sampling entailed collecting material from a grid that randomly produced the specified number of samples. Small sites were sampled by taking material from roughly equidistant locations along a transect across the site. The sampling technique was intended to minimize bias toward any one material type.

Summary statistics for KGCMC's inactive production rock sites are presented in Table 2.1. Acid Base Accounting (ABA) data are summarized in Figures 2.3 and 2.4. Water quality data are summarized in Figures 2.5 to 2.17 for all inactive production rock sites except Site E, which are summarized in Figures 2.18 to 2.30. New monitoring sites were added in 2002 and 2003 at Site E, and now presenting these data on separate figures enables easier data interpretation. A general summary of trends is discussed in this section, followed by individual site discussions in the subsequent sections. Refer to Figure 2.1 for general site locations, and Figure 2.2 for Site E sampling locations.

The results of grid sampling and water monitoring in 2004 are consistent with previous investigations (KGCMC, 1994; Shepherd Miller, 2000; ADEC, 2003). These investigations concluded that some of the material is potentially acid generating but that the vast majority of the material maintains a pH greater than 6.0 and that sensitive receiving areas continue to be adequately protected. This annual report serves as an annual follow-up to these previous investigations and generally does not repeat data and information presented in these reports, unless doing so provides continuity and clarity.

		Inactive Sites						
		1350	960	Mill Slope	Site C	Site E		
Years Active (approx.)		1978-1985	1987-1988	1987-1988	1987-1988	1988-1994		
Acreage		5	1	20	2	10		
Total Volume (yds)		40,000	5,000	ND	50,000	365,000		
Prod Rock Vol (yds)		40,000	5,000	ND	ND	ND		
Reclamation Material (yds)		0	0	0	0	10,000		
Average NP (tCaCO ₃ /kt)		156	ND	51	95	252		
Average AP (tCaCO ₃ /kt)		111	ND	108	71	111		
Average NNP (tCaCO _o /kt)		45	ND	-57	24	140		

ND

6.7

5.8

7.2

6.3

Average Rinse pH

Table 2.1 2004 Summary Statistics for Inactive Production Rock Sites

Figure 2.3 compares Acid Potential (AP) with Neutralization Potential (NP) from 2004 surface grid samples. Surface grid samples were taken at the Mill backslope and Site C in 2004. The inactive sites were constructed prior to development of the classification protocol that KGCMC currently uses. At the time the inactive piles were constructed KGCMC did not classify or segregate its production rock. Symbols in Figure 2.3 represent actual laboratory data points. Lines indicating the currently utilized production rock classes are shown on Figure 2.3 for reference only. Figure 2.3 shows the distribution of potentially acid generating (upper left half of figure) and potentially acid neutralizing (lower right half of figure) samples. Most of the samples would be classified as Class 2 under the current classification procedure. Regardless of pyrite content, almost all production rock at Greens Creek contains substantial carbonate (5 to 40%). This carbonate content indicates that there is a relatively long lag time to potential acid generation for the majority of the samples.

A long lag time to potential acid generation explains why only a few samples show signs of acidification and indicates sufficient time remains available to reclaim the sites, pending availability of backfill space underground, development of suitable disposal space at the tailings facility and development of cover material borrow areas. Figure 2.4 shows the relationship between surface rock grid sample rinse pH and net neutralization potential (NNP). NNP is the balance between NP and AP. A negative NNP typically indicates the sample is potentially acid generating. Rinse pH is a measure of the pH of a one-to-one mixture of "as-received" fines and water. Rinse pH is different than paste pH, which is the pH of the sample after it has been pulverized and moistened. Rinse pH is often lower than paste pH because pulverizing the sample exposes fresh, sometimes alkaline, mineral surfaces. The rinse pH method also uses more water, which can dissolve surface oxidation products, lowering the pH of the solution. The rinse pH data in Figure 2.4 demonstrate that the majority of the samples retain enough buffering capacity to maintain pHs above 6.0. Three of the nine samples showed evidence of buffering capacity depletion. These three samples are generally very pyritic and lack significant carbonate mineralization.

Flow data presented in Figures 2.5 and 2.18 demonstrate that flows at most of the sample locations are generally low (less than 10 gpm). Some of the flow data were collected as part of the NPDES stormwater monitoring program. Collected during or following storm events, flow data from these locations (e.g. Site E 356, 960 347) represent short-term maximum flow values in response to relatively large precipitation events. Lack of significant flow from inactive sites is a positive characteristic because it reflects minimization of potential off-site impacts.

Figures 2.6 and 2.19 show pH data from inactive site sampling locations. Lower pH values can represent influences from pyrite oxidation and/or organic acids from muskeg and forest soils. The data show that the vast majority of the site drainage remains above pH 6.0. The sample from the mill backslope in 1995 was runoff collected from a bench containing zones of heavily pyritized rock. For a brief period in 1998 and 1999, acidic conditions developed at Site 960 347. KGCMC applied lime and removed 1000 cubic yards of oxidized pyritic rock from the site in 2000. Additional material removed in 2003 and 2004 is discussed below in Section 2.3. The pH of the drainage quickly rebounded and has remained near-neutral since 2000. One of the four mill backslope site samples in 2004 had a pH less than 6.0. Alkalinity data presented in Figures 2.7 and 2.20 are consistent with the pH results in Figures 2.4, 2.6, and 2.19. Except for the current mill backslope site, all sample locations maintain measurable alkalinity provided by dissolution of carbonate minerals.

Conductivity data are shown in Figures 2.8 and 2.21. Conductivity indicates the amount of dissolved constituents in the water. KGCMC samples having higher conductivity values usually have higher sulfate, calcium and magnesium (hardness) concentrations, reflecting influences from sulfide oxidation and carbonate mineral dissolution. Water that has contacted production rock is expected to have higher conductivity values than background waters. Site E 356 and Site 960 347 show an overall decreasing trend in conductivity, and Site 1350 and the mill backslope remain unchanged. Site C had a slightly higher average annual conductivity in 2004 than 2003 (1180 µmhos/cm in 2004 versus 962 µmhos/cm in 2003). The trends apparent in Figures 2.8 and 2.21 are the result of decreasing reactive surface area available for oxidation and dissolution. The reactive surface area decreases as reactants are consumed and mineral surfaces become coated with oxidation products. The results for sulfate, magnesium and hardness, shown in Figures 2.9 and 2.22, 2.10 and 2.23, and 2.11 and 2.24, respectively, correlate with conductivity results and are consistent with the concept of generally decreasing or static reactive surface area.

The data for zinc, copper, lead, cadmium, nickel and arsenic are presented in Figures 2.12 to 2.17 and Figures 2.25 to 2.30. Sample results that were less than the detection limit are plotted at one half the limit value. While this allows the results to be plotted on a logarithmic scale, it causes non-detect results with high detection levels to appear more concentrated than they actually are. Detection limits have varied with time and are often evident on the graphs as horizontal groupings of symbols. The results for metals generally correlate with conductivity values. Zinc concentrations reflect the higher solubility of this element relative to the others. Metal loads from inactive sites have either remained relatively constant or decreased with time. The decrease in metal loading is attributed to the reduction of reactive surface area discussed above. Site 960 showed some elevated copper, zinc and cadmium concentrations in 2004. This is likely due to the recent removal of production rock from the area, which exposed additional production rock materials in the base of the road, and rerouted additional water sources into the sampling area, confounding comparative water sampling with pre-removal data.

2.2 1350 Site

The 1350 Site is located at 1350 feet above mean sea level (AMSL), up-slope from the main portal and concentrator facility (Figure 2.1). The site contains approximately 40,000 cubic yards of material derived from advancement of the 1350 portal, which began in 1978 and continued intermittently through 1985. Waters collected near the adit opening are redirected back into the mine water collection system. Flow from the site is low and the drainage remains near-neutral. Other characteristics of the drainage (Figures 2.9 to 2.17) include a sulfate load, generally low metal concentrations, and localized iron staining. The results of grid sampling in 2003 (KGCMC, 2004) demonstrate that although some of the rock is potentially acid generating, the majority of the material remains near-neutral. Small areas containing rock with the greatest pyrite content have produced acidic oxidation products, but they are limited in extent and do not have a significant effect on the pile drainage. Monitoring in Greens Creek, below the confluence with the 1350 drainage, indicates some impact of zinc from this site.

Steep slopes preclude constructing an oxygen-limiting soil cover on the site in its current configuration. Consequently, KGCMC intends to remove the production rock from the site. Hauling the rock back into the mine via the 1350 portal is a feasible alternative, however ventilation and access infrastructure prevent doing so prior to closure of the underground workings. Other more logistically complex alternatives include hauling the material down to the 920 portal or one of the active surface disposal facilities. KGCMC will continue to monitor the site and will select an appropriate removal alternative that best suits the site's weathering performance and underground accessibility.

2.3 960 Site

The 960 Site is located just above the 920 Portal on the road to the 1350' level. Approximately 10,000 cubic yards of production rock were placed at the site in 1987 and 1988 during development of the 920 Portal and access road to the 1350 level. Placement was terminated when signs of slope instability developed below the site. Approximately 1000 cubic yards of rock were removed from the site and placed at Site 23 or underground as backfill in 2000. Additional material removed in 2003 and 2004 is discussed below.

Grid sampling and water monitoring data are consistent with those of earlier reports (KGCMC, 1994 and Shepherd Miller, 2000) indicating that some of the rock is potentially acid generating. Intermittent periods of acidification have occurred, although the drainage from the site is currently near-neutral. KGCMC applied lime to the site while material was being removed in 2000. Higher metal concentrations (e.g. zinc, Figure 2.12) are attributed to influences from localized accumulations of acidic oxidation products. The 960 Site is relatively small in extent (1 acre) and drainage flows are low (typically well below 5 gpm). Monitoring in Greens Creek below the 960 Site shows some detectable signs of effects from this site or other upgradient sites.

Removal of production rock to underground workings remains the preferred alternative for reclaiming this site. The development of long hole stopes has provided greater backfill opportunities, and KGCMC removed approximately 10,000 cy of material from the 960 Site and placed it underground in 2003. An additional 5,000 cy of oxidized material and associated underlying soil were removed in 2004. The site will be recontoured in 2005 and allowed to regrow native species, and will continue to be monitored for water quality changes.

Site 960 showed some elevated copper, zinc and cadmium concentrations in 2004. This is likely due to the recent removal of production rock from the area, which exposed some additional production rock materials in the base of the road, and rerouted additional water sources into the sampling area, confounding the comparative water sampling with pre-removal data. In 2005, the production rock material in the base of the road will be removed, where possible, without compromising the stability of the road.

2.4 Mill Backslope

A bench was cut into the valley floor at the 920 elevation providing level ground to facilitate construction of the mill/concentrator facility in 1987. Glacial till excavated from the site was hauled to Site D and Site E. Following excavation of the site and construction of the mill and related facilities, tension cracks developed above the excavated slope. Approximately 100 dewatering drains were drilled into the slope to lower the water table and reduce pore pressures. Two benches of production rock were placed on the lower half of the bank to buttress the slope and protect the drain manifold system.

Grid sampling of the mill backslope rock cover (Figures 2.3 and 2.4) indicates that this rock is acid generating. The average NNP for the backslope samples (-57 tCaCO3/kt) reflects a high sulfide content and low carbonate content in the rock. The low carbonate content is likely a combination of deficient initial compositon and depletion of carbonate from the fines fraction through weathering.

Historical sampling of drainage from the mill backslope reflected two source waters. Water from the dewatering drains had low conductivity and low metal concentrations. Precipitation that infiltrates through the pyritic production rock buttress had a higher dissolved load, dominated by

sulfate, calcium, magnesium, iron, zinc and other trace metals. Some samples indicated a mixture of these two sources. Drainage from one of the dewatering manifolds (MBS 338 9) had moderate levels of iron, yet appeared to have a minimal production rock component (low sulfate). This illustrates the process of iron mobility in reduced groundwater that is not related to production rock oxidation. When the reduced groundwater reaches the surface it reacts with atmospheric oxygen and produces iron oxyhydroxide (red staining). Average flows from combined mill backslope sources are low (less than 10 gpm) and drainage is routed to water treatment facilities via a network of drains and lined ditches.

MBS 341 is a new sample site created in 2003. It is located where the drainage from the 920 mill backslope enters the lined 920 stormwater ditch which reports to A Pond. For the three samples taken from this site in 2003, and the four samples in 2004, it appears to provide a good current representation of a combination of the historical mill backslope sample sites (MBS 333, 336, 337, 338 and 339).

In 2002 KGCMC applied lime to localized areas of the Mill Backslope, and has utilized in-situ treatments of lime and polyacrlyamide in the past. The treatments had positive short term effects on water compositions. In-situ treatment and collection and treatment of slope drainage remain the preferred near-term options for this site, because removal of the production rock would destroy the dewatering system that maintains slope stability. Long term closure options for the slope include removing the pyritic material and either replacing it with non-pyritic fill or decreasing the slope angle. Removal of the oxidized material on the Mill backslope upper road is planned for 2005.

2.5 Site C

Site C is located near the end of the B Road just below the 920 mill/concentrator facilities. The site received producton rock in 1987 and 1988 and currently contains approximately 50,000 cubic yards of material. The 860 safety building and assay lab have been constructed on this site.

Results of ABA analyses (Figures 2.3 and 2.4) show that four of five samples are potentially acid generating. However the pH of the site's drainage remains near-neutral. During construction of the assay lab, glacial till from Site 23 was placed over much of the exposed production rock. The Site 23 material is not potentially acid generating and reduces exposure of the covered production rock to precipitation and oxygen. A network of drains and catchments diverts surface water away from the production rock. Flow from the production rock is low (generally less than 1 gpm), remains near-neutral and has moderate sulfate, zinc, cadmium and iron concentrations.

Sporatic fluctuations in lead concentrations in Greens Creek below Site C may be related to sediments contributed from the storm water ditch that sheds water from the B Road between the 920 area and Site C. To improve containment of sediments and decrease the potential for metal loading to the environment, upper Pond C flow was diverted to lower Pond C, road ditch sediments from the 920 to the Pond C area were removed, and a swale was constructed at the 920 in 2004. Projected plans for Site C in 2005 include removal of oxidizing materials from the Mill backslope upper road and modification of the storm water collection systems. Additionally, a pump-back system is being planned for the Pond C waters similar to that KGCMC installed at Pond D.

2.6 Site E

Site E is located 4.6 miles up the B Road halfway between the Hawk Inlet port facility and the 920 mill facility (Figure 2.1). Approximately 365,000 cubic yards of glacial till and production rock were placed at the site from 1988 to 1994. The glacial sediments were excavated from the 920 site during construction of the mill facility. There were no grid samples taken at Site E in 2004. However, results from water sampling in 2004 at the toe of the site demonstrate that the production rock continues to buffer the pH of the drainage near neutral. Sulfate and metal loading in these samples is relatively high (but consistent with exposed carbonate buffered pyritic production rock). Flows from the site are minimal because it sits on a topographic high and only receives water from direct precipition (e.g., no run-on or groundwater input).

In late 2002 and in 2003, three new monitoring wells were installed and 13 new surface water sampling sites were established at Site E to assure understanding of potential pile influence on the area. Figure 2.2 shows the locations of these sites. Water quality data for the wells and seven of the 13 surface water sites are shown on Figures 2.19 to 2.30. One of the wells (MW-E-02-03) is completed in till to a depth of approximately 99 feet, and the two other wells are completed in gravels at 76 and 86 feet (MW-E-02-09 and MW-E-02-12). The seven new surface water sites depicted in the figures represent water quality at the toe of the pile (708, 709, and 710, along with the old sites 356, South Toe and North Toe), two downgradient drainages (703 and 704) that report to Greens Creek, and two sites in Greens Creek, one upgradient of Site E (711) and one downgradient (712). Although there are a limited number of data points thus far for these new locations, in general sulfate and metal concentrations decrease as the distance from Site E increases. However, the downgradient site in Greens Creek (712) showed slightly elevated sulfate and zinc concentrations when compared to the upgradient site (711). Samples from Sites 711 and 712, along with the samples from the three wells, all met water quality standards for sulfate, cadmium and zinc in 2003 and 2004. The data for the drainage from the toe of the pile are consistent with the results of a multi-agency review of the site in 1999 (Shepherd Miller, 2000). The oxidation and neutralization processes occurring in the pile appear to have reached a steady state and there is no indication that depletion of the neutralization capacity of waste rock is iminent. This area will continue to be closely monitored in the future.

KGCMC compared the relative costs of recountouring and covering the pile versus consolidating it with one of the other surface facilities, and found that relocating the material to tailings is the most economical solution. Plans to accommodate this relocation are underway, assessing both geotechnical and geochemical considerations of the Site E removal as well as the receiving site.

3.0 Quarries

3.1 Introduction

This section of the Annual Report is in accordance with the mine's General Plan of Operations (Appendix 11, Attachment C). Five quarry sites were developed in 1987 and 1988 to provide rock for constructing roads and other infrastructure at the Greens Creek facilities. All quarries but one (Pit 5) are currently inactive and are being used to stockpile reclamation materials (rock, organic soils and glacial till). A summary of all operational and monitoring activities performed at these five quarry sites (borrow pits) in 2004 is provided. Refer to GPO Appendix 11 for a detailed description of the sites and associated monitoring requirements.

The quarries were sampled in 2004 for drainage water quality data, and Pit 7 was sampled for ABA data. See the Inactive Production Rock Sites and Quarries Annual Report for 2002 (KGCMC, 2003) for a detailed discussion of ABA characteristics for the quarries. Summary statistics for KGCMC's quarry sites are presented in Table 3.1. Water quality data are summarized in Figures 3.1 to 3.13. The sites are discussed individually in subsequent sections. Refer to Figure 2.1 for site locations.

		Quarries				
		Pit 405	Pit 6	Pit 174	Pit 5	Pit 7
Years Active (approx.)		1987-1988	1987-1988	1987-1988	1987-2003	1987-1997
Acreage		3	3	2	5	4
Total Volume (yds)		17,000	8,500	10,000	18,000	15,000
Prod Rock Vol (yds)		13,000	0	0	16,600	0
Reclamation Material (yds)		4,000	8,500	10,000	1400	15,000

Table 3.1 Summary Statistics for Quarry Sites

Flow data for the quarry sites are presented in Figure 3.1. Much of the flow data prior to 2003 was collected during or shortly following storm events and represents maximum flow values. Flow estimates vary from just over 100 gpm to less than 1 gpm with most less than 10 gpm. The bowl-shaped geometry and low permeability of the quarry walls and floors tend to focus flow toward the entrance of the pits.

The amount of reactive surface area available for sulfide oxidation is considerably less for quarries than for production rock piles. Oxidation is limited to the non-coated outer face of the quarry wall and near surface fractures. Lower sulfide contents and smaller surface area yield a lower flux of oxidation products from quarries compared to production rock sites.

Figure 3.2 shows pH data from the quarry site sampling locations. Of 96 samples taken since 1995, 95 have pH values between 6.0 and 8.0. A pH of 5.8 was recorded from Pit 174 in 1995, but more recent samples average approximately 6.5. Alkalinity data presented in Figure 3.3 are consistent with the pH results, with all sites maintaining measurable alkalinity provided by dissolution of carbonate minerals. The lower alkalinity value from Pit 6 represents influences from organic acids derived from forest soils (note associated low conductivities of Pit 6 samples). Sample sites with the highest alkalinity are groundwater monitoring wells in Pit 5. Pit 5 has the

highest carbonate content of the quarries and also may show influences from the water treatment plant located at that site and the continued quarrying activity.

Conductivity data are shown in Figure 3.4. Conductivity indicates the amount of dissolved constituents in the water. Samples having higher conductivity values usually have higher sulfate, calcium and magnesium (hardness) concentrations, reflecting influences from sulfide oxidation and carbonate mineral dissolution. With the exception of one well in Pit 5 (MW-T-01-07), all conductivity data are consistent with waters derived from relatively freshly exposed low to moderately mineralized quarry rock. The April 2004 sample for Pit 174 showed an elevated conductivity value of 2860 µmhos/cm; however, the remaining samples for 2004 were within historical limits (400 – 600 µmhos/cm) for the site. MW-T-01-07 has considerably higher conductivity, which may reflect an influence from the Pit 5 water treatment plant. Past treatment plant upsets have contributed water to the area around the plant. This well and its relationship to the treatment plant and the tailings facility are discussed in more detail in KGCMC, 2003. The results for sulfate, magnesium and hardness, shown in Figures 3.5, 3.6 and 3.7, respectively, correlate with conductivity results.

The data for zinc, copper, lead, cadmium, nickel and arsenic are presented in Figures 3.8 to 3.13. Sample results that were less than the detection limit are plotted at one half the limit value. While this allows the results to be plotted on a logarithmic scale, it causes non-detect results with high detection levels to appear more concentrated than they actually are. Detection limits have varied with time and are often evident on the graphs as horizontal groupings of symbols. The results for metals generally correlate with conductivity values. Zinc concentrations reflect the higher solubility of this element relative to the others. Metal loads from quarry sites have been consistently relatively low and either remained constant or decreased with time. The decrease in metal loading is attributed to a reduction of reactive surface as reactants are consumed and coatings form on mineral surfaces.

Closure options for pyritic pit walls are relatively limited. Since there are no proven long term surface treatments available, it is best to let naturally occurring coatings that have formed over the past 16 years continue to form. As the coatings form and the amount of available pyrite decreases, so too will the already minimal dissolved load.

3.2 Pit 405

Pit 405 is located at 7.6 mile on the B Road. The rock from this quarry was used for construction of the B Road and other mine infrastructure. Mine records indicate that approximately 12,000 cubic yards of production rock were backfilled into the quarry in 1988. The quarry received reclamation materials (colluvium and glacial till) in 1994, 1995 and 1998 for use in future reclamation projects. KGCMC plans for 2005 involve geo-technical drilling and/or geo-physics testing to confirm site conditions at Pit 405. Acid base accounting data for this site can be found in the 2002 annual report (KGCMC, 2003). Monitoring of drainage downgradient of the quarry (Figures 3.1 to 3.13) demonstrates that influences from the site are negligible. Barring a significant change in downstream water quality, the site will be reclaimed when the reclamation materials stored in the quarry have been utilized at other sites. The production rock in the quarry will either be removed or covered in-situ. Removal of the rock would increase exposure of the pyritic quarry wall.

3.3 Pit 6

Pit 6 is located at 4.6 mile on the B Road across from Site E. The quarry produced rock for construction of the B Road in 1987. Reclamation materials (approximately 10,000 cubic yards) were hauled to the site from the Site 23 and the 920 facility. ABA analyses in 2002 indicated that the majority of the rock exposed in the pit does not have the potential to generate acid (KGCMC, 2003). Monitoring of surface drainage from the pit access ramp indicates no significant influence from the pit walls or stored material. Reclamation materials will be used to reclaim other mine facilities.

3.4 Pit 174

Pit 174 is located at 3.3 mile on the B road and was used for road construction in 1987. The pit has been partially backfilled with reclamation materials that will be used to reclaim other site facilities. ABA data taken in 2002 from pit walls indicated that some zones in the rock are potentially acid generating. However, pyritic zones account for only a small fraction of the pit wall exposure. Drainage from the site has an average pH of 6.75 (Figure 3.2). Sulfate and metal concentrations in the pit drainage are moderate, however flows are generally low (typically less than 10 gpm during rain events). Iron staining periodically occurs in the drainage below the site which collects runoff from this quarry and surrounding areas. Once the stored reclamation materials (rock, organic soils and glacial till) are utilized, the site will be reclaimed. Reclamation goals include minimizing runoff from the exposed pit wall and covering as much of the exposed pyritic rock as possible by placing a wedge of glacial till at the base of the wall.

3.5 Pit 5

Pit 5 is located just north of the tailings facility at 0.8 mile on the B Road. Pit 5 currently houses the water treatment plant. Rock from the pit was used for construction of roads and other surface facilities infrastructure. Approximately 13,500 bank yards of rock were quarried from Pit 5 in 2002. Approximately 8,900 yards of the rock were used to construct access roads on the tailings pile in 2003, and the balance remains stockpiled in the pit. Approximately 30 percent of the stockpile was used in 2004 for construction activities in expansion of the tailings placement area. ABA analyses in 2002 from pit walls indicated that the rock does not have the potential to generate acid, although it does contain small diffuse amounts of pyrite, often occurring as isolated euhedral cubes. Drainage from the site monitored at a surface stormwater site is dominated by sulfate, calcium and magnesium and has moderate to high concentrations of several trace metals (Figures 3.8 to 3.13). The December sample in 2004 showed an increase in lead and zinc concentrations; however, these concentrations have decreased to within historical limits in the first sample of 2005. This drainage is routed to the water treatment facilities via the North Retention pond located near the B Road. The ditch receives surface flow from the pit and may also be influenced by near-surface flow from the tailings pile. Final reclamation of the pit is contingent on the ultimate design and construction of the tailings pile.

3.6 Pit 7

Pit 7 is located at 1.8 mile on the A Road between Hawk Inlet and Young Bay. The pit was initially developed in 1987 to support construction of the roads and other mine facilities. Pit 7 has been partially backfilled with reclamation materials derived during expansion of the tailings pile. Iron staining has been observed in some drainage from the pit, and the source of the iron appears to be the peat and gravels stored in the pit rather than from the pit walls themselves. Temporary hydroseeding of the peat has resulted in a productive grass cover of these materials.

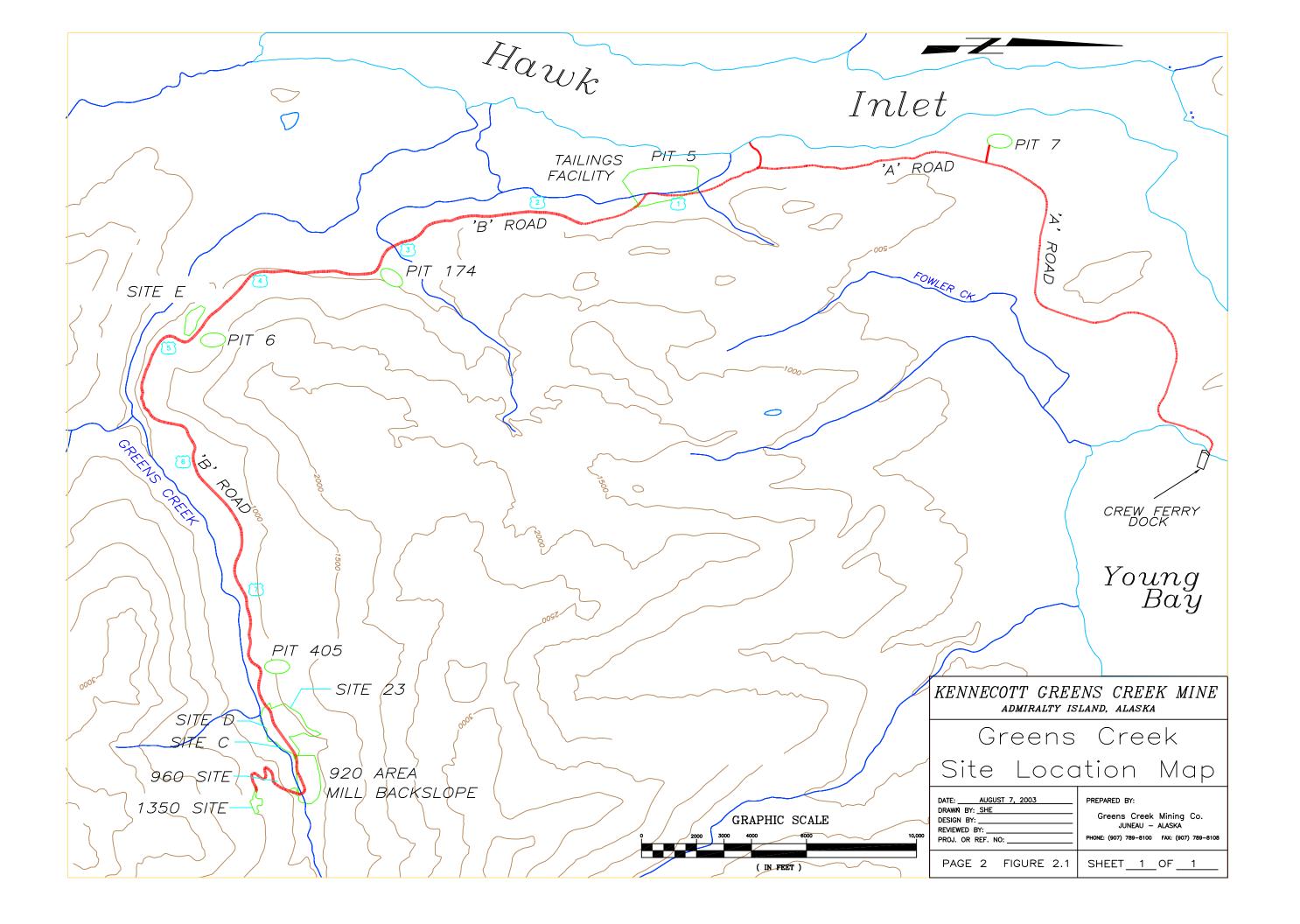
Minor iron staining occurs on the southern wall, but it is limited in extent. ABA analyses (Figure 3.14) from the samples of the pit walls indicate the potential for acid generation; however, the sulfur content of the samples is relatively low (<0.5%). Monitoring of drainage from the pit (Figures 3.2 to 3.13) demonstrates that the pit does not have a significant effect on down gradient receiving water. Relatively low sulfate concentrations (approximately 100 mg/l) and low metal values support the conclusion that sulfide oxidation and metals leaching is not significant at Pit 7.

Following removal of stockpiled capping materials for reclamation of other sites, the site will be contoured and hydroseeded. The potential exists in the Pit 7 area to create more wetlands similar to those previously constructed near the entrance to the pit.

4.0 References

- Kennecott Greens Creek Mining Company (KGCMC), Kennecott Greens Creek Mine Production Rock Site Characterization Study, March 1995.
- Kennecott Greens Creek Mining Company (KGCMC), Inactive Production Rock and Quarries 2002 Annual Report, August 2003.
- Kennecott Greens Creek Mining Company (KGCMC), Inactive Production Rock and Quarries 2003 Annual Report, December 2004.
- Kennecott Greens Creek Mining Company (KGCMC), Tailings and Production Rock Site 2003 Annual Report, December 2004.
- Shepherd Miller, Technical Review ARD/Metals Leaching and Freshwater Monitoring Plan Greens Creek Mine, February 2000.

APPENDIX 1



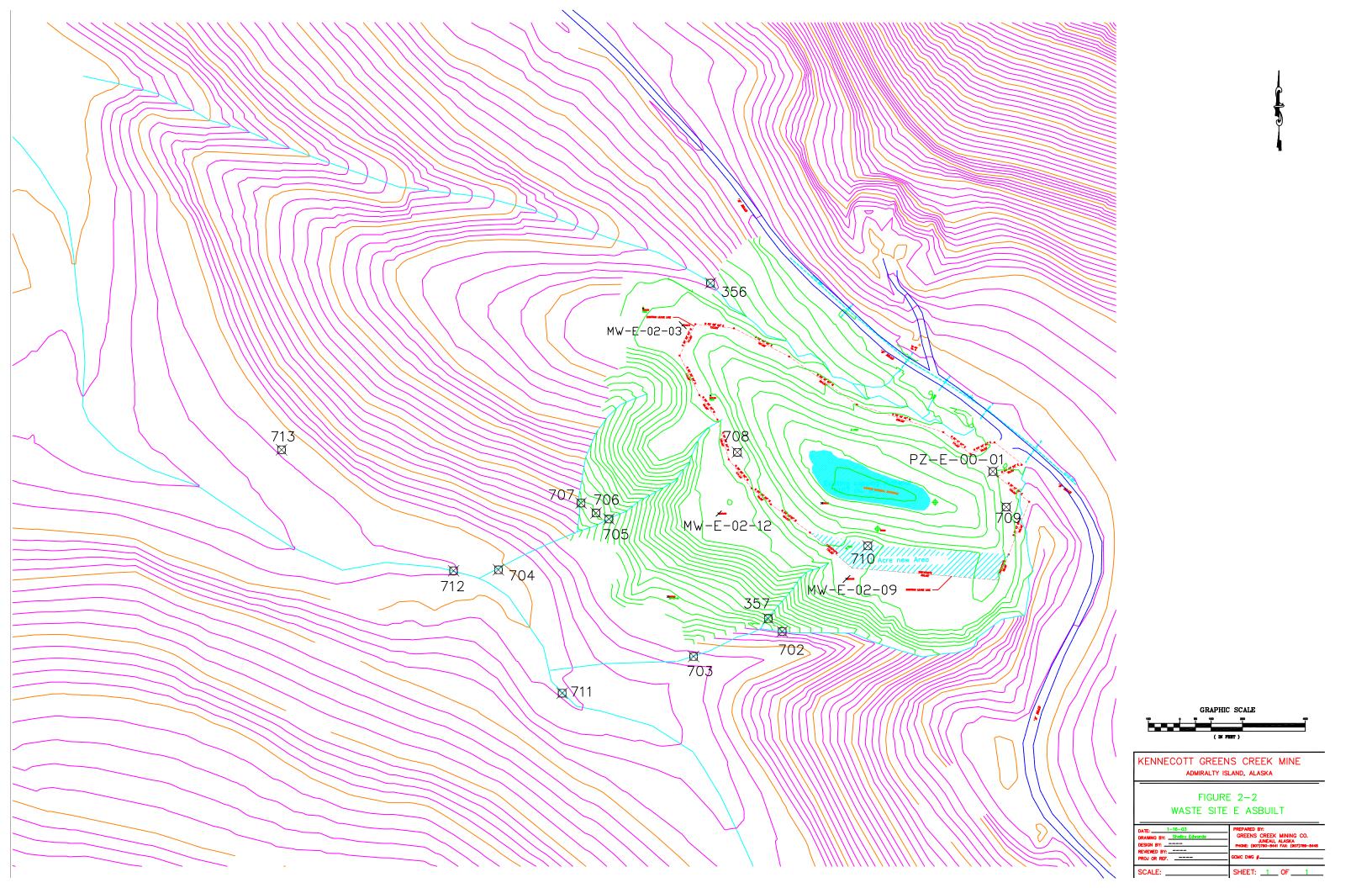


Figure 2.3 2004 Inactive Production Rock Site Acid-Base Accounting Analyses

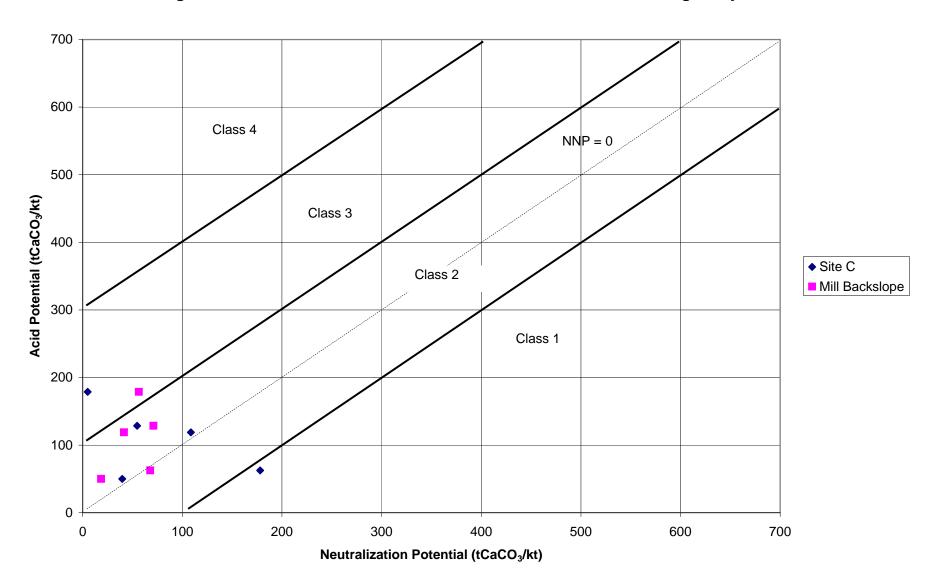


Figure 2.4 2004 Inactive Production Rock Site Rinse pH versus NNP

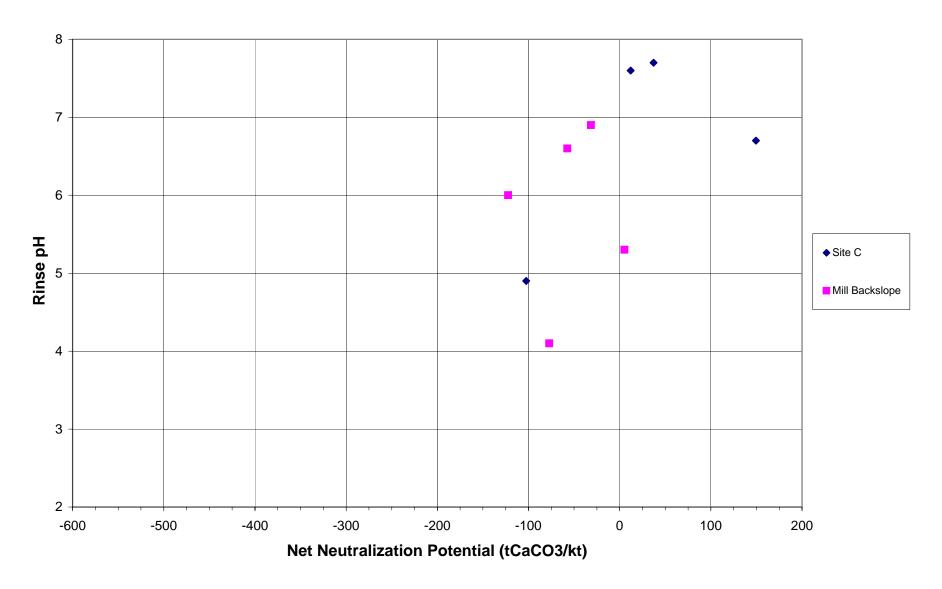


Figure 2.5 Inactive Production Rock Site Flow Data

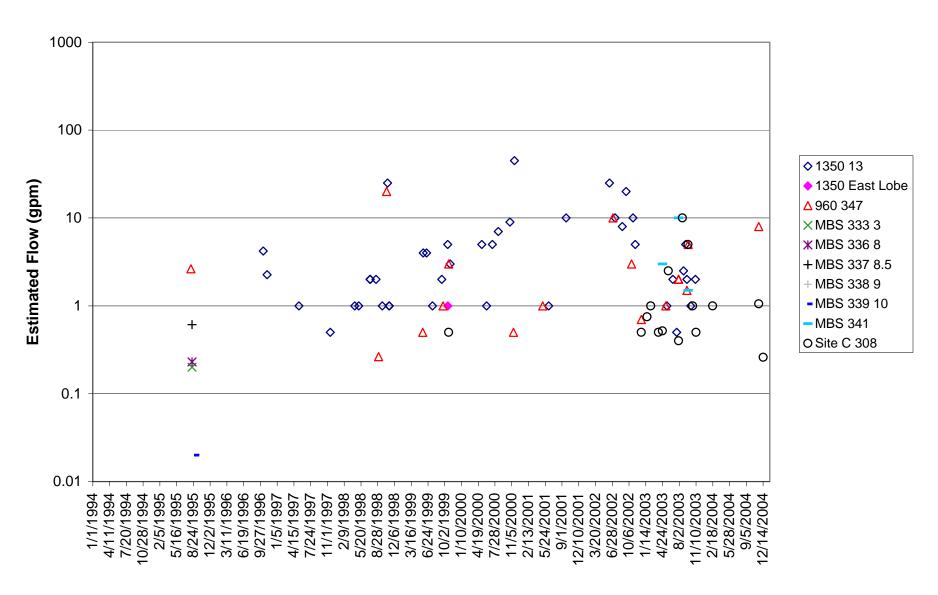


Figure 2.6 Inactive Production Rock Site pH Data

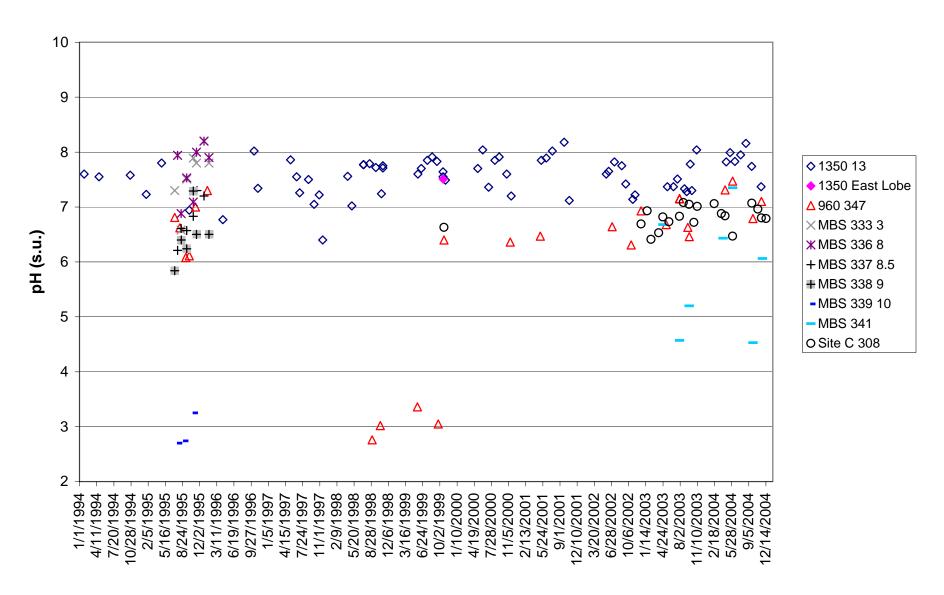


Figure 2.7 Inactive Production Rock Site Alkalinity Data

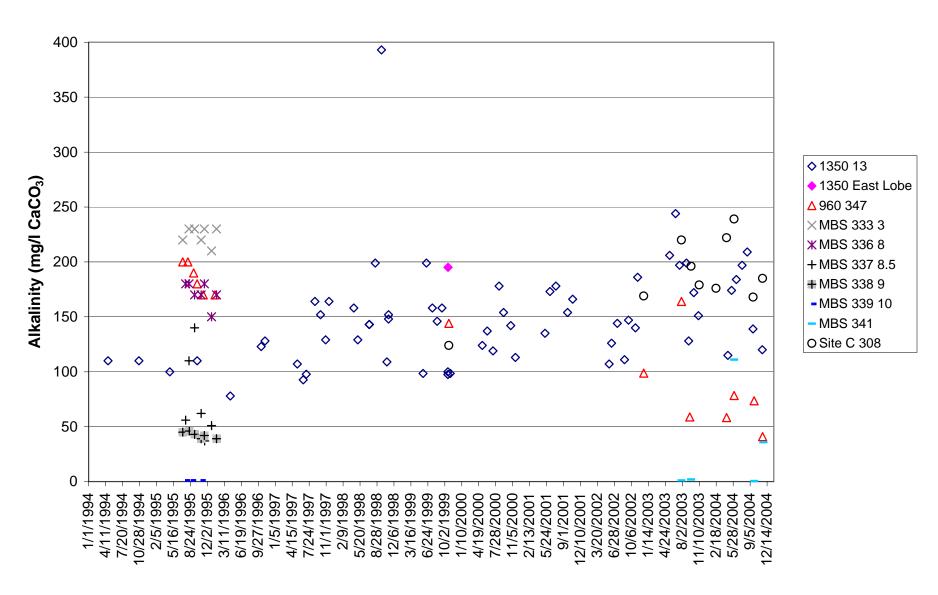


Figure 2.8 Inactive Production Rock Site Conductivity Data

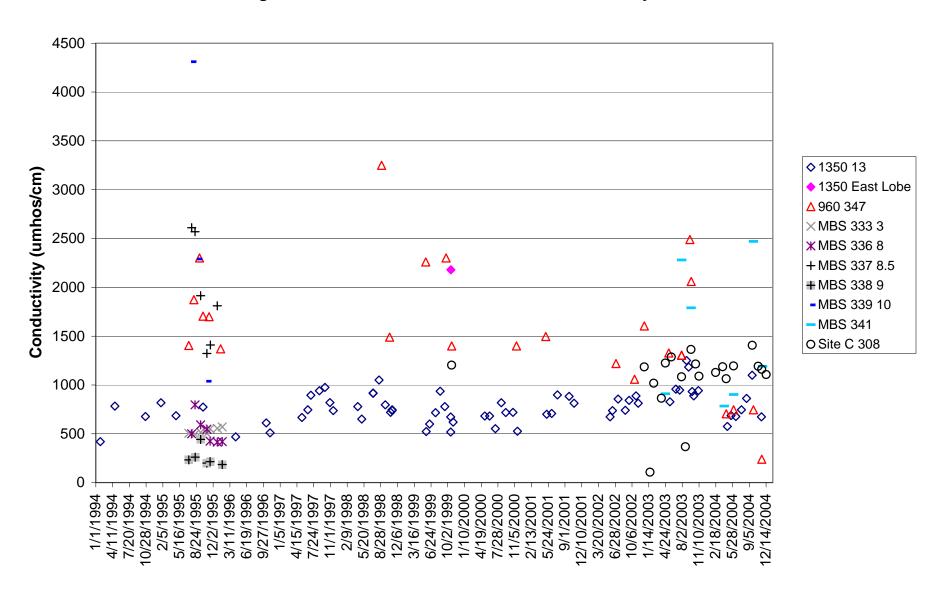


Figure 2.9 Inactive Production Rock Site Sulfate Data

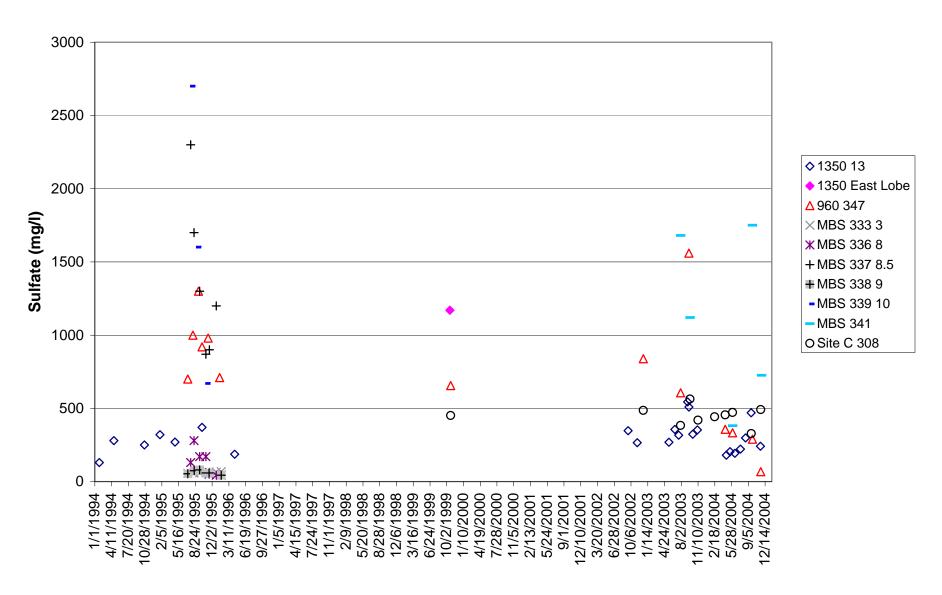


Figure 2.10 Inactive Production Rock Site Magnesium Data

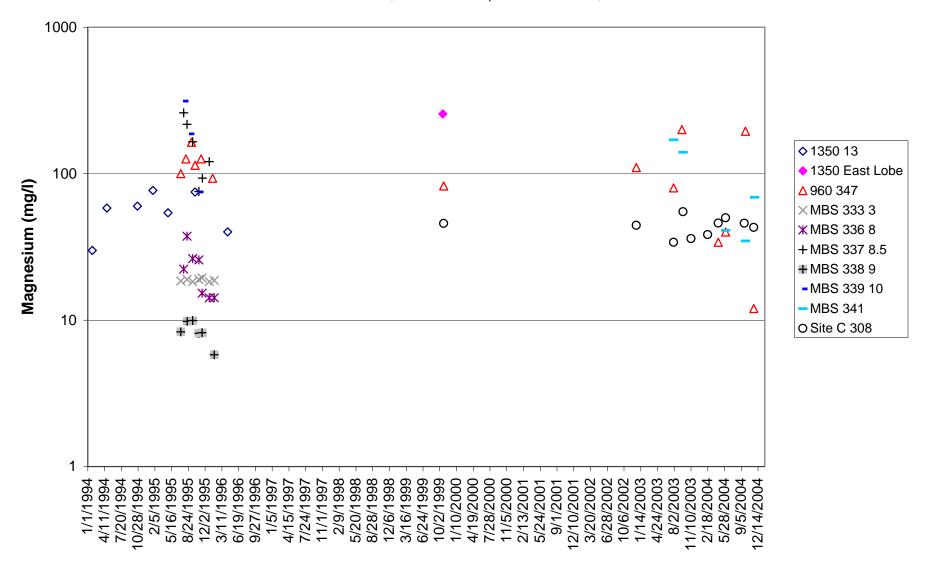


Figure 2.11 Inactive Production Rock Site Hardness Data

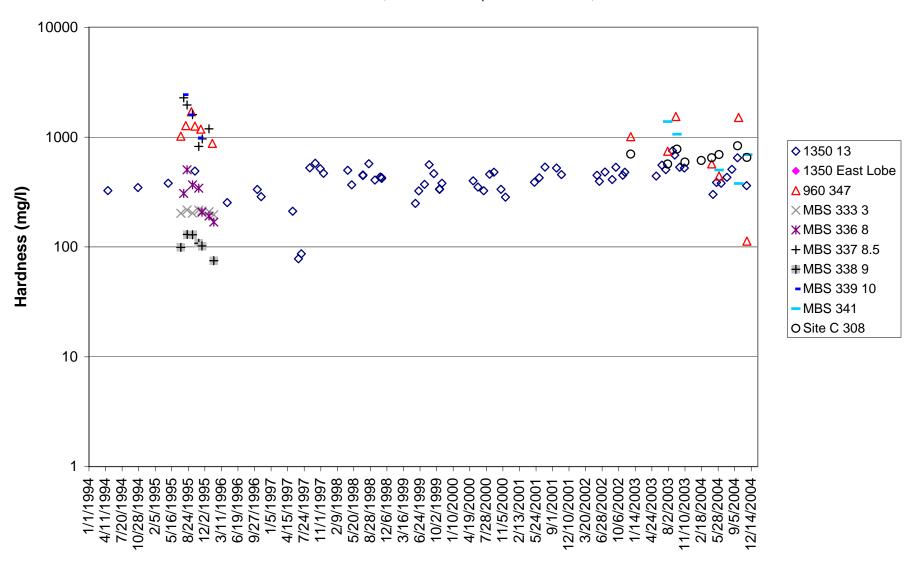
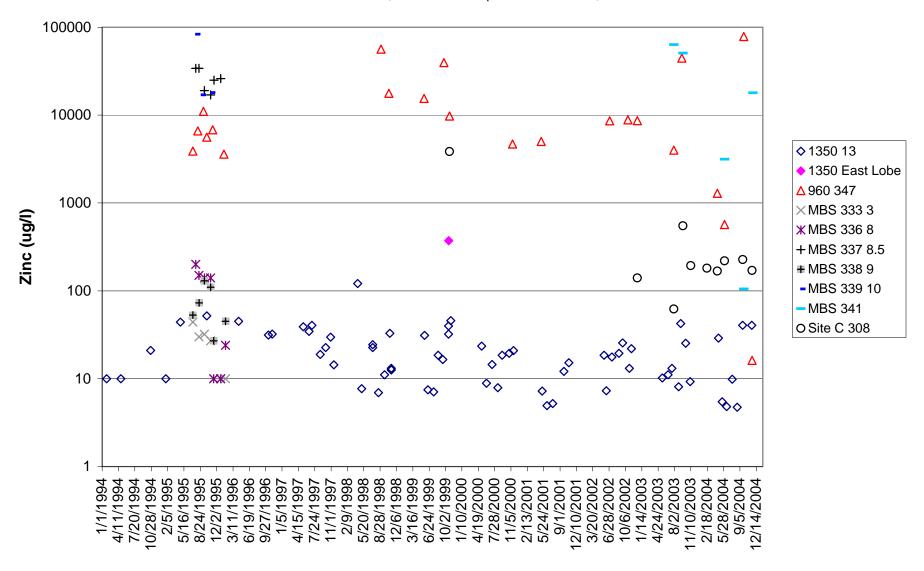


Figure 2.12 Inactive Production Rock Sites Zinc Data



Figre 2.13 Inactive Production Rock Sites Copper Data

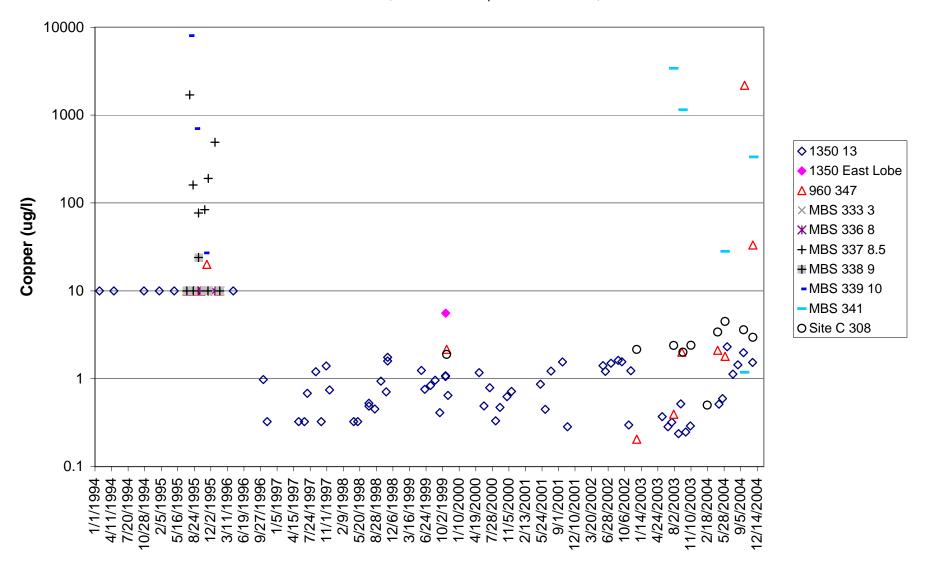


Figure 2.14 Inactive Production Rock Sites Lead Data

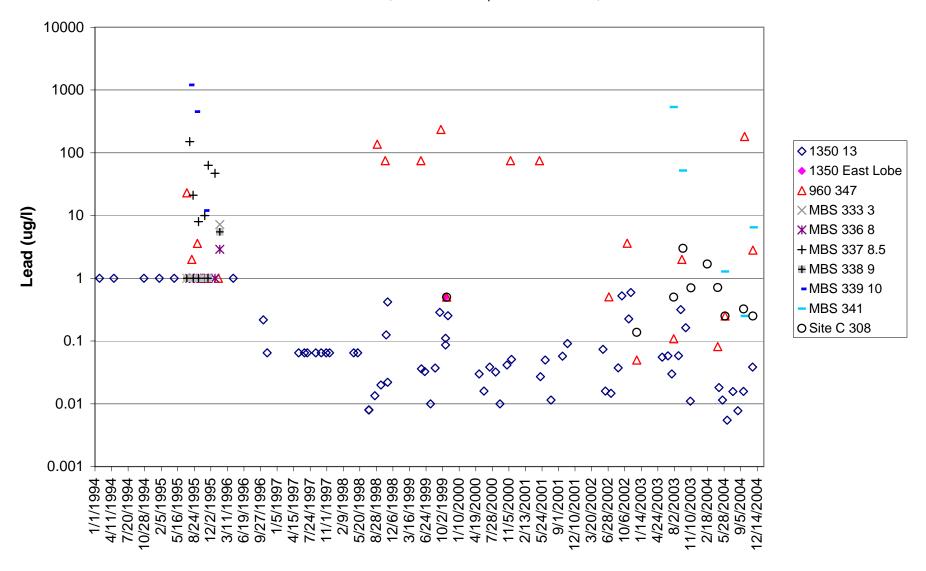


Figure 2.15 Inactive Production Rock Site Cadmium Data

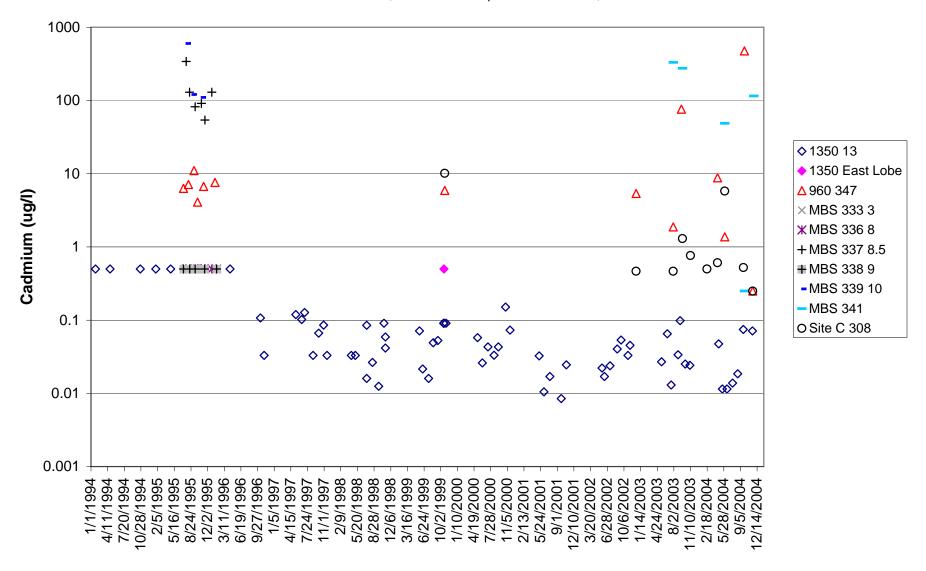


Figure 2.16 Inactive Production Rock Site Nickel Data

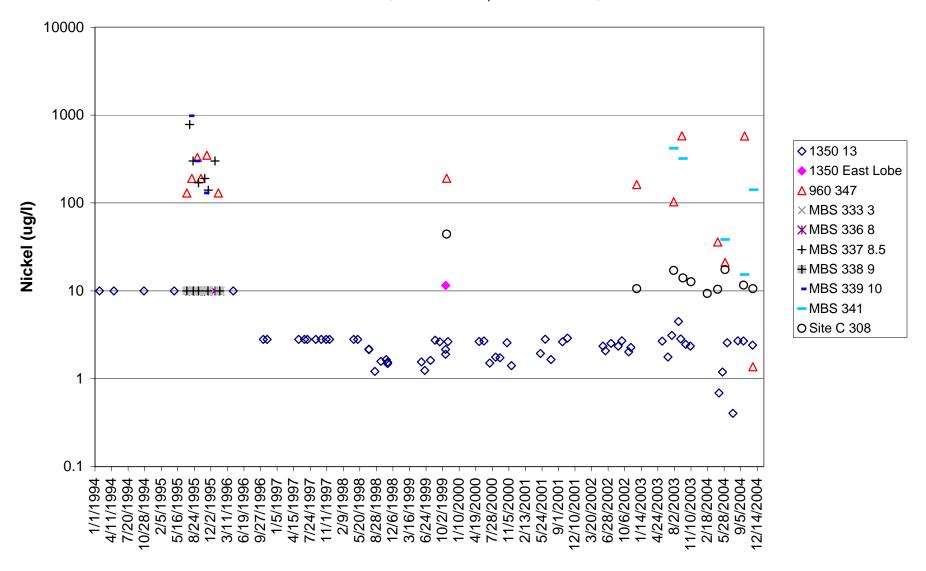


Figure 2.17 Inactive Production Rock Site Arsenic Data

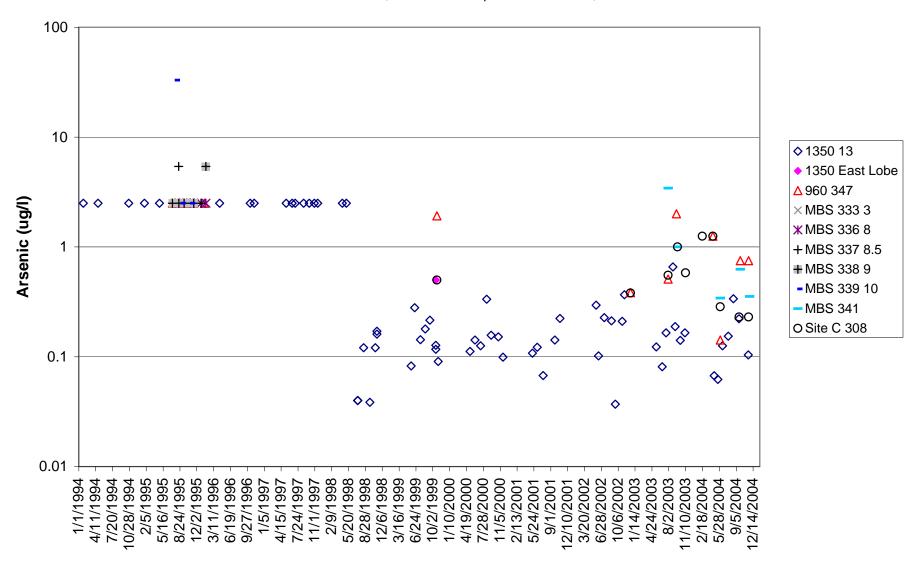


Figure 2.18 Inactive Production Rock Site E Flow Data

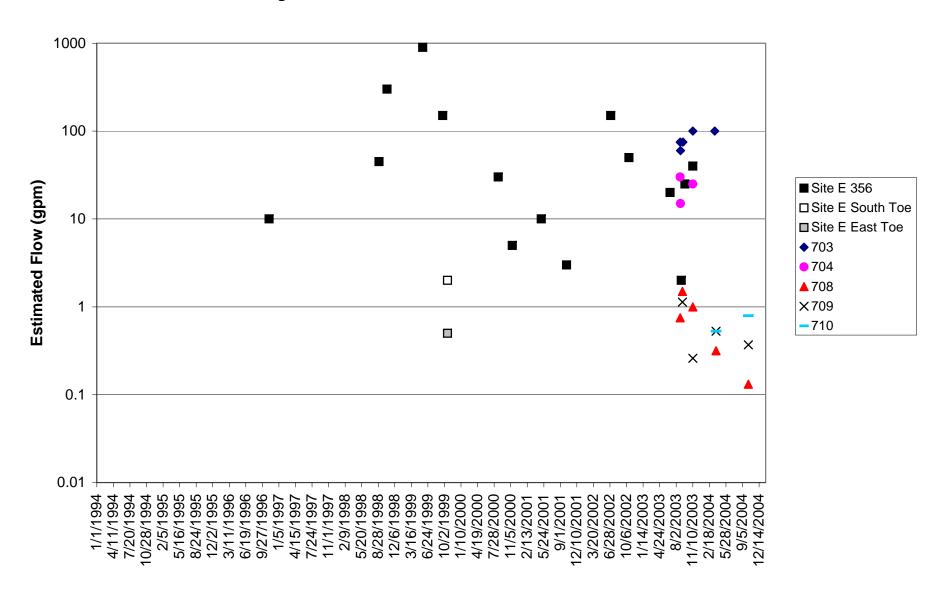


Figure 2.19 Inactive Production Rock Site E pH Data

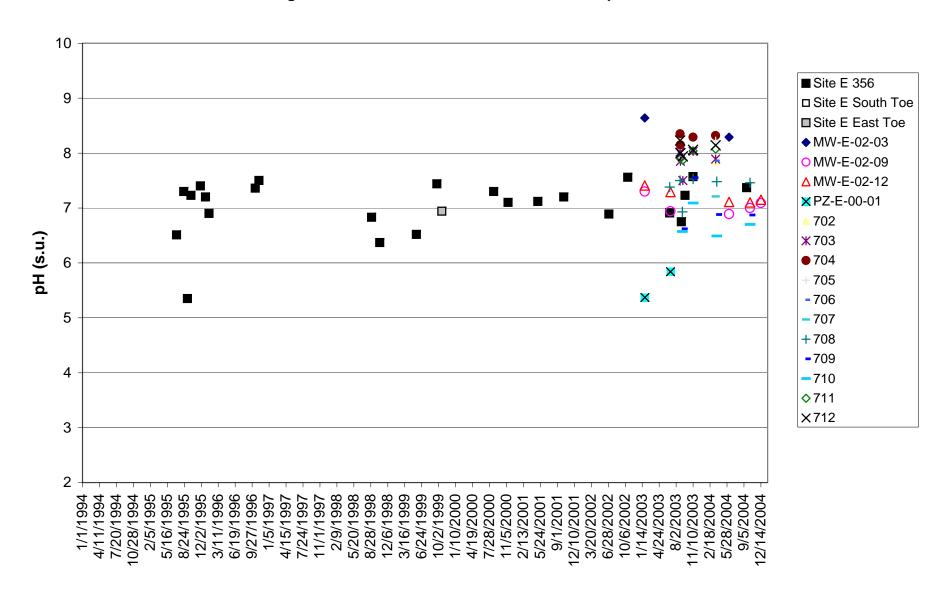


Figure 2.20 Inactive Production Rock Site E Alkalinity Data

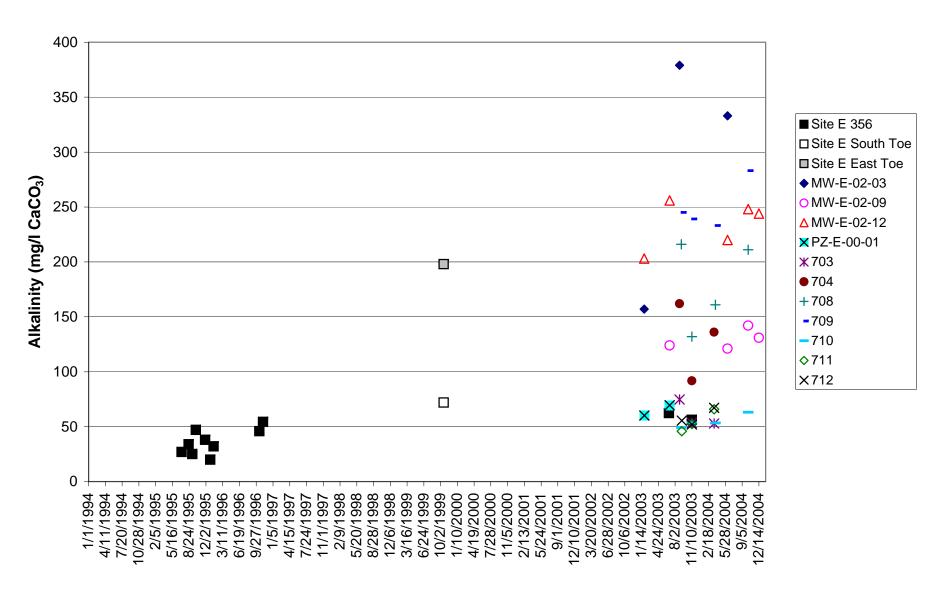


Figure 2.21 Inactive Production Rock Site E Conductivity Data

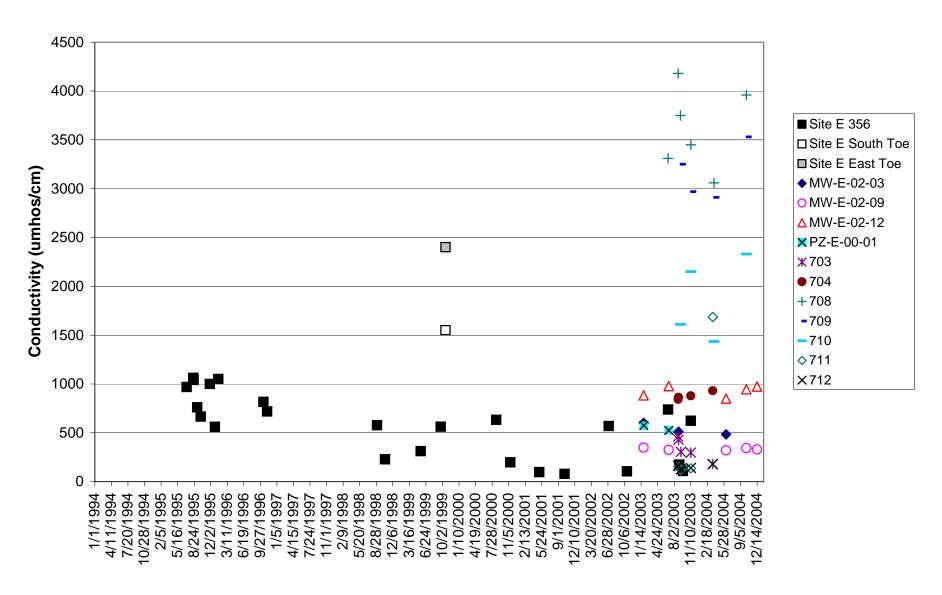


Figure 2.22 Inactive Production Rock Site E Sulfate Data

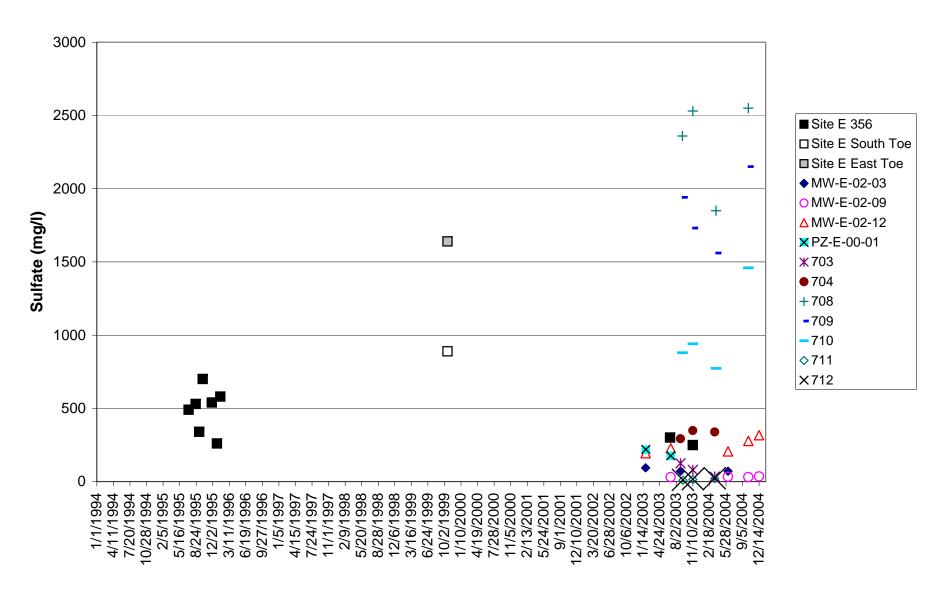


Figure 2.23 Inactive Production Rock Site E Magnesium Data

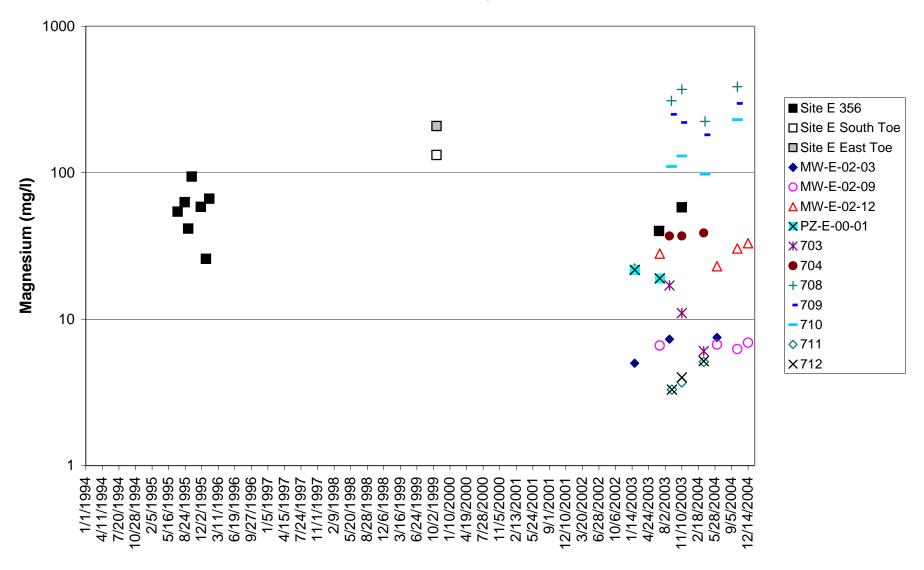


Figure 2.24 Inactive Production Rock Site E Hardness Data

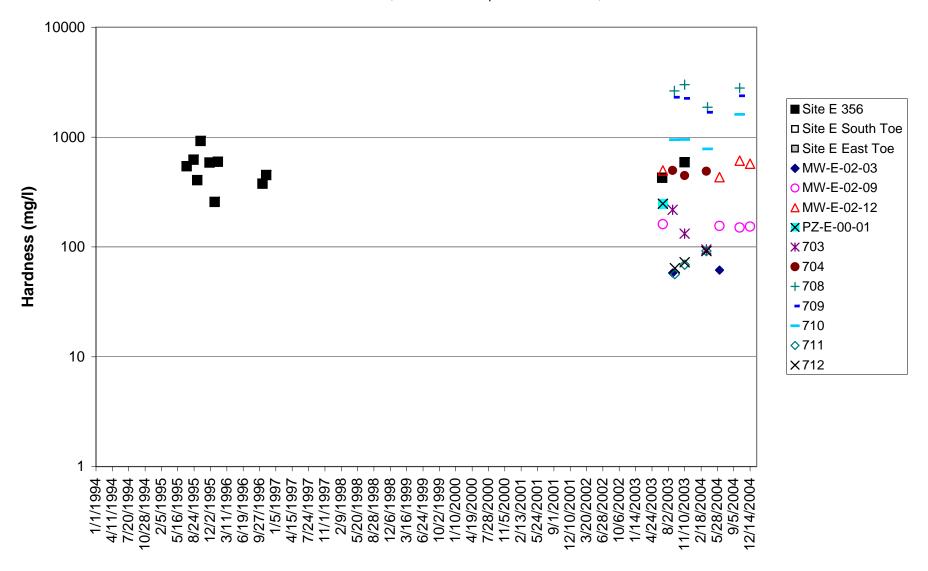


Figure 2.25 Inactive Production Rock Site E Zinc Data

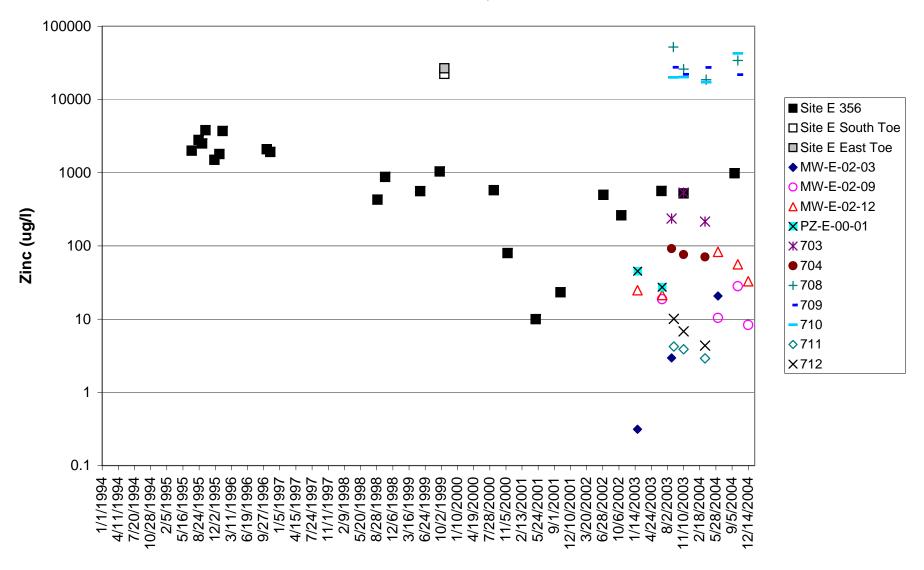


Figure 2.26 Inactive Production Rock Site E Copper Data

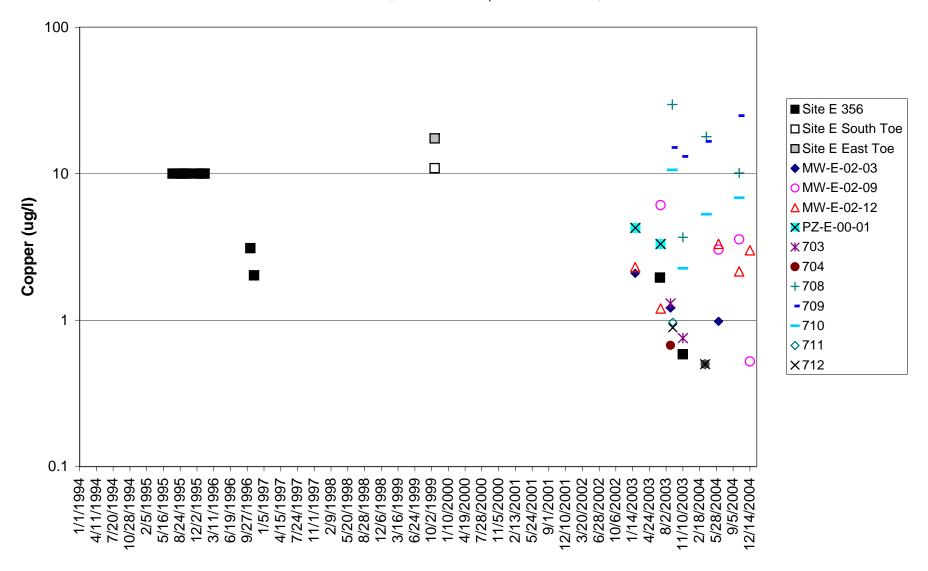


Figure 2.27 Inactive Production Rock Site E Lead Data

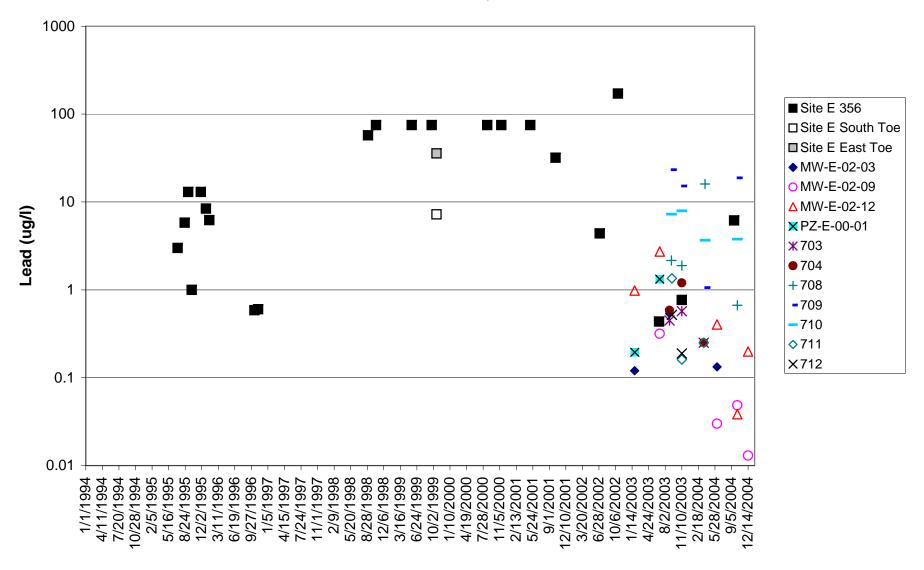


Figure 2.28 Inactive Production Rock Site E Cadmium Data

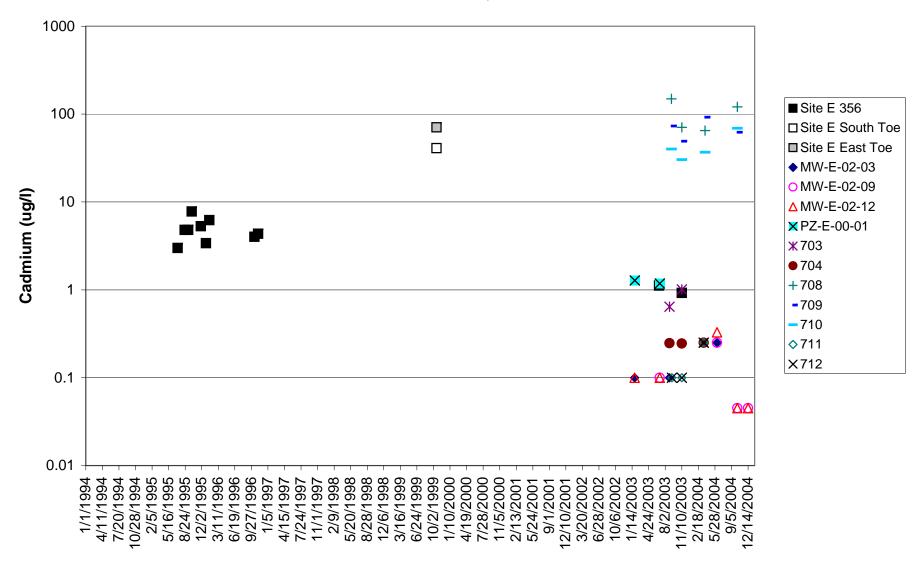


Figure 2.29 Inactive Production Rock Site E Nickel Data

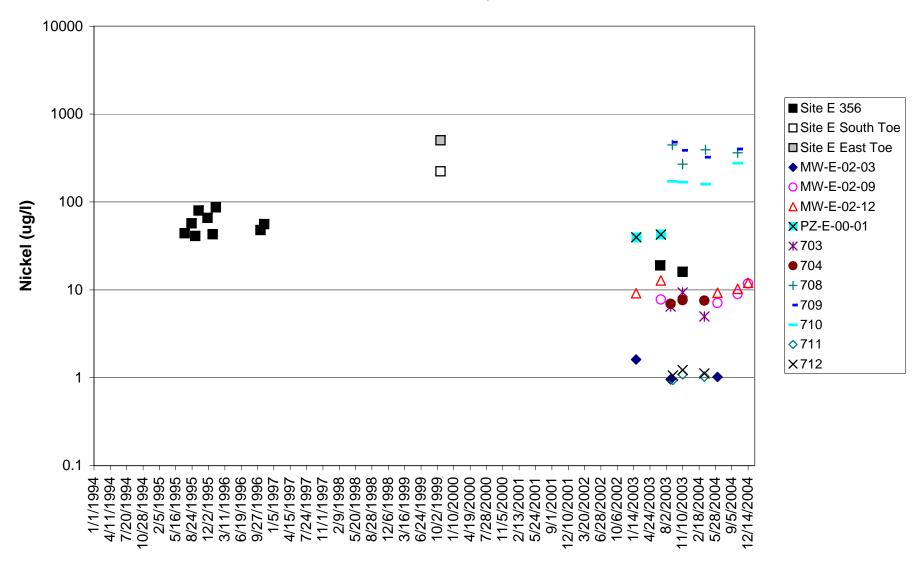


Figure 2.30 Inactive Production Rock Site E Arsenic Data

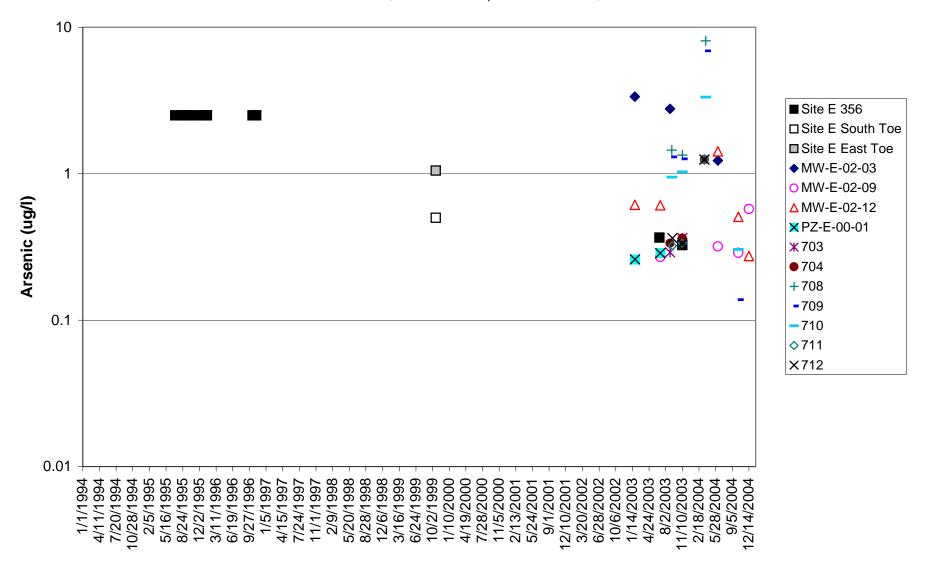


Figure 3.1 Quarry Site Flow Data

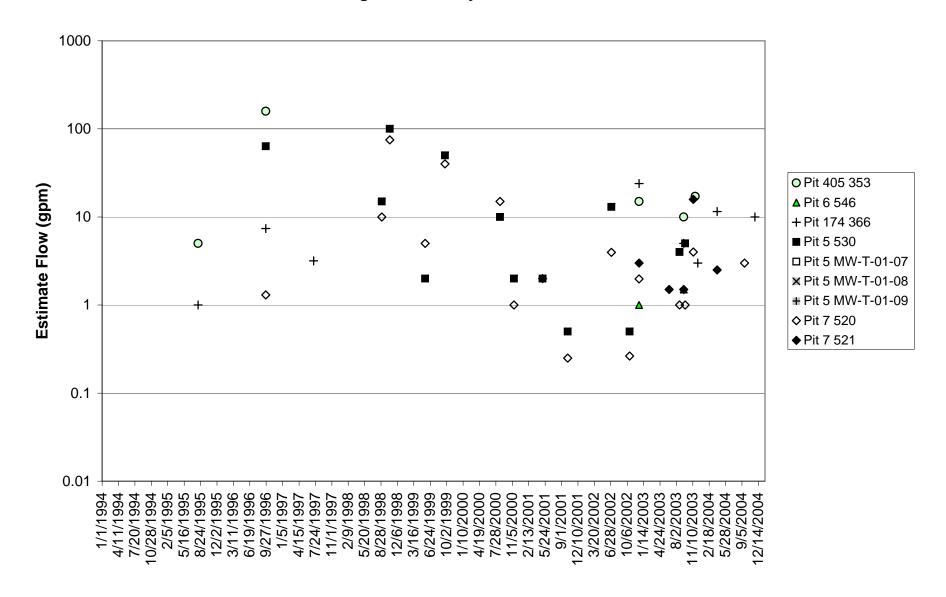


Figure 3.2 Quarry SIte pH Data

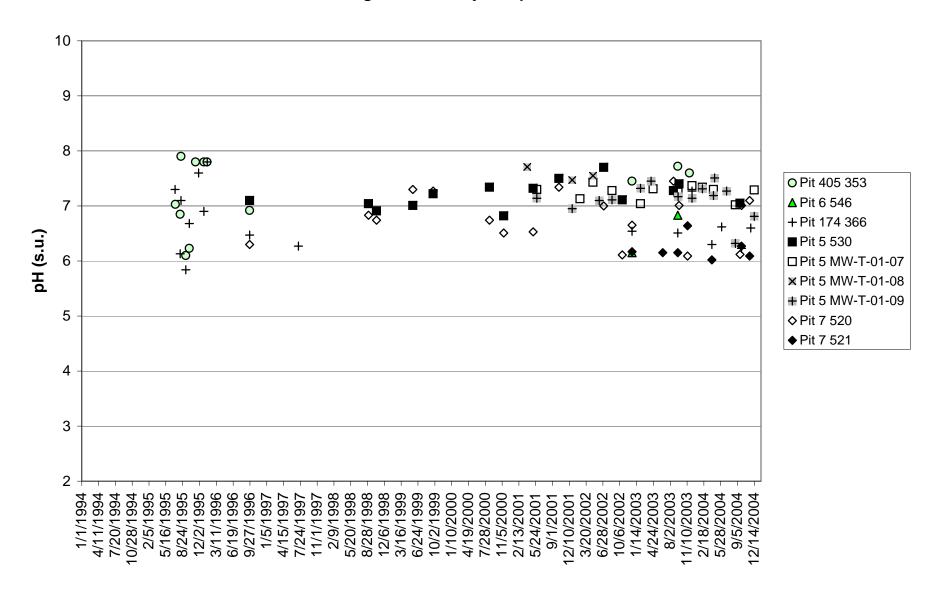


Figure 3.3 Quarry Site Alkalinity Data

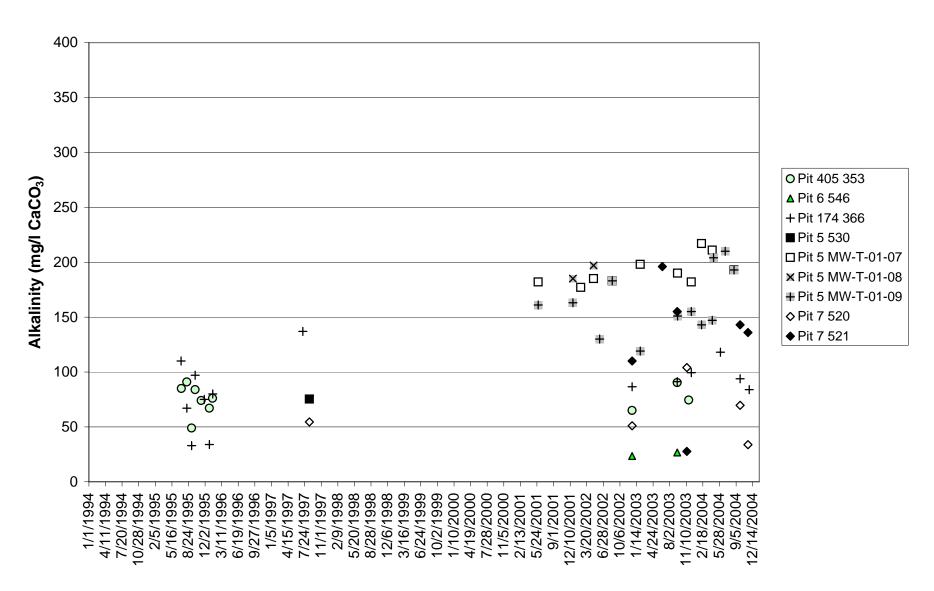


Figure 3.4 Quarry Site Conductivity Data

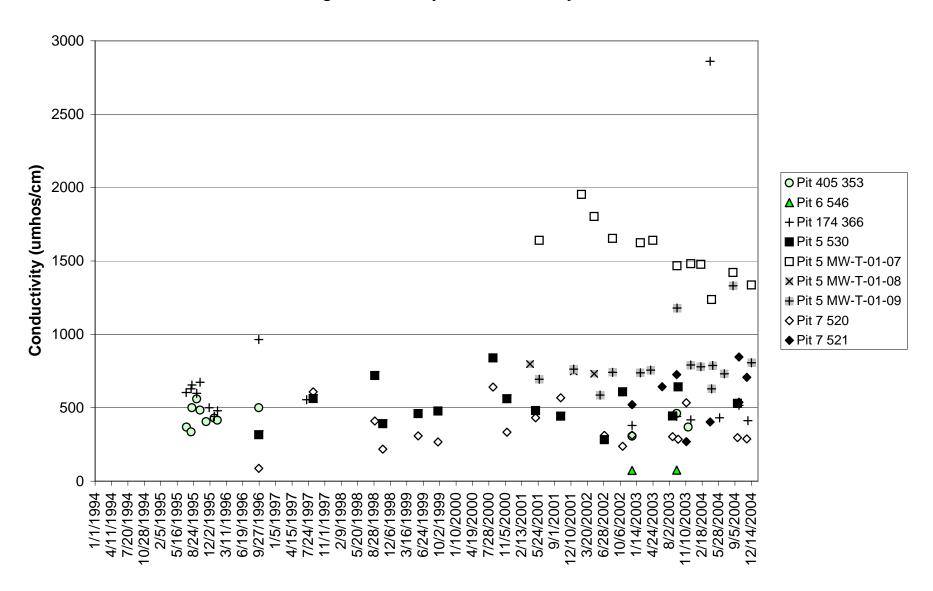


Figure 3.5 Quarry Site Sulfate Data

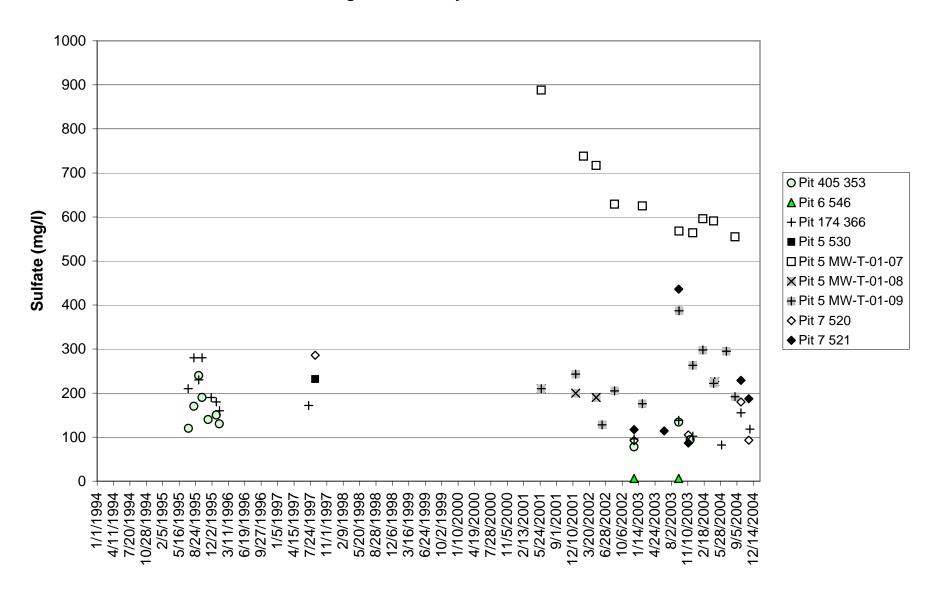


Figure 3.6 Quarry Site Magnesium Data

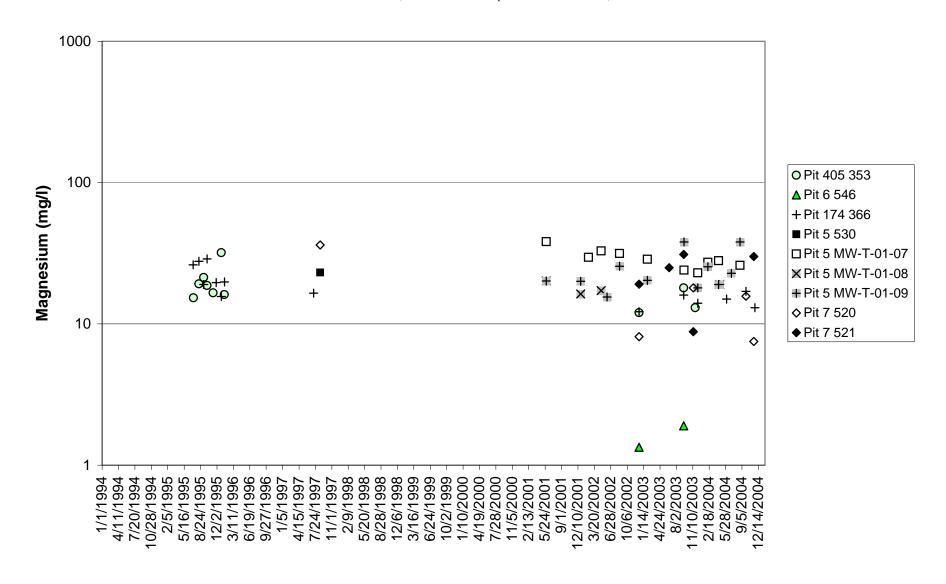


Figure 3.7 Quarry Site Hardness Data

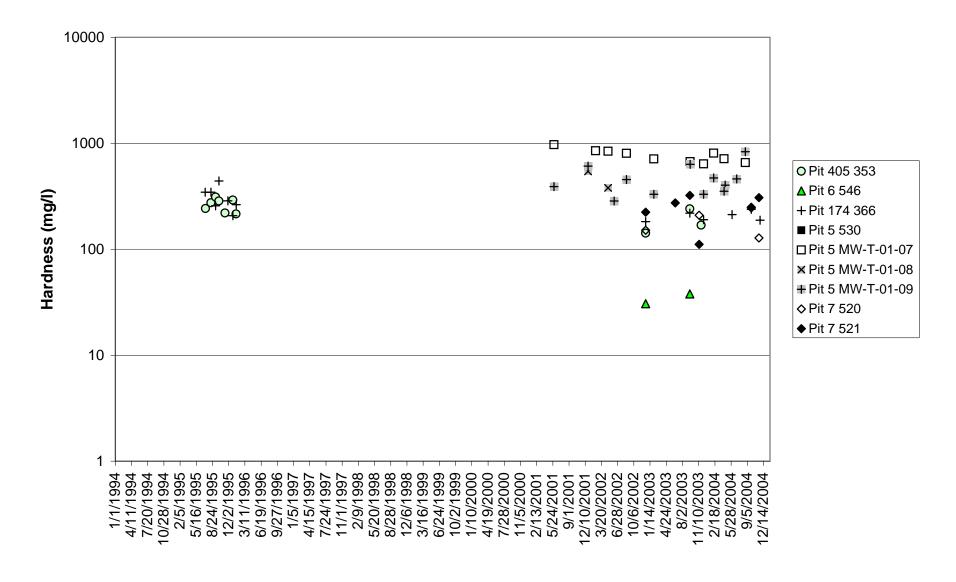


Figure 3.8 Quarry SIte Zinc Data

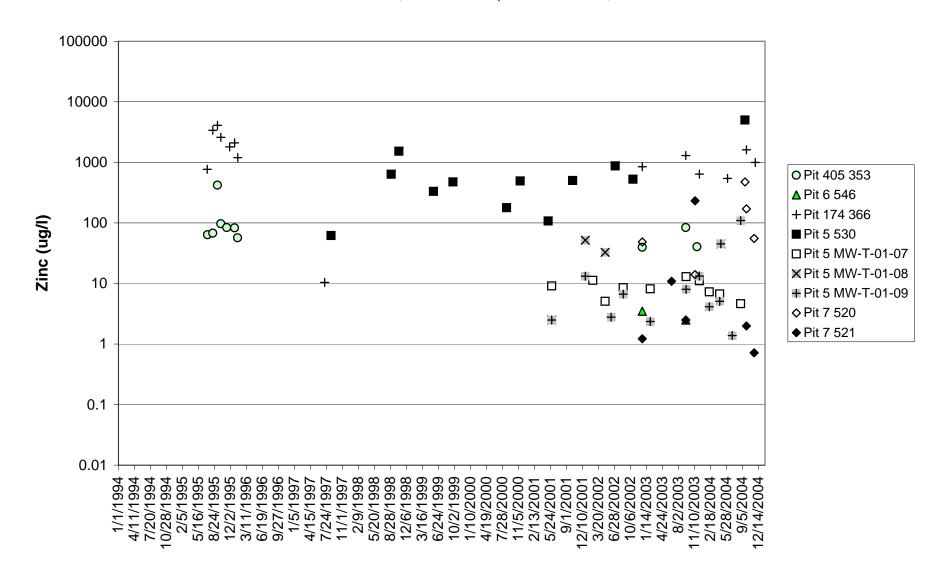


Figure 3.9 Quarry Site Copper Data

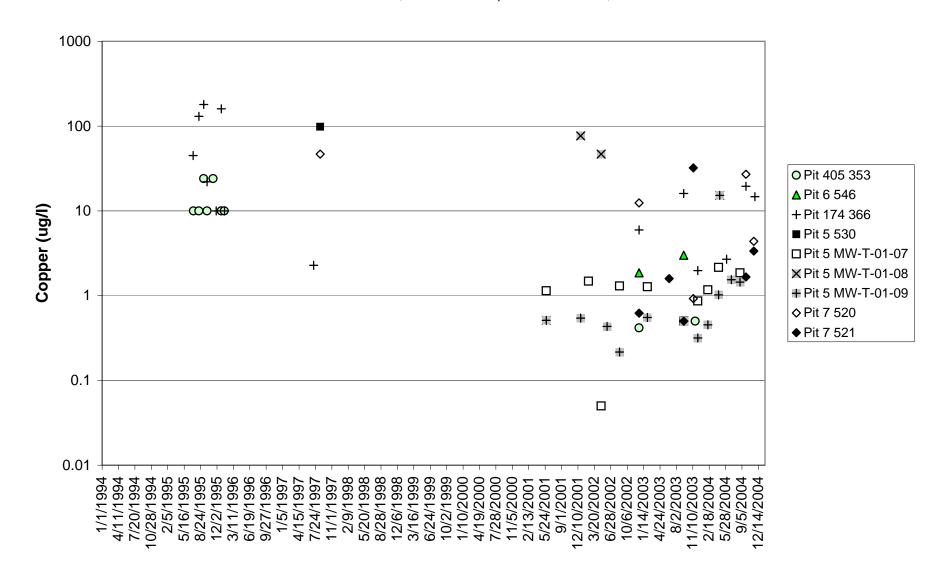


Figure 3.10 Quarry Site Lead Data

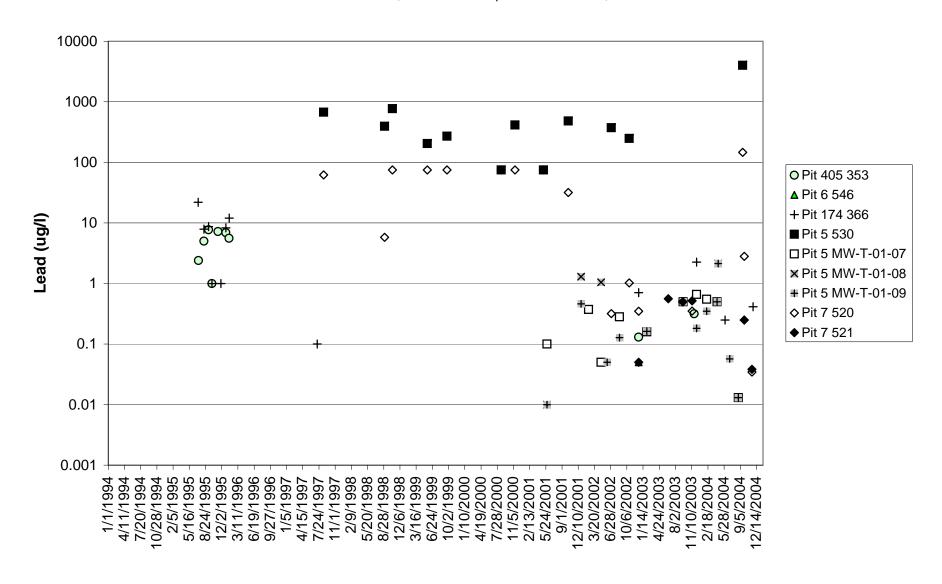


Figure 3.11 Quarry Site Cadmium Data

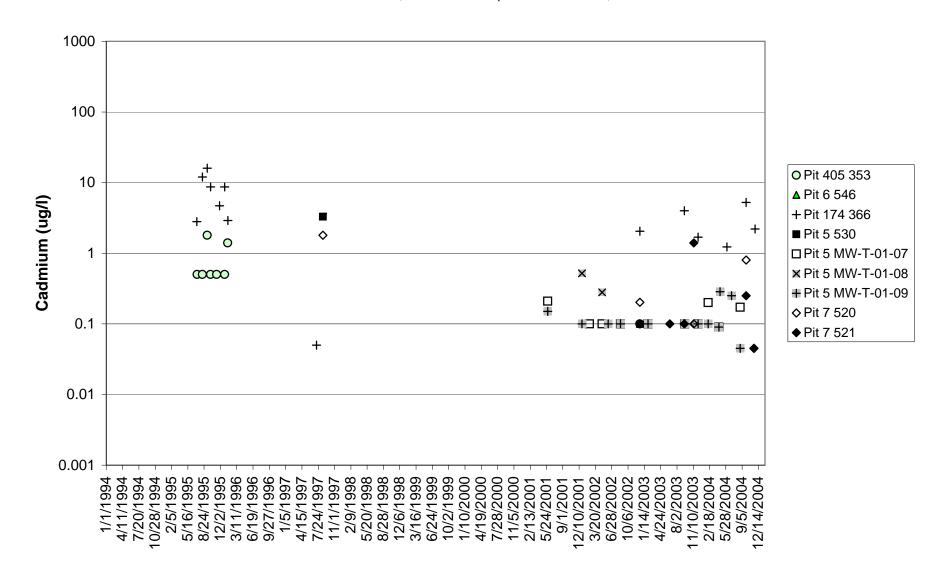


Figure 3.12 Quarry Site Nickel Data

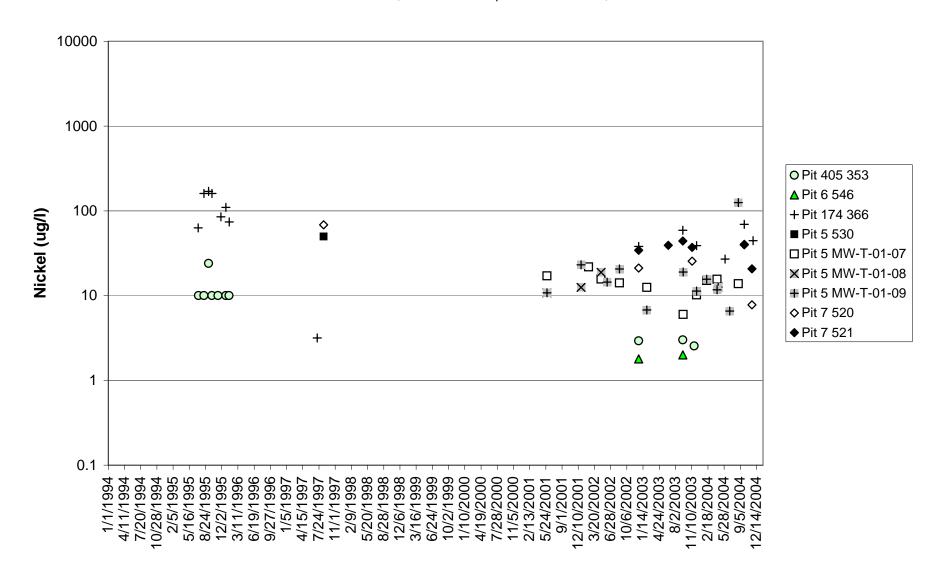


Figure 3.13 Quarry Site Arsenic Data

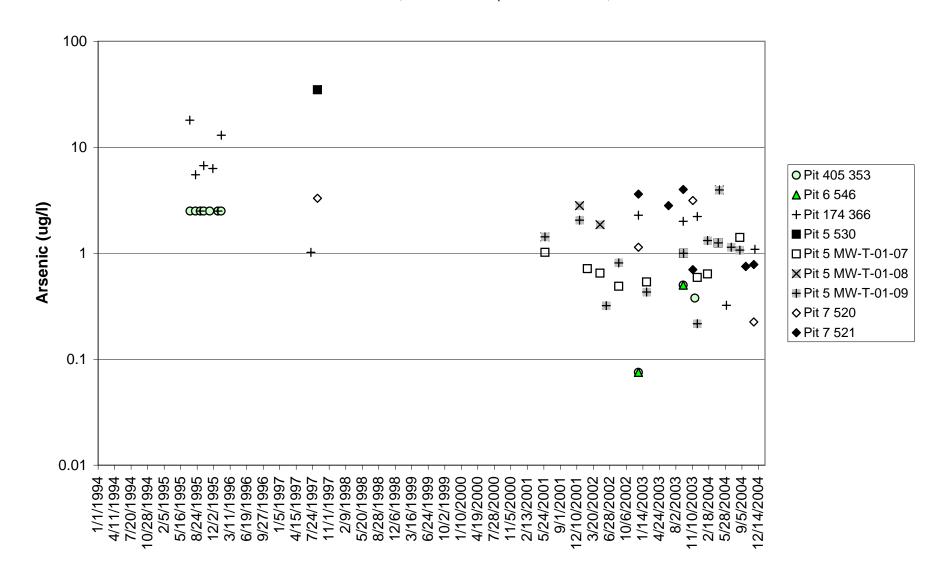


Figure 3.14 Pit 7 Acid-Base Accounting Analyses

