

12.a.(6) Source and Volume of Water Inflow Into the Mine and Disposition of Such Water:

The following is a list of sources and associated flow rates of water into the Cayuga Mine:

- Production Shaft (#1 shaft) – 20 gallons per minute (gpm)
- Ventilation Shaft (#2 shaft) – 4 gpm
- ED Plant Concentrate discharge – 3 gpm

- Total Water Inflow = 27 gpm

All of the water is directed to a settling pond located on the 4-level of the mine. The water is then pumped from the settling pond to abandoned areas at the far east end of 4-level as well as to various areas of the active mine for dust control. Recent volume calculations indicated that at our current rate of storage (about 14,000,000 gallons per year) we have approximately 7.1 years of storage life remaining on 4-level.

Action plans are in place to continue to reduce the inflow into the mine. Better management of run-off water from the surface salt storage pads has reduced the volume of water that is processed at the ED plant. This in turn has reduced the volume of water sent to the mine for storage.

Over the past year inflows in the #1 shaft had slowly increased back to about 30 gpm, but during September grouting was completed achieving a reduction of inflow of 10 gpm. This brings the total mine inflow to about 27 gpm at this time. Plans are being made for further grouting of the #1 shaft during 2017. Dewatering wells were drilled adjacent to the #2 shaft collar to remove a primary source of inflow there. Investigations are under way to determine how to further reduce the inflows at the #2 shaft.