



COLORADO


Division of Reclamation,
Mining and Safety

Department of Natural Resources

MINERALS PROGRAM INSPECTION REPORT

PHONE: (303) 866-3567

The Division of Reclamation, Mining and Safety has conducted an inspection of the mining operation noted below. This report documents observations concerning compliance with the terms of the permit and applicable rules and regulations of the Mined Land Reclamation Board.

MINE NAME: Red Arrow Mine Drill 2	MINE/PROSPECTING ID#: P-2012-007	MINERAL: Silver, Gold and Cop	COUNTY: Montezuma
INSPECTION TYPE: Multi Person Inspection	INSPECTOR(S): Lucas J. West, Russ Means	INSP. DATE: July 17, 2017	INSP. TIME: 14:30
OPERATOR: Red Arrow Gold Corporation in Receivership	OPERATOR REPRESENTATIVE: None	TYPE OF OPERATION: MP - Mineral Prospecting	
REASON FOR INSPECTION: Surety Related	BOND CALCULATION TYPE: None	BOND AMOUNT: \$2,000.00	
DATE OF COMPLAINT: NA	POST INSP. CONTACTS: None	JOINT INSP. AGENCY: None	
WEATHER: Clear	INSPECTOR'S SIGNATURE: 	SIGNATURE DATE: August 1, 2017	

GENERAL INSPECTION TOPICS

This list identifies the environmental and permit parameters inspected and gives a categorical evaluation of each. No problems or possible violations were noted during the inspection. The mine operation was found to be in full compliance with Mineral Rules and Regulations of the Colorado Mined Land Reclamation Board for the Extraction of Construction Materials and/or for Hard Rock, Metal and Designated Mining Operations. Any person engaged in any mining operation shall notify the office of any failure or imminent failure, as soon as reasonably practicable after such person has knowledge of such condition or of any impoundment, embankment, or slope that poses a reasonable potential for danger to any persons or property or to the environment; or any environmental protection facility designed to contain or control chemicals or waste which are acid or toxic-forming, as identified in the permit.

(AR) RECORDS----- <u>N</u>	(FN) FINANCIAL WARRANTY----- <u>N</u>	(RD) ROADS----- <u>N</u>
(HB) HYDROLOGIC BALANCE----- <u>N</u>	(BG) BACKFILL & GRADING----- <u>N</u>	(EX) EXPLOSIVES----- <u>N</u>
(PW) PROCESSING WASTE/TAILING---- <u>N</u>	(SF) PROCESSING FACILITIES----- <u>N</u>	(TS) TOPSOIL----- <u>N</u>
(MP) GENL MINE PLAN COMPLIANCE- <u>N</u>	(FW) FISH & WILDLIFE----- <u>N</u>	(RV) REVEGETATION---- <u>Y</u>
(SM) SIGNS AND MARKERS----- <u>N</u>	(SP) STORM WATER MGT PLAN---- <u>N</u>	(CI) COMPLETE INSP---- <u>Y</u>
(ES) OVERBURDEN/DEV. WASTE----- <u>N</u>	(SC) EROSION/SEDIMENTATION--- <u>N</u>	(RS) RECL PLAN/COMP-- <u>Y</u>
(AT) ACID OR TOXIC MATERIALS----- <u>N</u>	(OD) OFF-SITE DAMAGE----- <u>N</u>	(ST) STIPULATIONS----- <u>N</u>

Y = Inspected and found in compliance / N = Not inspected / NA = Not applicable to this operation / PB = Problem cited / PV = Possible violation cited

OBSERVATIONS

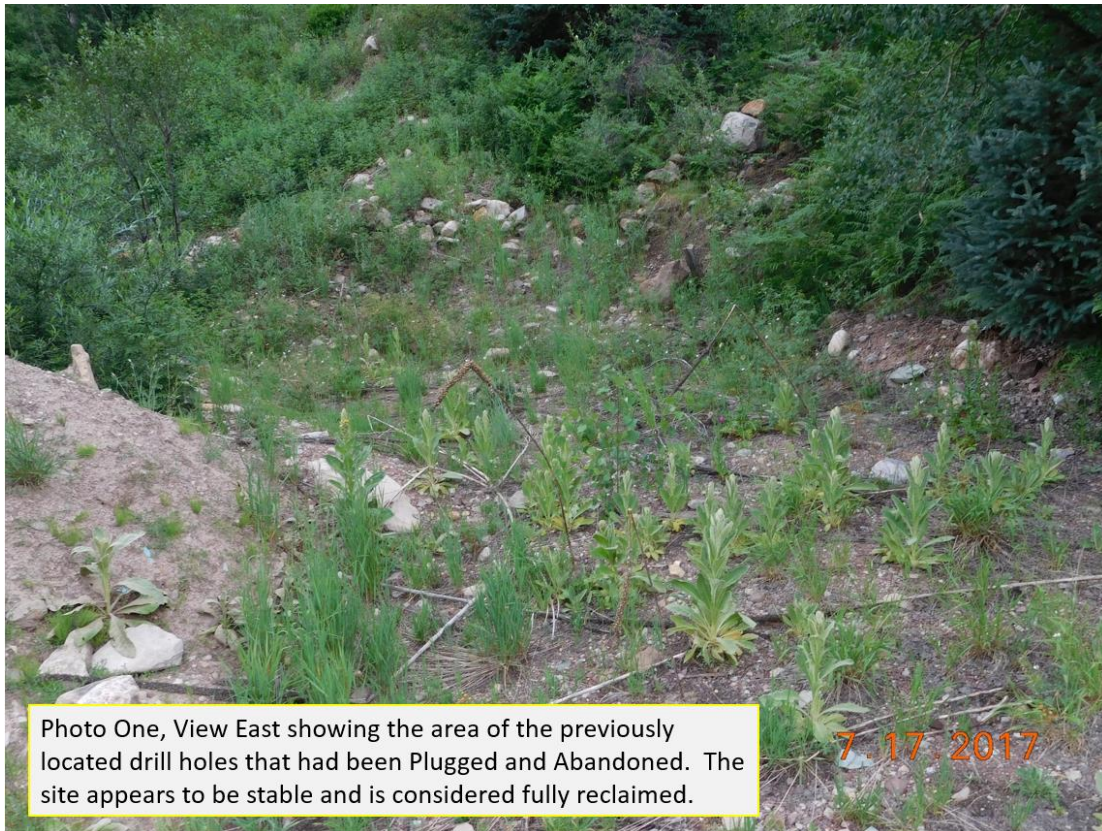
This inspection was conducted as part of the Revocation and Financial Warranty Forfeiture process established by the Colorado Division of Reclamation, Mining and Safety to assess the current condition and reclamation status of the site. No Operator representative was present during the inspection, and the site was not active during the inspection. The Division currently holds \$2,000.00 in Financial Warranty for the site. Two Photos accompany this report to illustrate the current site conditions.

The project involved drilling up to ten drill holes along a bench on the historic Red Arrow Mine property. There was no prospecting equipment on site, no any cuttings, drilling debris or other project related features. Photos One and Two show the project area. Debris and sediment flows have covered up the previously located drill holes that had been capped. The project area showed no signs of settling, slumping or erosion and appeared to be stable and is adequately vegetated. The site is considered fully reclaimed at this time.

Through several correspondence with the Division the Operator was informed that a formal release request was needed to release the site, but no request was submitted. The Division is currently engaged in the NOI Revocation and Financial Warranty Forfeiture for failure to submit the required Annual Fee, Report and Map for 2016.

The overall footprint of the site is in good condition and free from trash and debris. No noxious weeds were observed during the inspection. All responses to this report should be directed to Lucas West at the Colorado Division of Reclamation, Mining and Safety at 1313 Sherman Street, Room 215, Denver, CO 80203.

PHOTOGRAPHS



Inspection Contact Address

Craig Liukko
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Enclosure

CC: