




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: Golden Wonder	MINE/PROSPECTING ID#: P-2016-021	MINERAL: Gold	COUNTY: Hinsdale
INSPECTION TYPE: Mineral Prospect Inspection	INSPECTOR(S): Travis H. Marshall	INSP. DATE: May 29, 2018	INSP. TIME: 12:30
OPERATOR: Kinross Gold U.S.A. Inc.	OPERATOR REPRESENTATIVE: Michael Schell	TYPE OF OPERATION: MP - Mineral Prospecting	
REASON FOR INSPECTION: Normal I&E Program	BOND CALCULATION TYPE: None	BOND AMOUNT: \$37,500.00	
DATE OF COMPLAINT: NA	POST INSP. CONTACTS: None	JOINT INSP. AGENCY: None	
WEATHER: Cloudy	INSPECTOR'S SIGNATURE: 	SIGNATURE DATE: July 23, 2018	

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>Y</u>	(FN) FINANCIAL WARRANTY----- <u>Y</u>	(RD) ROADS----- <u>Y</u>
(HB) HYDROLOGIC BALANCE----- <u>Y</u>	(BG) BACKFILL & GRADING----- <u>Y</u>	(EX) EXPLOSIVES----- <u>NA</u>
(PW) PROCESSING WASTE/TAILING---- <u>NA</u>	(SF) PROCESSING FACILITIES----- <u>NA</u>	(TS) TOPSOIL----- <u>Y</u>
(MP) GENL MINE PLAN COMPLIANCE- <u>Y</u>	(FW) FISH & WILDLIFE----- <u>Y</u>	(RV) REVEGETATION---- <u>N</u>
(SM) SIGNS AND MARKERS----- <u>NA</u>	(SP) STORM WATER MGT PLAN---- <u>NA</u>	(RS) RECL PLAN/COMP-- <u>Y</u>
(ES) OVERBURDEN/DEV. WASTE----- <u>Y</u>	(SC) EROSION/SEDIMENTATION--- <u>Y</u>	(ST) STIPULATIONS----- <u>NA</u>
(AT) ACID OR TOXIC MATERIALS----- <u>NA</u>	(OD) OFF-SITE DAMAGE----- <u>Y</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 normal monitoring program established by the Colorado Division of Reclamation, Mining and Safety (Division). The Golden Wonder drilling project is located 2.5 miles southeast of Lake City in Hinsdale County. Mike Schell was present during the inspection. Mr. Schell is a contractor hired by Kinross Gold U.S.A. Inc.

The drill sites are located at an approximate elevation of 10,400 feet above the Golden Wonder mine. All drilling was completed the summer of 2016. All drill pads associated with the drilling project have been regraded. The majority of the drill sites had minimal topsoil and subsoil prior to construction therefore no soil was replaced upon regrading. The regraded drill sites observed during the inspection are compliant with the approved reclamation plan.

The northern most drill pad is the only drilling location with abundant topsoil. The topsoil has been replaced and seeding has been conducted. Due to a low precipitation winter and spring minimal vegetation was observed on the reclaimed pad.

The site is in final reclamation and reclamation will likely be successful after a few normal precipitation growing seasons. Currently a new prospecting project is under review for a new operator to take over the drill sites to allow for further prospecting activity. Once this new Notice of Intent to prospect is issued Kinross Gold USA Inc. will no longer have reclamation liability of the drill sites.

Photos that show the conditions observed during the inspection are located at the end of this report.

No problems or possible violations were observed during the inspection.

If you have any questions regarding this report or the conditions observed please do not hesitate to contact me at (970) 241-2042.

PHOTOGRAPHS



Inspection Contact Address

Kathleen Autenrieth
Echo Bay Exploration Inc.
363 Fish Hatchery Road
Republic, WA 99166