

August 30, 2019

Mr. Mike Schaffner Cripple Creek & Victor Gold Mining Company P.O. Box 191 Victor, CO 80860

Re: Cresson Project, Permit No. M-1980-244; Technical Revision Approval, Revision No. TR-117

Dear Mr. Schaffner:

On August 27, 2019 the Division of Reclamation, Mining and Safety (DRMS) received your emailed response to our second adequacy letter. The Division has reviewed your responses and approved the Technical Revision application submitted to the Division on July 25, 2019, addressing the following:

VLF2 Phase 2A Part1 CQA

The terms of the Technical Revision No. 117 approved by the DRMS are hereby incorporated into Permit No. M-1980-244. All other conditions and requirements of Permit No. M-1980-244 remain in full force and effect. With this approval, the construction of the Squaw Gulch VLF Phase 2A Part1 was determined to be in compliance with the approved specifications. The Certification is accepted by the DRMS pursuant to Rule 7.3.2 of the Mineral Rules and Regulations of The Colorado Mined Land Reclamation Board for Hard Rock, Metal, and Designated Mining Operations. CC&V may proceed with the approved use of these certified environmental protection facilities (EPFs).

The DRMS has reviewed the change associated with TR-117 for impacts to the financial warranty and has determined that this change does not require an increase to the current reclamation liability. Therefore, the surplus warranty remains at \$1,247,250.00, last adjusted with the approval of TR-113 on July 18, 2019. Please note TRs 115 and 116 are currently under review by the DRMS, and may or may not have impacts on the financial warranty. If you have any questions or need further information, please contact me at (303) 866-3567 x8169.

Sincerely,

Timothy A. Cazier, P.E.

Environmental Protection Specialist

ec: Michael Cunningham, DRMS Patrick Lennberg, DRMS Elliott Russell, DRMS DRMS file Justin Raglin, CC&V Justin Bills, CC&V Katie Blake, CC&V

