




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: Camp Bird Mine	MINE/PROSPECTING ID#: M-1982-090	MINERAL: Gold, silver, lead, zinc	COUNTY: Ouray
INSPECTION TYPE: Monitoring	INSPECTOR(S): Lucas West	INSP. DATE: October 2, 2019	INSP. TIME: 09:00
OPERATOR: Caldera Mineral Resources, LLC	OPERATOR REPRESENTATIVE: Mike Thompson	TYPE OF OPERATION: 112 - Hard Rock Regular Operation	
REASON FOR INSPECTION: Normal I&E Program	BOND CALCULATION TYPE: None	BOND AMOUNT: \$157,680.00	
DATE OF COMPLAINT: NA	POST INSP. CONTACTS: None	JOINT INSP. AGENCY: None	
WEATHER: Clear	INSPECTOR'S SIGNATURE: 	SIGNATURE DATE: October 28, 2019	

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>Y</u>
(HB) HYDROLOGIC BALANCE----- <u>N</u>	(BG) BACKFILL & GRADING----- <u>Y</u>	(EX) EXPLOSIVES----- <u>N</u>
(PW) PROCESSING WASTE/TAILING---- <u>N</u>	(SF) PROCESSING FACILITIES----- <u>Y</u>	(TS) TOPSOIL----- <u>N</u>
(MP) GENL MINE PLAN COMPLIANCE- <u>Y</u>	(FW) FISH & WILDLIFE----- <u>Y</u>	(RV) REVEGETATION---- <u>Y</u>
(SM) SIGNS AND MARKERS----- <u>Y</u>	(SP) STORM WATER MGT PLAN---- <u>N</u>	(RS) RECL PLAN/COMP-- <u>Y</u>
(ES) OVERBURDEN/DEV. WASTE----- <u>N</u>	(SC) EROSION/SEDIMENTATION--- <u>N</u>	(ST) STIPULATIONS----- <u>N</u>
(AT) ACID OR TOXIC MATERIALS----- <u>N</u>	(OD) OFF-SITE DAMAGE----- <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 normal monitoring program established by the Colorado Division of Reclamation, Mining and Safety's Minerals Program. The Camp Bird Mine is an active 112 Operation located approximately 3.5 miles southwest of Ouray, CO just off County Road 26 at nearly 9800 Feet in Elevation. The commodities being mined are copper, zinc, lead, silver and gold. The site consists of 35 permitted acres with a maximum allowed disturbance of 35 acres. Public access to the site is controlled by a locked gate just off County Road 361 (Camp Bird Road). The Division currently holds \$157,680.00 in Financial Warranty for the site. Due to ongoing major reclamation, a reclamation cost estimate update was not performed as a result of this inspection. Five Photos accompany this report to illustrate the current site conditions.

The proper mine identification signage was posted at the entrance to the site and the permit area is clearly defined within the pre-law disturbed areas. The site was not active at the time of the inspection, most of the recent work has been focused on reclamation of the pre-law tailings piles outside of the permit area as well as areas within the affected acreage. Various equipment related to the reclamation activity was on site. The main work area on site lies just on the east side of Imogene creek. This area consists of a large shop structure, portal, storage and storage area. The portal is secured with a locking steel gated closure which can be seen in Photo One. The closure is in good condition and shows no signs of attempted unauthorized entry. Adjacent to the portal is the large shop structure which is in good condition. Surrounding the shop are various storage areas containing items such as large shipping containers, timbers, rail line and other various mining related materials. An example of the items can be seen in Photo Two. All items being stored in the permit area are in a neat and orderly fashion and not considered a problem at this time. Several stockpiles of material are located adjacent to the storage area. The stockpiles were stable at the time of the inspection and in good condition.

The reclamation work of the pre-law tailings piles that fall both inside and outside the permit area has consisted of re-contouring, adding amendments and revegetation efforts. The work has been completed for the season but significant progress has been made. Downed timbers and mulch has been used to help stabilize the surface of the piles and to aid in vegetation establishment. An example of the reclamation work can be seen in Photo Three. In addition to the reclamation work, the upland diversion ditch located along the eastern edge of the permit area has been substantially upgraded and lined with rip rap. Photo Four shows the upgraded ditch. This was completed prior to the 2019 runoff season and shows no signs or failure or erosion.

The portal has an associated discharge that is routed through pipes and conveyances to the west side of Imogene creek. The flow then reports to a large settling pond before discharging into Imogene Creek. All conveyances and discharge points appeared to be functioning as designed. The flow entering pond was visually estimated to be 4 Cubic Feet per Second and the discharge into the creek is approximately its equivalent. The discharge into Imogene Creek can be seen in Photo Five. No mineral staining or precipitates were observed in any of the conveyances or around the pond area.

Throughout the site no state listed noxious weeds were observed. No signs of significant erosion, settling or slumping was noted. At this time, no problems or possible violations exist on site. All responses to this report should be directed Lucas West at the Colorado Division of Reclamation, Mining and Safety at 1313 Sherman Street, Room 215, Denver CO, 80203, by phone at 970-243-6368 or by email at lucas.west@state.co.us.

PHOTOGRAPHS

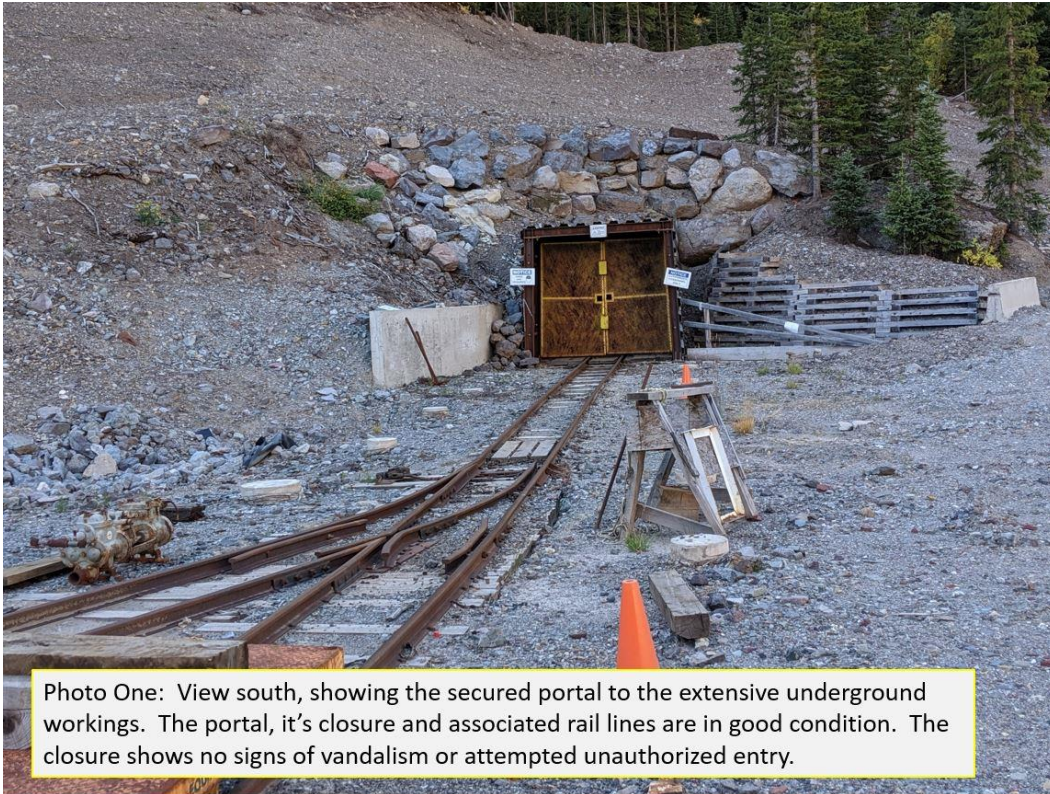


Photo One: View south, showing the secured portal to the extensive underground workings. The portal, its closure and associated rail lines are in good condition. The closure shows no signs of vandalism or attempted unauthorized entry.

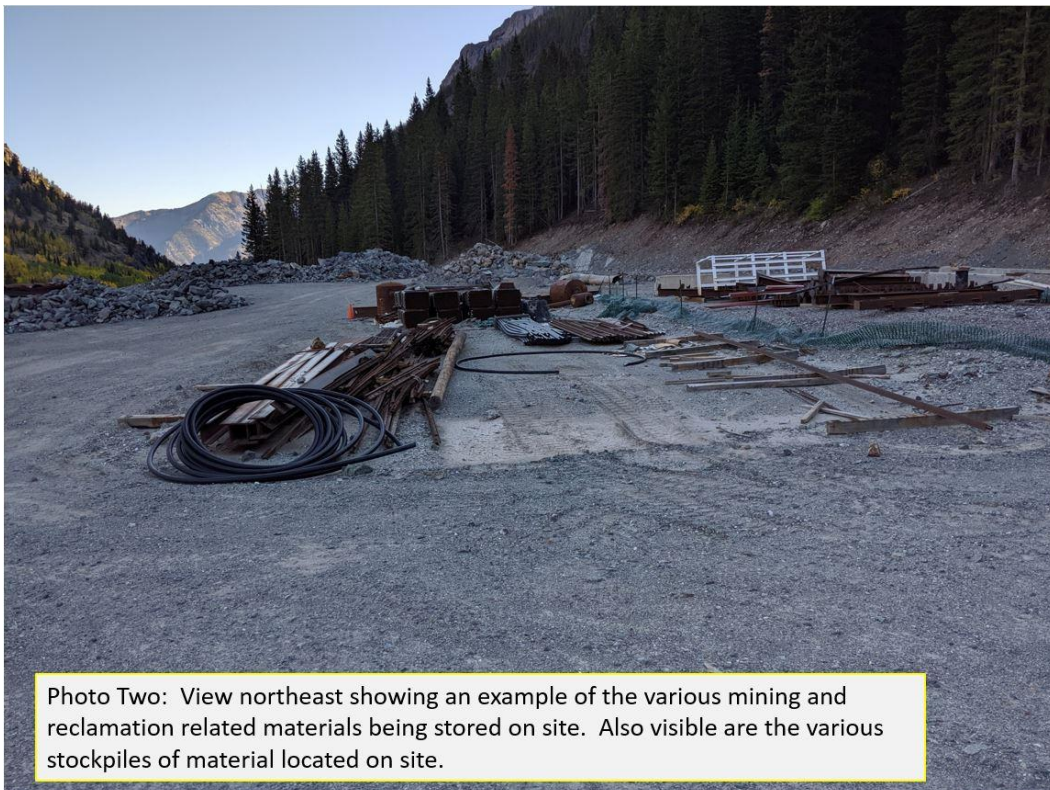
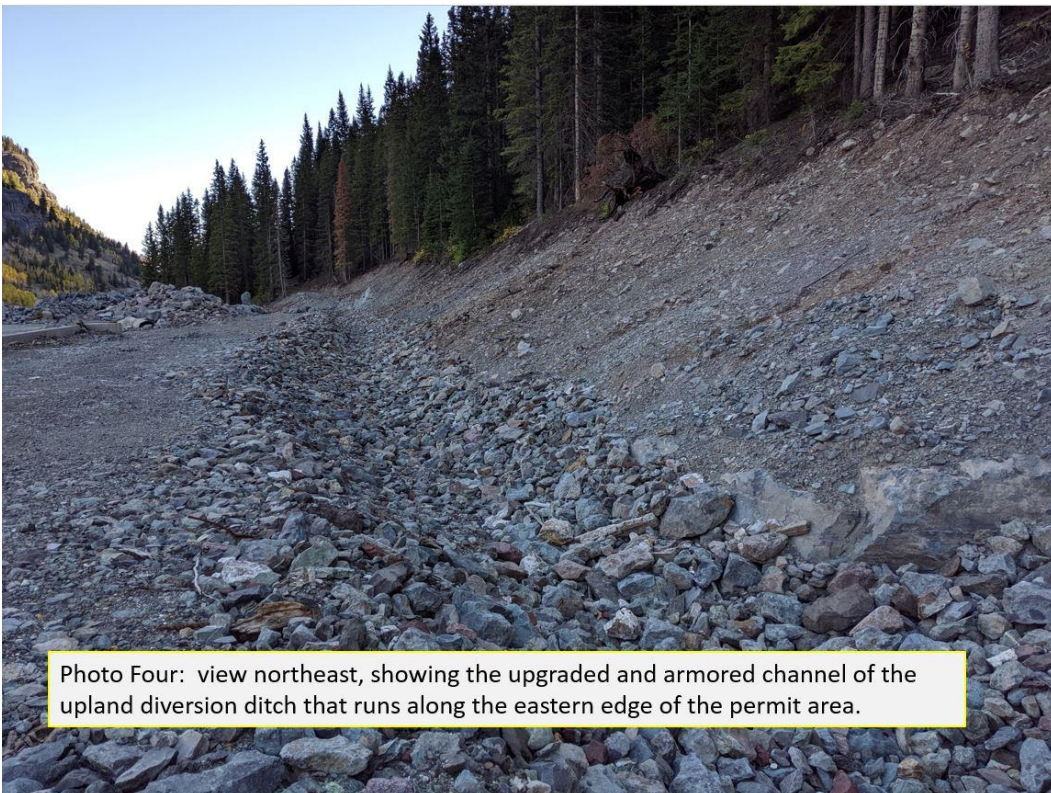
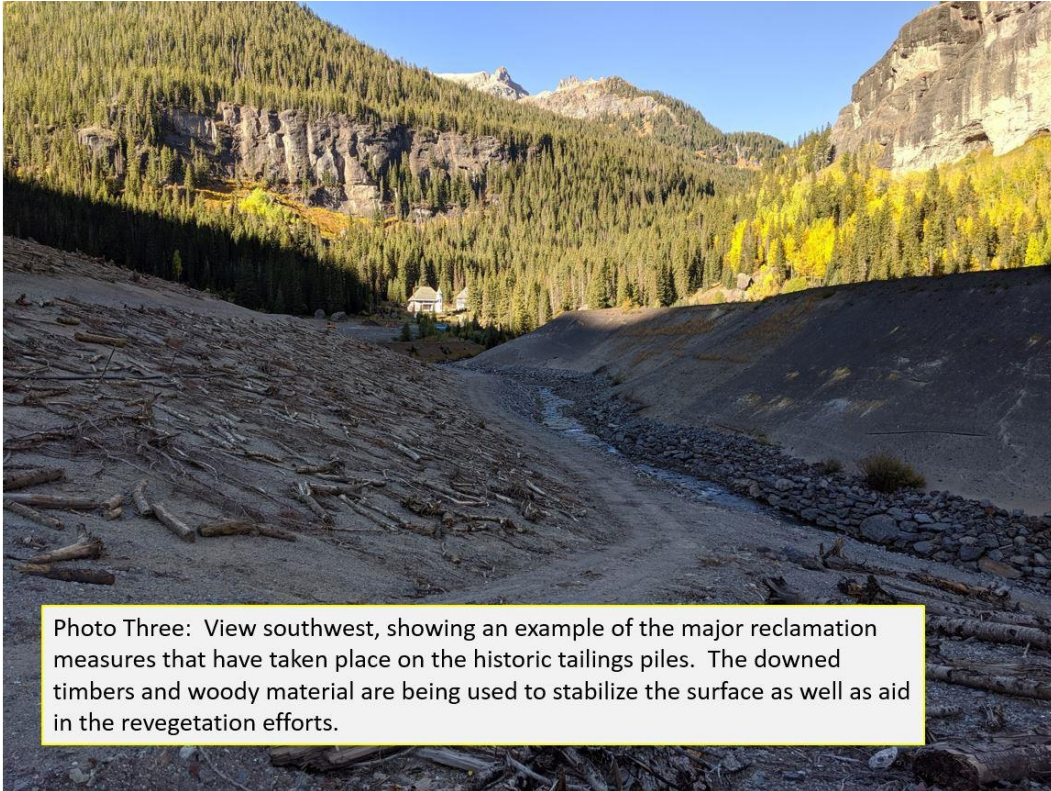
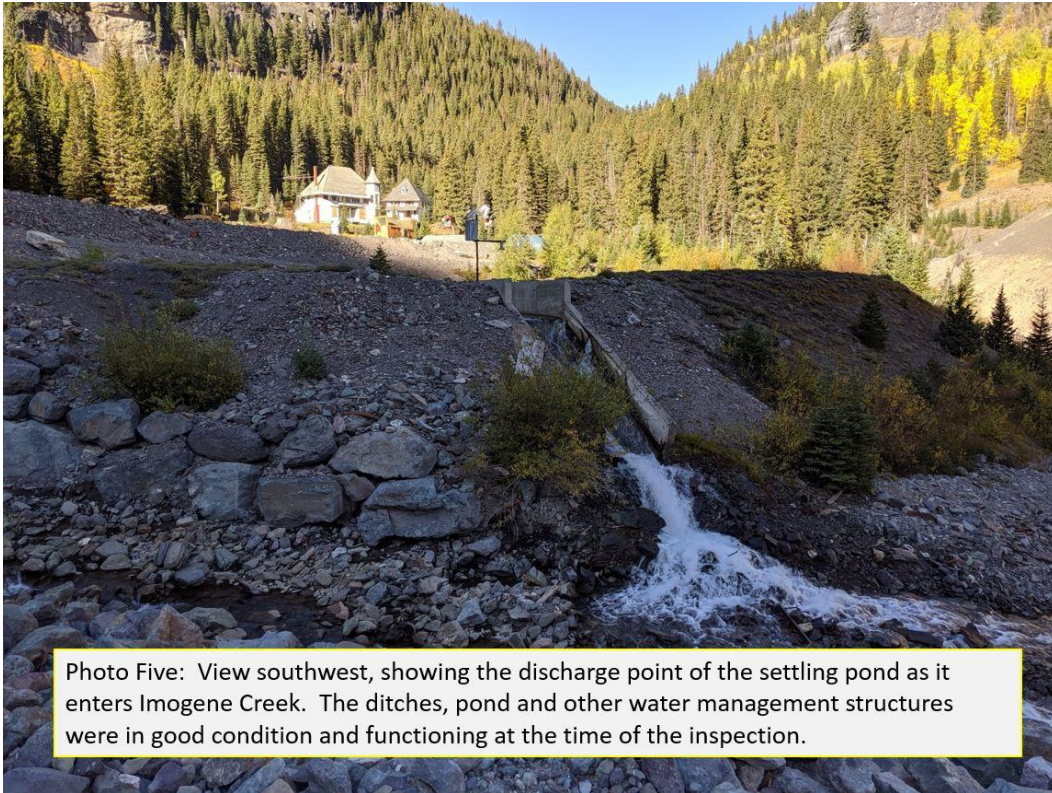


Photo Two: View northeast showing an example of the various mining and reclamation related materials being stored on site. Also visible are the various stockpiles of material located on site.





Inspection Contact Address

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