




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: Cresson Project	MINE/PROSPECTING ID#: M-1980-244	MINERAL: Gold	COUNTY: Teller
INSPECTION TYPE: Aerial Inspection	INSPECTOR(S): Timothy Cazier	INSP. DATE: November 12, 2019	INSP. TIME: 16:02
OPERATOR: Cripple Creek & Victor Gold Mining Company	OPERATOR REPRESENTATIVE: None	TYPE OF OPERATION: 112d-3 - Designated Mining Operation	
REASON FOR INSPECTION: Normal I&E Program	BOND CALCULATION TYPE: None	BOND AMOUNT: \$209,491,188.00	
DATE OF COMPLAINT: NA	POST INSP. CONTACTS: None	JOINT INSP. AGENCY: None	
WEATHER: Clear	INSPECTOR'S SIGNATURE: 	SIGNATURE DATE: March 23, 2020	

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>Y</u>	(BG) BACKFILL & GRADING----- <u>Y</u>	(EX) EXPLOSIVES----- <u>N</u>
(PW) PROCESSING WASTE/TAILING---- <u>Y</u>	(SF) PROCESSING FACILITIES----- <u>Y</u>	(TS) TOPSOIL----- <u>N</u>
(MP) GENL MINE PLAN COMPLIANCE- <u>Y</u>	(FW) FISH & WILDLIFE----- <u>N</u>	(RV) REVEGETATION---- <u>N</u>
(SM) SIGNS AND MARKERS----- <u>N</u>	(SP) STORM WATER MGT PLAN---- <u>NA</u>	(RS) RECL PLAN/COMP-- <u>N</u>
(ES) OVERBURDEN/DEV. WASTE----- <u>Y</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>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 was an aerial photo inspection of the Cresson Project directed by Tim Cazier of the Colorado Division of Reclamation, Mining and Safety (Division) based on aerial photographs taken by Harry Ranney of the Division on November 12, 2019. No operator was present during the inspection. The site is a 112d-3 gold mine located between Cripple Creek and Victor in Teller County. The purpose of the inspection was to provide the Division a broad perspective that cannot be obtained from the ground and to document changes in areas of the mine experiencing rapid change. The Division expects to perform aerial inspections quarterly.

The following table summarizes the attached photos:

Photo ID	Mine Facility	Perspective	Notes
Photo 1	North Cresson pit (Schist Island Pit)	Looking SE	Blast pattern visible SGOSA beyond
Photo 2	North Cresson pit (Globe Hill)	Looking NE	WHEX beyond
Photo 3	Altman backfill and East Cresson OSA (ECOSA)	Looking NW	WHEX in upper right <u>Note erosion gullies</u>
Photo 4	East Cresson OSA (ECOSA) Toe	Looking SW	Seep area circled
Photo 5	South Cresson	Looking NE	Main Cresson on left, Altman backfill beyond
Photo 6	Main Cresson Pit	Looking north	Pit floor and NW backfill visible
Photo 7	Arequa Gulch VLF (VLF 1) 1 of 2	Looking east	No visible ponding, east portion of VLF2
Photo 8	Arequa Gulch VLF (VLF 1) 2 of 2	Looking NE	10,200 level; Crusher on right
Photo 9	High Grade Mill building & VLF 2	Looking east	No visible ponding on VLF 2
Photo 10	Squaw Gulch VLF (VLF 2) 1 of 2	Looking NE	Schist Island beyond, topsoil stockpile on left (<i>note ore stacking appears in compliance</i>).
Photo 11	Squaw Gulch VLF (VLF 2) 2 of 2	Looking east	Mill beyond, ADR2 in foreground
Photo 12	WHEX pit	Looking SW	<i>Backfill visible in upper left</i>
Acronyms: WHEX – Wildhorse Extension Pit VLF – valley leach facility		ADR – Adsorption, Desorption, Recovery OSA – overburden storage area SG – Squaw Gulch	

PHOTOGRAPHS

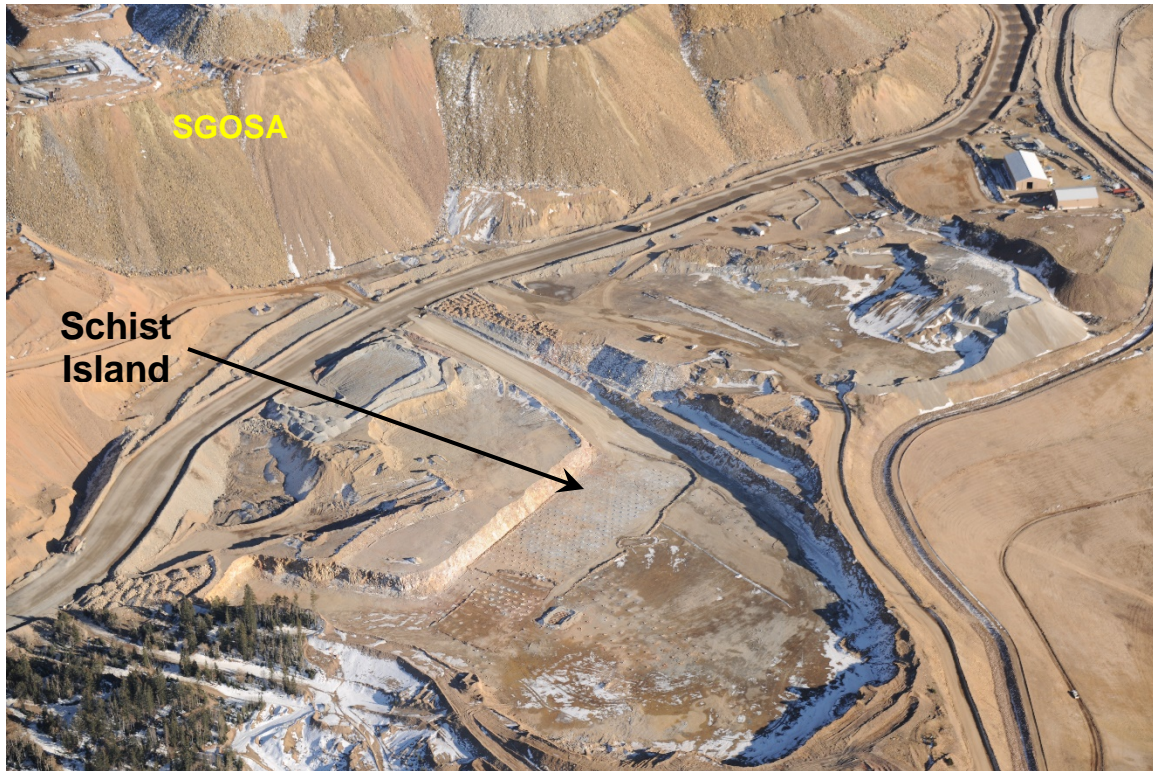


Photo 1. North Cresson pit – Schist Island Pit (Looking SE).

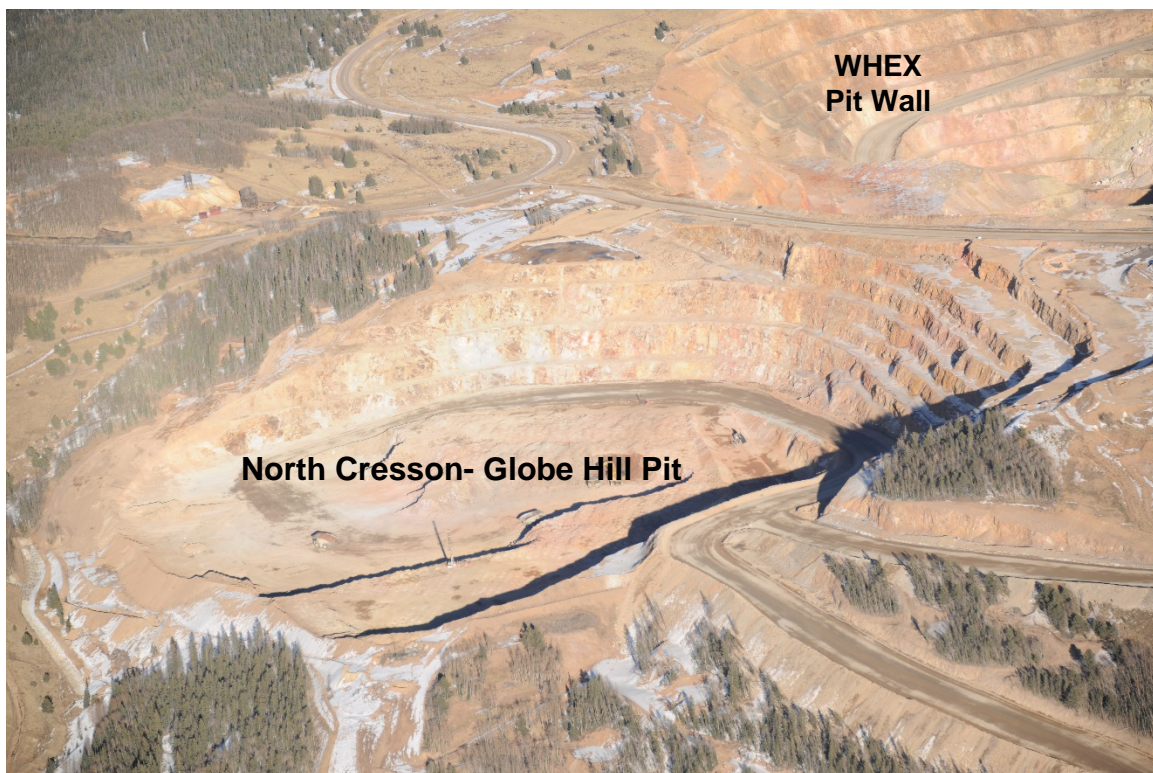


Photo 2. North Cresson – Globe Hill (looking NE).

PHOTOGRAPHS (cont.)



Photo 3. Altman Backfill/East Cresson OSA, south end (looking NW, note erosion gullies).



Photo 4. East Cresson OSA Toe, south end (looking SW).

PHOTOGRAPHS (cont.)

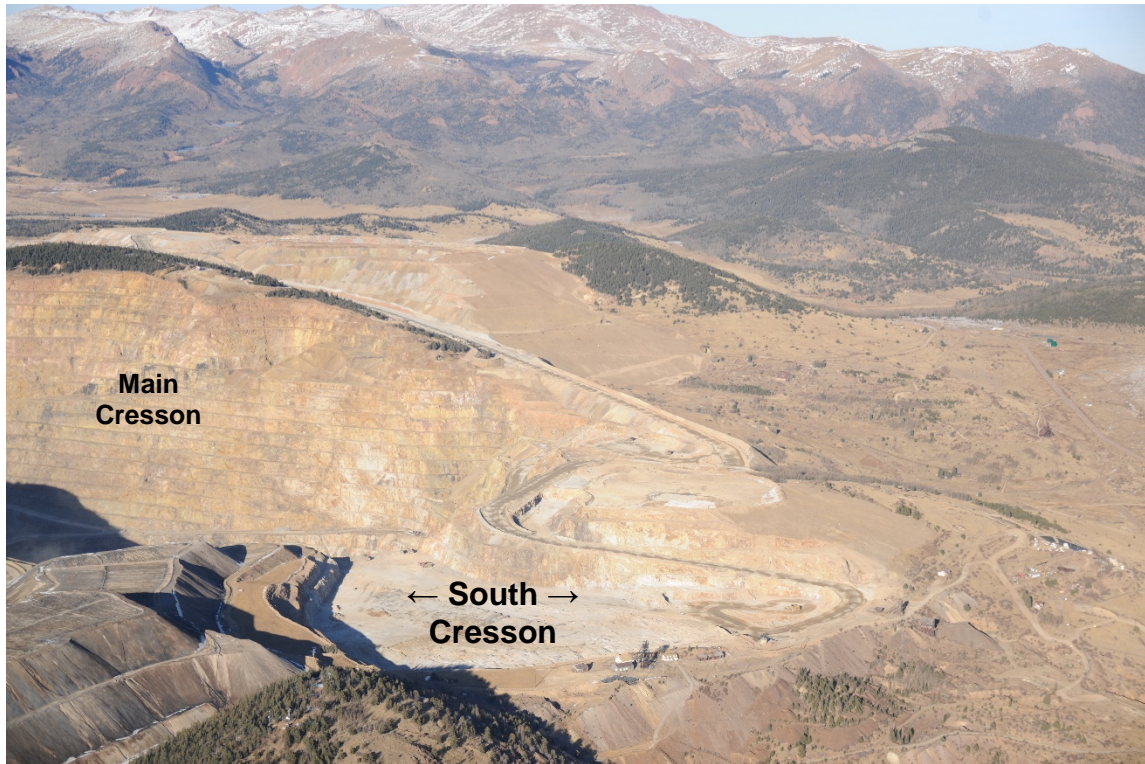


Photo 5. South Cresson Pit (looking NE).

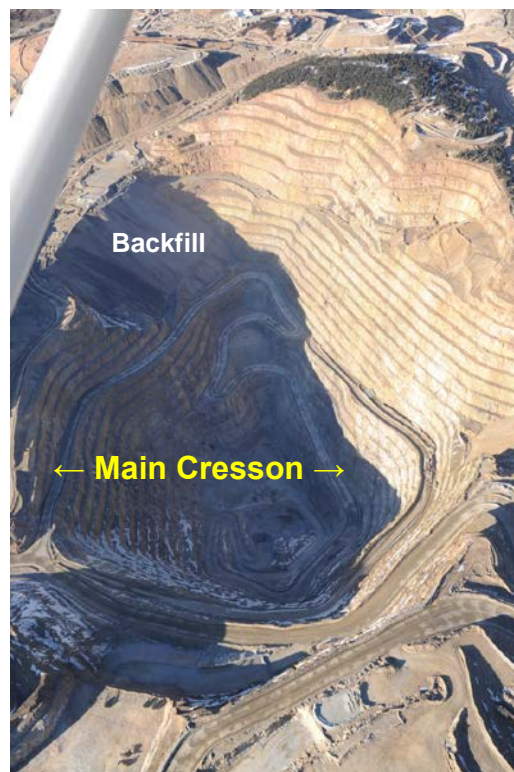


Photo 6. Main Cresson Pit (looking north)

PHOTOGRAPHS (cont.)

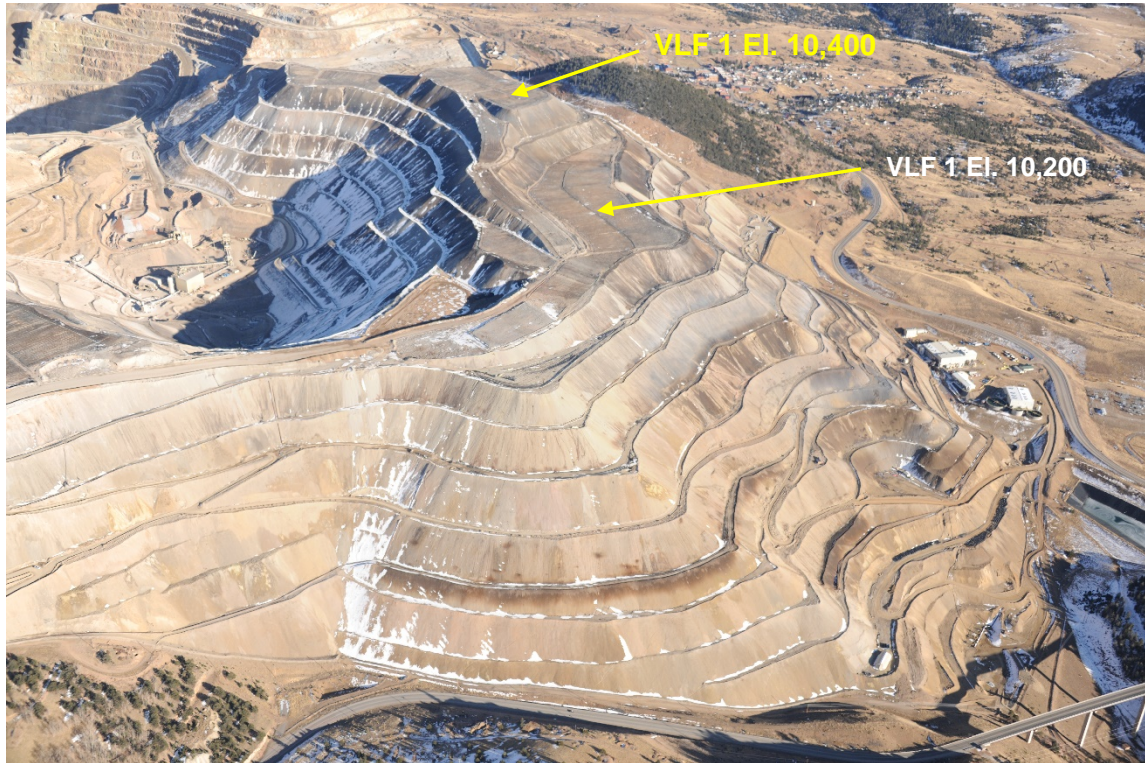


Photo 7. East end VLF 1/Arequa Gulch VLF (looking east); No visible ponding on VLF 1.

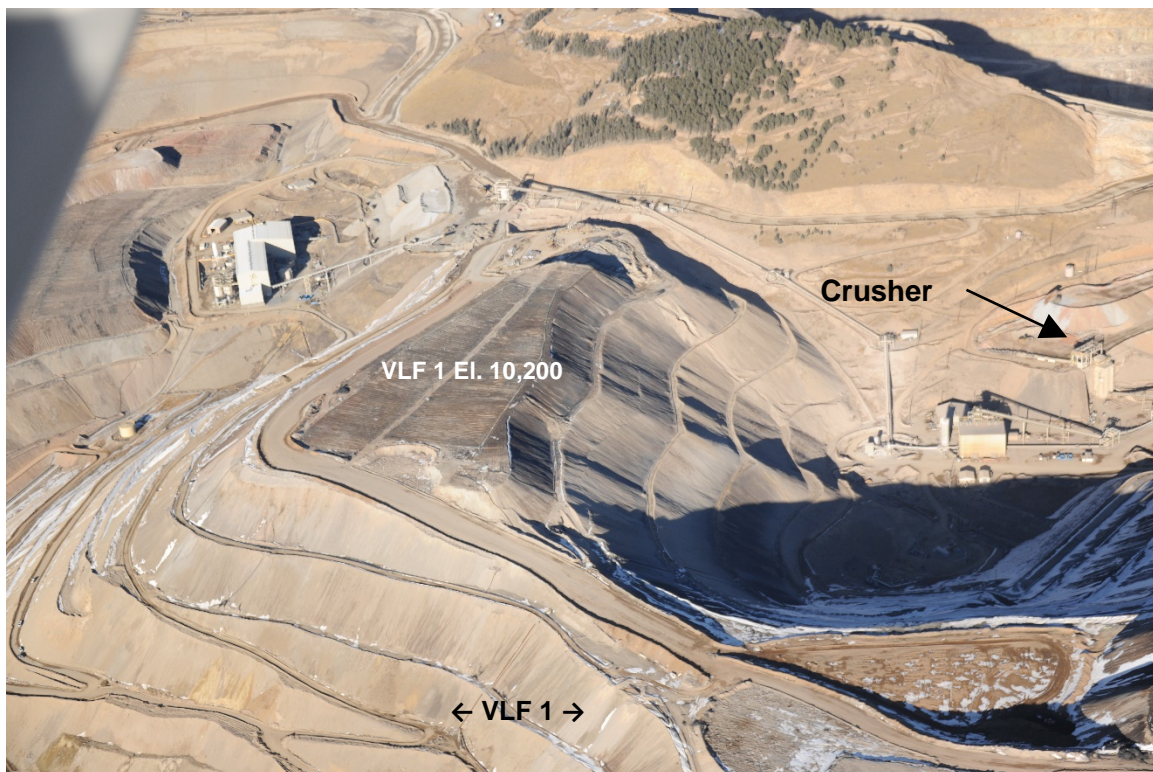


Photo 8. VLF 1/Arequa Gulch VLF (looking NE); No visible ponding on VLF 1.

PHOTOGRAPHS (cont.)



Photo 9. High Grade Mill and VLFs (Looking east; no visible solution ponding).

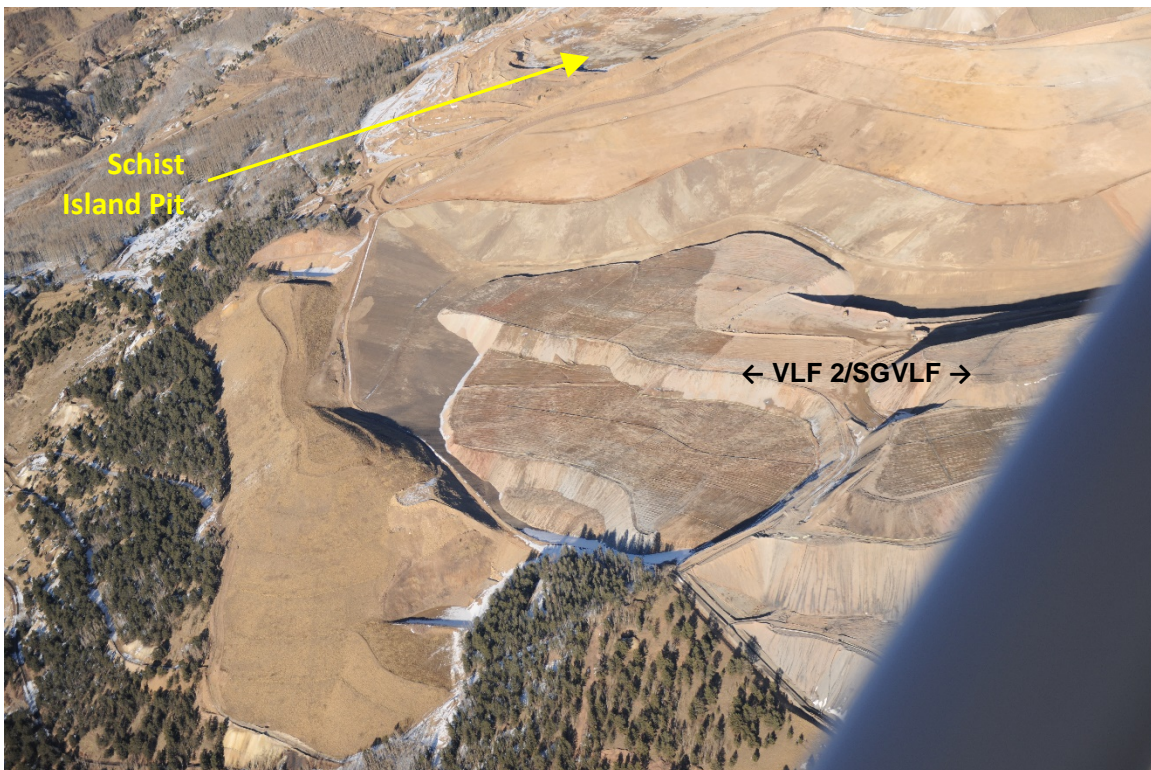


Photo 10. North VLF 2/Squaw Gulch VLF (looking NE).

PHOTOGRAPHS (cont.)

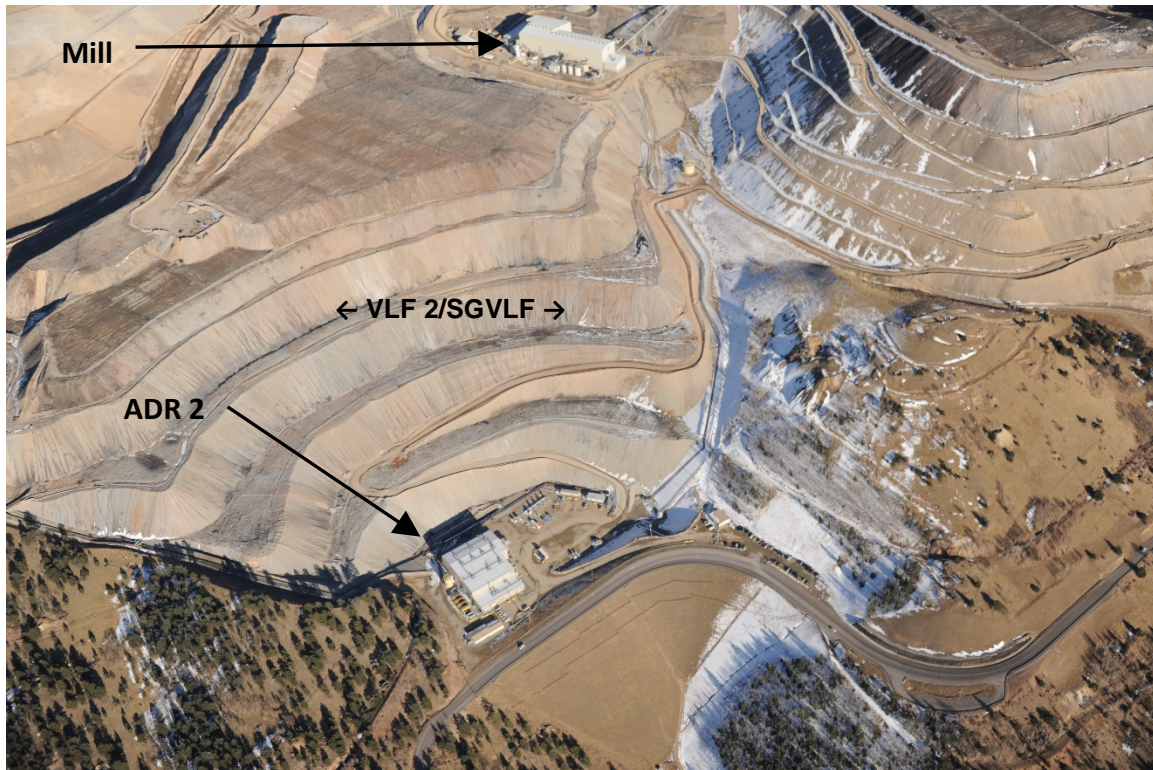


Photo 11. VLF 2/Squaw Gulch VLF (looking east).

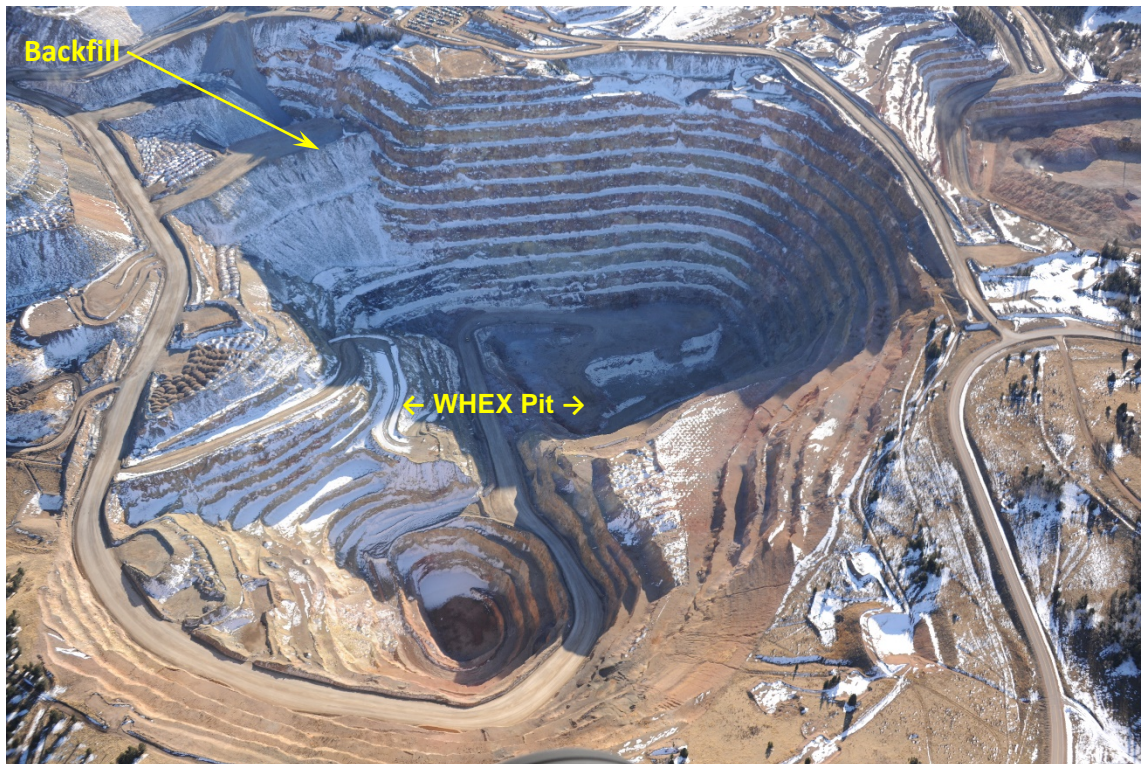


Photo 12. WHEX Pit (Looking SW).

Inspection Contact Address

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