




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: January 24, 2020	INSP. TIME: 10:39
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 24, 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>N</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 January 24, 2020. 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 NNE	SGOSA on right, Globe Hill pit beyond
Photo 2	North Cresson pit (Globe Hill)	Looking SW	WHEX highwall on left
Photo 3	Altman backfill and East Cresson OSA (ECOSA)	Looking NW	WHEX in upper right
Photo 4	East Cresson OSA (ECOSA) Toe	Looking south	Seep area circled, Altman backfill upper left
Photo 5	South Cresson	Looking west	Main Cresson on right, VLF 1, 10,300 level beyond
Photo 6	Main Cresson Pit	Looking NW	VLF2 in upper left, SGOSA in upper right, NW backfill visible
Photo 7	Arequa Gulch VLF (VLF 1) 1 of 2	Looking west	Possible ponding on 10,300 & north 10,200 levels
Photo 8	Arequa Gulch VLF (VLF 1) 2 of 2	Looking west	No visible ponding on south 10,200 or west 10,400 levels
Photo 9	High Grade Mill building & VLF 2	Looking NE	Possible ponding on VLF1 north 10,200 level
Photo 10	Squaw Gulch VLF (VLF 2) 1 of 2	Looking north	Mill on right, ADR2 on left
Photo 11	Squaw Gulch VLF (VLF 2) 2 of 2	Looking north	Schist Island beyond, topsoil stockpile on left (<i>note ore stacking appears in compliance</i>).
Photo 12	WHEX pit	Looking SW	Backfill visible on left, Globe Hill pit in upper right.
<u>Acronyms:</u> 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 NNE).

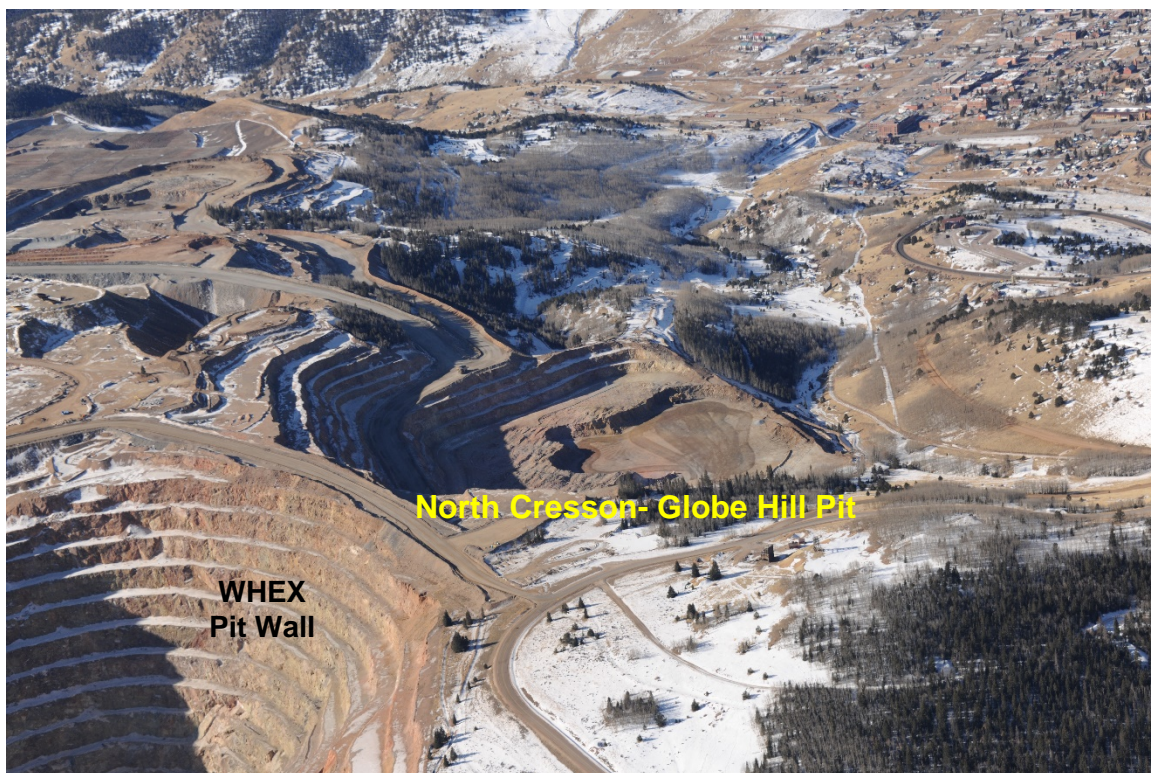


Photo 2. North Cresson – Globe Hill (looking SW).

PHOTOGRAPHS (cont.)



Photo 3. Altman Backfill/East Cresson OSA (looking NW).



Photo 4. East Cresson OSA Toe (looking south).

PHOTOGRAPHS (cont.)

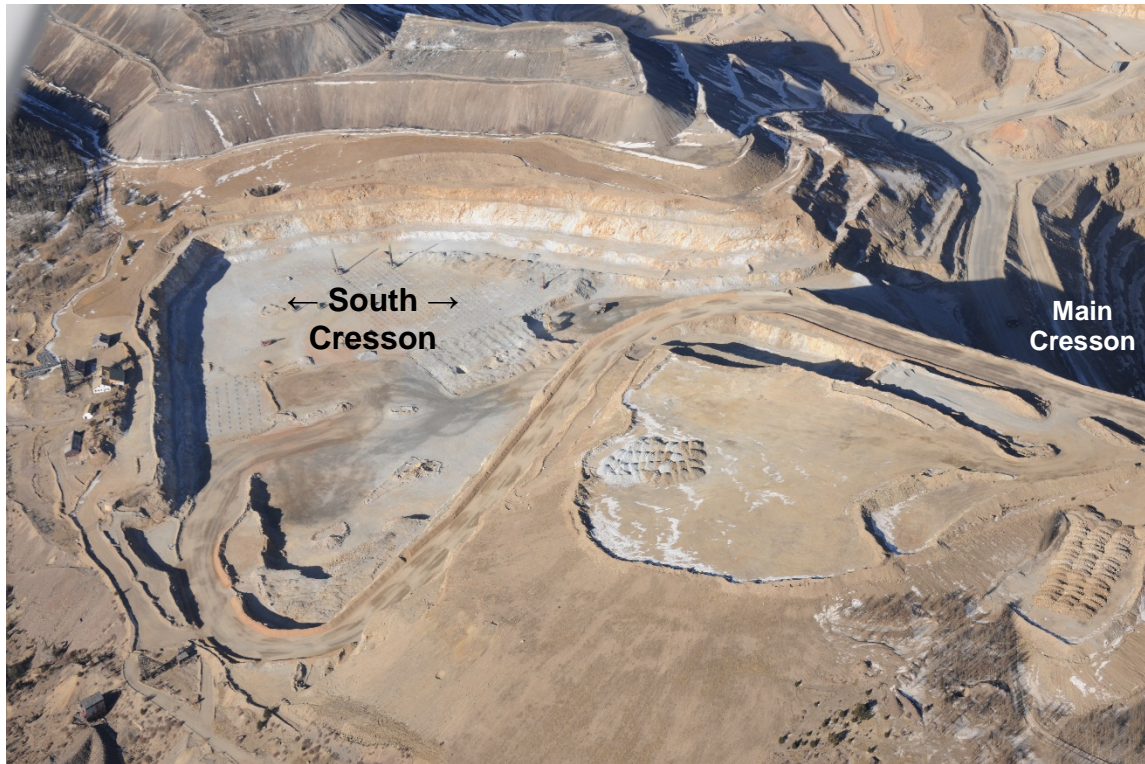


Photo 5. South Cresson Pit (looking west) .



Photo 6. Main Cresson Pit (looking NW)

PHOTOGRAPHS (cont.)

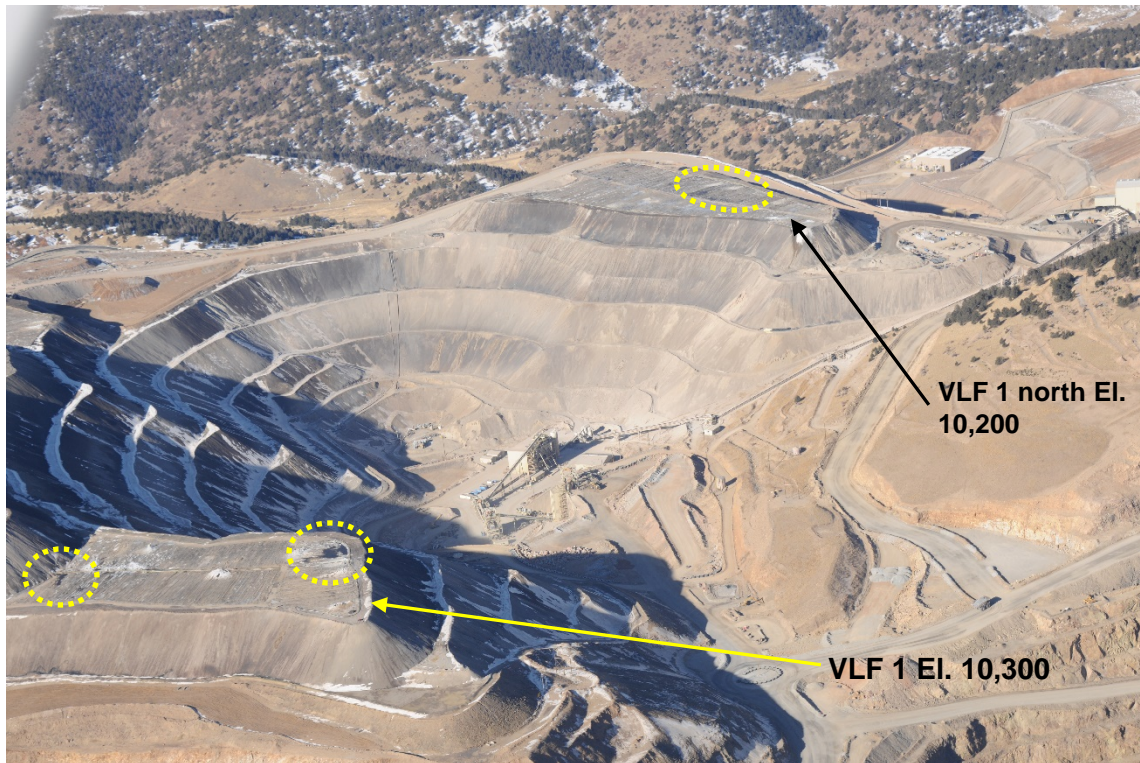


Photo 7. VLF 1/Arequa Gulch VLF (looking west); Possible ponding circled.

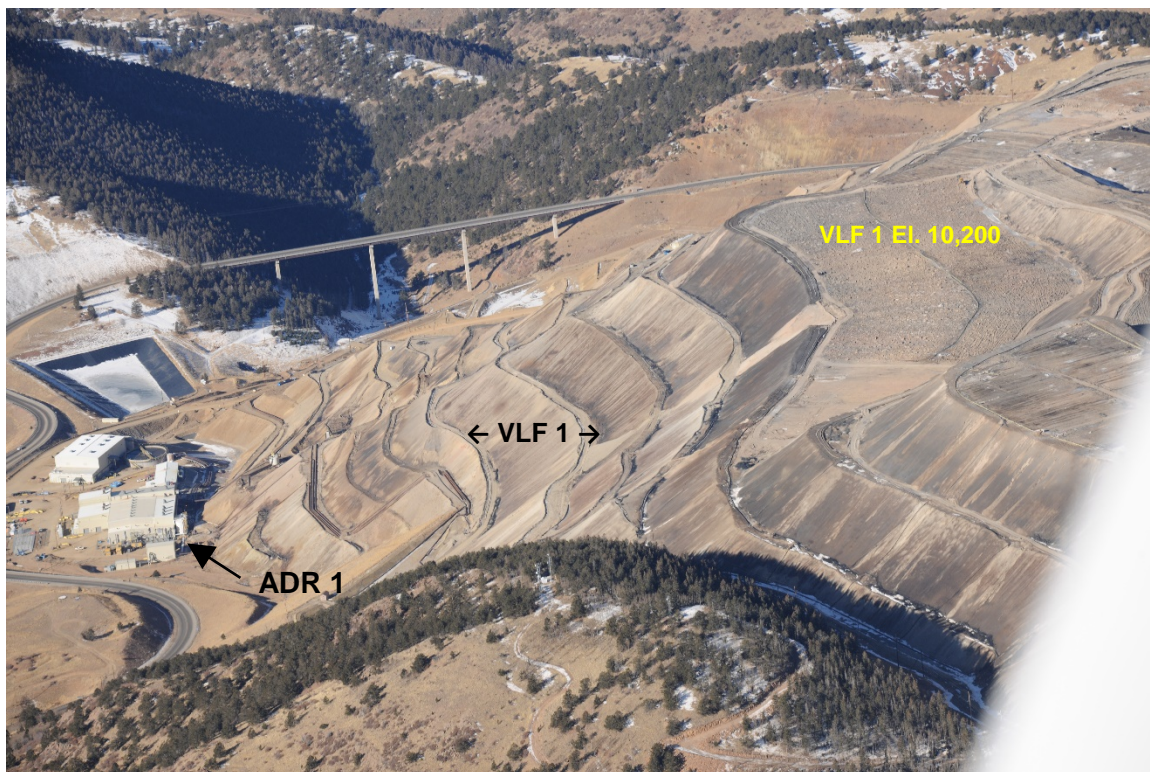


Photo 8. VLF 1/Arequa Gulch VLF (looking west); No visible ponding on South 10,200 level.

PHOTOGRAPHS (cont.)

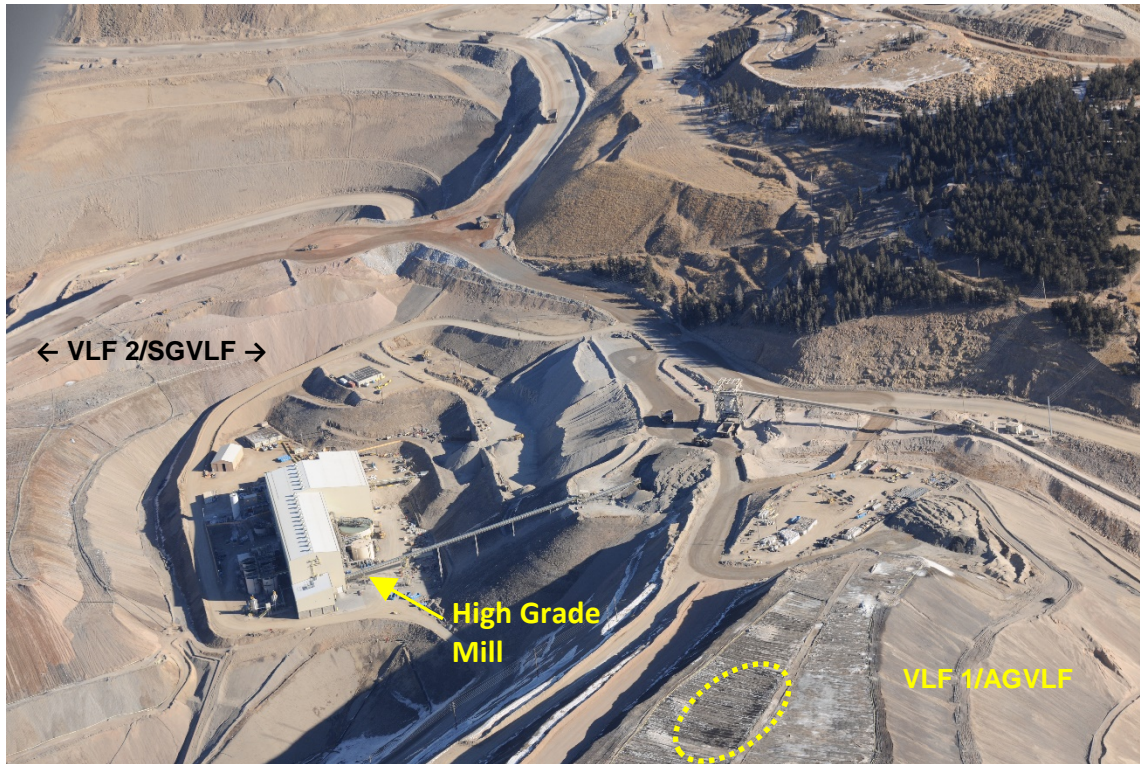


Photo 9. High Grade Mill and VLFs (Looking NE; Possible solution ponding circled).

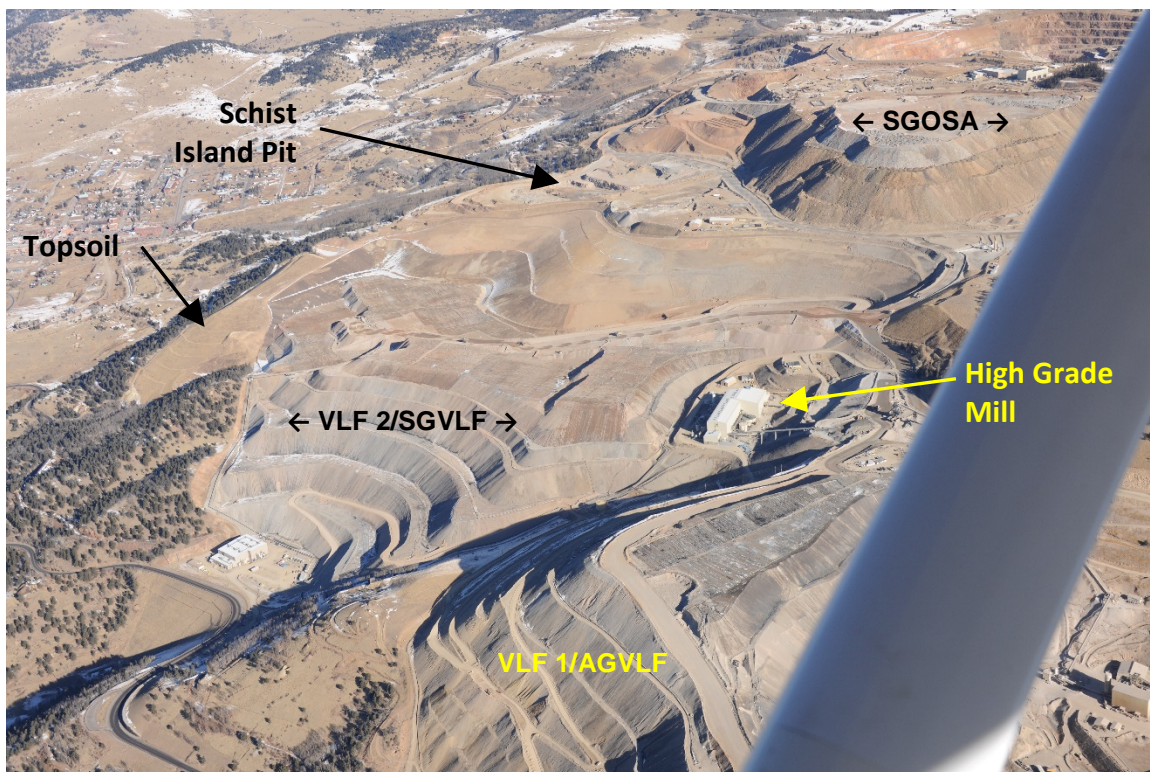


Photo 10. North VLF 2/Squaw Gulch VLF (looking north).

PHOTOGRAPHS (cont.)

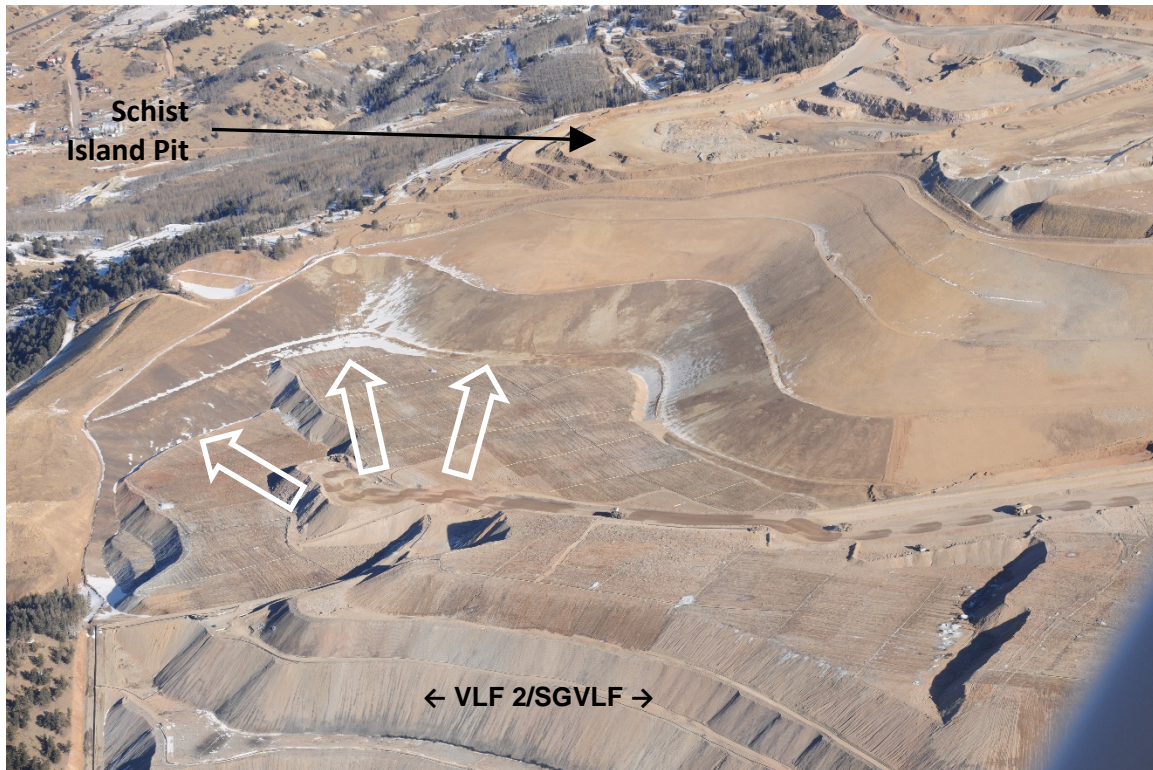


Photo 11. VLF 2/Squaw Gulch VLF (looking north, arrows show ore stacking direction).

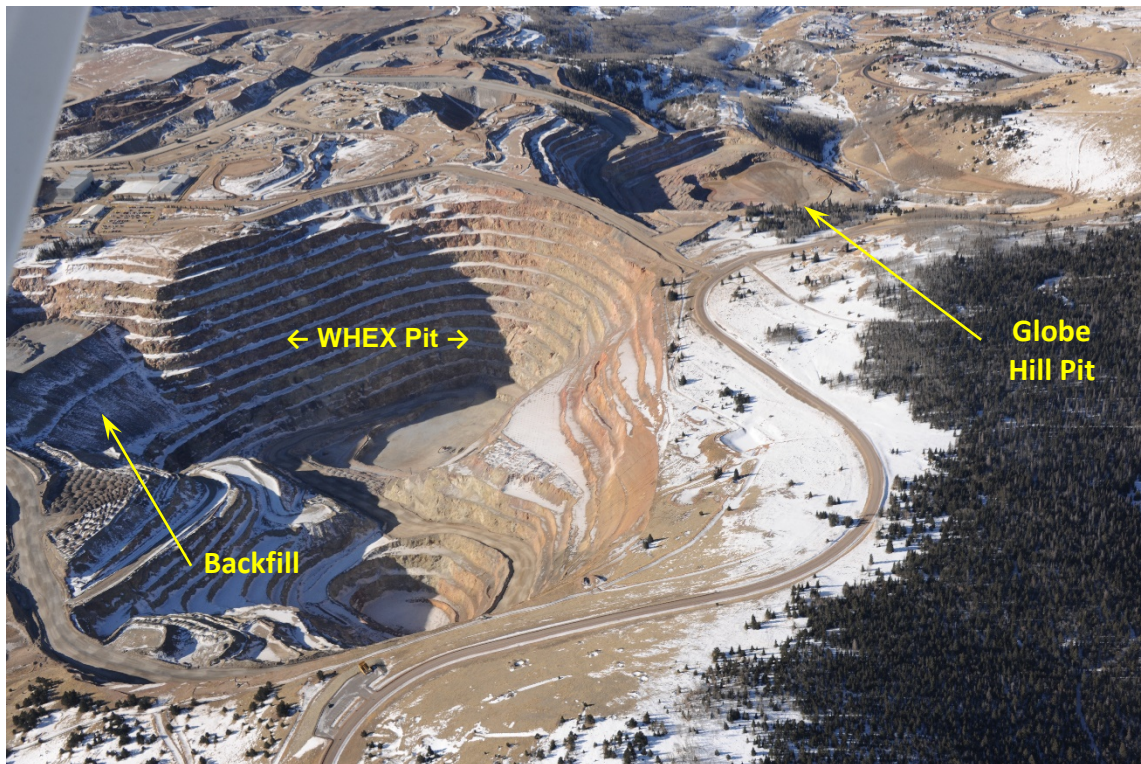


Photo 12. WHEX Pit (Looking SW).

Inspection Contact Address

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