




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: Humming Bird Mine	MINE/PROSPECTING ID#: M-2017-035	MINERAL: Gemstones, fluorine, copper	COUNTY: Mesa
INSPECTION TYPE: Preoperation Inspection	INSPECTOR(S): Amy Yeldell	INSP. DATE: October 20, 2020	INSP. TIME: 16:20
OPERATOR: Miners Mall, LLC	OPERATOR REPRESENTATIVE: Dennis Schneider	TYPE OF OPERATION: 110(1) - Hard Rock Limited Impact	
REASON FOR INSPECTION: Preoperation Inspection	BOND CALCULATION TYPE: Complete Bond	BOND AMOUNT: \$2,588.30	
DATE OF COMPLAINT: NA	POST INSP. CONTACTS: DRMS	JOINT INSP. AGENCY: None	
WEATHER: Clear	INSPECTOR'S SIGNATURE: 	SIGNATURE DATE: October 28, 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>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>Y</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>Y</u>
(SM) SIGNS AND MARKERS----- <u>Y</u>	(SP) STORM WATER MGT PLAN---- <u>N</u>	(RS) RECL PLAN/COMP-- <u>N</u>
(ES) OVERBURDEN/DEV. WASTE----- <u>N</u>	(SC) EROSION/SEDIMENTATION--- <u>Y</u>	(ST) STIPULATIONS----- <u>Y</u>
(AT) ACID OR TOXIC MATERIALS----- <u>Y</u>	(OD) OFF-SITE DAMAGE----- <u>NA</u>	

Y = Inspected / N = Not inspected / NA = Not applicable to this operation / PB = Problem cited / PV = Possible violation cited

OBSERVATIONS

This was a preoperational inspection conducted in response to an amendment application (AM-1) submitted on August 25, 2020. This inspection was conducted by Amy Yeldell of the Colorado Division of Reclamation, Mining and Safety (Division). Mr. Dennis Schneider, of Miners Mall, LLC, accompanied me on the inspection. No BLM representative was present.

The Humming Bird Mine is a 110(1) surface mining operation that includes a total of 0.10 acres. The site is located approximately 13 miles south of Whitewater, Colorado in Mesa County. The mine is located on the north side of 141 at the entrance of Nancy Hanks Gulch in Unaweep Canyon and is accessible from a trail west of the parking lot.

The mine sign and boundary markers remain in place and in compliance with Rule 3.1.12. (See Photo 1). The waste rock and topsoil piles associated with the Ridgetop Project area appear to be stable. There is no erosion from the piles. The topsoil has good vegetation establishment. No weeds were observed. All mining equipment is stored neatly and properly secured (See Photo 2). No fuel, trash or structures are located on site.

Each of the various project areas were inspected for description accuracy, reasonability of proposed plan and appropriateness of reclamation measures.

Ridgetop Project Area

The Ridgetop Project Area is the current mining operation. The area was historically mined for copper and is now being reworked. This is a surface mine that follows the fault trending north-south. The current excavation is approximately 25 feet long, 3-10 feet wide and up to 15 feet deep (See Photos 3-5). In time the pit could be excavated up to 40 feet deep. All excavated waste material will be sorted and stored in piles on the north east side of the fault. All available topsoil will be salvaged. The Operator believes to have intercepted the historical shaft which connects with other underground workings (See Photo 6). Given the unstable rock over this portal the pit will need to be widened or taken back to the east. In expanding the pit, the support area may be moved to the east to maintain size. Upon completion of mining waste rock will be used to fill the pit. Fines and enriched topsoil material will then be spread and revegetated.

Siberia Project Area

This area will access a historical DRMS grated portal. This is the northern grated portal adjacent to CO-HWY 141 (See Photo7). The portal is located in an open area with limited vegetation. A small support area will be created to the northeast of the portal. All materials pulled from underground will be processed off site. There will be no waste rock piles located outside of the portal. Upon completion of mining the support area will be reclaimed and control of the portal will be turned over to DRMS/BLM.

*According to the Operator in 1968, 150 gallons of mercuric acid was poured down a drill hole into the Siberia Portal in an effort to get the gems to fall from the formation. The Division was able to see a drill hole adjacent to the portal (See Photo 8). The stability or impacts of this alleged action on the formations competency is unbeknownst to the Division.

Midway Project Area

The Midway Project Area is primarily a reclamation project. Historic tailing/waste rock piles will be re-mined starting in the southwest corner and moving northeast along the hill side. Currently this is a clearing in the trees with exposed rock of various size and fines with some historic mining trash (See Photos 9 and 10). All residual copper and gems will be harvested. Fines or soil material will be screened and saved for reclamation throughout the site. All other waste rock will be placed back in the cut. The goal is to make slopes stable and as close to a 3H: 1V. Once contouring is finished fines/topsoil will be placed and revegetated.

Midway Portal Area

The Midway Portal consists of an existing fixed DRMS grate. No hinges are present, would need to be re-welded to be used for future mine access. Rocks from the hillside above the portal have slid partially blocking the portal entrance (See Photo 11). The operator intends to clear the path to the portal by stacking rocks on either side. If the Operator wishes to access underground using this portal additional permitting will be required. This project area will be completed in conjunction with activities at the Connector Project Area.

Connector Project Area

The Connector Project Area is primarily a reclamation and slope stabilization project. Debris from this area continues to slide, blocking the Midway Portal (See Photo 12). Loose material will be sorted through and moved to the west. Terracing or benching may be used given the steepness of this area. Any disturbed areas will be reclaimed.

Purple Pipe

The Purple Pipe is an extension of the Ridgetop Project Area (See Photo 13). It is believed by the Operator that underground workings extend into this area. At this time mining is proposed to be underground and no surface disturbances will be associated with this phase. Limited backfilling of waste rock will be required for final reclamation. Future revisions will likely be necessary to address this project area as mining progresses and plans solidify.

Unnamed Project Area

The Unnamed Project Area is intended to become a new portal to further explore the resource. A small pad will be created and the excavated portal will have a gate. This area will be similar to the Siberia Project area. At this time this area is only included for the purposes of increasing the permit acreage (See Photo 14). The technical plan regarding mining and reclamation of this phase will be forthcoming. No mining in this area will commence until permit revisions are made with DRMS.

Fence

This site is located on BLM and thus open to the public. This presents a problem for maintaining public safety with an ongoing mining operation. Holes will be drilled for rebar with lightning caps and a three-string wire fence will be attached (See Photo 15). The upper fence will primarily encompass the Ridgetop Project Area because of the open pit. Portions of the Purple Pipe and Connector Project Areas will also be included in the upper fence area. A second fence will be installed along the lower access trail at the mine entrance to limit access and post important information prior to entering the mine. Additional fencing may be necessary as mining progresses. The Operator shall update the permit accordantly to account for all features on site.

The Division currently holds a financial warranty amount of \$2,588.30 for this site. The Division will update the reclamation cost estimate based on the conditions proposed under AM-1.

No problems or violations were noted during this inspection.

Responses to this inspection report should be directed to: Amy Yeldell at the Division of Reclamation, Mining and Safety, 1313 Sherman St., Room 215, Denver, CO 80203. Direct contact can be made by phone at 303-866-3567 Ext 8183 or via email at amy.yeldell@state.co.us

Inspection Contact Address

Dennis Schneider
Miners Mall, LLC
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Grand Junction, CO 81504

Enclosure

EC:

Travis Marshall, Senior EPS, Grand Junction DRMS
Eric Eckberg, BLM

PHOTOGRAPHS

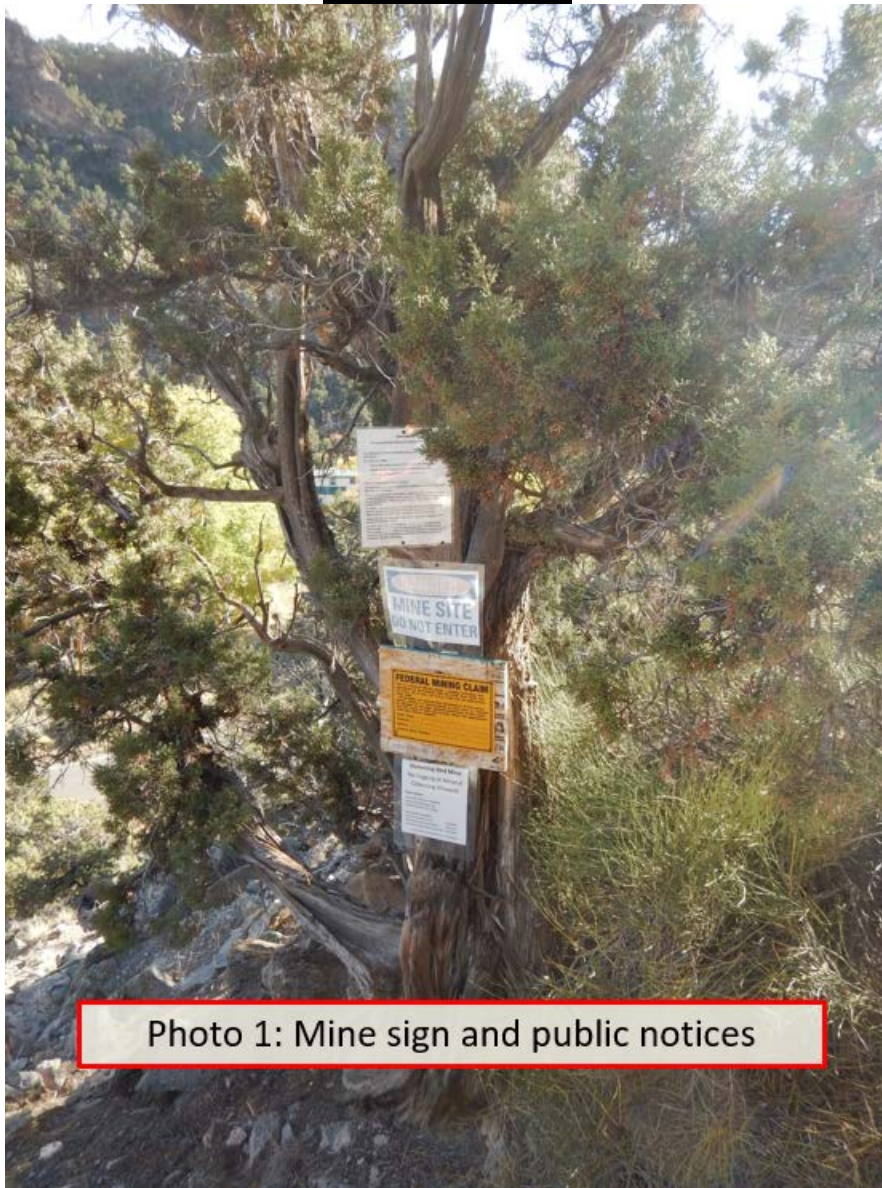


Photo 1: Mine sign and public notices



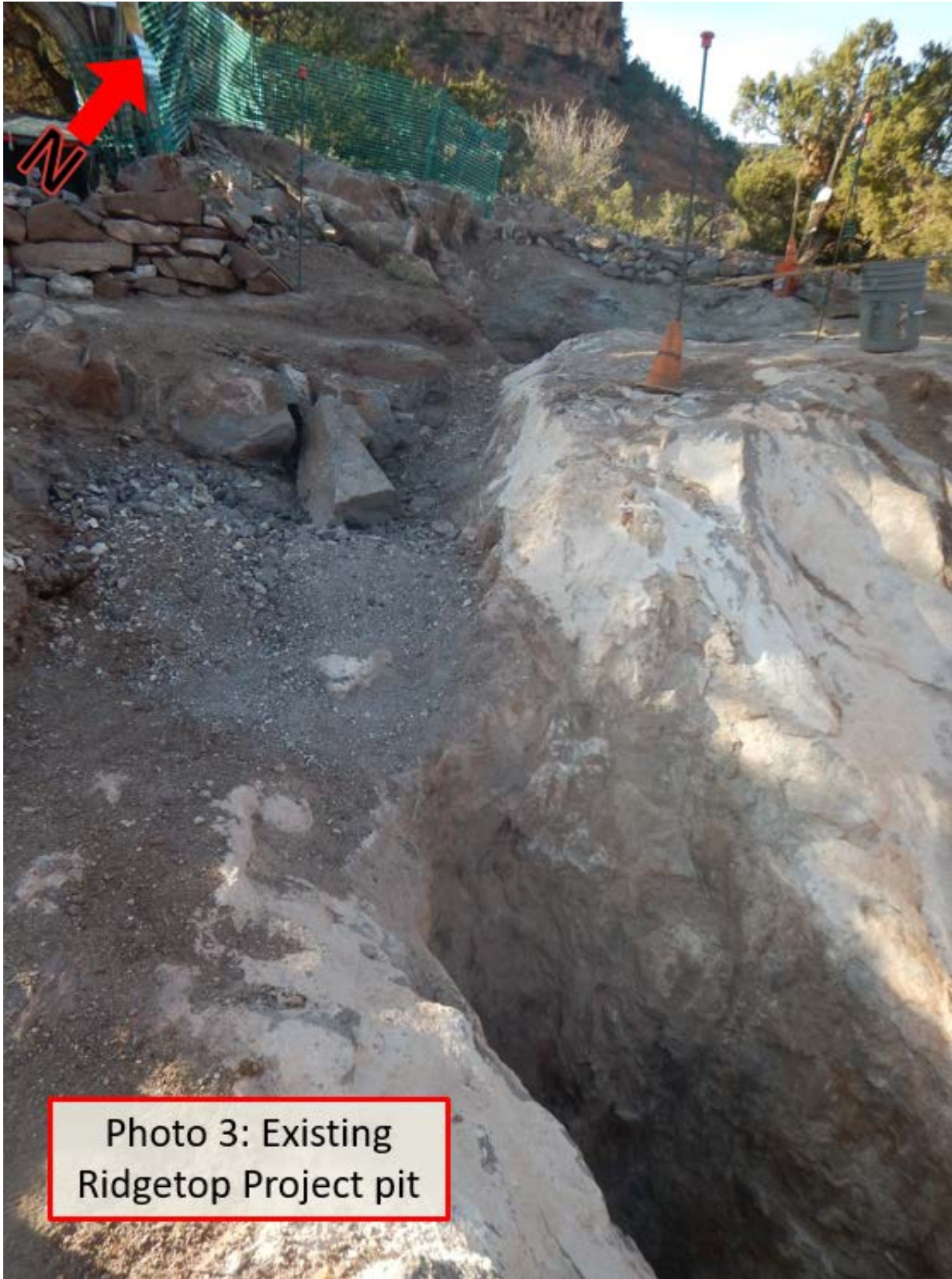


Photo 3: Existing
Ridgetop Project pit



Photo 4: Existing Ridgetop Project,
southern pit.



Photo 5: Existing Ridgetop Project, northern pit. Some fencing
previous fencing remains, new fencing being installed.



Photo 6: The Ridgetop Project Area, northern pit. Entrance to historical portal and eastern highwall that will need to be removed for stability/safety.



Photo 7: Siberia Portal and approximate support area location. CO-HWY 141 seen in the background.

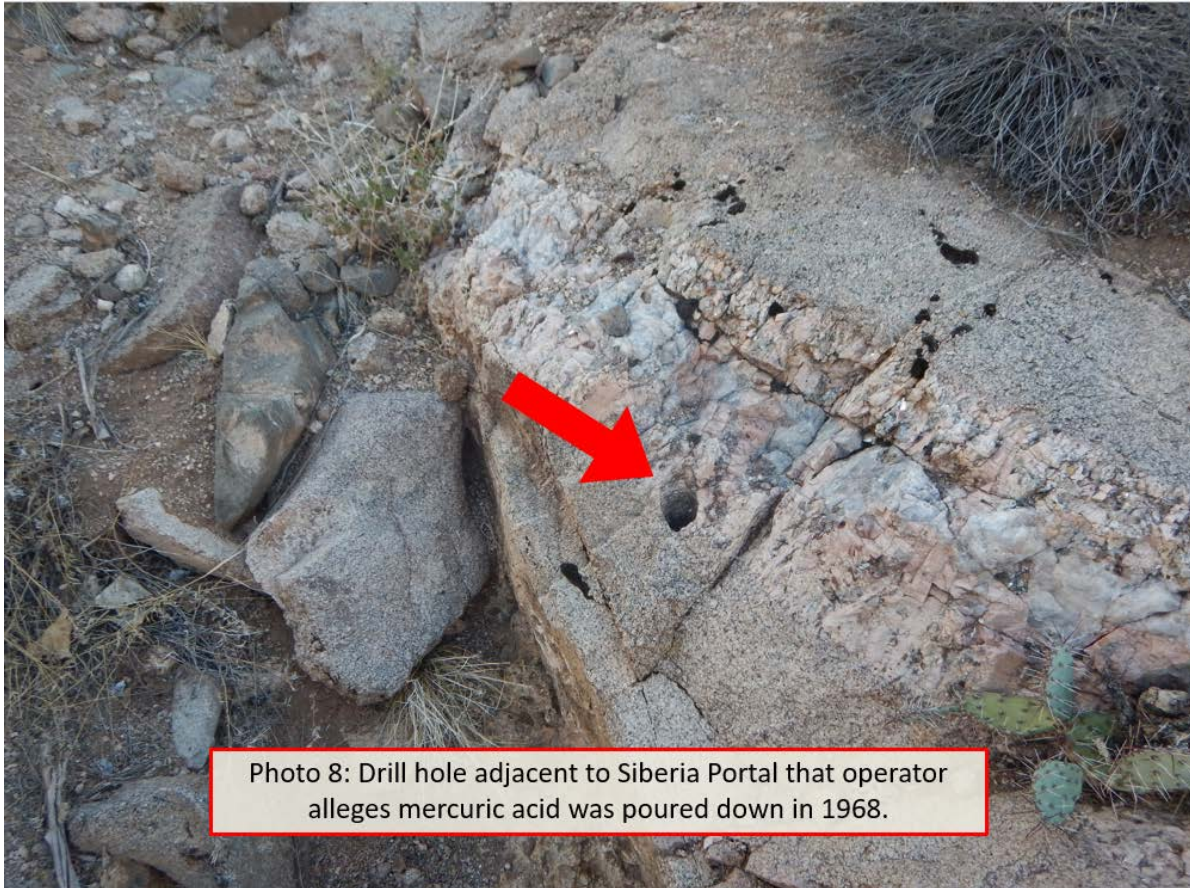




Photo 10: The Midway Project Area, open rock waste pile.

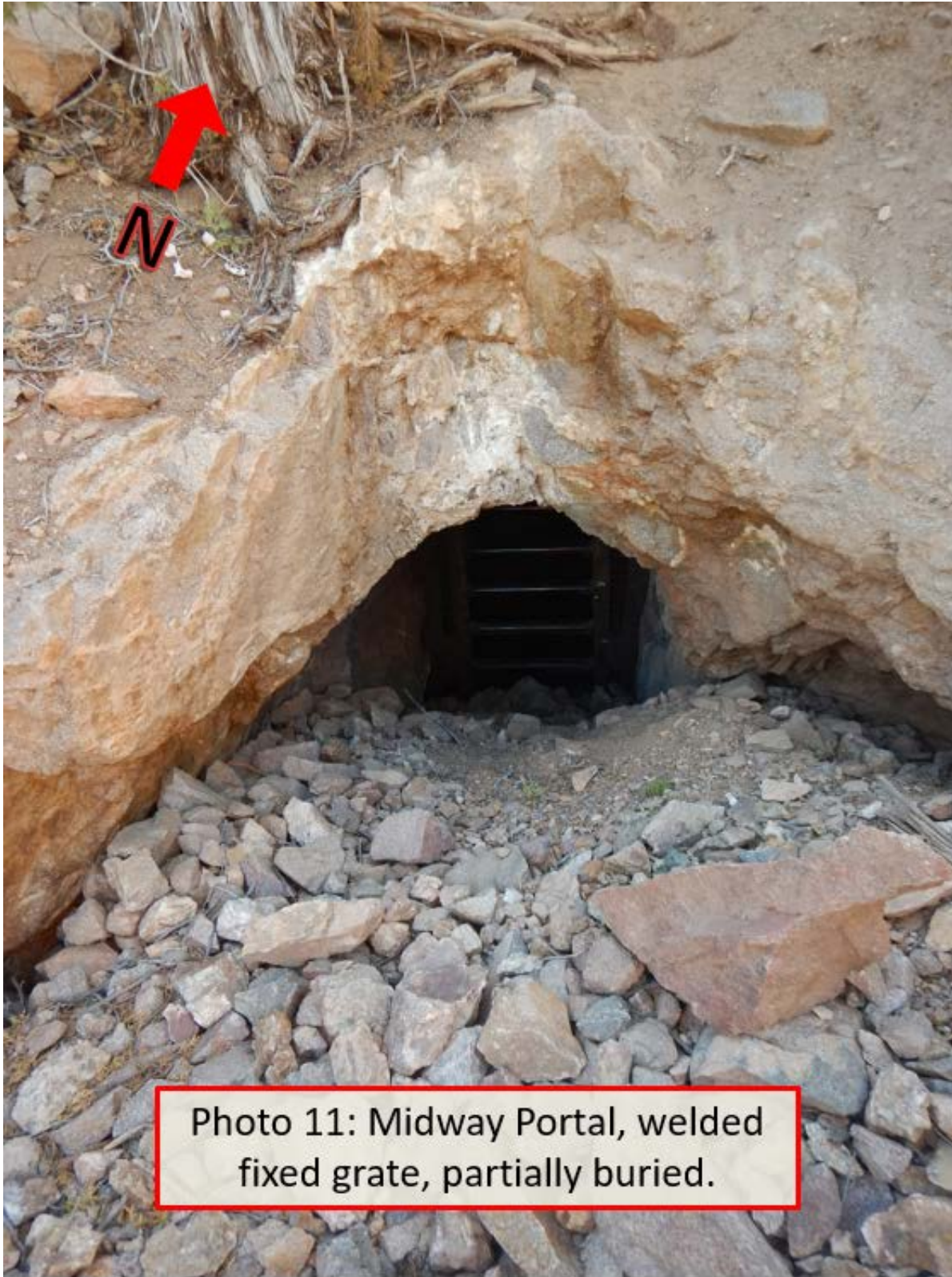


Photo 11: Midway Portal, welded fixed grate, partially buried.

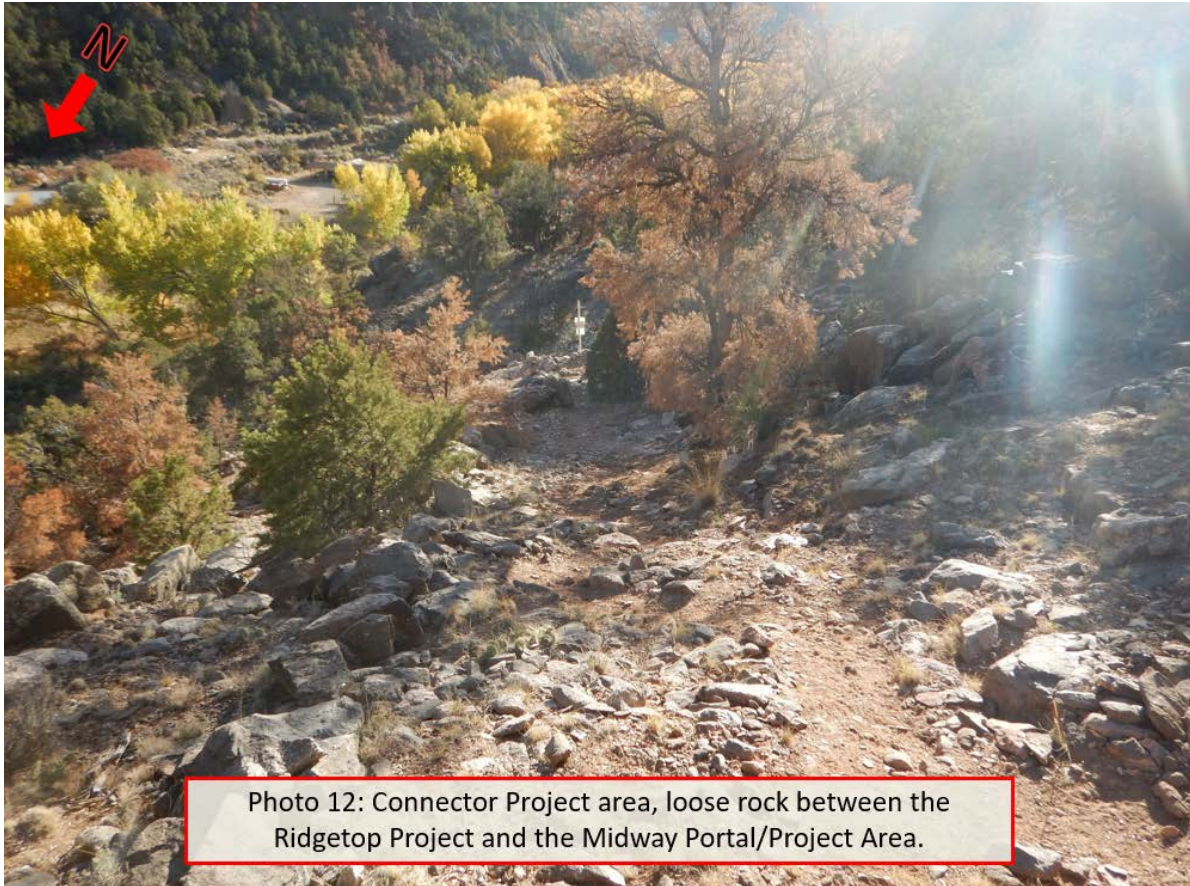


Photo 12: Connector Project area, loose rock between the Ridgetop Project and the Midway Portal/Project Area.



Photo 13: Purple Pipe area. Ridgetop northern pit is beyond green fencing in the background



Photo 14: Unnamed Project Area, location for potential new portal, support area and prospecting.



Photo 15: Example of rebar posts with lightning caps that will be used to construct fence in locations through the site.