




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: Sunnyside Gold Mine	MINE/PROSPECTING ID#: M-1977-378	MINERAL: Lead, zinc, copper, iron	COUNTY: San Juan
INSPECTION TYPE: Monitoring	INSPECTOR(S): Lucas West	INSP. DATE: June 16, 2021	INSP. TIME: 12:40
OPERATOR: Sunnyside Gold Corp	OPERATOR REPRESENTATIVE: Pat Maley	TYPE OF OPERATION: 112 - Hard Rock Regular Operation	
REASON FOR INSPECTION: Normal I&E Program	BOND CALCULATION TYPE: None	BOND AMOUNT: \$60,534.00	
DATE OF COMPLAINT: NA	POST INSP. CONTACTS: None	JOINT INSP. AGENCY: None	
WEATHER: Clear	INSPECTOR'S SIGNATURE: 	SIGNATURE DATE: June 22, 2021	

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>N</u>	(EX) EXPLOSIVES----- <u>N</u>
(PW) PROCESSING WASTE/TAILING---- <u>N</u>	(SF) PROCESSING FACILITIES----- <u>N</u>	(TS) TOPSOIL----- <u>N</u>
(MP) GENL MINE PLAN COMPLIANCE- <u>Y</u>	(FW) FISH & WILDLIFE----- <u>N</u>	(RV) REVEGETATION---- <u>Y</u>
(SM) SIGNS AND MARKERS----- <u>N</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 / 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 Active Mines Program of the Colorado Division of Reclamation, Mining and Safety. The Sunnyside gold mine is listed as an active 112 operation that is currently in final reclamation. Site activities at the time of the inspection included annual water quality sampling efforts required under the DRMS permit. The affected lands have been reclaimed to support wildlife habitat and rangeland post-mining land use. The site consists of 64.23 permitted acres at the Mayflower Tailings Pond #4. The Division currently holds \$60,534.00 in financial warranty for the site and was not recalculated at this time. Eight Photos accompany this report to illustrate the current site conditions.

Proper mine identification signage was posted at the entrance to the site. Access to the site is controlled by a locked gate just off County Road 2. The side slopes and top of the constructed repository were stable at the time of the inspection and are in excellent condition. Photos One through three show various aspects of the out slopes of the reclaimed area. The vegetative cover on the side slopes of the facility is in excellent condition. The vegetative cover in these areas is dense and diverse, showing multiple years biomass indicating the vegetation is self-sufficient. The top of the repository was also observed to be in excellent condition. No evidence of settling, slumping or erosion was noted. The vegetative cover of the top area is in similar condition to the side slopes in being dense and diverse. Photos Four and Five show examples of the vegetative cover observed across the site.

The water quality monitoring wells and piezometer locations were observed during the inspection and found to be in compliance with the approved permit. These structures were secured and clearly marked with the exception of the well being actively sampled during the inspection. The wells and piezometer monitoring devices are approved as permanent structures that will remain post reclamation.

The repository exhibits positive drainage and no impounded storm water or erosional issues were noted. All surface water control features were observed, and appeared to be functioning as designed though they showed no signs of recent flows. The upland diversion ditch that runs along the northern edge of the permitted area was observed and in excellent condition. The ditch is split by an apparent underground geologic change causing a visual difference in flows. The western portion of the ditch contained minimal flow as has been observed in previous inspections. The eastern portion of the ditch, east of the geologic change, contained no flow and no evidence of recent flows. The ditch as a whole is vegetated, and clear from any debris obstructions to allow for unimpeded flows. The ditch can be seen in Photos Six through Eight.

The overall footprint of the site is in excellent condition and free from trash and debris. Surface reclamation of the area is considered complete at this time, and continued activities include water quality monitoring, vegetation monitoring and weed treatment. No problems or possible violations were noted at this time. All responses to this report should be directed to Lucas West, Active Mines Program of the Colorado Division of Reclamation, Mining and Safety at 1313 Sherman Street, Room 215, Denver CO, 80203. Also, by phone at 303-866-3567 ext. 8187 or by email at lucas.west@state.co.us.

PHOTOGRAPHS

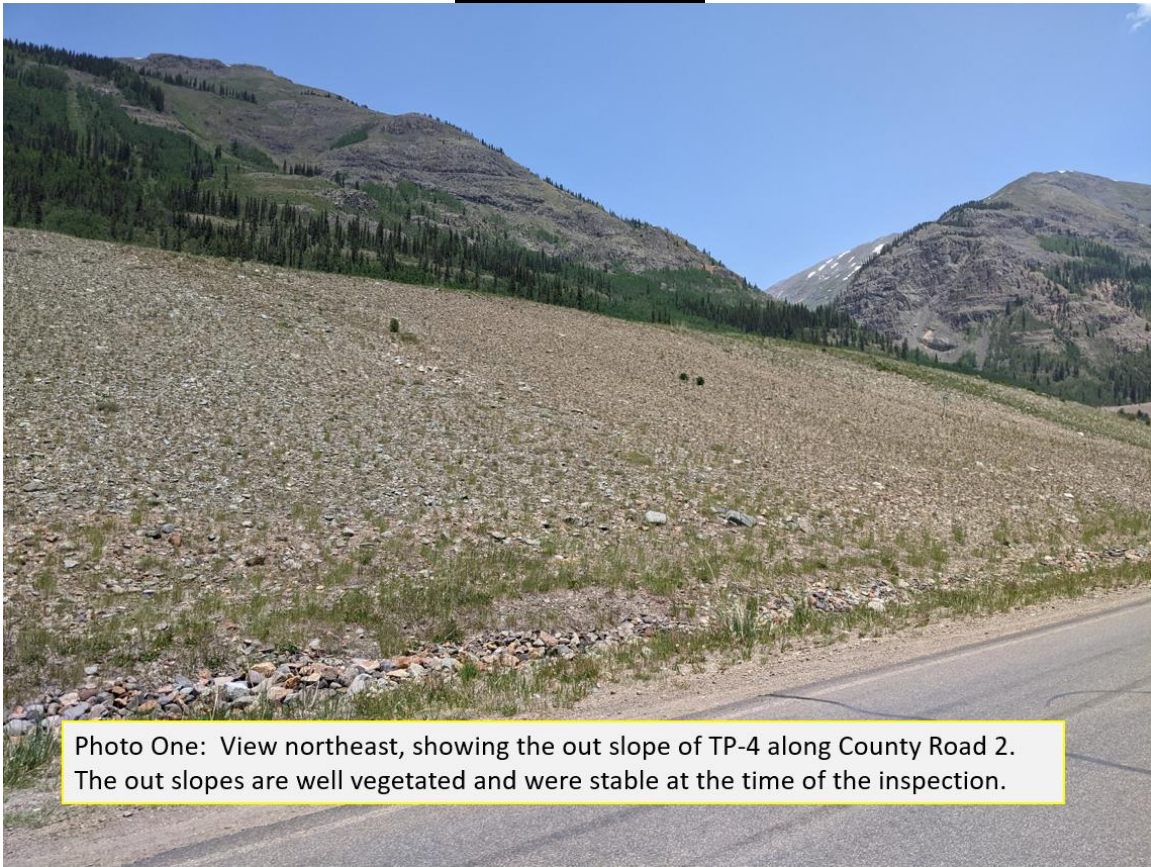


Photo One: View northeast, showing the out slope of TP-4 along County Road 2. The out slopes are well vegetated and were stable at the time of the inspection.



Photo Two: View southwest, showing another portion of the out slopes of TP 4 at the southwest extent of the permitted area. Also visible is the lower reach of the upland diversion ditch.



Photo Three: View north, showing a close up example of the vegetative cover along the out slopes. The vegetation is dense, diverse with several reclamation species identified.



Photo Four: View northeast, showing a majority of the top of TP 4. The entire area was stable at the time of the inspection and all surface water control structures were functioning as designed, though showed no evidence of recent flows.



Photo Five: View northeast, showing a close up view of the vegetative cover observed on the top of TP-4.



Photo Six: View west, showing a portion of the Upland Diversion Ditch downstream of the geologic change. The ditch is well vegetated and free from debris obstructions.



Inspection Contact Address

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