




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: Monitoring	INSPECTOR(S): Brock Bowles	INSP. DATE: September 22, 2021	INSP. TIME: 09:00
OPERATOR: Cripple Creek & Victor Gold Mining Company	OPERATOR REPRESENTATIVE: Jeana Ratcliff	TYPE OF OPERATION: 112d-3 - Designated Mining Operation	
REASON FOR INSPECTION: Normal I&E Program	BOND CALCULATION TYPE:	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: September 27, 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>N</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>N</u>	(TS) TOPSOIL----- <u>N</u>
(MP) GENL MINE PLAN COMPLIANCE- <u>N</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>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 by Brock Bowles of the Division of Reclamation, Mining and Safety (Division). The Cresson Project is located between the towns of Cripple Creek and Victor in Teller County. This site is a 112d-3 Designated Mining Operation (DMO) permitted for 6,007 acres to mine and process gold ore. At the time of the inspection it was warm, clear, and the ground was dry.

The following people were present at the inspection representing Cripple Creek & Victor Gold Mining Company (Operator):

- Jeana Ratcliff – Sr. Environmental Coordinator
- Maria Bujenovic – Environmental Coordinator
- Brian Crawford – Mine Operations Superintendent
- Trevor Elenbaas – Sr. Short Range Engineer
- Jeff Gaul – Projects Engineer

This focus of this inspection was to observe the backfilling operation of the Schist Island Pit.

Two lifts of the low compaction backfill have been completed. The first lift was 20 feet thick and the second was 15 feet thick. This brought the backfill up to the level of the next bench (photo 1). On the south side of the bench area, additional work is need to plug some old mine workings. The concrete is on order but a delivery date has not been set. A rock larger than 5 feet was in the area of the old shaft (photo 2). It is left over from mining and will be removed during shaft remediation.

The 3rd lift construction was observed during this inspection. It is 20 feet thick. The lift was being constructed from the southeast side of the pit to the west and north. The backfill material was coming from the Schist Island phase 2 area today (photo 3). Several cycles of haul trucks (photo 4) were observed. No rocks greater than 5 feet in size were seen in the backfill material (photo 5). When a lift is completed, a fully loaded haul truck or water truck is assigned to drive over the entire lift to compact the lift. The truck drives between the previous tire tracks in a north/ south orientation and then east/west.

One more 20 foot low compaction lift will be constructed. This is expected to be completed by the middle to end of October. The high compaction lifts are expected to start immediately after the low compaction is complete. Blasting to remove the south ridge of the Schist Island pit is expected to start in the next 2 weeks. The blasting and removal of material is expected to be complete by February.

It appears that CC&V is complying with the Amendment 13 Schist Island Backfill Specifications and the Low Compaction SOP outlined in Doc # NA-CCV-SER-Form-XX, dated 4/01/20 given to DRMS in a July 9, 2021 email.

PHOTOGRAPHS



Photo 1 – Pit backfilled up to first bench level



Photo 2 – Rock left over from mining, will be removed during shaft remediation



Photo 3- Schist Island Phase 2 area being used for backfill material



Photo 4 – Back fill material from Schist Island Phase 2 area



Photo 5 – Third lift construction, 20 foot lift, rocks all smaller than 5 feet

Inspection Contact Address

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