

Ouray Silver Mines, Inc.  
1900 Main St. Unit 1  
PO Box 564  
Ouray, CO 81427



October 6, 2021

Mr. Lucas West  
Environmental Protection Specialist  
Colorado Division of Reclamation Mining and Safety  
101 3<sup>rd</sup> Street  
Grand Junction, CO 81501

**Subject: Letter of Notification: Loss of Containment  
DRMS Permit No. M-2012-032  
Revenue Mine, Ouray County, Colorado**

Dear Mr. West,

Ouray Silver Mines, Inc. (OSMI) is providing written notification to the Division of Reclamation, Mining and Safety (DRMS) that a loss of containment occurred on October 6, 2021. This letter is being provided as follow-up from our telephone notification provided on October 6, 2021, in accordance with Rule 8 of the Hardrock, Metal and Designated Mining Operations Rules.

Approximately 200 gallons of tailings overflowed from the filter feed tank. The tailings left secondary containment but did not leave the mine site nor did the material impact surface water. The spilled tailings were contained within 10 feet of containment and were cleaned up and placed in the lined temporary tailings storage facility with other tailings to dry. A sample of the material that left secondary containment was collected to conduct Synthetic Precipitation Leachate Procedure (SPLP) testing to verify that no further cleanup action is needed. There are no known or anticipated impacts to human health, property, or the environment as a result of this incident.

Based on an initial investigation, the root cause of the release appears to be due to a faulty pump that would not turn off, which caused the filter feed tank to overflow. The pump has been repaired and is now operating normally.

To prevent recurrence of this situation, we have equipped the tank with a float, which is being connected to the automated mill software. This will put an automated control in place to prevent the tank from overflowing should a pump malfunction in the future.

OSMI will continue to keep DRMS apprised of the situation. We appreciate your assistance in this matter. If you have any questions, please contact me at (970) 325-9830.

Sincerely,



Poppy Staub  
VP Environment and Government Affairs  
Ouray Silver Mine Inc

Cc: Amy Yeldell, DRMS  
Brian Briggs, OSMI  
Todd Jesse, OSMI