




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: SM-18 Mine	MINE/PROSPECTING ID#: M-1978-116	MINERAL: Uranium and vanadium	COUNTY: Montrose
INSPECTION TYPE: Monitoring	INSPECTOR(S): Dustin M. Czapla	INSP. DATE: November 9, 2021	INSP. TIME: 11:00
OPERATOR: Highbury Resources, Inc.	OPERATOR REPRESENTATIVE: Scott Pottorffs	TYPE OF OPERATION: 112d-1 - Designated Mining Operation	

REASON FOR INSPECTION: Normal I&E Program	BOND CALCULATION TYPE: None	BOND AMOUNT: \$87,671.76
DATE OF COMPLAINT: NA	POST INSP. CONTACTS: None	JOINT INSP. AGENCY: None
WEATHER: Clear	INSPECTOR'S SIGNATURE: 	SIGNATURE DATE: November 18, 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>Y</u>	(FN) FINANCIAL WARRANTY----- <u>N</u>	(RD) ROADS----- <u>N</u>
(HB) HYDROLOGIC BALANCE----- <u>Y</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>Y</u>	(FW) FISH & WILDLIFE----- <u>N</u>	(RV) REVEGETATION---- <u>N</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>N</u>
(AT) ACID OR TOXIC MATERIALS----- <u>N</u>	(OD) OFF-SITE DAMAGE----- <u>N</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 inspection was conducted as part of the Division of Reclamation, Mining and Safety's (Division) normal monitoring program. Scott Pottorffs and Dana Cline, representing Highbury Resources, were present. Photographs are included with this report in order to illustrate some of the conditions observed.

The SM-18 Mine is located northeast of the Uravan town site and accessed from U17 Road. The site is a 112d operation that includes a total of 14.9 permitted acres.

Adequate mine identification signage was noted at the entrance to the site.

The south portion of the affected area consists of the Wright Portal, an operations area, sediment control structures, and ore and waste rock areas. The portal is secured with a locking gate. Conditions around the office trailer/operations area appear unchanged from the Division's last inspection. Sediment control features are maintained and appear to be functioning as designed. No problems related to erosion or sedimentation were noted.

The north portion of the affected area, on the north side of Spring Camp Mesa, consists of the old reclaimed portal and mine area. No problems were noted here. A steel building is located in this area. The building appears in good repair. Vegetation is well established over the reclaimed waste rock pile.

No problems or violations were noted during this inspection. Final reclamation work has not yet commenced at this site.

Responses to this inspection report should be directed to Dustin Czapla at the Division of Reclamation, Mining and Safety, 1313 Sherman Street Room 215, Denver, Colorado, 80203, phone number (303) 866-3567, ext. 8188.

PHOTOGRAPHS





Inspection Contact Address

Joshua Bleak
Highbury Resources Inc.
10808 S. River Front Parkway,
Suite 321
South Jordan, UT 84095