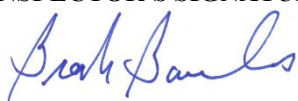




MINERALS PROGRAM INSPECTION REPORT

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: Iron & Wm. Richardson Lode Claims	MINE/PROSPECTING ID#: M-2014-066	MINERAL: Gold and silver	COUNTY: Gilpin
INSPECTION TYPE: Surety Release Inspection	INSPECTOR(S): Brock Bowles, Michael Cunningham	INSP. DATE: July 28, 2022	INSP. TIME: 09:00
OPERATOR: Nevadaville Encore, LLC	OPERATOR REPRESENTATIVE: None	TYPE OF OPERATION: 110d - Designated Limited Impact	
REASON FOR INSPECTION: Surety Release Requested	BOND CALCULATION TYPE: None	BOND AMOUNT: \$14,500.00	
DATE OF COMPLAINT: NA	POST INSP. CONTACTS: None	JOINT INSP. AGENCY: None	
WEATHER: Cloudy	INSPECTOR'S SIGNATURE: 	SIGNATURE DATE: August 3, 2022	

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>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>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

The Iron and William Richardson Lode Claims was inspected by Brock Bowles and Michael Cunningham of the Division of Reclamation, Mining and Safety (Division) to evaluate the final performance warranty release request (SL1) filed by the Operator on July 7, 2022. Mr. Wesley Williams (operator) was not present during the inspection. The weather conditions during the inspection were cloudy, warm and the ground was dry.

The mine site is a 110d operation permitted to mine gold and silver. The site is comprised of 2 historic mining claims: the Iron claim and the Wm. Richardson claim. Both claims combined equal 1 acre in size. The claims are separated by the Druid Mine Road with the Iron Claim (0.4 acre) on the south side of the road and the Wm. Richards Claim (0.6 acre) on the north (figure 1).

The Iron claim is a forested hillside and contains some historic mining buildings/structures. The Iron claim appears that it was not disturbed by the currently approved mining operations and is in the same condition as when the permit was approved in 2015. No permit boundary markers were in place for this claim.

The Wm. Richardson claim was marked with permit boundary markers (photo 2) except the southwest corner marker because the marker would be in the middle of Druid Mine Road. No historic buildings/structures were on this claim. The site is a historic mine tailings dump with only a couple of aspen and pine trees growing on the site prior to the current mining permit, according to the 2014 permit application. The mining plan was to haul the existing ore/tailings to an off-site processing facility. Erosion control structures (wattles and silt fence) were installed around the perimeter of the mined area (photo 3).

The reclamation plan included contouring the disturbed areas to blend in with the surrounding landscape, importing topsoil to a depth of 2 inches and broadcast seed/fertilize the area.

Very little disturbance was created as a result of this mining permit. Only two very small areas were disturbed with a combined disturbance of less than 1000 sq. ft. (figure 1- green areas). The areas that were disturbed were topsoiled and seeded. The vegetation growing on these areas was growing well (photo 4).

Most of the permitted area was not disturbed as a result of this mining permit. Therefore, reclamation is not required for these undisturbed areas.

The erosion control structures were removed to clean up the site after the inspection was conducted (photo 5).

No objections to the full reclamation responsibility release request were received by the Division.

The Division will recommend approval of the final performance and financial warranties release request (SL1) based on the observations from this inspection.

PHOTOGRAPHS

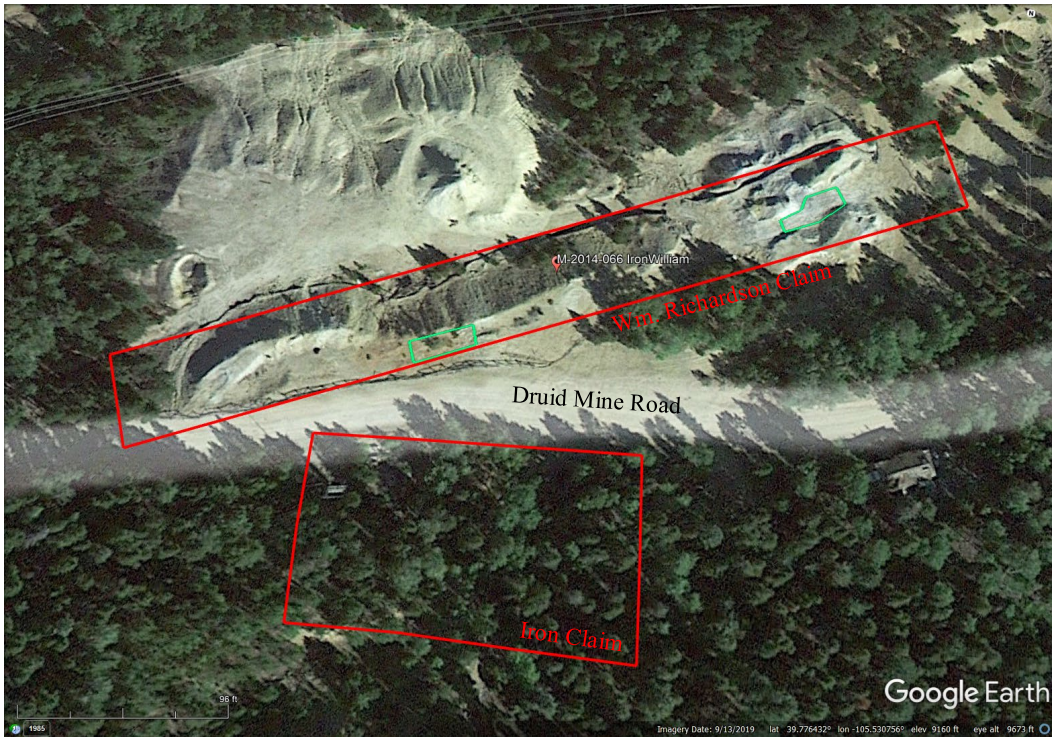


Figure 1 – Permit boundaries (red) and disturbed/revegetated areas (green)



Photo 2 – Northwest permit marker



Photo 3 – North permit boundary of Williams claim looking east with erosion control silt fences



Photo 4 – Vegetation growing on eastern disturbance



Photo 5 – North permit boundary facing west, erosion control structures removed

Inspection Contact Address

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