




## 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.

<b>MINE NAME:</b> Bulldog Project	<b>MINE/PROSPECTING ID#:</b> P-2010-014	<b>MINERAL:</b> Silver, zinc, lead and	<b>COUNTY:</b> Mineral
<b>INSPECTION TYPE:</b> Monitoring	<b>INSPECTOR(S):</b> Lucas West	<b>INSP. DATE:</b> August 31, 2022	<b>INSP. TIME:</b> 09:04
<b>OPERATOR:</b> Rio Grande Silver, Inc.	<b>OPERATOR REPRESENTATIVE:</b> Randy McClure	<b>TYPE OF OPERATION:</b> MP - Mineral Prospecting	

<b>REASON FOR INSPECTION:</b> Normal I&E Program	<b>BOND CALCULATION TYPE:</b> Complete Bond	<b>BOND AMOUNT:</b> \$14,727.00
<b>DATE OF COMPLAINT:</b> NA	<b>POST INSP. CONTACTS:</b> None	<b>JOINT INSP. AGENCY:</b> None
<b>WEATHER:</b> Clear	<b>INSPECTOR'S SIGNATURE:</b> 	<b>SIGNATURE DATE:</b> September 14, 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>Y</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>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>Y</u>	(ST) STIPULATIONS----- <u>Y</u>
(AT) ACID OR TOXIC MATERIALS----- <u>Y</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 Colorado Division of Reclamation, Mining and Safety's Active Mines Program. The Bulldog Project is listed as an Active Notice of Intent to Conduct Prospecting Operations (NOI) located approximately 3.5 mile northwest of Creede, CO in Mineral County at approximately 11,050 feet in elevation. Public access to the site is controlled by a locked gate along the access road. Proper site identification signage was posted on the gate of the site. The NOI consists of underground drilling operations in the exploration of Silver, Gold and base metal resources in the area. The Division currently holds \$14,727.00 in Financial Warranty for the site. A reclamation cost estimate was performed as a result of this inspection and staff calculations determined that the currently held Financial Warranty is sufficient to complete reclamation of the site. Four Photos accompany this report to illustrate the current site conditions.

The entire NOI consists of two drill pads, BD-7 and BD-8 along with an access road extending from the San Juan Silver Project NOI and connecting the two drill pads. At the time of the inspection, drilling operations were underway at the BD-7 pad, being conducted by a drilling contractor. Drilling operations are consistent with standard practices for core drilling operations. The track mounted drill rig was set on the pad, drilling angularly, to the west. All drill water was being contained, recirculated and impounded in accordance with the approved plans. Fresh water is delivered to the site by way of a small water line routed from the BD-6 pad of the San Juan Silver Project. Aside from small amounts of fuel and lubricants associated with the drill rig, no hazardous, toxic or acid forming materials are being stored on site. All support items including extra drill steel, water holding tank and gen set are being stored in a neat and orderly fashion. The down gradient side of the pad, to the east, is protected by construction fencing and storm water control features that were all in good condition. Photos One through Three show examples of the drilling operations observed at the time of the inspection.

Leading to the north from the BD-7 pad is a constructed access road leading to the BD-8 Pad. The access road has become blocked to vehicle traffic with downed trees and has revegetated itself since the time of construction. The BD-8 pad has been constructed in preparations for drilling operations, however has not been drilled yet. The pad and its cut slope appeared to be stable at the time of the inspection. At the time of construction topsoil and vegetation had been stripped from the site, however since that time vegetation has begun to re-establish with volunteer species. The pad can be seen in Photo Four. On site discussions with the Operator indicate that drilling of the BD-7 pad should happen either this fall or next spring.

The overall footprint of the two pads and access road is in excellent condition. No evidence of settling, slumping or erosion was observed and no State Listed Noxious Weeds were noted. The sites are free from trash and debris, all exhibit positive drainage and only minimal impounded storm water was observed on BD-7 however is not considered a problem at this time. No problems or possible violations were noted during this inspection. All responses to this report should be directed to Lucas West at the Colorado Division of Reclamation, Mining and Safety at 1001 E 62<sup>nd</sup> Street, Room 215 Denver, CO 80216. Direct contact can be made at the Division's Grand Junction Field Office, by phone at 303-866-3567 Ext. 8187 or by email at [lucas.west@state.co.us](mailto:lucas.west@state.co.us).



## **PHOTOGRAPHS**







Photo Three: View southeast, showing the eastern edge of the BD-7 pad with construction fencing and storm water control features that are functioning as designed.



Photo Four: View north, showing the BD-8 Drill pad. The pad has been constructed but not yet drilled. Conversations with the Operator indicate that drilling on this pad is imminent.

**Inspection Contact Address**

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