




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: North Amethyst Project	MINE/PROSPECTING ID#: P-2010-007	MINERAL: Silver, gold, lead and	COUNTY: Mineral
INSPECTION TYPE: Monitoring	INSPECTOR(S): Lucas West	INSP. DATE: August 31, 2022	INSP. TIME: 11:50
OPERATOR: Rio Grande Silver, Inc.	OPERATOR REPRESENTATIVE: Randy McClure	TYPE OF OPERATION: MP - Mineral Prospecting	

REASON FOR INSPECTION: Normal I&E Program	BOND CALCULATION TYPE: None	BOND AMOUNT: \$8,202.00
DATE OF COMPLAINT: NA	POST INSP. CONTACTS: None	JOINT INSP. AGENCY: None
WEATHER: Clear	INSPECTOR'S SIGNATURE: 	SIGNATURE DATE: September 26, 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>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>N</u>	(SP) STORM WATER MGT PLAN---- <u>N</u>	(RS) RECL PLAN/COMP-- <u>Y</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 as part of the normal monitoring program established by the Colorado Division of Reclamation, Mining and Safety's Active Mines Program. The North Amethyst Project is listed as an Active Notice of Intent to Conduct Prospecting Operations (NOI) located approximately five miles northwest of Creede, CO in Mineral County at approximately 11,000 feet in elevation. The NOI consisted of surface drilling operations in the exploration of Silver, Gold and base metal resources in the area. Most activity related to the NOI has been completed and the site has been reclaimed, one proposed drill pad and associated holes were never constructed or drilled. The Division currently holds \$8,202.00 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 NOI consisted of eight (8) constructed drill pads along existing access roads on privately held lands. A ninth pad was proposed however has not been constructed or drilled to date. Of the eight constructed pads, NA-2, NA-4, NAS-3, NAS-1, CIS-1 and CIS-2 were observed. All inspected pads have been regraded, seeded and are well vegetated. No evidence of settling, slumping or erosion was noted. The vegetative cover on each pad ranged, however each pad was as good as or better than its surrounding undisturbed areas. No State Listed Noxious Weeds were noted on the pads. Photos One through Four show examples of the reclaimed pads.

The access roads associated with this project were existing historic roads that were not improved as part of the prospecting operations and were therefore not included in the Permit Area. The road was observed however to be stable at the time of the inspection, no signs of significant erosion was noted and was characteristic of historic mining roads in the area.

The overall footprint of the sites are in excellent condition and free from trash or debris. No evidence of erosion or weeds was noted and no problems or possible violations were observed. Based on the observations made during this inspection, if the Operator chooses, this site would be eligible for full and final release from reclamation liability. All responses to this report should be directed to Lucas West at the Colorado Division of Reclamation, Mining and Safety Active Mines Program at 1001 E 62nd Ave. 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.

Inspection Contact Address

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CC: Travis Marshall, DRMS

PHOTOGRAPHS

