




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: West Equity Project	MINE/PROSPECTING ID#: P-2010-015	MINERAL: Zinc, lead, gold and silver	COUNTY: Mineral
INSPECTION TYPE: Monitoring	INSPECTOR(S): Lucas West	INSP. DATE: August 31, 2022	INSP. TIME: 09:50
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: \$34,500.00	
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>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>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 West Equity Project is listed as an Active Notice of Intent to Conduct Prospecting Operations (NOI) however the site has been fully reclaimed. The site is located approximately six miles northwest of Creede, CO in Mineral County at approximately 11,200 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 two surface drilling pads and an access roads in support of the exploration of Silver, Gold and base metal resources in the area. The Division currently holds \$34,500.00 in Financial Warranty for the site. A reclamation cost estimate was not performed as a result of this inspection due to the completion of final reclamation. Four Photos accompany this report to illustrate the current site conditions.

Development and exploration activities conducted at the site was the construction of approximately 2,500 linear feet of access road and two drill pads for surface drilling operations. The entire length of the access road and drill pads were observed during the inspection. All disturbances have been fully reclaimed. The access road has been regraded to match the surrounding topography. No evidence of settling, slumping or erosion was noted along the access road. The road has also been revegetated through a combination of seeding and weed control efforts by the Operator as well as volunteer vegetation from the surrounding areas. Examples of the access road can be seen in Photos One and Two.

Both pads have also been regraded, and seeded. The pads were stable at the time of the inspection and no evidence of settling, slumping or erosion was noted. The vegetative cover on the pads is dense, diverse and shows multiple year's biomass indicating the cover is capable of self-regeneration. No State Listed Noxious Weeds were noted on the pads nor the access road. On site discussions with the Operator indicated that weed management had been aggressive to achieve the high quality of reclamation that was observed. Examples of the pads can be seen in Photos Three and Four. No exploration related trash or debris was observed on site.

Based on the observations made during this inspection, Division Staff has determined the Operator has successfully completed reclamation in accordance with the Act, Rules and Regulation as well as the approved Reclamation Plan. Moreover, the Operator has done an exemplary job of conducting reclamation. If the Operator so chooses, the site is eligible for full and final release from all reclamation liabilities. If a release request is received within 60 days of the date of this report, this inspection shall serve as the release inspection.

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 62nd 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.

PHOTOGRAPHS





Photo Three: View North, showing the lower drill pad. The pad has been fully revegetated and no evidence of settling, slumping or erosion was noted.



Photo Four: View Southeast, showing the reclaimed upper drill pad. The pad is well vegetated, stable and no storm water issues or noxious weeds were noted.

Inspection Contact Address

Randy McClure
Rio Grande Silver, Inc.
112 E. 12th Street
Creede, CO 81130

CC: Travis Marshall, DRMS