




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: Idarado Mining Co	MINE/PROSPECTING ID#: M-1977-403-HR	MINERAL: Lead, zinc, copper, c gold	COUNTY: San Miguel
INSPECTION TYPE: Monitoring	WEATHER: Clear	INSP. DATE: September 29, 2022	INSP. TIME: 11:05
OPERATOR: Idarado Mining Company	OPERATOR REPRESENTATIVE: Karen DeAgüero	TYPE OF OPERATION: 112d-3 - Designated Mining Operation	
REASON FOR INSPECTION: Normal I&E Program	BOND CALCULATION TYPE: Complete Bond	BOND AMOUNT: \$226,600.00	
DATE OF COMPLAINT: NA	POST INSP. CONTACTS: None	JOINT INSP. AGENCY: None	
INSPECTOR(S): Lucas West	INSPECTOR'S SIGNATURE: 	SIGNATURE DATE: October 19, 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>Y</u>	(FN) FINANCIAL WARRANTY----- <u>N</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>Y</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>N</u>	(ST) STIPULATIONS----- <u>Y</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 Active Mines Program. The Idarado Mine is listed as an active 112d-3 permit with permitted areas in San Miguel County, near the town of Telluride, as well as in Ouray County, near the top of Red Mountain Pass. This inspection for all permitted areas including both the Red Mountain and Telluride areas. This inspection was conducted over a two day period, the Telluride facilities were inspected on September 29, 2022 and the Red Mountain facilities on September 30, 2022. Karen DeAgüero accompanied both inspections representing the Operator. In addition, Eric Shoenebaum was present during the inspection of the Red Mountain Facilities. The Division currently holds a Financial Warranty for the site in the amount of \$226,600.00. A Reclamation Cost Estimate Update was not performed as a result of this inspection. Eleven Photos accompany this report to illustrate the current site conditions of the site.

Telluride Facilities: The Telluride Facilities were not active during the inspection. This permitted area consists mostly of the Pandora Mill Building, Mill Level Portal, as well as various out structures and tailings impoundments. The Mill Building seen in Photos One and Two, appears to be stable and in good condition. The mill, train shed, shops and the various other outbuildings in the area are in similar condition as the previous inspection conducted by the Division. Examples of the various outbuildings and structures can be seen in Photos Three and Four. The Mill Level Portal was observed to be secured at the time of the inspection and discharging to the lagoons. The gated closure, seen in Photo Five, showed no signs of vandalism or attempted unauthorized entry. Also located in the Telluride permitted area are the tailings storage facilities referred to as Telluride Tailings (TT). The storage facilities are mostly reclaimed with the exception of a small open cell in number 5/6 that has been utilized by the EPA to deposit excavated material from their Valley Floor Cleanup Project. The scope of this project involved excavating material from the valley floor area outside the Permit Boundary and depositing that material in the Tailings Storage Facility. The excavated material can be seen in Photos Six and Seven, is approximately 4 feet deep and is surrounded by silt fencing to prevent offsite migration of material. Outside of the newly deposited material, the Tailings Storage Facilities are well vegetated and appeared stable at the time. The out slopes are also well vegetated and were stable at the time of the inspection. Photo Eight shows an example of the well vegetated Tailings Storage Facility. The vegetative cover on all cells and out slopes is dense and diverse, and show multiple year's biomass indicating they are capable of self-regeneration. All storm water control structures and features around the Telluride Facility were observed to be free from obstruction and able to function as designed.

Red Mountain Facilities: The Red Mountain Permit area was also not active during the inspection. The permit area includes all facilities in the vicinity of the Treasury Tunnel, this area can be seen in Photos Nine and Ten as well as the borrow pit that is located on the West side of Highway 550. The site has experienced ongoing maintenance and reclamation activities in the form of the final removal of several structures, and routine property maintenance. The ongoing property maintenance includes monitoring and repair of storm water controls, monitoring for erosional features and other maintenance activities. The most significant work that has been completed is the demolition and removal of the old shop facility and the construction of the new shop in a different portion of the Permitted Area. The old shop has been completely demolished and removed, the only remaining portion of the shop is the concrete foundation which is slated for removal. Located within the shop was a historical air compressor used when the site was active. The compressor has been permitted to remain as historic feature. The footprint of the old shop and compressor can be seen in Photo Eleven.

The overall footprint of the site including both permit areas is in excellent condition. The Operator has done an exemplary job at keeping the site free from trash and debris, as well as storing items in a neat and orderly fashion. No evidence or significant erosion, settling or slumping was observed. No problems or possible violations were noted during the site inspections. No regulated noxious weeds were observed. Responses to this report should be directed to Lucas West at the Colorado Division of Reclamation, Mining and Safety 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.

PHOTOGRAPHS





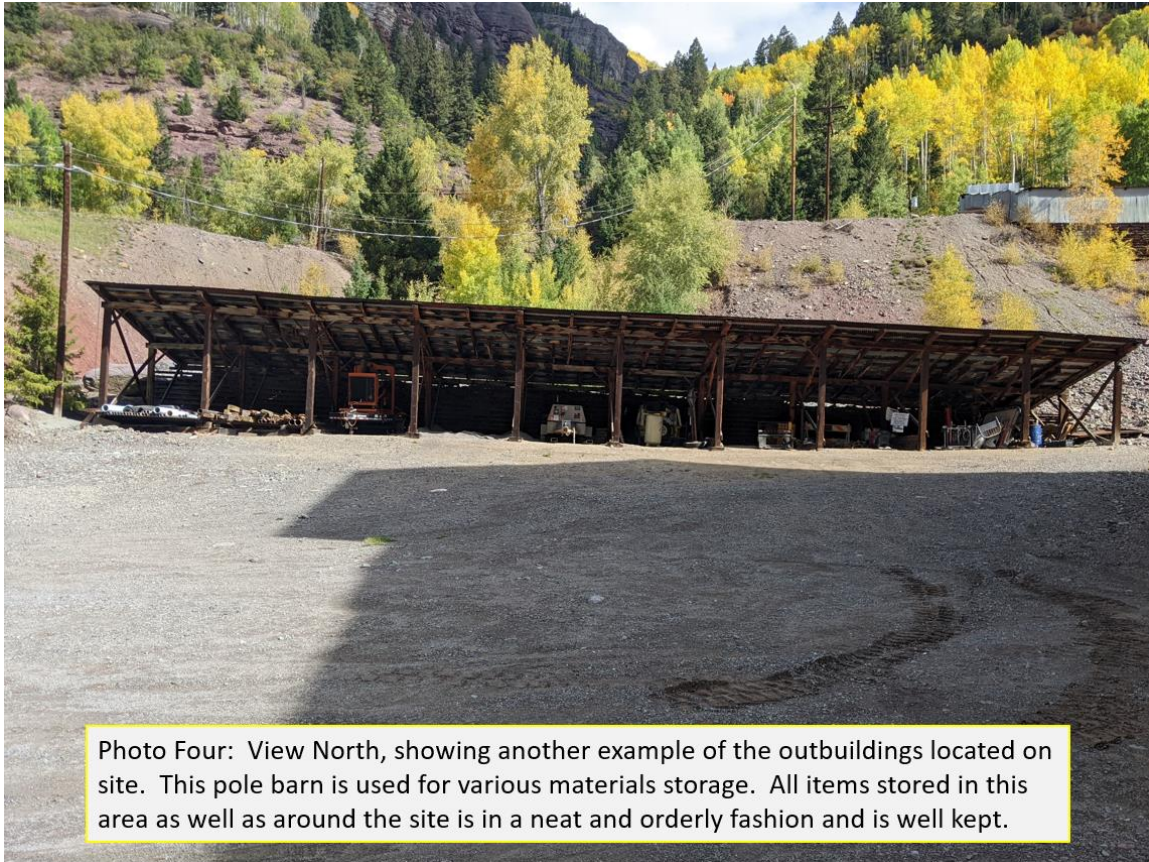
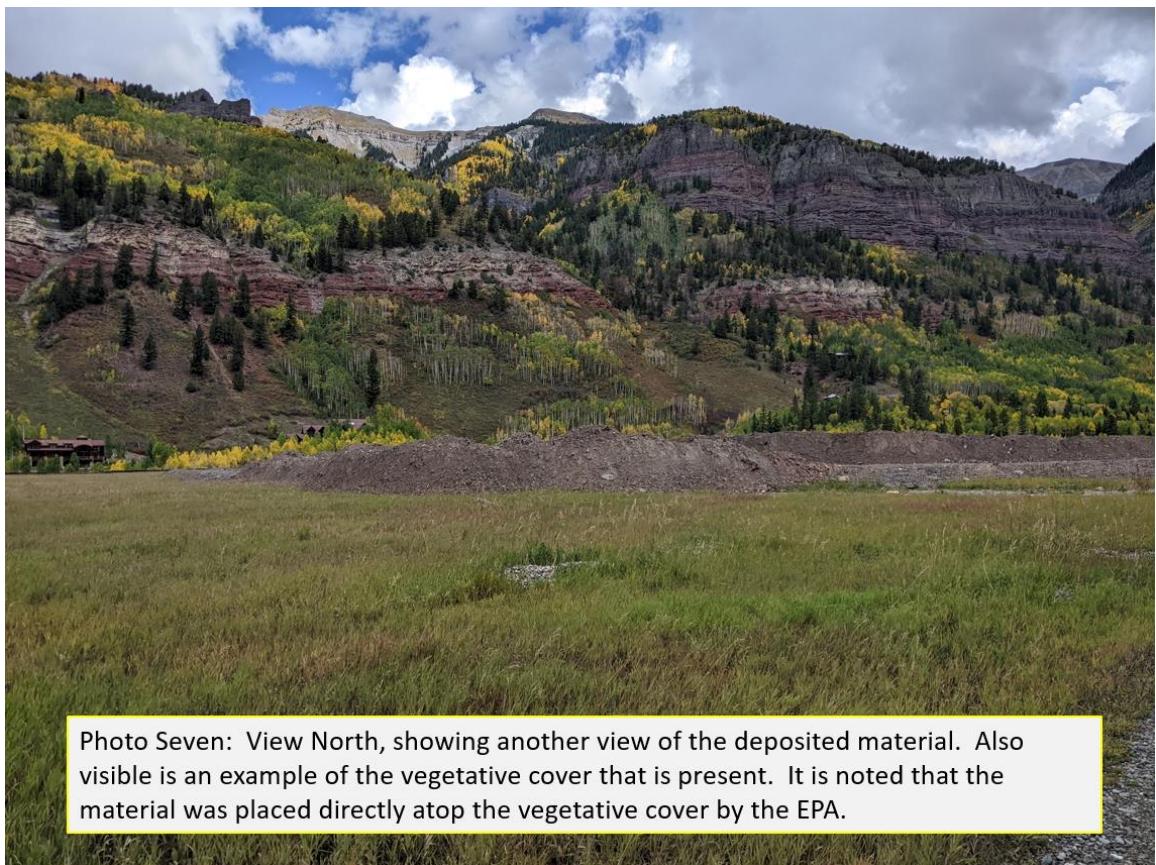
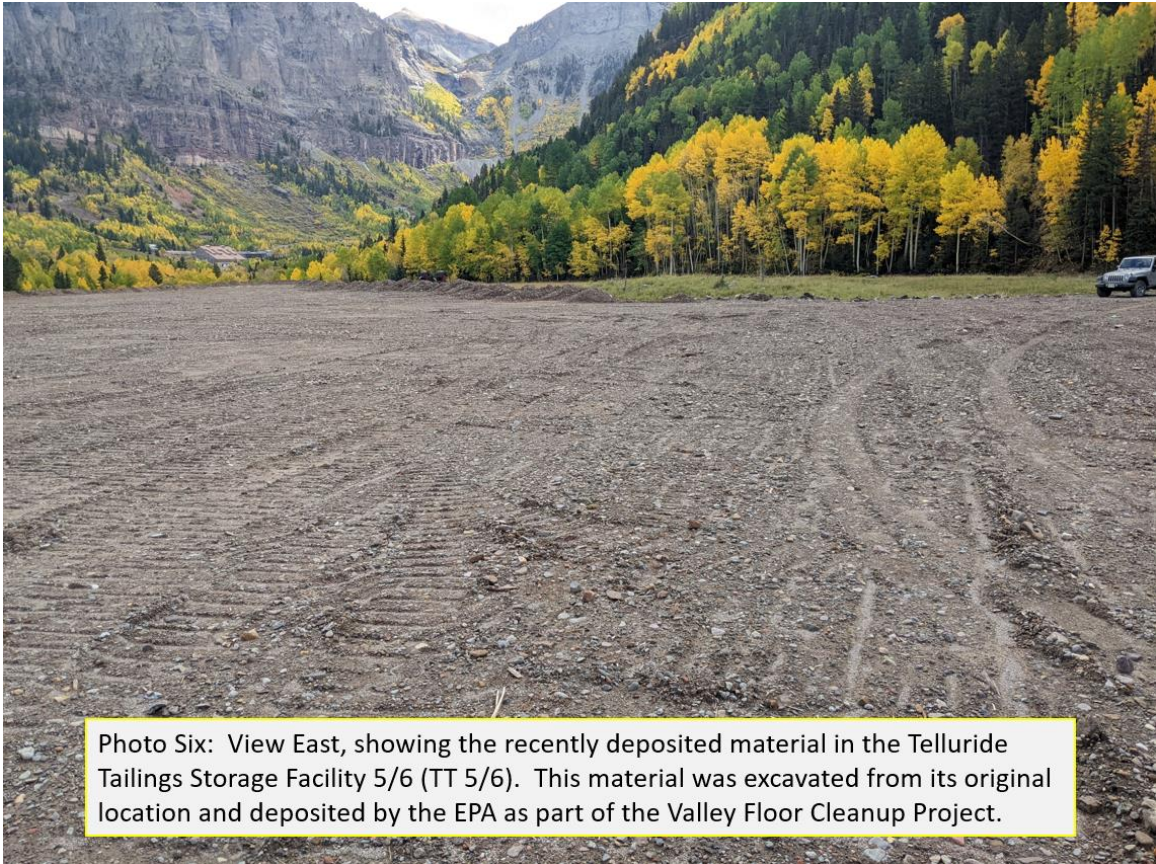
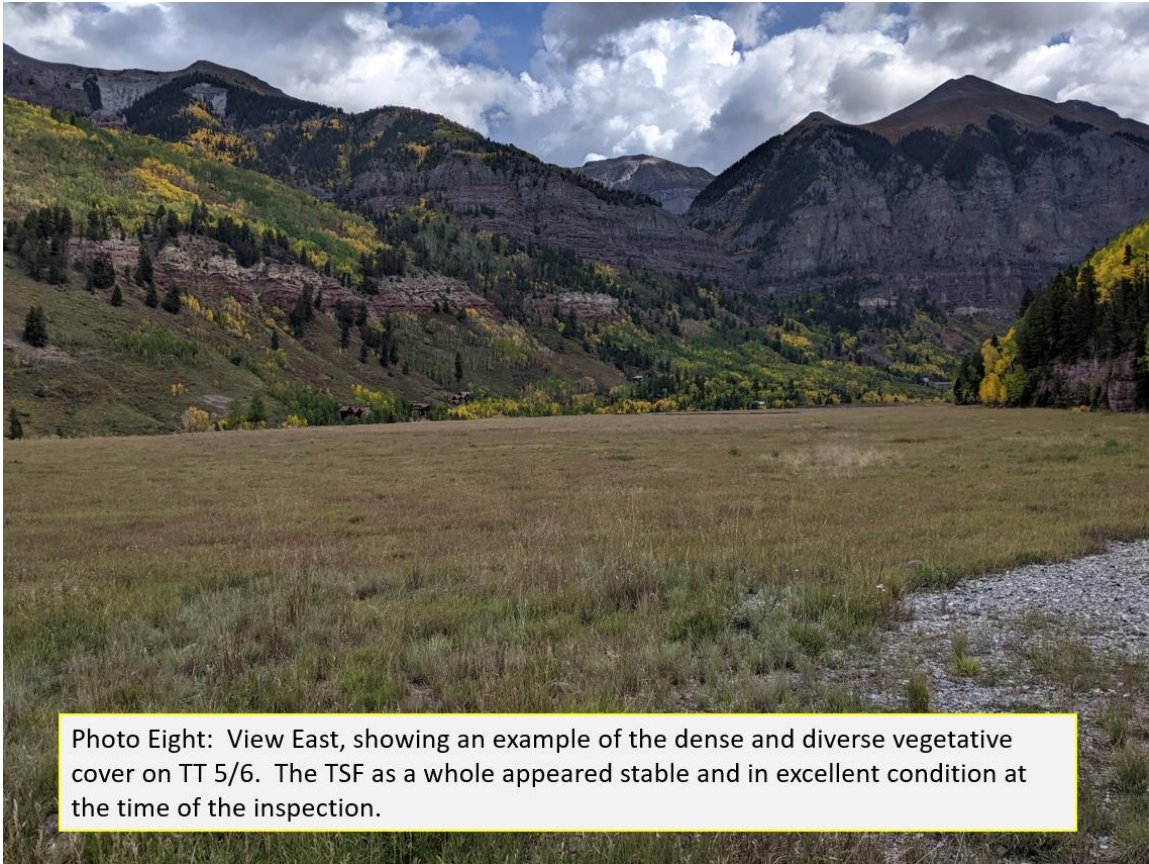


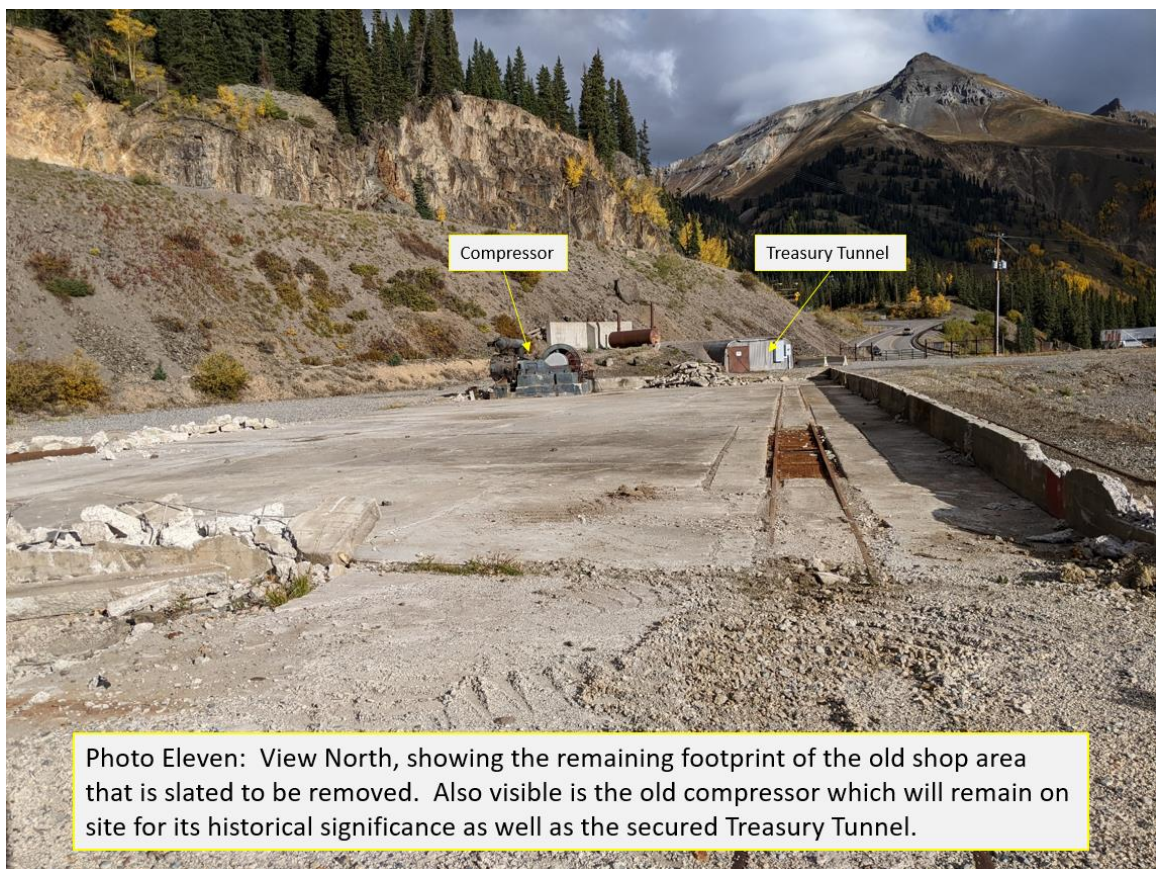
Photo Four: View North, showing another example of the outbuildings located on site. This pole barn is used for various materials storage. All items stored in this area as well as around the site is in a neat and orderly fashion and is well kept.



Photo Five: View North, showing the Mill Level Portal with it's secured gated closure as well as upgraded ventilation and power infrastructure installed as part of the recently completed flow control bulkhead project.







Inspection Contact Address

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