

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:	Ν	MINE/PROSPECTING ID#:	MINERAL:	COUNTY:
Centennial Uranium Project	F	P-2008-043	Uranium	Weld
INSPECTION TYPE:	V	WEATHER: Clear	INSP. DATE:	INSP. TIME:
Monitoring			November 2, 2023	10:00
OPERATOR:	(DPERATOR REPRESENTATIVE:	TYPE OF OPERA	TION:
Powertech (USA) Inc.		Lisa Scheinost	MP - Mineral Prospecting	
REASON FOR INSPECTION:		BOND CALCULATION TYPE:	BOND AMOUNT	Г:
Normal I&E Program		Complete Bond	\$71,400.00	
DATE OF COMPLAINT:		POST INSP. CONTACTS:	JOINT INSP. AGENCY:	
NA		None	None	
INSPECTOR(S):	INSPECTOR'S SIGNATURE:		SIGNATURE DA	ATE:
Hunter Ridley	Hunter Ridley		November 30, 2023	

The following inspection topics were identified as having Problems or Possible Violations. OPERATORS SHOULD READ THE FOLLOWING PAGES CAREFULLY IN ORDER TO ASSURE COMPLIANCE WITH THE TERMS OF THE PERMIT AND APPLICABLE RULES AND REGULATIONS. If a Possible Violation is indicated, you will be notified under separate cover as to when the Mined Land Reclamation Board will consider possible enforcement action.

INSPECTION TOPIC: Gen. Compliance With Prospecting Plan

PROBLEM/POSSIBLE VIOLATION: Problem: The current well locations map needs to be updated and clarified pursuant to C.R.S. 34-32-113 (2)(d) and Rule 5.1.2(d)(v)(A) and (B). The operator must provide sufficient information to accurately describe and identify where all borehole and monitoring wells are located. **CORRECTIVE ACTIONS:** The Operator must submit photographic evidence and narrative explaining how the missing wells were found by the corrective action due date. Additionally, the Operator shall submit a Modification, with the required \$86 revision fee, to update and clarify the current approved well locations map to reflect existing and proposed locations of all exploratory, monitoring, and observation wells by the corrective action date.

CORRECTIVE ACTION DUE DATE: 3/01/24

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 Y	(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>PB</u>	(FW) FISH & WILDLIFE <u>Y</u>	(RV) REVEGETATION Y
(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 Y	(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 Centennial and Indian Springs Uranium Projects Notice of Intent (NOI) was inspected by Hunter Ridley with the Division of Reclamation, Mining and Safety (Division) as part of the Division's monitoring inspection program. Lisa Scheinost with Powertech (USA) Inc. was present during the inspection. This inspection is considered non-confidential.

The Centennial Uranium Project is a NOI to Prospect for in-situ uranium. The original NOI included exploration boreholes and groundwater observation wells. As of March 3, 2010, the Division has received the proper abandonment reports for all exploratory core holes and the required Well Construction and Test Reports have been received for all monitoring wells which will be permanent in final reclamation. The project area was inspected via existing Weld County roads and two-track ranch access roads. The following well locations were observed by the Division; IN08-33-MM1, IN08-33-MO1, IN08-33-MU1, IN08-33-MM2, IN08-33-MO2, IN08-33-MUU2, IN08-33-MUU1, IN08-33-PW1, IN08-3-MM1, IN08-15-MM1, C-003-35, and C-003-35.

The five well locations not observed by the Division during this inspection were either inaccessible from the existing two-track roads, were obscured by hilly topography, or were located behind gated, private property and were not able to be viewed properly. These well locations were inspected previously by the Division in 2019.

When necessary, well locations have been protected by corral fencing or are within private property protected by barbed wire. All wells are sealed with a lockable metal cap. No erosion or sedimentation issues were noted. Wells sites are clear of drilling debris or trash. The surrounding vegetated areas were stable and had good cover. No new activity has occurred since the last inspection on October 25, 2019. The Operator intends to maintain the NOI as active for future hydrologic studies and monitoring, however the Operator representative stated that monitoring samples have not been collected recently.

As of the date of this inspection, prospecting activity as defined by C.R.S. 34-32-103(12), has ceased at the Centennial Uranium Project site. **The Division is citing a problem Pursuant to Rule 5.3.1(g).** This rule states that timely reclamation of affected lands must occur upon completion of prospecting operations. Prospecting activities must be completed within five (5) years of the NOI approval unless otherwise approved by the Office or Board, and reclamation must be completed within five (5) years of the completion of prospecting activities. As of March 3, 2010, all required reclamation and abandonment reports for the site have been received by the Division. **Therefore, the Operator shall submit to the Division a Reclamation Report and request for reclamation responsibility release stating that reclamation is finished. This request must comply with the Division previously. Therefore, the Operator is not required to resubmit these documents as part of the request. Instead, the Operator shall reference within the request when these documents were received by the Division. Once received, the Division will move forward with a full and final release of the financial warranty.**

The Division currently holds a financial warranty amount of \$71,400.00 for this site. The Division has determined that this amount is adequate to complete any remaining reclamation activities.

A representative photograph taken during the inspection has been included below. Responses to this inspection report should be directed to: Hunter Ridley at the Division of Reclamation, Mining and Safety, 1313 Sherman St., Room 215, Denver, CO 80203. Direct contact can be made by phone at 720-868-7757 or via email at <u>hunter.ridley@state.co.us</u>.



PHOTOGRAPHS

Photo 1: Typical pump test well and surrounding vegetation.

Inspection Contact Address Peter Luthiger Powertech (USA) Inc. 101 N. Shoreline Blvd. Corpus Christi, TX 78401