




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: Cross Gold Mine	MINE/PROSPECTING ID#: M-1977-410	MINERAL: Gold, copper, silver,	COUNTY: Boulder
INSPECTION TYPE: Monitoring	WEATHER: Clear	INSP. DATE: March 21, 2024	INSP. TIME: 09:30
OPERATOR: Grand Island Resources LLC	OPERATOR REPRESENTATIVE: Je'an-Paul Brewer	TYPE OF OPERATION: 110(2) - Hard Rock Limited Impact	
REASON FOR INSPECTION: Normal I&E Program	BOND CALCULATION TYPE: None	BOND AMOUNT: \$546,751.00	
DATE OF COMPLAINT: NA	POST INSP. CONTACTS: None	JOINT INSP. AGENCY: None	
INSPECTOR(S): Patrick Lennberg	INSPECTOR'S SIGNATURE: 	SIGNATURE DATE: March 25, 2024	

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>Y</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>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

The Cross Gold Mine was inspected by Patrick Lennberg with the Division of Reclamation, Mining and Safety (Division/DRMS). The inspection was completed as part of the Division's increased inspection frequency, the permit is to be inspected on a quarterly basis. The site was previously inspected by the Division on November 16, 2023 during the fourth quarter inspection of 2023. Je'an-Paul Brewer representing Grand Island Resources, LLC (GIR), the Permittee/Operator, accompanied me during the inspection. The weather was windy and clear. It is noted the weekend prior to this inspection the site had received about 4 feet of snow fall.

The Cross Gold Mine is a 110(2) underground mine operation permitted for 9.9 acres for the mining of gold, silver, and other minerals. The permit area includes two discharging mine openings: the Cross Mine portal (at the Cross Mine) and the Idaho Tunnel portal (at the Caribou Mine). Discharge from these mines is directed to a series of plastic-lined ponds prior to being treated and discharged into Coon Track Creek at the permitted discharge point (CO0032751). The mine is located on land owned by the permittee. The site is located approximately 4 miles northwest of Nederland, CO in Boulder County, at an elevation of approximately 9,760 feet. Access to the site is off of Caribou Road. A separate entrance exists for each of the two mines at the site, the Cross Mine (to the south) and the Caribou Mine (to the north). The approved post-mining land use is a combination of forestry and residential.

On March 7, 2024 the Division received email communication from the Operator (attached) stating deep snow and low temperatures at the site were causing the 3 series settling ponds to freeze. Ponds 3a, 3b, and 3c were accumulating ice on the surface of the ponds interfering with water flow from one pond to the other. The ice was also restricting flow from Pond 3c to Pond 1. In order to prevent the pipes from clogging with ice and potentially causing a release of water prior to water treatment the Operator by-passed all the 3 series ponds with a pipe that directed effluent directly to Pond 1. Water is treated from Pond 1 before being directed to the approved discharge point. In the event of another storm event or high runoff, water can be directed to the Joliet Raise for storage prior to being treated and released.

The rest of the site remains under thick snow. Activity at the site, other than what has been previously mentioned, consisted of site maintenance and snow removal.

Photographs taken during the inspection are attached.

Please contact Patrick Lennberg (303)866-3567 ext. 8114 or email at patrick.lennberg@state.co.us if you have any questions regarding this report.

Inspection Contact Address

Richard Mittasch
Grand Island Resources LLC
4415 Caribou Rd
Nederland, CO 80466

Attachment: Idaho Tunnel Effluent Pipeline

cc: Jared Ebert, DRMS

ec: Je'an-Paul Brewer, Grand Island Resources LLC, jpbrewer@nedmining.com

PHOTOGRAPHS



Photo 1: Primary mine entrance



Photo 2: Idaho Tunnel entrance

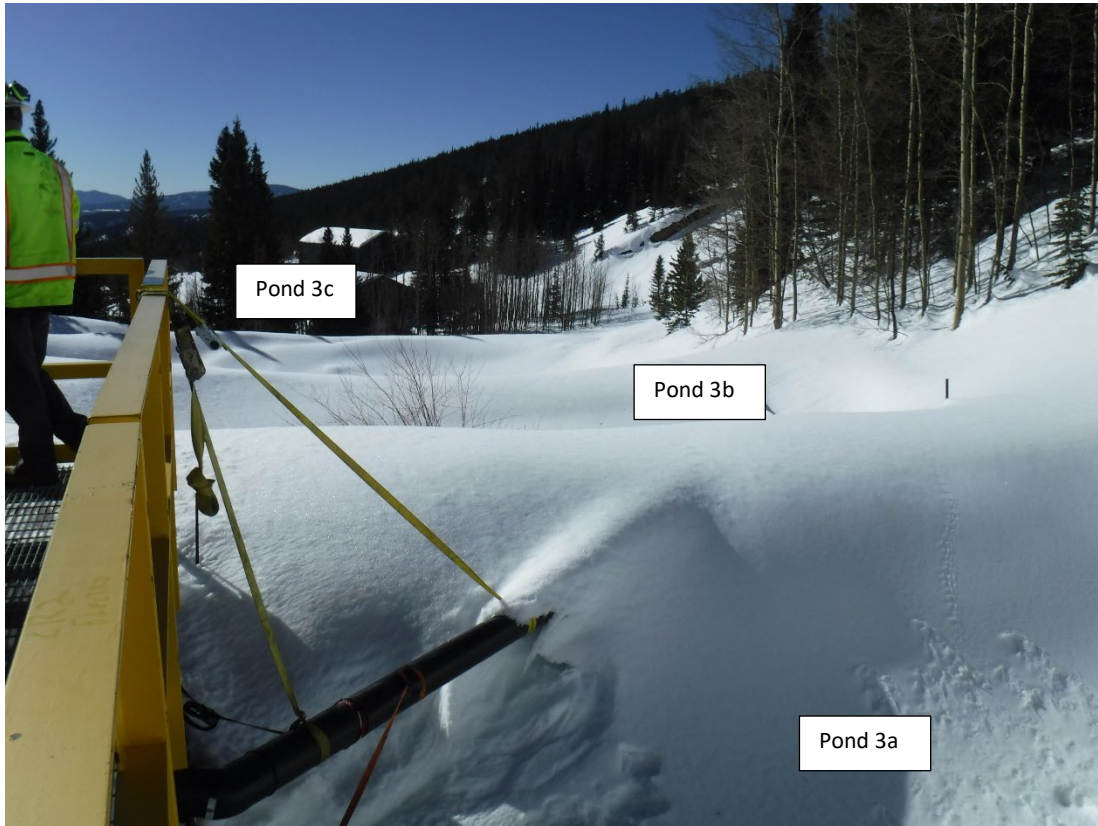


Photo 3: Ponds 3a, -3b, and -3c



Photo 4: Pond 1 discharge from Idaho Tunnel circled in yellow



Photo 5: Looking towards Cross Mine Tunnel entrance



Photo 6: Cross Mine Tunnel entrance



Photo 7: Looking from the Cross Mine Tunnel entrance to Pond 1



Photo 8: Looking south from the Cross Mine shop area.

Attachments



Division of Reclamation, Mining & Safety
c/o Mr. Patrick Lennberg
1001 E 62nd Ave,
Room 215
Denver, CO 80216

March 7, 2024

RE: Idaho Tunnel Effluent Water Management System – Existing Pipeline from Pond 3c to Pond #1 Extension Upgradient - Cross Gold Mine, Permit No. M-1977-410.

Mr. Lennberg,

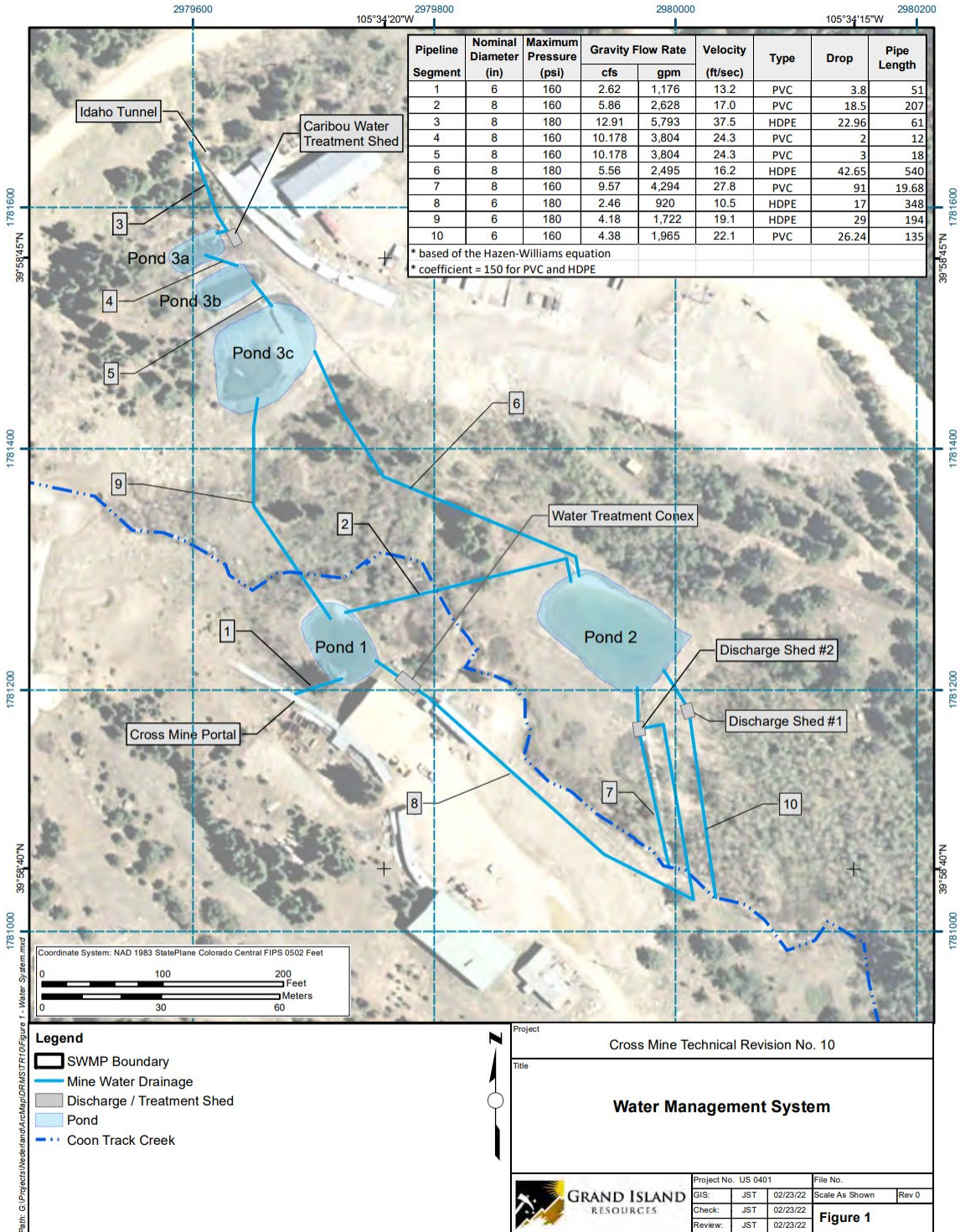
Figure 1 presents a plan view of the Grand Island Resources (GIR) Water Management System conveyance arrangement. Idaho Tunnel effluent is conveyed in a controlled fashion via Pipeline #3 discharging into Pond 3a; Pipeline #4 conveys Pond 3a effluent to Pond 3b; Pipeline #5 conveys effluent from Pond 3b to Pond 3c. Pipeline #9, conveys Pond 3c effluent to Pond #1.

2023/2024 (current) winter climatic conditions on site (high snow precipitation and very low temperatures) have resulted in ponded water freezing and snow accumulation over the frozen Ponds 3a, 3b and 3c. GIR has been managing Idaho Tunnel flow through the system in harsh conditions this winter and has recently considered essential to by-pass the Pond 3 system by extending Pipeline #9 inlet (Pond 3c) upgradient and connect directly to Pipeline #3 Idaho Tunnel effluent pipeline, such that effluent management is viable. The attached photographs depict the pipeline extension and current field conditions.

GIR will evaluate the performance and long-term benefits of making the installation permanent and would, in such case, prepare a Technical Revision for review and approval by DRMS.

Respectfully Submitted,

Daniel J. Takami
President Grand Island Resources LLC
danieltakami@gmail.com
501.256.4444





Photograph 1 – Looking West Across Pond 3a





Photograph 2 – Looking Southwest Downstream from Pond 3a

