

MINERALS PROGRAM INSPECTION REPORT PHONE: (720) 688-0626

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:		MINE/PROSPECTING ID#:	MINERAL:	COUNTY:
Bulldog Mine Operation		M-1977-215	Lead and silver	Mineral
INSPECTION TYPE:		WEATHER: Clear	INSP. DATE:	INSP. TIME:
Monitoring			September 25, 2024	07:30
OPERATOR:		OPERATOR REPRESENTATIVE:	TYPE OF OPERATION:	
Rio Grande Silver, Inc.		Randy McClure	112d-2 - Designated Mining Operation	
REASON FOR INSPECTION:		BOND CALCULATION TYPE:	BOND AMOUNT:	
Normal I&E Program		None	\$163,228.13	
DATE OF COMPLAINT:		POST INSP. CONTACTS:	JOINT INSP. AGENCY:	
NA		None	None	
INSPECTOR(S):	INSPE	CTOR'S SIGNATURE:	SIGNATURE DATE:	
Todd Jesse			October 24, 2024	
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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>N</u>	(EX) EXPLOSIVES <u>N</u>
(PW) PROCESSING WASTE/TAILING <u>N</u>	(SF) PROCESSING FACILITIES Y	(TS) TOPSOIL <u>N</u>
(MP) GENL MINE PLAN COMPLIANCE- <u>Y</u>	(FW) FISH & WILDLIFE <u>Υ</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>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 progam established by the Colorado Division of Reclamation Mining and Safety's Active Mines Program. The Bulldog Mine is a 112d-2 Operiation in Active status. The site is loctated approximately ½ mile northwest of Creede, CO in Mineral County at an elevation of 9370 feet. The site consist of 568 Permitted Acres for the underground extraction of gold, silver, and other base metals. Operator representative Randy McClure of Rio Grande Silver accompanied the inspection.

Backfilling and Grading:

The 9700 Level Portal has been reclaimed and is not used in operations (Photo 1). The bat gate at the portal was secured at the time of the inspection. The portal closure is stable. There are no signs of displacement around the gate. The slopes above and adjacent to the closure are stable and show no signs of slumping or erosion.

Financial Warranty

The Division holds a Financial Surety in the amount of \$163,288.13 A reclamation cost estimate update was done as part of the most recent technical revision in September of 2023. The Financial Warranty for the site is sufficient and will not be recalculated at this time.

Fish and Wildlife:

Several deer were observed around the 9400 Level portal area and the tailings pond area. Multiple songbirds and small mammals were also observed throughout the site.

Hydrologic Balance:

The mine is not being dewatered at this time and no water is being trucked to the lined contact water pond on TP-2. There is a small amount of meteoric water that has collected in the lined contact water pond (Photo 2). The operator does not anticipate the need to dewater and truck water in the future. The operator submitted a technical revision in the fall of 2023 to install infrastructure to discharge to Windy Gulch. The TR was approved, but infrastructure has yet to be constructed. The operator is awaiting issuance of a discharge permit from CDPHE before constructing infrastructure.

All hydrocarbons are stored in the facilities area near the 9400 Portal. On site fuel storage is an above ground diesel tank. The tank is double walled and set within a lined containment structure providing tertiary spill containment. A spill pad has been installed in the front of the building to prevent spills. All other hydrocarbons are stored on secondary containment and no spills or leaks were observed.

Gen. Compliance with Mine Plan:

The site was not active at the time of the inspection. The 9400 Level portal is the main access and ore removal for underground workings (Photo 3). The main portal was closed at the time of the inspection. The portal door is in excellent condition and shows no signs of damage or vandalism. The vent fan and electrical equipment (Photo 4) is in good condition and appears well maintained. There are no signs of settling, slumping, or erosion above or around the portal.

Roads:

The roads in and around the permit area were accessible and well maintained. No significant erosion or instability was noted along the roadways.

Support Facilities On-site:

Facilities observed include the maintenance shop, fuel storage building, laydown yard and Windy Gulch Vent Shaft. The maintenance shop was in immaculate condition and very well kept (Photo 5). Spill kits and rag bins

were observed in good condition. The shotcrete batch plant was removed from site and the building that housed it is now used for a maintenance and storage building. Like the maintenance shop, all other structures in the facilities area are in good condition and very well kept. The laydown yard in the main facilities area is also very well organized (Photo 6). The Windy Gulch Vent Shaft is surrounded by chain link fence with a locked gate to prevent unauthorized enty and vandalism (Photo 7). The shaft is in good condition. The collar and closure show no evidence of displacement, settling, slumping, or erosion.

Signs and Markers:

The proper Mine Identification Sign was posted at the entrance to the site and throughout the various areas of the permit boundaries. Public access to the site is controlled by a locked gate along the access road to the office and facilities area, as well as a series of locked gates along the access roads of the auxiliary facilities located across the permitted area.

No maintenance items or possible violations were noted or observed during the September 25, 2024 inspection.

All responses to this report should be directed to Todd Jesse with the Division's Active Mines Program at DRMS, Room 215, 1001 E 62nd Ave. Denver, CO 80216. Direct contact can be made at the Division's Grand Junction Field Office, by phone at 720-688-0626 or by email at todd.jesse@state.co.us.

PHOTOGRAPHS



Photo 1: View to the northwest of 9700 Portal.



Photo 2: View to the west of TP-2. Small amount of meteoric water in lined contact water pond.



Photo 3: View to the west of 9400 Level Portal. Portal closed at time of inspection.



Photo 4: View to the north of electric equipment at the 9400 Level Poral.

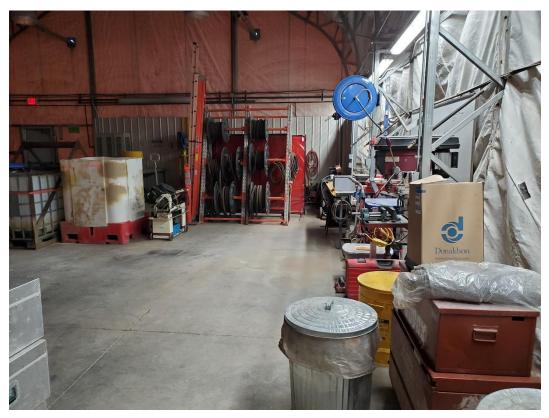


Photo 5: View to the north of interior of maintenance shop in the main facilities area.



Photo 6: View to the west of laydown yard in the main facilities area.



Photo 7: View to the northwest of Windy Gulch Vent Shaft.

Inspection Contact Address

Randy McClure Rio Grande Silver, Inc. PO Box 610 Creede, CO 81130