

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: | MINE/PROSPECTING ID#: | MINERAL: | COUNTY: |
|-------------------------------|---------------------------------|---------------------------|-------------|
| ACG Front Range Gold Project | P-2010-018 | Silver, Gold | Boulder |
| INSPECTION TYPE: | WEATHER: Clear | INSP. DATE: | INSP. TIME: |
| Monitoring | | October 8, 2024 | 13:00 |
| OPERATOR: | OPERATOR REPRESENTATIVE: | TYPE OF OPERATION: | |
| AGC Resources, LLC | Mark Steen | MP - Mineral Prospecting | |
| REASON FOR INSPECTION: | BOND CALCULATION TYPE: | BOND AMOUNT: | |
| Normal I&E Program | Partial Bond | \$2,000.00 | |
| DATE OF COMPLAINT: | POST INSP. CONTACTS: | JOINT INSP. AGENCY: | |
| NA | None | None | |
| INSPECTOR(S): | INSPECTOR'S SIGNATURE: | SIGNATURE DATE: | |
| Patrick Lennberg | Patinet Lo | November 20, 2024 | 4 |
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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 Y | (RD) ROADS <u>N</u> |
|--|-------------------------------------|------------------------------|
| (HB) HYDROLOGIC BALANCE <u>N</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 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 N | (ST) STIPULATIONS <u>N</u> |
| (AT) ACID OR TOXIC MATERIALS <u>N</u> | (OD) OFF-SITE DAMAGE <u>N</u> | |

 $\mathbf{Y} = \mathbf{Inspected} / \mathbf{N} = \mathbf{Not}$ inspected / $\mathbf{NA} = \mathbf{Not}$ applicable to this operation / $\mathbf{PB} = \mathbf{Problem}$ cited / $\mathbf{PV} = \mathbf{Possible}$ violation cited

OBSERVATIONS

The ACG Front Range Gold Project (Site), NOI No. P-2010-018, site was inspected by Patrick Lennberg of the Division of Reclamation, Mining and Safety (Division/DRMS). The inspection was completed as part of the Division's routine monitoring program. The site was previously inspected by the Division on December 4, 2012 as part of the Division's routine monitoring program. The Operator, AGC Resources, LLC, was represented by Mark Steen during the inspection. The weather was clear and mild.

The Site is located approximately 10 miles northwest of Boulder, CO in Boulder County. Access to the site is off Sunshine Canyon Drive. The Site is immediately to the east of the Gold Hill Mill (M1994-117) and northeast of the Cash & Who Do Mines (M1983-141) located on land owned by Colorado Milling Company, LLC.

Since the last inspection the Operator has submitted the final abandonment reports for ten boreholes that were drilled in 2010. The report was submitted to the Division on January 28, 2013. On the same day the Operator submitted a Surety Reduction request to reduce the financial warranty at the site from \$24,070.00 to \$2,000.00 a reduction of \$22,070.00. On March 29, 2013 the Division approved the reduction request. The \$2,000.00 was sufficient to ensure the remaining reclamation could be completed. The remaining reclamation consisted of seeding and minor amounts of grading.

The Division toured the Site and tried to locate the three sites where the ten boreholes were advanced. The Division was not able to positively find the three locations. The areas observed matched the surrounding landscape.

According to the annual reports the last date of activities at the site was in September 2011. Pursuant to Hard Rock Rule 5.3.1(g) prospecting activities must be completed within five (5) years of the NOI approval and reclamation must be completed within five (5) years of the completion of prospecting activities. The NOI should have been fully reclaimed and released in 2016. It appears any surface disturbance that may have occurred at the site associated with drilling in 2010 has been reclaimed. If the Prospector, within 30 days from the signature date on this inspection report, submits a request reclamation responsibility release, meeting the requirements of Rule 4.16.1(2), the Division will not have to perform another inspection of the site and would approve the release of the NOI. <u>Pursuant to Rule 5.3.1(g) additional prospecting at this site may not occur</u>.

The Division evaluated the financial warranty and determined the current bond amount held by the Division is adequate.

Photographs taken during the inspection are attached.

Please contact Patrick Lennberg by email at <u>patrick.lennberg@state.co.us</u> if you have any questions regarding this report.

Inspection Contact Address

Mark Steen ACG Resources, LLC P.O. Box 1523 Longmont, CO 80502

- cc: Jared Ebert, DRMS
- ec: Ben Langenfeld, Lewicki & Associates, PLLC, <u>benl@lewicki.biz</u> Mark Steen, Colorado Milling Company, LLC, <u>goldtontine@gmail.com</u>

NOI #: P-2010-018 INSPECTOR'S INITIALS: JPL INSPECTION DATE: October 8, 2024

PHOTOGRAPHS



Photo 1: Approaching the NOI area



Photo 2: Possible location of one of the drilling pads



Photo 3: Possible location of another one of the drilling pads



Photo 4: Possible location of the last drilling pad