

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:	
Sunday Mine	M-1977-285	Uranium and vanadit San Miguel	
INSPECTION TYPE:	WEATHER: Clear	INSP. DATE: INSP. TIME:	
Multi Person Inspection		November 13, 2024 12:45	
OPERATOR:	OPERATOR REPRESENTATIVE:	TYPE OF OPERATION:	
Pinon Ridge Mining LLC	Mike Rutter, Bruce Smith	112d-2 - Designated Mining Operation	
REASON FOR INSPECTION:	BOND CALCULATION TYPE:	BOND AMOUNT:	
Normal I&E Program		\$330,242.00	
DATE OF COMPLAINT:	POST INSP. CONTACTS:	JOINT INSP. AGENCY:	
NA	None	None	
INSPECTOR(S):	INSPECTOR'S SIGNATURE:	SIGNATURE DATE:	
Lucas West		December 5, 2024	
	again		

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>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 Y	(ST) STIPULATIONS <u>Y</u>
(AT) ACID OR TOXIC MATERIALS <u>Y</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's Active Mines Program. In addition to the inspector and Operator representatives listed on page one of this report, Bridget Wade of the Bureau of Land Management (BLM). The Sunday Mine is a 112d that consists of 60 permitted acres and a maximum disturbance of 40 acres all on lands administered by the BLM. The site was not active the day of the inspection, the site is in operation seven days on and seven days off. The Division Currently holds \$330,242.00 in Financial Warranty for the site. A reclamation cost estimate has been performed for the site which has resulted in a Surety Increase. Please see the attached Notice of Surety Increase for more information. Ten Photos accompany this report to illustrate the current conditions of the site.

As seen in Photo One, the permit ID sign was observed at the entrance to the site. The permit boundary markers were also observed. The site is currently mining and stockpiling ore underground, but no ore has been brought to the surface. Improvements to security, surface structures and storm water controls have been on going. The shop and office facilities have been upgraded to facilitate constant on-site operations and are in excellent condition. Various mining equipment and supplies were observed on site and were all stored in a neat and orderly fashion. Examples of the equipment and facilities can be seen in Photo Two.

As stated previously, maintenance to the storm water control systems throughout the site is ongoing, and all observed storm water control ditches and basins are in excellent condition and appear to be functioning as designed. Photos Three and Four shows an example of the sediment catchment basins that are located on site as part of the storm water management plan. The low grade ore stockpile located on the south end of the site is in good condition, with no signs of settling or slumping. The cap material is in good condition with no signs of settling or slumping. The outslopes of the stockpile show no signs of significant wind erosion or material transport of any kind. The outslopes of the stockpile show no signs of instability and remain in the condition of previous inspections. Examples of the slopes as well as top of the stockpile can be seen in Photos Five and Six.

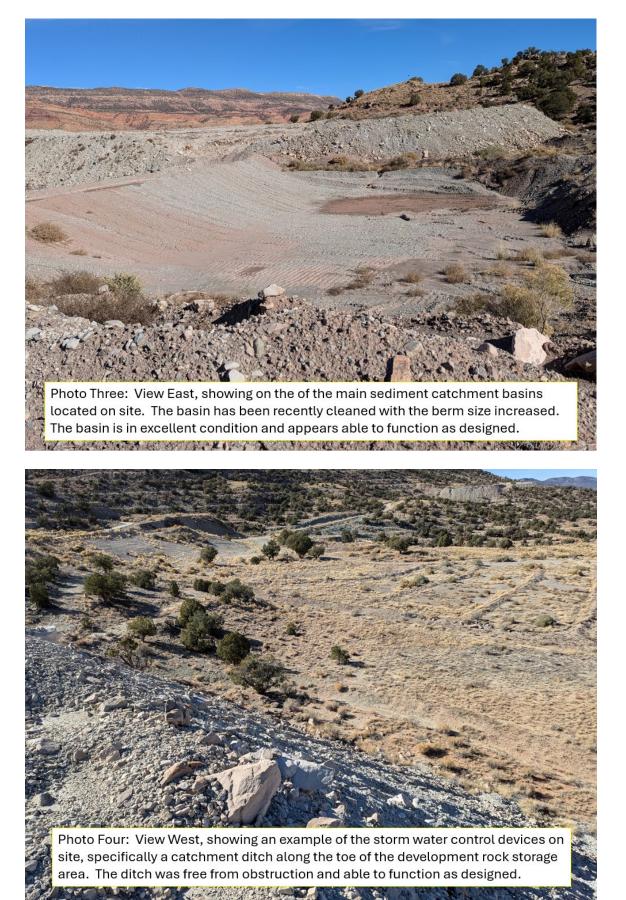
As the underground crews were off the day of the inspection the portal was closed and secured. The portal structure is in good condition, with gates showing no signs of vandalism or attempted unauthorized entry. The portal and its structure can be seen in Photo Seven. Vent shaft S-2, located to the Northwest of the shop facilities is covered with a steel grate and has been secured as shown in Photo Eight. All loadouts, roads and pad areas that exist on site were observed and in good condition. The lined Ore Pad was observed to be in good condition. The face of the pad shows no evidence of surface stockpiling and no observable impacts from precipitation was noted. The out slopes and berms of the pad appear stable. The pad can be seen in Photos Nine and Ten. To date, no ore material has been brought to the surface and stockpiled on the pad since it's construction, however the permitting has been conducted to allow those activities to take place whenever the Operator is ready.

The overall footprint of the site was in excellent condition, and free from excessive trash or debris. No significant signs of settling, slumping or erosion were noted on site and no State Listed Noxious Weeds were observed. All responses to this report should be directed to Lucas West at the Colorado Division of Reclamation, Mining and Safety at Room 215, 1001 E. 62nd Ave Denver, CO 80216, by phone at (303) 866-3567 Ext. 8187 or by email at lucas.west@state.co.us.

PHOTOGRAPHS



Photo Two: View East, showing an example of the facilities and equipment staged on site. All facilities are in excellent condition and equipment is stored in a neat and orderly fashion.







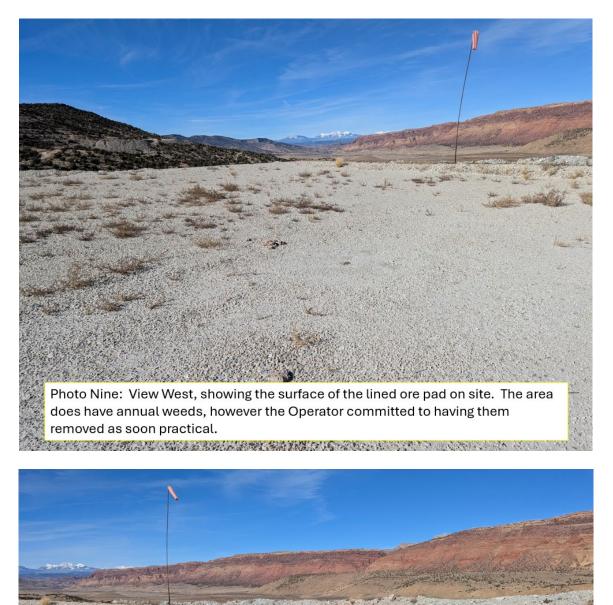


Photo Ten: View Northwest, showing the exterior berm and out slopes of the lined ore storage pad. The berms and slopes are in good condition and able to function as designed.

PERMIT #: M-1977-285 INSPECTOR'S INITIALS: LJW INSPECTION DATE: November 13, 2024

Inspection Contact Address

Mike Rutter Pinon Ridge Mining LLC P O Box 825 Nucla, CO 81424

Enclosure M-1977-285 Notice of Surety Increase (SI-2)

CC: Travis Marshall, DRMS Bridget Wade, BLM Bruce Smith, Western Water and Land