

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: |
|-----------------------------------|---------------------------------|----------------------------------|-------------|
| Sooner Lucky Strike Mine and Mill | M-1982-020 | Gold and silver | Gunnison |
| INSPECTION TYPE: | WEATHER: | INSP. DATE: | INSP. TIME: |
| Monitoring | Clear | April 29, 2025 | 11:30 |
| OPERATOR: | OPERATOR REPRESENTATIVE: | TYPE OF OPERATION: | |
| ALSH, LLC | None | 110d - Designated Limited Impact | |
| REASON FOR INSPECTION: | BOND CALCULATION TYPE: | BOND AMOUNT: | |
| Normal I&E Program | Complete Bond | \$49,992.54 | |
| DATE OF COMPLAINT: | POST INSP. CONTACTS: | JOINT INSP. AGENCY: | |
| NA | None | None | |
| INSPECTOR(S): | INSPECTOR'S SIGNATURE: | SIGNATURE DATE: | |
| Dustin Czapla | | May 15, 2025 | |
| | the | | |

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>Y</u> | (RD) ROADS <u>Y</u> |
|--|-------------------------------------|-------------------------------|
| (HB) HYDROLOGIC BALANCE <u>Y</u> | (BG) BACKFILL & GRADING <u>Y</u> | (EX) EXPLOSIVES <u>NA</u> |
| (PW) PROCESSING WASTE/TAILING <u>Y</u> | (SF) PROCESSING FACILITIES <u>Y</u> | (TS) TOPSOIL <u>Y</u> |
| (MP) GENL MINE PLAN COMPLIANCE- <u>Y</u> | (FW) FISH & WILDLIFE <u>Y</u> | (RV) REVEGETATION <u>Y</u> |
| (SM) SIGNS AND MARKERS <u>Y</u> | (SP) STORM WATER MGT PLAN <u>NA</u> | (RS) RECL PLAN/COMP- <u>Y</u> |
| (ES) OVERBURDEN/DEV. WASTE Y | (SC) EROSION/SEDIMENTATION Y | (ST) STIPULATIONS <u>NA</u> |
| (AT) ACID OR TOXIC MATERIALS <u>Y</u> | (OD) OFF-SITE DAMAGE <u>NA</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 Division of Reclamation, Mining and Safety's (Division) normal monitoring program. A representative for the operator was not present. Photographs are included with this report in order to illustrate some of the conditions observed.

The Sooner Lucky Strike Mine and Mill is located approximately 8.6 miles southeast of Gunnison and accessed from CR 42A. The site is a 110d operation that includes a total of 8.0 permitted acres. The Division currently holds a financial warranty amount of \$49,992.54 for this site. The Division has reviewed the reclamation costs, in order to ensure the financial warranty reflects the actual current cost of fulfilling the requirements of the Reclamation Plan, and determined that the current financial warranty amount is insufficient. The Operator will be notified under separate cover of a financial warranty increase.

Adequate mine identification signage was noted at the entrance to the site.

The affected area was marked by posts that were adequate to delineate the affected area boundary.

The operation was shut down during this inspection. The buildings were locked and secured and there was no personnel on site. When operating, the mill processes ore from the CRG Gold Links mines in the Gold Creek area.

The permit area contains the crusher and mill building. Directly north of that is the lined pond that provides recirculation water for the mill. The pond had several feet of freeboard during this inspection. A primary settling pond is located downslope on the west side of the mill building. This pond was dry during this inspection. A secondary settling pond is located below the primary pond. The secondary pond was mostly dry, except for a bit of snowmelt in the bottom. Tailings are stored on the west side of the mill building. No evidence of acid generating material was noted on site. Equipment and fuel storage are located on the east side of the mill building. Equipment was stored on site in an orderly fashion. The fuel storage building was locked and secured.

The site appears well maintained. Disturbance at the site appears to be contained within the approved permit boundary.

Stormwater or erosion control issues were not noted. No disturbance to the hydrologic balance was noted. There was no discharge observed, and groundwater has not been exposed by the operation.

Explosives are not used at the site. Offsite damage was not observed.

No noxious weed infestations were noted.

No problems or violations were noted during this inspection.

Responses to this inspection report should be directed to Dustin Czapla at the Division of Reclamation, Mining and Safety, Room 215, 1001 E 62nd Avenue, Denver, CO 80216, phone number (970) 433-8393, dustin.czapla@state.co.us.

PERMIT #: M-1982-020 INSPECTOR'S INITIALS: DMC INSPECTION DATE: April 29, 2025



Sign at entrance



Crusher circuit on backside of mill building



Office building near entrance



Crusher circuit on backside of mill building



Mill building



Lined recirculation pond

PERMIT #: M-1982-020 INSPECTOR'S INITIALS: DMC INSPECTION DATE: April 29, 2025



Equipment storage area



Fuel storage shed



Tailings disposal area



Tailings disposal area



Tailings disposal area



Tailings disposal area

PERMIT #: M-1982-020 INSPECTOR'S INITIALS: DMC INSPECTION DATE: April 29, 2025



Tailings disposal area



Tailings disposal area



Tailings disposal area



Tailings disposal area

Inspection Contact Address

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