

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:
Cresson Project		M-1980-244	Gold and silver	Teller
INSPECTION TYPE:		WEATHER: Windy	INSP. DATE:	INSP. TIME:
Monitoring			May 28, 2025	09:30
OPERATOR:		OPERATOR REPRESENTATIVE:	TYPE OF OPERATION:	
Cripple Creek & Victor Gold Mining Compar		Brian Doering	112d-3 - Designated Mining Operation	
REASON FOR INSPECTION:		BOND CALCULATION TYPE:	BOND AMOUNT:	
Normal I&E Program		None	\$319,158,980.00	
DATE OF COMPLAINT:		POST INSP. CONTACTS:	JOINT INSP. AGENCY:	
NA		None	None	
INSPECTOR(S):	INSPE	CTOR'S SIGNATURE:	SIGNATURE DATE:	
Hunter Ridley			June 18, 2025	
Ben Hammar	11 ,	n.		
	Hunton	Kidley		
	1101000			

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>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 <u>N</u>
(SM) SIGNS AND MARKERS <u>N</u>	(SP) STORM WATER MGT PLAN <u>N</u>	(RS) RECL PLAN/COMP <u>N</u>
(ES) OVERBURDEN/DEV. WASTE Y	(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 program established by the Colorado Division of Reclamation, Mining and Safety (Division). Hunter Ridley and Ben Hammar with the Division conducted the inspection and site representatives Brian Doering and Paulina Barela accompanied the Division on the inspection. The Cresson Project (CC&V) is a 112d-3 Operation consisting of 6,007 Acres in support of the extraction and beneficiation of Gold, located in Teller County. The site is located between the towns of Cripple Creek and Victor, CO at an average elevation of 9,900 Feet. The Division currently holds a \$319,158,980.00 Financial Warranty for the site. A Reclamation Cost Estimate Update was not performed as a result of this inspection. Thirteen photos accompany this report to illustrate the current site conditions.

This inspection primarily focused on:

Schist Island backfill operations; overview and ground level inspection

Schist Island

The Schist Island was viewed from ground level in the active backfill area. The low compaction backfill is mainly situated to the south and east and the high compaction area to the north, both compaction areas are being added to simultaneously. The Division attempted to inspect Schist Island from above at a southwester overlook, but a scheduled blast halted all truck traffic from entering the pit for ~45 minutes. NewFields representatives were present at the time of inspection. Division representatives inspected the low compaction area (facing south) from afar and watched several rounds of haul trucks dump onto the low compaction area while a dozer pushed material to the face of the dump (Photo 2). All material observed during this time appeared to be within the low compaction specification of 5 feet or less in two out of 3 dimensions. The Division also walked up to the face of the low compaction zone and measured several larger pieces of material to ensure compliance with the specifications. All material observed in the low compaction zone was found to be in compliance with the specifications. Two larger, out of spec. boulders had been put aside prior to the Division's inspection for further crushing before placement in the backfill area (Photo 1).

The Division then walked north in the backfill area to inspect the high compaction zone. While CC&V currently conducts their own quality control for the low compaction zone, NewFields is in charge of quality control for the high compaction zone. Tyler, with NewFields, reconfirmed that each 5 foot lift is signed off by one of their staff before the next lift begins. The Division noted that there were many pieces of material in this area that appeared to be slightly or well above the 2 foot maximum specification limit for the high compaction zone. Therefore, the Division inspected the entire length of the northern face (Photo 4), documenting the size of ~8 large boulders. These are shown in Photos 3 through 12. About ³/₄ of this northern face contained material that is compliant with the high compaction specifications. At the western end is where the Division found a collection of larger boulders (Photo 12). NewFields could not determine in the field whether or not the large boulders observed were in or outside of the official line for the high compaction zone. If the material observed *was* in the high compaction zone, the Division informed CC&V representatives that they would need to remove such material prior to dumping the next lift. The Division received an email from Mr. Doering on June 5, 2025. The report provided is attached below and shows that the large boulders observed were *not* within the high compaction zone.

Photographs taken during the inspection have been included below. Responses to this inspection report should be directed to: Hunter Ridley at the Division of Reclamation, Mining and Safety, 1313 Sherman St., Room 215, Denver, CO 80203. Direct contact can be made by phone at 720-868-7757 or via email at <u>hunter.ridley@state.co.us</u>

PHOTOGRAPHS



Photo 1: Two large boulders had been separated from the low compaction zone in preparation for further break up / crushing to reduce their size to fit required fill specifications.



Photo 2: View west of the low compaction dump face, dump and doze operations were active during the inspection.



Photo 3: View looking down onto the dump face of the high compaction zone in the northern backfill area.



Photo 4: View looking northwest along the dump face in the northern end of the backfill area.



Photo 5: Material measured in the area shown in Photos 4 and 12. Measured 3'3" by 2'6".



Photo 6: Material measured in the area shown in Photos 4 and 12. Measured 3'4" by 2'6".



Photo 7: Large rock in the same Photos 4 and 12 area, unable to be measured but similar in size to rocks in Photos 5, 6, 8, 9, 10.



Photo 8: Material measured in the area shown in Photos 4 and 12. Measured 3'6" by 3'9".



Photo 9: Material measured in the area shown in Photos 4 and 12. Measured 3'2" by 2'6".



Photo 10: Material measured in the area shown in Photos 4 and 12. Measured 4'9" by 2'6".



Photo 11: Large rock in the same Photos 4 and 12 area, unable to be measured but similar in size to rocks in Photos 5,6,8, 9, 10.



Photo 12: View southwest of the dump face where large rocks were observed and measured. In general, this area holds many larger rock fragments that are likely not within high compaction specifications.



Photo 13: View northwest of the northern end of the fill area, looking towards the low compaction zone.

Inspection Contact Address Brian Doering Cripple Creek & Victor Gold Mining Company P. O. Box 191 Victor, CO 80860



SENT BY ELECTRONIC MAIL

Mr. Elliott Russell Environmental Protection Specialist Colorado Department of Natural Resources Division of Reclamation, Mining and Safety Office of Mined Land Reclamation 1313 Sherman Street, Room 215 Denver, Colorado 80203 June 5, 2025

Re: <u>Permit No. M-1980-244; Cripple Creek & Victor Gold Mining Company; Cresson Project; –</u> <u>May 28, 2025, Inspection Follow-Up</u>

Dear Mr. Russell:

On May 28, 2025, Colorado Division of Reclamation, Mining, and Safety (the Division) conducted an impromptu inspection, of Cripple Creek and Victor (CC&V) site, accompanied by CC&V representatives. This letter is in response to the following items the Division requested during the inspection.

1. Confirm whether or not 2ft+ boulders were within the high compaction zone.

- a. The 2ft+ boulders identified during the inspection were surveyed for their precise location. The surveyed locations were compared to the zone of high compaction, and shown to be outside of that zone.
- *b.* **Attachment 1** identifies the boulder locations as well as the high and low compaction zones for the relevant lift elevations.
- 2. If 2f+t boulders are within the high compaction zone, remove them from the zone and document the process.
 - a. Because the 2ft+ boulders were outside of the low and high compaction zones, the boulders were not removed.



Should the Division require further information regarding the above responses, please do not hesitate to contact Brian Doering at 719-429-8458 or <u>Brian.Doering@ccvmining.com</u> or Katie Blake at 719-851-4048 or <u>Katie.Blake@ccvmining.com</u>.

DocuSigned by: Katie Blake

Katie Blake 5A3D013B629844B... Sustainability & External Relations Manager Cripple Creek & Victor Mine

EC: Z. Trujillo - DRMS B. Hammer - DRMS H. Ridley - DRMS K. Blake - CC&V J. Gonzalez - CC&V B. Doering - CC&V A. Matarrese - CC&V

File: Discovery/CC&V/S&ER Environmental/Environmental Compliance/DRMS Inspections/2025/May



Attachment 1 Schist 2 Backfill Overview May 29, 2025



The blue and yellow areas highlight the current low compaction lifts. Green highlights the high compaction zone including the 9,875 to the 9,885 elevations. The > 2ft boulders identified during the May 28th inspection were surveyed and are identified with the red icons, outside both the high and low compaction zones.