STATE OF COLORADO

DIVISION OF RECLAMATION, MINING AND SAFETY Department of Natural Resources

1313 Sherman St., Room 215 Denver, Colorado 80203 Phone: (303) 866-3567 FAX: (303) 832-8106

December 20, 2013

Montrose County 161 South Townsend Montrose, CO 81401

Re: Van 4 Mine, Permit No. M-1997-032, Temporary Cessation Notice



John W. Hickenlooper Governor

Mike King Executive Director

Loretta E. Piñeda Director

To whom it may concern:

This letter is to inform Counties and any Municipalities within two miles of a mining operation of the intent of Energy Fuels Resources (USA) Inc. to put their mining operation into a state of temporary cessation. This letter is sent pursuant to the requirement of Rule 1.13.6 of the Rules and Regulations of the Mined Land Reclamation Board.

Please be advised that Energy Fuels Resources (USA) Inc., whose address is 225 Union Blvd., Suite 600, Lakewood, CO 80228; 303-974-2140, has filed a Notice of Temporary Cessation with the Division of Reclamation, Mining and Safety for the Van 4 Mine operation. The mining operation is located at or near Section 29, Township 46N, Range 17W, 10th Prime Meridian, in Montrose County.

Any person who is adversely affected or aggrieved may file a <u>written</u> objection with the Division regarding this Notice of Temporary Cessation on or before 5:00 p.m. February 17, 2014. If no timely written objection is received, the Notice of Temporary Cessation will be placed on the consent agenda for consideration and acceptance by the Board during the February 2014 meeting. If the Division receives a timely objection to the Notice of Temporary Cessation, the Board will hear the objection as a contested matter during a future regularly scheduled meeting.

If you require additional information, or have questions or concerns, please contact me at 970-247-5193, or email: <u>bob.oswald@state.co.us</u>. All written comments or objections must be mailed to the Division's Denver office at the address shown in the letterhead, above.

Sincerely,

Bob Oswald Environmental Protection Specialist

Ec: Russ Means, DRMS, Grand Junction Jaime Massey, EFRI, Lakewood Robert Ernest, BLM, Montrose

Enc: Temporary Cessation Notice from operator

(c:\13-12 docs\Van 4 TC Cty-Not/rco)



Energy Fuels Resources (USA) Inc. RECEIVED 225 Union Blvd. Suite 600 Lakewood, CO, US, 80228 303 974 2140 www.energyfuels.com

November 15, 2013

Durango Field C Loretta Pineda Director Colorado Division of Reclamation, Mining, and Safety 1313 Sherman St., Room 215 Denver, CO 80203

M-1997-032

REQUEST FOR TC-1

Re: Temporary Cessation of the Van 4 Mine Operations, Permit No. M-1977-032

Ms. Pineda:

Energy Fuels Resources (USA) Inc. ("EFRI") would like to request that the Colorado Division of Reclamation and Mining Safety ("DRMS") change the status of the Van 4 Mine (the "Mine") from active to temporary cessation. EFRI is sending this notice in accordance with the Colorado Hard Rock/Metal Mining Rule 1, Section 1.13.5.

EFRI placed the Mine under temporary cessation status on June 13, 2012 after completing construction of the Mine's stormwater controls in accordance with Sections 9.0 through 9.3 of the Mine's Environmental Protection Plan. The temporary shutdown is due to the current low price of uranium on the spot market. Mining activities are expected to recommence when market conditions are more favorable. In the meantime, the Mine facilities will be maintained in good condition to allow for a smooth restart of mine operations.

The buildings at the Mine have been locked, and the shaft has been temporarily sealed and is secure. Trash, debris, fuel, and equipment have all been removed. The Mine will continue to be inspected and kept in stable condition during the temporary cessation period. Any items noted in the inspections, such as erosion control or weed spraying will continue to be conducted during the temporary cessation period.

Included with this letter is the Temporary Cessation Notice form and associated fee. Please contact me at 303-389-4167 or at jmassey@energyfuels.com should you have any questions or require additional information.

Sincerely,

Energy Fuels Resources (USA) Inc. Jaime Massey Regulatory Compliance Specialist

Bob Oswald (DRMS) cc: Robert Ernst (Geologist - Bureau of Land Management, Uncompany Field Office) Harold R. Roberts, Frank Filas (Energy Fuels)



COLORADO DIVISION OF RECLAMATION, MINING AND SAFETY

1313 Sherman Street, Room 215, Denver, Colorado 80203 Phone (303) 866-3567

TEMPORARY CESSATION NOTICE

(mining activities temporarily cease for more than a one-year period) Today's date: 11/7/2013 Permit number: M- 1977-032 Site name: Van 4 County: Montrose TC number: (DRMS use only) Permittee making request: ______Jaime Massey - Regulatory Compliance Specialist Frank Filas - Vice President, Permitting and Environmental Affairs Operator (if other than permittee): Date the initial five-year period of Temporary Cessation begins: June 13, 2012 Reason mining activities (materials extraction, processing, hauling) have ceased: The temporary shutdown of the mine is due to market conditions and the low price of uranium. Description of plan to resume operations: Operations at the mine will recommence when the market is more favorable. Description of plan to meet performance standards of Rule 3.1 during temporary cessation (reclamation, weed control, monitoring, signs, markers, etc.): All inspections and compliance requirements will continue during the temporary cessation period. Number of affected acres: 8.40 Amount of financial warranty (bond) on deposit with the state: \$75,057.00 Required fees for Temporary Cessation by permit type (please mark the correct fee and submit it with this request for Temporary Cessation): Permit type **Required TR fee** Submitted (mark only one) **Construction Materials** \$144 Hard Rock/ Metal Mining \$115 The above-referenced permit has entered Temporary Cessation. This site has reserves remaining to be mined. **Operator's signature:**

Please note:

1. While in Temporary Cessation, the operator must continue to comply with the Rules and Act, including maintaining the site, and must continue to file an annual report and annual fee.