




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: Whirlwind Mine	MINE/PROSPECTING ID#: M-2007-044	MINERAL: Uranium and vanadium	COUNTY: Mesa
INSPECTION TYPE: Monitoring	WEATHER: Clear	INSP. DATE: November 7, 2022	INSP. TIME: 11:00
OPERATOR: Energy Fuels Resources (USA) Inc.	OPERATOR REPRESENTATIVE: Todd Eldredge	TYPE OF OPERATION: 112d-1 - Designated Mining Operation	
REASON FOR INSPECTION: Normal I&E Program	BOND CALCULATION TYPE: None	BOND AMOUNT: \$375,078.00	
DATE OF COMPLAINT: NA	POST INSP. CONTACTS: DRMS	JOINT INSP. AGENCY: None	
INSPECTOR(S): Amy Yeldell	INSPECTOR'S SIGNATURE: 	SIGNATURE DATE: November 14, 2022	

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>N</u>	(RS) RECL PLAN/COMP-- <u>NA</u>
(ES) OVERBURDEN/DEV. WASTE----- <u>N</u>	(SC) EROSION/SEDIMENTATION-- <u>Y</u>	(ST) STIPULATIONS----- <u>Y</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 Colorado Division of Reclamation, Mining and Safety (Division) normal monitoring program. The Whirlwind Mine is a 112d-1 underground Designated Mining Operation that includes a total of 31.9 permitted acres with a maximum disturbance of 22.6 acres. To date approximately 12 acres have been affected. The site is located seven mile southeast of Gateway, Colorado. Amy Yeldell of the Division conducted the inspection. Todd Eldredge of Energy Fuels Resources (USA) Inc. was also present for the inspection. BLM was contacted for a joint inspection but declined.

The mine identification sign and affected area boundary markers are in place and in compliance with Rule 3.1.12. The buildings and water treatment areas were fenced off. These areas are locked when no personnel is on site. The access road to the site and overall area was muddy from recent snow and rain storms. In general the site appeared stable with no excessive erosion despite the frequent freeze thaw of recent storms.

As of June 7, 2022 per CS-1 the site is in active status after having been in temporary cessation for an extended period of time. Crews were on site at the time of the inspection and will continue to work until weather shuts them down for the winter. The entrance to the portal has been re-enforced and shotcreted for safety. The primary focus on site is safety rehab work on the decline. Misc. ore and rock is being removed from the tunnel as needed and stored on the ore storage pad within the existing footprint of disturbance. Crews are estimated to be approximate 600 LF down the existing tunnel so far. The ventilation fan pipes have been removed. Damaged sections are being replaced and the pipe is being reinstalled as rehab work progresses down the decline. The refuge chamber and water tank are stored on the ore storage pad. Underground mining equipment is also being stored on the pad while rehab work is being conducted. Extra timbers and steel sets of varying sizes are on site and ready for use. Dry shotcrete was on site however due to the risk of freezing equipment has been winterized and additional shotcreteing will not occur until the spring. No fuel is stored on site, all fuel for equipment is brought up in slip tanks. All storage buildings/ containers appeared well organized.

The site is currently running off of a generator and solar panels. The site is approved for the additional disturbances required to hardline wire the site into the grid. Energy Fuel Resources is currently waiting on approval from the BLM to connect utilities.

The site conditions around the water treatment system and stormwater ponds on the north side of the site remain unchanged. Over the winter the operator will be working on getting a new water treatment system fabricated with hopes of installing it in the spring/summer of 2023. Prior to the installation of a new system a technical revision will be required. In order for mining to progress the underground workings must be dewatered and that water must be treated. Additionally per the approval of CS-1, prior to any additional developments of mine workings, the underground portion of the reclamation cost estimate specifically, the bulkhead costs, will need to be re-evaluated. The Operator will need to provide the Division with three bids from independent contractors for the scope of work outlined under the Division's Memo: Cost Estimate for Water Impounding Concrete Bulkheads dated Nov. 14, 2007. Any additional financial warranty required to cover the underground closures will need to be posted prior to work commencing. For the time being the Division currently holds a financial warranty amount of \$375,078 for this site.

No problems or violations were noted during this inspection.

Responses to this inspection report should be directed to: Amy Yeldell at the Division of Reclamation, Mining and Safety, Room 215, 1001 E 62nd Ave, Denver CO 80216. Direct contact can be made by phone at 303-8663576 Ext 8183 or via email at amy.yeldell@state.co.us

Inspection Contact Address

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Enclosure

CC:
Travis Marshall, Senior EPS, Grand Junction DRMS
Brittany Cocina, BLM

PHOTOGRAPHS



Photo One: Newly shotcreted portal entrance





Photo Four: overview from the ore storage pad stockpile area



Photo Five: Shop tent/ equipment storage area



Photo Six: Water treatment area



Photo Seven: Stormwater/sediment pond adjacent behind water treatment area