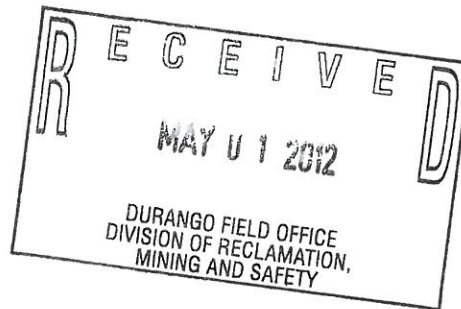




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April 30, 2012

Bob Oswald  
Department of Natural Resources  
691 County Road 233, Unit A2  
Durango, Colorado 81301

Dear Bob:

**Re: Comments on the Topaz Mine (M/1980/055HR) Bond Recalculation.**

Denison received your surety estimate for the Topaz Mine on March 16, 2012 in the amount of \$94,790.82. This is an increase of \$13,268.82 over the existing bond amount of \$81,522.

The following, referenced by the line number in the COST SUMMARY WORK dated March 15, 2012, describes those items that Denison requests be reviewed.

**Tasks 006 – 012:**

- The long term mine plan and reclamation plans for the Topaz Mine provides for up to six vent shafts. Two are currently installed. As noted below, Denison requests that the Division consider phased bonding to accommodate the installation of Topaz ventilation shafts when required during the project life. If a phased bonding approach can be allowed, then all of the Tasks relating to closure and reclamation of the six vents could be re-evaluated.

**Task 019:**

- Denison understands that the estimated amounts to seal and reclaim the sites of the five EPP wells and the Topaz dump toe monitor are all included in the bond estimate amount for Topaz. This is acceptable to Denison, although the EPP wells are not specifically related to the Topaz Mine.

The six vents approved per AM-7 in 2007 are not currently installed. Does the Division of Reclamation, Mining and Safety ("Division") have the ability to bond these incrementally? Denison understands that a sufficient bond would have to be posted and accepted by the Division prior to any vent construction or ground disturbance; however, these vents are proposed for installation over the life of the mine and could be 5 to 10 years away from installation. Denison would prefer to bond for the new vents closer to their actual time of construction if possible.

Please feel free to contact me directly if you have any additional comments or questions.

Yours very truly,

**DENISON MINES (USA) CORP.**

A handwritten signature in blue ink that reads "Christy Woodward". The signature is fluid and cursive, with the first name "Christy" being more prominent than the last name "Woodward".

Christy Woodward, PE  
Environmental Coordinator

Cc: Denison Mines (USA) Corp, File  
Terry Wetz, Jim Conrad & Philip Buck, Denison Mines (USA) Corp  
James Blair, US Bureau of Land Management