

Ms. Loretta Pineda
Director
Colorado Division of Reclamation Mining & Safety
1313 Sherman Street, Room 215
Denver, CO 80203
Via email to Loretta.Pineda@state.co.us

May 7, 2012

Dear Ms. Pineda,

The undersigned organizations are contacting your agency because we are concerned that remediation and reclamation bonding designed to protect public health and the environment may be compromised, or further compromised, by the recently-proposed agreement between Denison Mines and Energy Fuels Resources concerning control and responsibility for currently permitted uranium mining and milling properties.

The attached materials report that these Canadian uranium-mining corporations have entered into an agreement that would reconfigure ownership of U.S. mining properties, assets, and stocks. Although specific terms remain subject to shareholder approval, the pending agreement would result in Energy Fuels Resources retaining its mines and owning all of Denison's U.S. properties—properties that the Canadian investment media has called “poison pill” assets. Those assets include Denison's uranium mill near White Mesa, Utah, which recorded a loss of tens of millions of dollars in 2011, in addition to operating and inoperative uranium mines in Arizona, Utah, Colorado, and Wyoming. Under the agreement, Denison would no longer own any U.S. mining properties, and would only retain assets outside the United States. After completion of the deal, Denison would reportedly control two-thirds of Energy Fuels Resources' stock.

As these ownership changes may involve the capacity and willingness to administer uranium operations in a way that minimizes risks to public health and the environment, we are requesting that your agency promptly review all bonds and financial surety involving permits and licenses held by Energy Fuels Resources and Denison Mines. In order to ensure the information and concerns of our members and members of the public are taken into account, we ask that you take steps to involve the public in the review and update of these bonds. We look forward to providing input into these issues over the course of the next few months.

Thank you again for your consideration of this letter. Should you have any questions or would like to provide further information regarding formal or informal comment opportunities, please contact Jennifer Thurston at (212) 473-7717 or jennifer@informcolorado.org.

Sincerely,

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Cc: Ms. Helen Hankins, State Director, BLM Colorado State Office
Laura Kilpatrick, Esq., Manager, Uranium Leasing Program, DOE Office of Legacy Management
Mr. David W. Geiser, Director, Department of Energy Office of Legacy Management
Mr. Steve Guertin, Regional Director, Mountain-Prairie Region, U.S. Fish & Wildlife Service
Mr. Jim Martin, Administrator, U.S. Environmental Protection Agency, Region 8