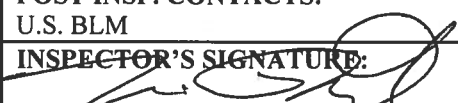




**COLORADO DIVISION OF RECLAMATION, MINING AND SAFETY
MINERALS PROGRAM INSPECTION REPORT
PHONE: (303) 866-3567**

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	INSPECTOR(S): Travis H. Marshall	INSP. DATE: September 28, 2012	INSP. TIME: 13:00
OPERATOR: Energy Fuels Resources Corporation	OPERATOR REPRESENTATIVE: N/A	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: U.S. BLM	JOINT INSP. AGENCY: U.S. BLM	
WEATHER: Clear	INSPECTOR'S SIGNATURE: 	SIGNATURE DATE: October 29, 2012	

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>NA</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>N</u>
(SM) SIGNS AND MARKERS----- <u>Y</u>	(SP) STORM WATER MGT PLAN---- <u>N</u>	(SB) COMPLETE INSP---- <u>N</u>
(ES) OVERBURDEN/DEV. WASTE----- <u>NA</u>	(SC) EROSION/SEDIMENTATION--- <u>Y</u>	(RS) RECL PLAN/COMP-- <u>N</u>
(AT) ACID OR TOXIC MATERIALS----- <u>NA</u>	(OD) OFF-SITE DAMAGE----- <u>Y</u>	(ST) STIPULATIONS----- <u>NA</u>

Y = Inspected and found in compliance / 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 (DRMS). The Whirlwind Mine is a 112 d underground mine located in Mesa County west of Gateway, Colorado. Scott Gerwe with the Bureau of Land Management was present during the inspection.

The purpose of the inspection was to observe the current state of the operation. The mine was inactive during the inspection. No issues were observed at the main mine office and water treatment facility.

The Packrat portal was also inspected. The road the leads to the Packrat had recently been eroded by a precipitation event. The erosion was minor on the upper portion of the road but towards the bottom of the road increasingly significant erosional features were observed. The operator may want to install a culvert in the future to minimize erosional impact to the road.

If you have any questions regarding this inspection report please contact me at (970) 241-2042.

PHOTOGRAPHS



Inspection Contact Address

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