I. INTRODUCTION

This Class II air quality control permit is for the operation of an underground uranium mine located on the Coconino Plateau in Coconino County, Arizona approximately 6.5 miles southeast of Tusayan. The facility is owned and operated by Energy Fuels Resources (USA) Inc. Based on the maximum production capacity per day, the facility will have a maximum possible annual production of approximately 109,500 tons of uranium ore.

Mohave County is an attainment or unclassified area for the National Ambient Air Quality Standards (NAAQS).

Company Information

Company Name: Energy Fuels Resources (USA) Inc.
Facility Name: EZ Mine
Facility Location: 36° 37’ 45.1232”/112° 55’ 15”, 5,138 ft
Mailing Address: 225 Union Blvd., Suite 600
Lakewood, Colorado, 80228

Background

This source is an underground uranium mine, located approximately 36 miles south of Fredonia, Arizona.

II. PROCESS DESCRIPTION

A. Underground Uranium Mining

The maximum proposed mine production rate is 146,000 tons per year (tpy) of uranium ore. No ore processing will be conducted on-site. The ore will be shipped to an off-site processing mill. If the ore cannot be shipped immediately to the mill, it will be placed on-site in stock piles within the Ore Stockpile Area (OSA). The OSA will encompass approximately 1.0 acre and can accommodate up to 169,400 tons of stockpile ore. The company also proposes to install an existing 500 kilowatt (kW) standby diesel-powered generator for use as backup power.

Rock from the mining operations with less than 0.03 percent uranium will be stored on the surface in the Development Rock Storage Area (DRA) and in mined-out areas of the underground workings. The Development Rock Area (DRA) will encompass approximately 6 acres.
III. RADIATION BACKGROUND

Energy Fuels Resources (USA) Inc.’s EZ mine is a uranium mining operation and as such the potential radiation from the mine must be understood.

Radiation refers to energy emitted in the form of waves or particles. There are two main types of radiation which must be considered: Non-ionizing radiation and ionizing radiation.

Non-ionizing radiation occurs at the low frequency end of the electromagnetic spectrum. Examples of non-ionizing radiation include: microwaves, radio waves, radar, infrared and some ultraviolet radiation. This type of radiation in sufficient concentration can produce undesirable effects on humans through heating.

As the frequency increases through the ultraviolet region, the energy from the electromagnetic radiation becomes sufficient to release orbiting electrons from the surrounding matter. This form of radiation is ionizing radiation. Examples of ionizing radiation are x-rays, gamma rays, and cosmic rays. In addition to wave or frequency type radiation emissions, several particles are also included in this form of radiation. These particles are alpha particles and beta particles.

The form of radiation of concern at the EZ Mine is ionizing radiation.

The negative health effects attributed to this type of radiation depend on many parameters including the amount of radiation received (dose), the rate at which the radiation is delivered (dose rate), and the type of ionizing radiation (alpha, beta, x-ray, gamma).

The ionizing radiation which will be present at the EZ Mine site will include x-rays, gamma rays, alpha particles and beta particles. These types of radiation are emitted from the radioactive material found in and around the uranium ore body.

X-rays and gamma radiation have no mass or charge. They may be produced by x-ray machines, by ionization of atoms or molecules, or by the decay of radioactive atoms.

Beta particles have a very small mass and a negative charge. Basically, beta particles are electrons which have been released from inside an atom as that atom decays and seeks a more stable configuration.

Some radioactive materials may decay by releasing an alpha particle from its nucleus. The alpha particle has two positive charges and is identical to an ionized helium atom. Alpha particles are about 2,000 times larger and are ejected with about 10 times more kinetic energy than beta particles.

Now that the types of radiation have been identified it is helpful also to understand the natural radiation environment. The natural radiation environment consists of cosmic radiation and many radioactive elements including Hydrogen-3, Carbon-14, Potassium-40, Rubidium-87, Uranium-235, Uranium-238 and Thorium-232. Both Uranium-238 and Thorium-232 are ubiquitous in soil with average concentrations of a few parts per million. Each are parent elements of a radioactive decay series. The parents decay to daughters which are also radioactive. Natural uranium is about 99.3% U-238.

Radioactive materials are present in air, water and soil. Their concentrations are expressed in units of radioactivity per volume or mass. Typical concentrations of naturally occurring uranium and Radium-226 in normal soil are on the order of 1 pico-Curie per gram. A pico-Curie (pCi) is equivalent to 2.22 atoms of the radionuclide decaying each minute. These values may vary considerably depending on the extent of uranium mineralization in the area being examined.
When ionizing radiation deposits energy in living matter it produces a physical and biological effect which may be quantified in terms of dose. The dose to a particular receptor of radiation is expressed in radiological units, known as **rems** (roentgen equivalent man). However, because this unit is so large it is often useful to divide the value by 1,000 and call it **millirem** (mrem).

A progeny of U-238 is Radon-222. Radon is a colorless, odorless and inert gas which diffuses into the atmosphere from rocks, soil and building materials. All the radon progeny are particulates and many decay by emitting alpha particles. It is the alpha particle emitting progeny of Radon-222 that have been linked to negative effects on humans.

**Airborne Radioactivity**

Radon gas emanates from earthen materials containing uranium such as natural soil and the ore stockpiles. Once airborne, the gas will be transported by prevailing winds and will decay to its progeny. Uranium and its progeny will be present in dust from the mining operations.

The natural background radon gas concentration in the vicinity of the EZ mine is on the order of 0.2 picocuries per liter (pCi/l) or 125 mrem/yr. Based upon previous evaluations of the Arizona I Mine project (McKleveen, 1988) the highest potential exposure projected from radon would be on the order of 106 mrem/year. The mine shaft vent emissions are subject to limitations set forth of 40 Code of Federal Regulations (CFR) part 61 subpart B at 10 mrem/year. Radiation exposure from dust associated with the mining operation is dependent on the concentrations of dust in the air and the activity of the compounds in the dust. Since these values are variable, it is not feasible to estimate the radiation impact from the dust.

Direct radiation from haul trucks will be about 2 mrem/hr at the truck bed, about 0.3 mrem/hr on the shoulder of the roadbed, and normal background at about 96 feet from the trailer. As a truck passes, individuals standing on the shoulder of the road would receive a dose of radiation too small to quantify.

These radiation concentrations can be put in perspective by comparing them to what naturally occurs in various locations. For example, naturally occurring radiation levels for a person living in the Colorado Plateau will receive 400-500 mrem/year based on EPA estimates. Thus, the estimated radiation exposure at the EZ Mine site does not present a significant risk to human health.

**IV. EMISSIONS**

The PM$_{10}$/2.5 emissions listed in Table 1 below account only for generator, vent shaft and ore/development rock unloading. Fugitive emissions are not included in calculations for determining major source status since this facility is not a listed category source as defined under A.A.C. R18-2-101.23. The fugitive emissions were, however, included in the air dispersion modeling analysis.

**Table 1: Facility Emissions**

<table>
<thead>
<tr>
<th>Pollutant</th>
<th>Facility Potential to Emit (tons/year)</th>
</tr>
</thead>
<tbody>
<tr>
<td>PM$_{10}$</td>
<td>13.24</td>
</tr>
<tr>
<td>PM$_{2.5}$</td>
<td>5.69</td>
</tr>
<tr>
<td>NO$_X$</td>
<td>1.25</td>
</tr>
<tr>
<td>CO</td>
<td>0.27</td>
</tr>
<tr>
<td>SO$_2$</td>
<td>0.08</td>
</tr>
<tr>
<td>VOC</td>
<td>0.10</td>
</tr>
<tr>
<td>HAPs</td>
<td>0.023</td>
</tr>
<tr>
<td>Radionuclides</td>
<td>0.022</td>
</tr>
</tbody>
</table>
V. APPLICABLE REGULATIONS

The applicable regulations were identified by the company as part of the application packet. If necessary, the source is required to list any additional regulations that may be applicable. Table 2 displays the applicable requirements for each piece of equipment under this proposed permit.

Table 2: Verification of Applicable Regulations

<table>
<thead>
<tr>
<th>Unit</th>
<th>Control Device</th>
<th>Rule</th>
<th>Verification</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mine Vents</td>
<td>N/A</td>
<td>A.A.C. R18-2, Article 11</td>
<td>NESHAPs requirements for radon monitoring apply to the mine vents.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>40 CFR 61 Subpart B</td>
<td>These standards apply for Unclassified Sources</td>
</tr>
<tr>
<td></td>
<td></td>
<td>A.A.C. R18-2-730</td>
<td></td>
</tr>
<tr>
<td>Internal Combustion Engine</td>
<td>None</td>
<td>A.A.C. R18-2-719</td>
<td>This standard applies to all stationary rotating machinery</td>
</tr>
<tr>
<td></td>
<td></td>
<td>40 CFR 63 Subpart ZZZZ</td>
<td>This standard applies since the engine is an existing emergency CI engine located at an area source of HAPS</td>
</tr>
<tr>
<td>Fugitive dust sources</td>
<td>Water and other reasonable precautions.</td>
<td>A.A.C. R18-2, Article 6</td>
<td>These standards are applicable to all fugitive dust sources.</td>
</tr>
<tr>
<td>Mobile sources</td>
<td>Water Sprays/Water Truck for dust control</td>
<td>A.A.C. R18-2, Article 8</td>
<td>Opacity requirements for smoke and dust for mobile sources (construction equipment, etc.).</td>
</tr>
</tbody>
</table>

VI. MONITORING AND RECORDKEEPING REQUIREMENTS

A. Opacity Requirements

The permit specifies opacity limitations for the various emission sources found within the facility, including mine vents, and fugitive dust sources. The permit requires the source to perform bi-weekly (once every two weeks) observations (quarterly for the emergency generator) of the various point sources and non-point sources, and if emissions appears to exceed the opacity standard, a Method 9 observation is to be conducted.

The Permittee is to keep records of the date, time, and results of all visible surveys made, as well as the name of the observer who conducted the survey.

B. Particulate Matter Requirements

The permit specifies particulate matter limits for the fuel-burning equipment, mine vent emissions, and work practice standards for fugitive dust sources. The Permittee is required to keep records of all activities that may produce fugitive dust emissions of particulate matter. In
addition, the Permittee must use water or equivalent control to minimize fugitive dust emissions from storage piles and development rock areas.

C. Radiatino Survey Plan

The Permittee is required to follow the most recently approved radiation survey plan. The purpose of the radiation plan is to ensure that there are no elevated readings of radiation near the mine site. If any elevated readings are discovered, the plan requires the facility to determine the source of the elevated readings and take corrective action as necessary. An elevated reading is any reading resulting in a level of radiation that is four times higher than the natural background levels. The radiation survey plan consists of the following:

- Quarterly thermoluminescent dosimeter (“TLD”) measurements; and
- Annual soil sampling at the locations of the four Mine site TLD monitors; and
- Soil sampling as necessary, to ensure clean-up of any accidental releases; and
- Establishment of a trucking emergency response plan.

Detectors will be placed at four points approximately 100 feet outside the mines property line. Additional TLD monitoring stations have been established at 13 locations along the existing haulage route from the Mine site to the eastern edge of Kanab, Utah. Soil samples will be taken annually at each of the four main compass point TLD locations at the Mine site. If any elevated radiation readings are detected the facility will take the following actions:

- Take additional soil sample to confirm the detection; and
- Review dust control policies to determine if any additional measure can be taken to reduce windblown dust; and
- Perform additional soil surveys to determine the areal extent of the soil contamination and develop a plan for reclamation of such contamination to background levels within 6 months of the determination of soil contamination.

A copy of the radiation survey plan is included in this support document in Appendix A.

D. Radon NESHAPs Requirements

The permit specifies Radon (Rn-222) testing requirements. The permit specifies that Rn-222 concentration and flow rate measurements will be used to calculate the effective dose equivalent resulting from mine emissions. The permit specifies that compliance modeling will be reported each year to EPA and the Department by March 31st of the following year.

E. Internal Combustion Engines

The Permittee is required to keep records of the fuel supplier certification to demonstrate compliance with the sulfur limit.

This generator is subject to 40 CFR 60 Subpart ZZZZ which requires the facility to maintain the generator by conducting routine maintenance including scheduled oil changes.
VII. Compliance History

ADEQ conducted an announced inspection on the facility on October 28, 2014. The results of the inspection indicated no deficiencies, and no action was taken. No construction or development of the EZ mine had taken place at the time of the inspection.

VIII. Insignificant Activities

Table 3, below, lists the insignificant activities at the Energy Fuels Resources (USA) Inc. EZ Mine.

<table>
<thead>
<tr>
<th>Equipment Description</th>
<th>Number of Equipment Items</th>
<th>Maximum Size or Capacity</th>
<th>Verification of Insignificance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Diesel Storage Tanks</td>
<td>1</td>
<td>6,000 gallons</td>
<td>Size limitation for Diesel Fuel Storage Tanks (A.A.C. R18-2-101.57.c)</td>
</tr>
</tbody>
</table>

IX. Ambient Air Impact Analysis

A. Introduction

Energy Fuels Resources (USA) Inc. conducted an Ambient Air Impact Analysis to demonstrate protection of the National Ambient Air Quality Standards (NAAQS) and visibility criteria. Modeling was completed using AERMOD for dispersion modeling of PM$_{10}$ and CALPUFF refined for the visibility analysis. Vent shaft emissions, road dust emissions from haul trucks traveling on unpaved roads, and neighboring source emissions were addressed in the modeling analysis. As part of the renewal process, the Department updated the modeling to ensure compliance with the new PM$_{2.5}$ annual and 24 hour. Ambient air quality assessment for 1-hour NO$_2$ NAAQS was not addressed in the renewal as the only source of NO$_x$ emissions is an emergency use engine. According to the EPA Memo titled “Additional Clarification Regarding Application of Appendix W Modeling Guidance for the 1-hour NO$_2$ National Ambient Air Quality Standard” intermittent sources such as a back-up use engine which does not contribute significantly to the annual distribution of daily maximum 1-hour concentrations can be excluded from the modeling analysis.

B. Haul Truck Dust Emissions

Particulate matter emissions from vehicle traffic within the mine site and along the 1.4 mile access road as well as fugitive emissions from haul trucks traveling Mount Trumbull Road and the county road were included in the modeling analysis. Fugitive emissions from off-site roads were modeled using the protocols developed by the Texas Commission on Environmental Quality, with ADEQ modifications. Haul road emissions will be controlled by limiting vehicle speeds to 25 miles per hour (mph).

C. Neighboring Source Emissions

A cumulative source analysis was evaluated as part of the permit application. The objective of the cumulative analysis was to determine if any nearby sources should be included in the modeling analysis. The Arizona I and Pinenut mines are close to this source, however, a condition has been placed in this permit that does not allow commencement of active mining until all active mining at the Arizona I and Pinenut mines have ended. Based upon this and review of other available data, no nearby sources were identified.
D. Regional Haze Analysis

To conduct a visibility analysis for the mine including impacts from haul road dust emissions a refined CALPUFF model was run. The visibility modeling was completed to evaluate potential visibility impacts at the Grand Canyon National Park resulting from the EZ Mine operations. The closest part of the Grand Canyon Nation Park to the EZ Mine is 14.9 miles away. Model receptors at the Grand Canyon have been developed by the National Park Service for use in CALPUFF analysis.

CALPUFF is an advanced, integrated Gaussian puff modeling system for the simulation of atmospheric pollution dispersion. CALPUFF is designed to use comprehensive 3-dimensional windfield meteorological data to address complicated airflow patterns in the atmosphere. Calpuff was run in the refined model using the regulatory default options and CALMET wind field meteorological input data. The CALMET windfield data were developed by the Western Regional Air Partnership (WRAP).

E. NAAQS Dispersion Modeling Results

Dispersion modeling for the NAAQS was done using SCREEN3 for gaseous pollutants (CO, NO2, and SO2) and AERMOD dispersion modeling for PM10. The results demonstrate that the EZ Mine project is not expected to exceed the Ambient Standards in Article 2 of the Arizona Administrative Code. Table 4 on the following page presents the results of the modeling analysis, in addition to applicable background concentrations for comparison to the NAAQS.

<table>
<thead>
<tr>
<th>Pollutant</th>
<th>Averaging Period</th>
<th>Year</th>
<th>Highest Modeled Cumulative Concentrationa (µg/m3)b</th>
<th>Background Concentration (µg/m3)b</th>
<th>Total Cumulative Concentration (µg/m3)b</th>
<th>NAAQS3c (µg/m3)b</th>
</tr>
</thead>
<tbody>
<tr>
<td>1SO2</td>
<td>3-Hour</td>
<td>N/A</td>
<td>36.5</td>
<td>73</td>
<td>109.5</td>
<td>1300</td>
</tr>
<tr>
<td></td>
<td>24-Hour</td>
<td>N/A</td>
<td>16.2</td>
<td>16</td>
<td>32.2</td>
<td>365</td>
</tr>
<tr>
<td></td>
<td>Annual</td>
<td>N/A</td>
<td>3.2</td>
<td>3</td>
<td>6.2</td>
<td>80</td>
</tr>
<tr>
<td>1NO2</td>
<td>Annual</td>
<td>N/A</td>
<td>49</td>
<td>4</td>
<td>53</td>
<td>100</td>
</tr>
<tr>
<td>1CO</td>
<td>1-Hour</td>
<td>N/A</td>
<td>131.9</td>
<td>582</td>
<td>713</td>
<td>40,000</td>
</tr>
<tr>
<td></td>
<td>8-Hour</td>
<td>N/A</td>
<td>92.3</td>
<td>582</td>
<td>674.3</td>
<td>10,000</td>
</tr>
<tr>
<td>1PM2.5</td>
<td>24-Hour</td>
<td>N/A</td>
<td>21</td>
<td>12</td>
<td>33</td>
<td>35</td>
</tr>
<tr>
<td></td>
<td>Annual</td>
<td>N/A</td>
<td>2.8</td>
<td>5.2</td>
<td>8</td>
<td>12</td>
</tr>
<tr>
<td>2PM10</td>
<td>24-Hour</td>
<td>2002</td>
<td>60</td>
<td>46</td>
<td>106</td>
<td>150</td>
</tr>
<tr>
<td></td>
<td>Annual</td>
<td>2005</td>
<td>9.9</td>
<td>19</td>
<td>28.9</td>
<td>50</td>
</tr>
</tbody>
</table>

aHigh-first-high modeled concentrations are presented for both short-term and annual averaging periods, per ADEQ request (ADEQ 2007).

bMicrograms per cubic meter

1Modeled Using SCREEN3

2Modeled Using AERMOD

F. CALPUFF Modeling Results

Output from the CALPUFF was compared to the 5 percent change in light extinction (Δbext) screening level. A change in Δbext from new sources that is less than 5 percent is generally considered acceptable.
Modeling results indicate that the predicted visibility impairment is below the 5 percent screening criteria for all days in the 3-year meteorological period modeled.

### TABLE 5: GRAND CANYON CUMULATIVE VISIBILITY IMPACT MODELING RESULTS

<table>
<thead>
<tr>
<th>Visibility Parameter</th>
<th>Averaging Period</th>
<th>EZ Mine and Haul Road Traffic</th>
<th>Screening Threshold</th>
</tr>
</thead>
<tbody>
<tr>
<td>Max ( \Delta B_{\text{ext}} ) (%)</td>
<td>Modeled Year: 2001</td>
<td>2002</td>
<td>2003</td>
</tr>
<tr>
<td># days &gt; 5%</td>
<td>N/A</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td># days &gt; 10%</td>
<td>N/A</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>

The FLMs have identified a new approach to calculating modeled visibility impairment in their revised FLAG document (USFS, NPS, and USFWS 2008). This new approach uses a modified visibility algorithm, uses monthly relative humidity values rather than hourly values, and takes the 98th percentile value to screen out seven days of haze-type visibility impairment per year (USFS, NPS, and USFWS 2008). This new approach was also applied to the EZ Mine for comparison purposes with the old Method 2 approach. The results of the new visibility impairment calculation approach are presented in Table 6.

### TABLE 6: GRAND CANYON CUMULATIVE VISIBILITY IMPACT MODELING RESULTS NEW FLAG APPROACH

<table>
<thead>
<tr>
<th>Visibility Parameter</th>
<th>Averaging Period</th>
<th>EZ Mine and Haul Road Traffic</th>
<th>Screening Threshold</th>
</tr>
</thead>
<tbody>
<tr>
<td>Max ( \Delta B_{\text{ext}} ) (%)</td>
<td>Modeled Year: 2001</td>
<td>2002</td>
<td>2003</td>
</tr>
<tr>
<td># days &gt; 5%</td>
<td>N/A</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td># days &gt; 10%</td>
<td>N/A</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>

These model results indicate that operation of the EZ Mine will not adversely impact visibility in the Grand Canyon National Park.

### X. LIST OF ABBREVIATIONS

<table>
<thead>
<tr>
<th>Abbreviation</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>A.A.C.</td>
<td>Arizona Administrative Code</td>
</tr>
<tr>
<td>CFR.</td>
<td>Code of Federal Regulations</td>
</tr>
<tr>
<td>CI.</td>
<td>Compression Ignition</td>
</tr>
<tr>
<td>CO.</td>
<td>Carbon Monoxide</td>
</tr>
<tr>
<td>DRSP.</td>
<td>Development Rock Storage Pad</td>
</tr>
<tr>
<td>DRA.</td>
<td>Development Rock Area</td>
</tr>
<tr>
<td>EPA.</td>
<td>Environmental Protection Agency</td>
</tr>
<tr>
<td>HAPs.</td>
<td>Hazardous Air Pollutants</td>
</tr>
</tbody>
</table>
Lb/hr........................................................................................................... Pound per Hour
m..................................................................................................................................... meters
mph.................................................................................................................... Miles per Hour
mrem...................................................................................................................... Millirem
NAAQS.................................................. National Ambient Air Quality Standards
NESHAP............................................. National Emission Standards for Hazardous Air Pollutants
NPS........................................................ National Park Service
OSA.................................................................................................................... Ore Stockpile Area
pCi................................................................. pico-Curie
PM$_{10}$.................................................. Particulate Matter with an Aerodynamic Diameter less than 10 Microns
NO$_x$........................................................ Nitrogen Oxide
SO$_2$......................................................... Sulfur Dioxide
TPY.................................................................................................................. Tons per Year
µg/m$^3$................................................................................. Microgram per Cubic Meter
USFS............................................................................................ United States Forest Service
VOC.............................................................................................................. Volatile Organic Compound
WRAP.............................................................................................. Western Regional Air Partnership
Appendix A

Radiation Survey Plan for EZ Mine
RADIATION SURVEY PLAN
ENERGY FUELS RESOURCES (USA) INC.

EZ MINE
TOWNSHIP 37 NORTH, RANGE 6 WEST, SECTION 3
MOHAVE COUNTY, ARIZONA

July 7, 2011
Revised August 15, 2011
Revised November 18, 2015

PREPARED BY:
Energy Fuels Resources (USA) Inc.
225 Union Blvd, Suite 600
Lakewood, CO 80223
303-974-2140

EZ Mine
Air Quality Control Permit No. 52790
Radiation Survey Plan
Energy Fuels Resources (USA) Inc’s (“EFRI’s”) proposed EZ Mine (the “Mine”) is a proposed underground uranium mine, located on the Kanab Plateau, about 37 miles southwest of Fredonia in Mohave County, Arizona. The Mine will be capable of producing a maximum of 300 tons per day of uranium ore. Ore will be hauled to the White Mesa Mill, near Blanding, Utah for processing. No ore processing will occur on site. The proposed site will contain a mine shaft, an office building, a head-frame and associated hoist and maintenance building, a septic system, ore stockpiles, development rock stockpiles, topsoil stockpiles, other facilities associated with the mine operation and a lined non-stormwater impoundment to contain runoff from the mine site and water that may seep into the underground workings.

This Radiation Survey Plan is prepared in compliance with Arizona Department of Environmental Quality (“ADEQ”), Air Quality Division, Air Quality Control Permit No.52790, Attachment B, Part II.C.

**Background Determination**

A background determination will be completed for the mine site prior to the initiation of any construction at the site.

**Radiation Survey Plan**

The Radiation Survey Plan will consist of the following:

1. Quarterly thermoluminescent dosimeter (“TLD”) measurements.
2. Mine vent radon measurements in compliance with U. S. Environmental Protection Agency (“EPA”) NESHAPS requirements.
3. Annual soil sampling at the locations of the four Mine site TLD monitors.
4. Soil sampling as necessary, to ensure clean-up of any accidental releases.

**TLD Monitoring**

Prior to mining activities, background measurements will be taken \( \frac{1}{2} \) mile from the proposed fence line in each of the four compass directions from the site. In order to determine if an increase is detected as close to the property line as possible, TLDs will be placed at the four main compass points for the Mine site approximately 100 feet outside of the Mine disturbed area (fence line) during operations. These locations are intended to provide a snapshot in time of the radiological condition at the fence line. If a rise in the detector measurements close to the site
occurs, then EFRI will conduct an investigation to determine the source of the increase in radiological readings, and take corrective action as necessary to eliminate further contamination. The general locations of the Mine area TLDs are shown on the attached Figure 1. The first readings will be received at the end of the first Quarter during which mining commences.

Additional TLD monitoring stations have been established at 10 locations along the existing haulage route from the Mine site to the eastern edge of Kanab, Utah. The general locations of the haul road TLD are shown on the attached Figure 2. The monitoring program on the haulage route will be initiated 6 months prior to ore haulage activities from the EZ Mine.

TLD results will be recorded quarterly. Results of all TLD monitors will be submitted to ADEQ on an annual basis, within 90 days after the end of the 4th calendar quarter.

**Radon Monitoring**

Mine vent radon measurements will be taken and reported in compliance with EPA NESHAPS requirements as outlined in the ADEQ Air Permit.

**Soil Sampling**

Soil samples will be taken annually at each of the four main compass point TLD locations at the Mine site. Samples will be analyzed for uranium (U) and radium-226. Results of all soil sampling will be submitted to the ADEQ on an annual basis, within 90 days after the end of the 4th calendar quarter.

In the unlikely event of an accidental release, soil sampling will be used to ensure that the release has been cleaned up to background levels.

Soil sampling procedures will be consistent with current EPA, ADEQ, and Arizona Department of Health Services (ADHS) requirements. All sampling techniques, custody policies and equipment will be in accordance with the above referenced agencies’ regulations and guidance.

**Actions to be Taken if Elevated Levels of Radiation are Detected**

Radiation detected at distance from the mine site is called “shine”. Shine will make it more difficult to determine the levels of radiation from the nearby mine site and it is likely that the meter readings will be higher than if the shine radiation did not exist. Because of the shine affect, it is standard practice when conducting taking measurements to use 3 to 4 times background as a trigger number for cleanup. At this concentration, you have still the shine, but are actually starting to see definitive numbers that can be used for clean up. The following
actions will be taken if elevated levels of radiation (four times higher than background) are detected:

If a statistically significant upward trend in either uranium or radium in soils is detected then:

- Additional soil samples will be taken to confirm the existence of the trend; and
- If the trend is confirmed then the Mine will: (1) review its dust control policies and procedures to determine if any additional dust control measures can be taken to reduce windblown dust during mine operations that could contribute to soil contamination in the vicinity of the Mine; and (2) perform additional soil surveys to determine the areal extent of the soil contamination and develop a plan for reclamation of such contamination to background levels within 6 months of the determination of soil contamination. Such additional soil surveys may involve a combination of soil surveys and Micro-R monitoring, in accordance with established guidance. Micro-R monitoring will be conducted with the use of a Ludlum Model 19, or equivalent, meter.

If the Mine determines that additional dust control measures can be taken, then the Mine will submit a revised Dust Control Plan within 30 days indicating the new dust control measures implemented to decrease the uranium or radium levels in the soil at the affected soil sampling locations. If the Mine determines that no additional dust control measures can be taken to mitigate elevated uranium or radium levels, then EFRI shall determine other corrective actions that will be taken to decrease levels below significance levels. A Corrective Action Plan shall be submitted within 30 days of the elevated readings.

If there is a statistically significant upward trend in the results at any TLD location (four times higher than background as determined prior to the initiation of mining activities), then the following actions will be taken:

- At least two more TLDs will be added at locations that step out from the TLD location in question to confirm the existence of the trend and to delineate any area of increased gamma radiation; and
- If the trend is verified, the Mine will review the data to determine if any additional radiation safety procedures are required in light of the elevated gamma levels.

**Transportation Policy and Trucking Emergency Response Plan**

The Mine has an established Transportation Policy that requires it’s trucking contractors to prepare an Emergency Response Plan to manage truck accidents that result in ore spills along the truck route from the Mine to the Mill.
Each ore hauling contractor will be provided a copy of the Mine’s Transportation Policy and will provide EFRI with a copy of their Trucking Emergency Response Plan. Each contractor has been instructed on the proper notification procedures relating to a trucking accident.

For any incident involving an ore hauling transport vehicle, a response team from the Mill near Blanding, Utah, will respond and supervise all cleanup activities. Those activities include the removal of the ore and also the remediation of any potential contamination.