



ENERGY FUELS RESOURCES CORPORATION

March 4, 2011

Mr. Steve Tarlton, Program Manager
Radiation Control Program
Hazardous Materials & Waste Management Division
Colorado Department of Public Health and Environment
4300 Cherry Creek Drive South HMWMD-B2
Denver, CO 80246-1530



Transmittal: Piñon Ridge Mill Long-Term Care Fund Deposit
Radioactive Materials License No. Colo. 1170-01
Montrose County, Colorado

Dear Steve:

Pursuant to Condition Number 23.A.ii of the Draft Radioactive Material License No. Colo. 1170-01, Amendment Number: 00, please find enclosed Check No. 10862 in the amount of \$844,400 from Energy Fuels Resources Corporation (Energy Fuels) for the establishment of a long-term care fund for the Piñon Ridge Mill project. Please confirm receipt of this check and the information presented in this letter in writing at your earliest convenience.

As described in Energy Fuel's Decommissioning Funding Plan (DFP) dated March 2011, \$844,400 represents the amount of the long-term care fund for the Piñon Ridge Mill, calculated for inflation through 2011. It fulfills statutory and regulatory requirements imposed on Energy Fuels with respect to long-term care of the mill site after closure has been completed, including the requirements imposed by 6 CCR 1007-1, Sections 3 and 18. As noted in the DFP, Energy Fuels anticipates that \$844,400 far exceeds the actual costs necessary for long-term care; that is, the annual costs of site surveillance by CDPHE or DOE, including reasonable administrative costs incurred by the agency, in perpetuity, subsequent to the termination of the license.

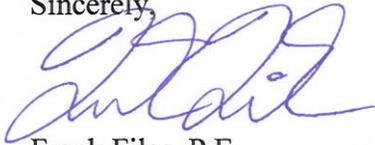
It is our understanding that the money will be deposited in the State Treasury, in a separate, interest-bearing account created for long-term care warranties (see C.R.S. § 25-11-113). It is also our understanding that should CDPHE determine that long-term care of the Piñon Ridge Mill is unnecessary, the money, together with accrued interest, is refundable to Energy Fuels or a designee thereof. As provided in C.R.S. § 25-11-110(5) and 6 CCR 1007-1, Sections 3.9.5.6-8, the amount of the long-term care warranty may be increased or decreased on an annual basis.

Energy Fuels, 1170-01, 4-2

Energy Fuels will evaluate the adequacy of the long-term care warranty on an annual basis. To ensure an accurate review, we request that CDPHE provide us with quarterly interest statements on the money deposited.

Please contact me should you have any questions or concerns.

Sincerely,



Frank Filas, P.E.
Environmental Manager

Attachments

Cc: S. Antony, J. Vigil, G. Steele, and Z. Rogers (Energy Fuels)
J. Spaanstra, J. Rock (Faegre & Benson)