



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION IX
75 Hawthorne Street
San Francisco, CA 94105-3901

SEP 21 2015

David Frydenlund
Energy Fuels Resources (USA) Inc.
225 Union Boulevard, Suite 600
Lakewood, CO 80228

SUBJECT: Approval to Construct/Modify the Canyon Underground Uranium Mine (40 C.F.R. §61.08)

Dear Mr. Frydenlund:

In compliance with provisions of the Clean Air Act, as amended (42 U.S.C. §7401 et seq.), Energy Fuels Resources (USA) Inc. (EFRI) is granted approval to construct, pursuant to 40 C.F.R. §61.08, the Canyon Mine, an underground uranium mine at 35°53'00" north latitude and 112°05'48" west longitude, in accordance with the plans submitted with EFRI's application, federal regulations governing the National Emissions Standards for Hazardous Air Pollutants (40 C.F.R. Part 61), and the conditions attached to this document and made a part of this approval.

Failure to comply with any condition or term set forth in this approval may be considered grounds for enforcement action pursuant to Section 113 of the Clean Air Act.

This Approval to Construct/Modify an Underground Uranium Mine grants no relief from the responsibility for compliance with other applicable provisions of 40 C.F.R. Parts 52, 60 and 61 or any applicable Federal, State or local regulations.

This approval shall become effective immediately after receipt of the Approval to Construct/Modify by the applicant.

Sincerely,

A handwritten signature in black ink, appearing to read "Mike Bandrowski", with a long horizontal line extending to the right.

Mike Bandrowski
Chief, Air Toxics, Radiation & Indoor Air Office

Enclosure

APPROVAL TO CONSTRUCT / MODIFY
Pursuant to 40 C.F.R. §61.08

U.S. Environmental Protection Agency Region 9

Permittee: Energy Fuels Resources (USA) Inc.
Facility Name: Canyon Mine, an underground uranium mine
Facility Location: Coconino County, Arizona
35°53'00" north latitude and 112°05'48" west longitude

I. Permit Expiration

- A. This Approval to Construct/Modify will remain in effect as long as the Canyon Mine is operated as an active underground uranium mine by the Permittee Energy Fuels Resources (USA) Inc. This Approval to Construct/Modify is based in part on the certification by Energy Fuels Resources (USA) Inc.; thus, the Approval is not transferrable to another owner or operator.

- B. An "active mine" means an underground uranium mine from which ore or waste material is currently being removed by conventional methods. If the mine becomes inactive, the Approval expires. Mines that become active mines after the effective date of the Standard are new sources. EPA may determine that the Canyon Mine maintains status as an active mine if Energy Fuels Resources (USA) Inc. is rendered unable by circumstances beyond its control to continue operations to remove ore or waste materials. In such an event, Energy Fuels Resources (USA) Inc. shall make every reasonable effort to remedy the circumstances preventing operations as quickly as possible.

II. Notification of Commencement of Construction and Startup

- A. Permittee shall submit written notification as follows:
 - (1) A notification of the anticipated date of initial startup of the source not more than 60 days nor less than 30 days before the date.
 - (2) A notification of the actual date of startup of the source within 15 days after that date.

- B. Permittee may send a copy of a notification submitted to a state or local agency that contains the information required in the notification in paragraph (A) to satisfy paragraph (A).

III. Facility Operation

- A. Permittee shall monitor radon emissions continuously in accordance with 40 C.F.R. §61.23 and Appendix B, Method 115 unless prior approval for another method is granted by EPA.
- B. Permittee shall maintain a file of all records, data, measurements, reports and documents required by 40 C.F.R. §61.25 and this Approval to Construct.
- C. Permittee shall maintain all equipment, facilities, and systems installed or used to achieve compliance with the terms and conditions of this Approval to Construct/Modify in a manner consistent with good air pollution control practice for minimizing emissions. Records of inspection, testing or repair shall be maintained as prescribed in 40 C.F.R. §61.25.
- D. Within one year from the effective date of this Approval to Construct/Modify, and annually thereafter, the Permittee shall submit a report to the person(s) identified in Section VI. below. The report shall be based on information and data concerning the calendar year immediately preceding the required date for submission of the report and shall state whether compliance with the emission standard in 40 C.F.R. §61.22 has been achieved.

IV. Severability

The provisions of this Approval to Construct/Modify are severable, and if any provision of this Approval to Construct/Modify is held invalid, the remainder of the Approval to Construct/Modify shall not be affected thereby.

V. Other Applicable Regulations

As certified by Energy Fuels Resources (USA) Inc., the owner or operator of the proposed project shall construct and operate the proposed source in compliance with all other applicable provisions of 40 C.F.R. Parts 52, 60, and 61.

VI. Agency Notification

All correspondence as required by this Approval to Construct/Modify shall be forwarded to:

Director, Air Division
Attn: Regional Radiation Representative
75 Hawthorne St. / AIR-6
San Francisco, CA 94105