CTS 434881



Energy Fuels Resources (USA) Inc. 225 Union Blvd. Suite 600 Lakewood, CO, US, 80228 303 974 2140 www.energyfuels.com

March 28, 2024

Daniel Czecholinski, Director Division of Air Quality Arizona Department of Environmental Quality Technical Services Unit 1110 West Washington Street Phoenix, AZ 85007



Re: Annual Report for the Pinyon Plain Mine Under 40 Code of Federal Regulations (CFR) Part 61, Subpart B – National Emissions Standards for Hazardous Air Pollutants.

Dear Mr. Czecholinski:

Energy Fuels Resources (USA) Inc. ("EFRI") operates the Pinyon Plain Mine (the "Mine") located in Coconino County, Arizona. EFRI submitted an Application for Approval of Construction or Modification of a New Source under 40 CFR 61.07 (the "Application") on July 2, 2015, which was approved by the U.S. Environmental Protection Agency on September 21, 2015. An annual report is required under 40 CFR 61.24.

In 2023, underground activities included routine maintenance of water rings in the shaft to capture water infiltrating from the Coconino Formation and, to the extent water is available, from the Kaibab Formation. For most of 2023, fresh air was supplied during underground activities via ventilation tubing and a temporary fan. The air was exhausted up the production shaft. The shaft is offset from the breccia pipe and sunk through the Moenkopi Formation, Kaibab Limestone, Toroweap Formation, Coconino Sandstone, Hermit Shale and into the Upper Supai. As the shaft is in formations that do not contain uranium ore, no radon emissions of any significance were expected during 2023 activities prior to the commencement of mining activities. However, to be conservative, EFRI installed track-etch canisters to monitor for any potential radon emissions prior to the commencement of mining.

Mining activities resumed in December 2023 as noted in EFRI's notification letters dated November 3, 2023 (anticipated startup) and December 3, 2023 (actual startup). Radon-222 monitoring using EPA Method A-6 commenced at the time of the actual startup on December 3, 2023. In anticipation of mining activities, EFRI began installation of the permanent ventilation shaft on August 7, 2023. The drilling of the permanent ventilation shaft was completed February 2, 2024. Testing and installation of the surface structures associated with the permanent ventilation system was completed in first quarter 2024. The system will be operated in accordance with the EPA-approved July 2, 2015 Application for Construction Approval of the Canyon Uranium Mine, Coconino County, Arizona (the "Application").

Letter to Mr. Daniel Czecholinski March 28, 2024 Page 2

EFRI has monitored using the methods specified in the EPA-approved Application for radon-222 monitoring regardless of which ventilation system is being used since the actual startup date of December 3, 2023.

Should you have any questions regarding this report, please contact me at (303) 389-4130.

Yours very truly,

ENERGY FUELS RESOURCES (USA) INC.

Kathy Weinel

Director, Regulatory Compliance

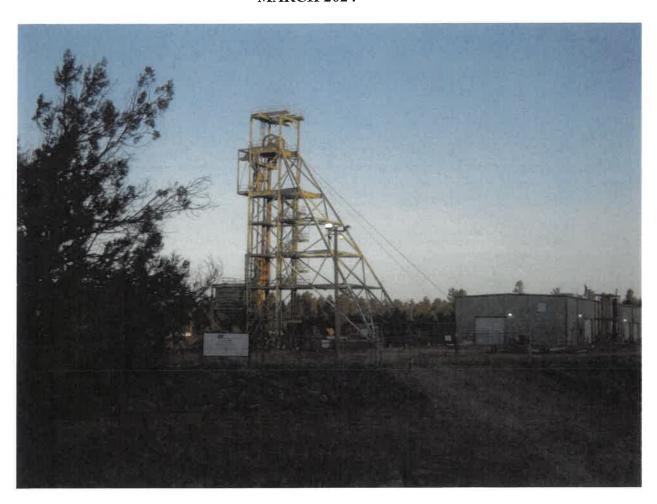
cc: S. Bakken, T. Chiotti, D. Frydenlund, M. Germansen, J. C. App, T. Martin, R. Fisher (EFRI)

ENERGY FUELS RESOURCES (USA) INC. 40 CODE OF FEDERAL REGULATIONS 61 SUBPART B

PINYON PLAIN MINE COCONINO COUNTY, ARIZONA

2023 ANNUAL COMPLIANCE REPORT

MARCH 2024



Energy Fuels Resources (USA) Inc. 225 Union Blvd., Suite 600 Lakewood, CO 80228 303-974-2140

1) Name and Location of the Mine:

Energy Fuels Resources (USA) Inc. ("EFRI") operates the Pinyon Plain Mine (the "Mine"), in Coconino County, Arizona. The Mine site is located at the latitude/longitude coordinates 35°53'00"N, 112°05'48"W.

2) Name of the Person Responsible for Operation and Preparer of Report:

The owner of the unpatented mining claims at the Pinyon Plain Mine, which are located on public land managed by the USFS is:

EFR Arizona Strip LLC 225 Union Blvd., Suite 600 Lakewood, CO 80228 303.974.2140 (phone) 303.389.4125 (fax)

The operator is:

Energy Fuels Resources (USA) Inc. 225 Union Blvd., Suite 600 Lakewood, CO 80228 303.974.2140 (phone) 303.389.4125 (fax)

3) Model Used to Determine Compliance with Emission Standards:

Under 40 CFR 61.22, emissions of radon-222 to the ambient air from an underground uranium mine shall not exceed those amounts that would cause any member of the public to receive in any year an effective dose equivalent ("dose") of 10 millirem per year ("mrem/yr"). Further, 40 CFR 61.23(a) provides that compliance with this emission standard shall be determined, and the effective dose equivalent calculated by the EPA computer code COMPLY-R.

4) Results of the Emissions Testing and Dose Calculation:

EFRI used Method A-7 (alpha track radon-222 detectors) to continuously collect radon-222 emissions on a monthly basis during periods of underground access prior to ore production, as contemplated by the EPA-approved July 2, 2015 Application for Construction Approval of the Canyon Uranium Mine, Coconino County, Arizona (the "Application"). EFRI used Method A-6 (scintillation cell) to continuously collect radon-222 emissions during active mining operations, as contemplated by the Application.

The modeled results show a dose of 0.018 mrem/yr for the closest and most highly impacted potential receptor in the vicinity of the Mine. This dose is less than the 10 mrem/yr standard set out in 40 CFR 61.22. The COMPLY-R computer output results and the associated Arcadis Report are included as Attachment A.

5) List of Ventilation:

In 2023, underground activities included routine maintenance of water rings in the shaft to capture water infiltrating from the Coconino Formation and, to the extent water is available, from the Kaibab Formation. For most of 2023, fresh air was supplied during underground activities via ventilation tubing and a temporary fan. The air was exhausted up the production shaft. The shaft is offset from the breccia pipe and sunk through the Moenkopi Formation, Kaibab Limestone, Toroweap Formation, Coconino Sandstone, Hermit Shale and into the Upper Supai. As the shaft is in formations that do not contain uranium ore, no radon emissions of any significance were expected during 2023 activities prior to the commencement of mining activities However, to be conservative, EFRI installed track-etch canisters to monitor for any potential radon emissions prior to the commencement of mining.

Mining activities resumed in December 2023 as noted in EFRI's notification letters dated November 3, 2023 (anticipated startup) and December 3, 2023 (actual startup). Radon-222 monitoring using EPA Method A-6 commenced at the time of the actual startup on December 3, 2023. In anticipation of mining activities, EFRI began installation of the permanent ventilation shaft on August 7, 2023. The drilling of the permanent ventilation shaft was completed February 2, 2024. Testing and installation of the surface structures associated with the permanent ventilation system was completed in first quarter 2024. The system will be operated in accordance with the EPA-approved July 2, 2015. Application for Construction Approval of the Canyon Uranium Mine, Coconino County, Arizona (the "Application").

EFRI has monitored using the methods specified in the EPA-approved Application for radon-222 monitoring regardless of which ventilation system is being used since the actual startup date of December 3, 2023.

6) Other Information:

a) Description of Effluent Controls

Effluent control is based on the duration of work shifts and the hours of operation of the vent fan. Fans were operated prior to and during underground access and fan hours recorded by on-site staff. Operation fan hours were used to calculate the radon emissions from the Mine.

b) Distances from Points of Release to the Nearest Residence, School, or Business or Office

Distance information is provided in the computer reports and on input tables for the model inputs. Distances are calculated based upon individual mine map coordinate systems. The nearest potential receptor is at a distance of 3,361 meters to the nearest exhaust source. The nearest potential receptor which could be exposed to the highest concentration due to wind direction is located 3,361 meters to the south. These distances and receptors are shown on the figure in Attachment B. It is important to note that this nearest potential receptor is an abandoned building and is not occupied at this time. The analysis in this report is therefore conservative, because the nearest actual receptor is located further from the Mine than the nearest potential receptor.

c) Distances from nearest farm producing vegetables, milk, and meat

There are no farms producing vegetables or milk in the vicinity.

d) Values used for other user-supplied input parameters

In determining the most appropriate meteorological data to use in the COMPLY-R model, nine meteorological stations were identified within an approximate 50-mile radius of the Mine site, all of which were evaluated to determine if they provide meteorological data that is suitable for COMPLY-R modelling at the site.

Based on the determination presented in the Application, EFRI used the data collected at the Tusayan Airport Station at the Grand Canyon National Park (the "Grand Canyon Station"), which is located close to the site (approximately 5.6 miles) and meets all of the EPA criteria applicable for COMPLY-R modelling. None of the other eight meteorological stations satisfy all of the EPA criteria, and, as a result, none of the other stations were considered suitable for COMPLY-R modelling at the site.

Determination of Receptors

Potential receptors were determined during the application process based on a careful review of satellite imagery, in conjunction with EFRI's' knowledge of the surrounding areas. In identifying potential receptors, the evaluation erred on the side of inclusiveness. That is, unless EFRI had knowledge to the contrary, receptors that appeared as possible receptors were included based on a review of the satellite imagery, without verifying in each case the actual status of the possible receptor. In fact, EFRI confirmed that potential Receptor 11 currently consists of an uninhabited house and deserted airplane hangar on USFS managed land and is therefore not currently a receptor. However, personnel at the USFS have indicated that the house could still be permitted by the owner for future occupied use (although not likely during the life of the Mine). Accordingly, potential Receptor 11 was conservatively included in the dose analysis. Distance information is provided in the computer reports and on input tables for the model inputs. Distances are calculated based upon individual mine map coordinate systems. Potential Receptor 11 is at a distance of 3,361 meters to the nearest exhaust source. These distances and receptors are shown on the figure in Attachment B.

The potential receptors used in the attached COMPLY-R modeling contained in the 2015 Application are shown on the figure included in Attachment B. That modeling demonstrates that Receptor 11 constitutes the most highly impacted potential receptor. The COMPLY-R modeling results for 2023 for Receptor 11 are included with Attachment A.

Values used for other user supplied input parameters are provided in Table 2 of the Arcadis Report included as Attachment A.

Certification

"I Certify under penalty of law that I have personally examined and am familiar with the information submitted herein and based on my inquiry of those individuals immediately responsible for obtaining the information, I believe that the submitted information is true, accurate and complete. I am aware that there are significant penalties for submitting false information including the possibility of fine and imprisonment. See 18, U.S.C. 1001."

Date: March 28, 2024

Signed: David C. Frydenlund

Executive Vice President, Chief Legal Officer and Corporate Secretary

ATTACHMENT A

2023 Arcadis Report



Jordan App
Environmental Scientist
Energy Fuels Resources (USA) Inc.
225 Union Boulevard, Suite 600
Lakewood, CO 80228
Email: joapp@energyfuels.com
Phone – 303-389-4131

Arcadis Canada Inc. 8133 Warden Ave. Unit 300 Markham, ON L6G 1B3 Phone: 905 764 9380

www.arcadis.com

Date: 25 March 2024 Our Ref: 30214886-02

Subject: Pinyon Plain NESHAPs (2023)

Dear Ms. App.

Energy Fuels Resources (USA) Inc. (EFRI) submitted an application to the United States Environmental Protection Agency (US EPA) for approval of construction or modification of a new source under 40 CFR 61.07 at the Pinyon Plain Mine (formerly called the Canyon Mine) (the "Mine") located in Coconino County Arizona on July 2, 2015. EFRI voluntarily submitted an application for approval under 40 CFR 61.07 to produce in excess of 100,000 tons of ore (EFRI 2015). The application was granted approval based on a letter dated September 21, 2015, from the US EPA provided by EFRI to Arcadis Canada Inc. (ACI).

EFRI has requested ACI support the preparation of a National Emission Standards for Hazardous Air Pollutants (NESHAPs) radon submission for 2023. This letter report provides the COMPLY-R modelling results for the Mine for 2023.

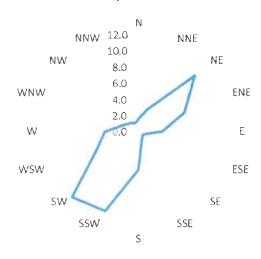
Meteorology

In a memorandum prepared by Arcadis US (AUS 2015), appropriate meteorological data to use in the COMPLY-R model was identified as the data for the Tusayan Airport Station at the Grand Canyon National Park (Grand Canyon Station) located at 35.94582 °N and 112.15538 °W which is approximately 5 miles from the Site.

The Grand Canyon Station meteorological data for the period of 5 years (2019-2023) is used to construct the wind rose for the 2023 Pinyon Plain COMPLY-R NESHAPs report as illustrated in Figure 1.

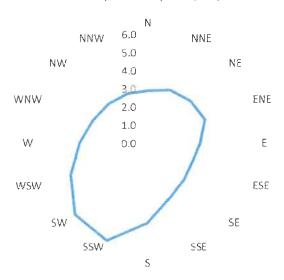
Figure 1 Wind Rose Grand Canyon (2019-2023)

a) Wind Direction %



Note: This is the direction wind blows from

b) Wind speed (m/s)



Percentage Calms = 32.68%

Source: http://mesowest.utah.edu/. and https://www.ncdc.noaa.gov/isd/

Radon Emissions

Radon emissions from the Mine in 2023 were monitored using Method A-7 in accordance with the EPA Construction Approval received by EFRI September 21, 2015. Table 1 presents the summary of the measured radon emissions for 2023.

Table 1. 2022 Pinyon Plain Mine Radon Curie Totals

	Collar (Curies)	Collar South (Curies)	Escapeway (Curies)	Vent (Curies)	
Jan-23	2.09	1.06	0.02	0.00	
Feb-23	2.41	0.97	0.02	0.00	
Mar-23	7.47	1.22	0.01	0.00	
Apr-23	1.89	0.34	0.01	0.00	
May-23	0.00	0.00	0.01	0.00	
Jun-23	0.00	0.00	0.01	0.00	
Jul-23	0.19	0.11	0.01	0.00	
Aug-23	0.23	0.14	0.01	0.00	
Sep-23	0.31	0.16	0.01	0.00	
Oct-23	0.63	0.22	0.01	0.00	
Nov-23	0.61	0.21	0.01	0.00	
Dec-23	0.97	0.74	0.02	0.00	Annual Tota
TOTAL	16.8	5.17	0.15	0.00	22.12

The annual total radon emission is taken as the input for the COMPLY-R modelling.

COMPLY-R Modelling

The COMPLY- R modelling was performed using the wind rose for 2019-2023. The Mine has three contributions to its exhaust - Collar, Collar South and Escapeway, all of which are via a combined shaft and hence, for the COMPLY-R modelling, the radon was assumed to be released though a single surface vent. The source (surface vent) characteristics used for the COMPLY-R modelling are shown in Table 2.

Table 2 Source Characteristics

	Vent Diameter (m) ^a	Release Height (m) ^a	Vent Area (m²) ^a	2023 Total Radon Released (Ci/y) ^b	Avg. Volumetric Flow Rate (m³/s) ^a
Pinyon Plain Mine Collar	1.68	2.37	2.21	22.12	12.38

a) EFRI 2023

Ms. Jordan App 25 March 2024

As discussed in EFRI 2015. Potential Receptor 11¹ is conservatively included as the most highly impacted receptor and is to be included in the COMPLY-R modelling for the annual reports to the US EPA. Table 3 presents the source-to-receptor distance used to create the distance files for the COMPLY-R modelling.

Table 3 Receptor Characteristics

Receptor Name	Meters	Direction
Potential Receptor 11	3361	S

Source: EFRI 2015

The location of receptor and wind rose frequencies used for the COMPLY-R modelling are presented in COMPLY-R output in Attachment 1.

The predicted dose for the COMPLY-R modelling was **0.018 mrem/year** which is well below the US EPA's standard of 10 mrem/year.

We appreciate this opportunity to support EFRI and would be pleased to answer any questions that you have.

Sincerely,

Arcadis Canada Inc.

AB Chanles

Douglas B. Chambers, Ph.D.

Vice President; Senior Scientist Risk and Radioactivity;

Director Technical Knowledge & Innovation - Radiation Services

Email: Doug.Chambers@arcadis.com

Direct Line: 647-956-5375 Mobile: 647-998-4984

www.arcadis.com 30214886-02

Potential Receptor 11 consists of an uninhabited house and deserted airplane hangar on United States Forest Service (USFS) managed land. However, the USFS indicated the house could be permitted by the owner for future occupied use (although not likely during the life of the mine).

Ms. Jordan App 25 March 2024

References

- Arcadis US Inc. (AUS). 2015. Canyon Mine Meteorological Data. Memorandum to Energy Fuels Resources *USA) Inc. from Jo Ann Tischler. July 1, 2015.
- Energy Fuels Resources (USA) Inc. 2018. Email to ACI Re: Pinyon Plain numbers for annual report, from Kathy Weinel. March 15, 2018.
- Energy Fuels Resources (USA) Inc. 2015. Application for Approval of Construction or Modification Energy Fuels Resources (USA) Inc. Canyon Mine, Coconino County, Arizona. July.

Attachments

1 COMPLY-R Output

Ms. Jordan App 25 March 2024

Attachment 1 COMPLY-R Output

03/19/24 10:11

40 CFR Part 61 National Emission Standards for Hazardous Air Pollutants

REPORT ON COMPLIANCE WITH THE CLEAN AIR ACT LIMITS FOR RADIONUCLIDE EMISSIONS FROM THE COMPLY-R CODE, VERSION 1.2

Prepared by:

Energy Fuels Resources(USA) Inc. Pinyon Mine 225 Union Blvd., Suite 600, Lakewood CO 80228

Kathy Weinel 303-389-4134

Prepared for:

U.S. Environmental Protection Agency Office of Radiation Programs Washington, D.C. 20460

03/19/24 10:11

Release Rate
Stack (curies/YEAR)
-----1 2.212E+01

Release Height 2.37 meters.

Vertical momentum NOT present for vent 1

Vent diameter 1.68 meters.

Volumetric flow rate is 12.380 cu m/sec.

STACK DISTANCES, FILE: S1CAN.DAT

03/19/24 10:11

WINDROSE DATA, FILE: WINDROSE.DAT

Source of wind rose data: Grand Canyon

Dates of coverage: Wind rose location:

19-23 Canyon

Distance to facility: 5mi

Percent calm: 0.33

Wind	Speed				
FROM	Frequency		(meters/s)		
			-		
N	0.016	2.9	10		
NNE	0.030	3	3.17		
NE	0.095	3.	29		
ENE	0.057	3	.39		
E	0.029	2.8	6		
ESE	0.011	2	.67		
SE	0.011	2.	84		
SSE	0.011	3	.25		
S	0.048	4.4	3		
SSW	0.107	0.107 5.84			
SW	0.115	5.	.58		
WSW	0.055		4.55		
W	0.042	3.7	71		
WNW	0.020		3.25		
NW	0.015	3	.07		
NNW	0.011	2	2.95		

NOTES:

Default air temperature used (55.0 degrees F).

Default vent temperature used (55.0 degrees F).

The receptor exposed to the highest concentration is located 3360. meters to the N.

Input parameters outside the "normal" range:

Windrose wind frequency is unusually LOW. Distance from vent to receptor is unusually FAR.

03/19/24 10:11

RESULTS:

Effective dose equivalent: 1.8E-02 (mrem/year).

Complies with emission standards.

*** This facility is in COMPLIANCE ***

******* END OF COMPLIANCE REPORT ********

ATTACHMENT B RECEPTOR LOCATIONS

