

Katie Hobbs
Governor

Arizona Department of Environmental Quality



Karen Peters
Cabinet Executive Officer
Executive Deputy Director

Report Review

Inspection ID: 416495

Permit No: 88788

Place ID: 827

AZURITE Place Name: ENERGY FUELS RESOURCES - PINYON PLAIN MINE

Inspection Type: Report Review

Type of Report: Annual Report 40 CFR Subpart B NESHAP

Date Received: 3/30/2023

Date Reviewed: 4/10/2023

Reviewer: Mariana Mendez Armendariz

Results of Inspection:

Is the report certified for truth, accuracy, and completeness by a responsible official?

- Yes – David C. Frydenlund
- No – Contact Permittee for proper signature.

Does the Permittee state they are in compliance?

- Yes – File report without contacting Permittee.
- No – Request additional information or permit deviation report as necessary.

Reviewer Comments:

In 2022, the underground activities comprised of routine maintenance and construction of underground infrastructure. No ore production was conducted in 2022. The ore deposit was not access or developed as of the end of 2022.

The COMPLY-R modeling result was 0.0072 mrem/ year of Radon-222. This does not exceed the permit limit of 10 mrem/year.

The report includes all the necessary information as required by Condition II.A.2.b of Attachment “B” (40 CFR 61.24). No reporting deficiencies noted.

Main Office

1110 W. Washington St. | Phoenix, AZ 85007
602-771-2300

Southern Regional Office

400 W. Congress St. | Suite 433 | Tucson, AZ 85701
520-628-6733

azdeq.gov



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

March 30, 2023

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 2022, underground activities included routine maintenance and construction of underground mine infrastructure. No ore production was conducted in 2022. As of the end of 2022, the ore deposit has not been accessed or developed, and the permanent ventilation system has not been constructed. The temporary ventilation system is still in use and construction of the permanent ventilation system has not commenced. The Mine is still being ventilated using a temporary fan and ventilation tubing. Accordingly, no radon emissions of any significance are expected to be exhausted from the Mine’s ventilation system until the ore body is developed and accessed. As specified in the Application, EFRI has installed track-etch canisters at several locations at the top of the shaft and at the inlet of the temporary fan and ventilation tubing during underground activities prior to ore production. The data collected to date have confirmed that no radon of any significance has been released in the atmosphere. EFRI does not anticipate encountering any radon of any significance until the ore deposit is accessed and developed; however, because there were underground activities in 2022, EFRI is submitting this annual report for 2022.

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

Yours very truly,

A handwritten signature in blue ink, appearing to read 'David C. Frydenlund', is written over a blue horizontal line.

ENERGY FUELS RESOURCES (USA) INC.
David C. Frydenlund
Executive Vice President, Chief Legal Officer and Corporate Secretary

cc: S. Bakken, K. Weinel, L. Shumway, M. Germansen, J. C. App (EFRI)

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

**PINYON PLAIN MINE
COCONINO COUNTY, ARIZONA**

2022 ANNUAL COMPLIANCE REPORT

MARCH 2023



**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”).

The modeled results show a dose of 0.0072 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 2022, underground activities included routine maintenance and construction 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. No mining was conducted in 2022. 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 2022 activities. However, to be conservative, EFRI installed track-etch canisters to monitor for any potential radon emissions. When mining commences, drifts (i.e. tunnels) will be driven at multiple working levels from the shaft to the ore deposit, and a ventilation shaft will be completed closer to the ore deposit (i.e., within the breccia pipe).

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

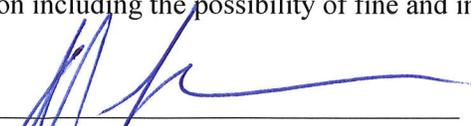
Potential receptors were determined during the application process based on a careful review of satellite imagery, in conjunction with EFRI's knowledge of the surrounding areas. In identifying potential receptors, the evaluation erred on the side of inclusiveness. That is, unless EFRI had knowledge to 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 2022 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.”

Signed:  _____

David C. Frydenlund

Executive Vice President, Chief Legal Officer and Corporate Secretary

Date: March 30, 2023

ATTACHMENT A
2022 Arcadis Report

Ms. Kathy Weinel
Director, Regulatory Compliance
Energy Fuels Resources (USA) Inc.
225 Union Boulevard, Suite 600
Lakewood, CO 80228

Arcadis Canada Inc.
121 Granton Drive
Suite 12
Richmond Hill
Ontario L4B 3N4
Tel 905 764 9380
www.arcadis.com

Subject:

Pinyon Plain NESHAPs (2022)

Date:

March 23, 2023

Dear Ms. Weinel,

Contact:

Doug Chambers

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).

Phone:

(905) 764-9380

Email:

Doug.Chambers@arcadis.com

In 2022, the Mine was ventilated periodically during March, April, and July-December. EFRI has requested Arcadis Canada Inc. (ACI) support the preparation of a National Emission Standards for Hazardous Air Pollutants (NESHAPs) radon submission for 2022. This letter report provides the COMPLY-R modelling results for the Mine for 2022.

Our ref:

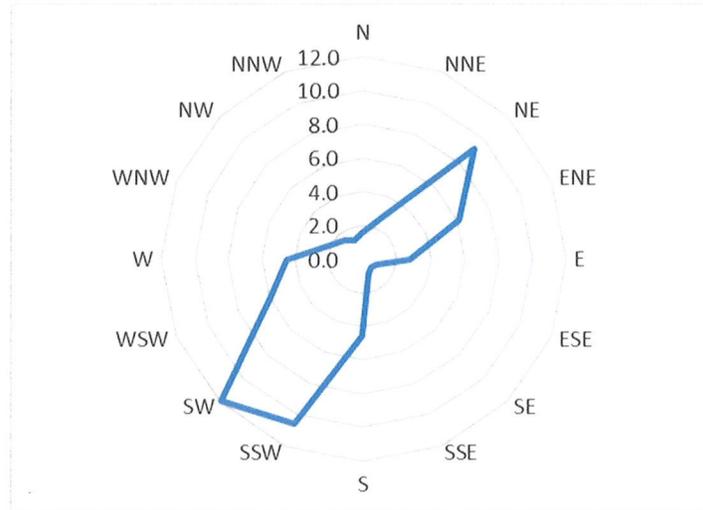
30174690-01

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.

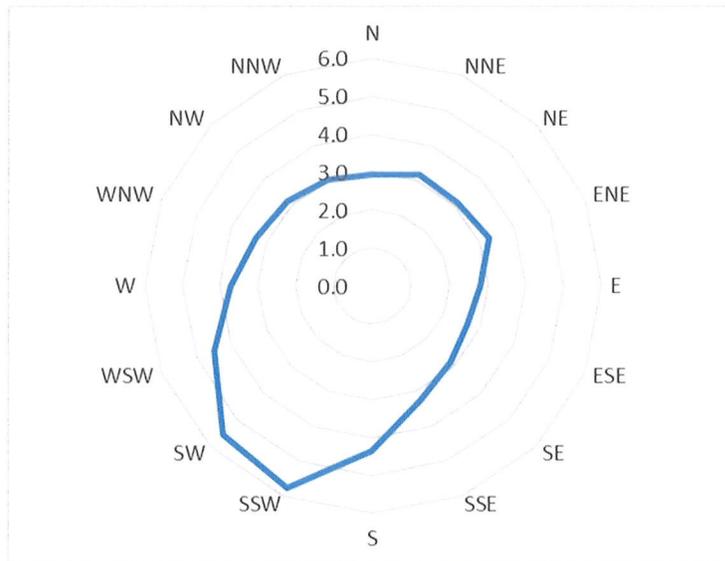
The Grand Canyon Station meteorological data for the period of 5 years (2018-2022) is used to construct the wind rose for the 2022 Pinyon Plain COMPLY R NESHAPs report as illustrated in Figure 1.

Figure 1 **Wind Rose Grand Canyon (2018-2022)**
a) Wind Direction %



Note: This is the direction wind blows **from**

b) Wind speed (m/s)



Percentage Calms = 33.00%

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

Radon Emissions

Radon emissions from the Mine in 2022 were monitored by alpha track etch devices. Table 1 presents the summary of the measured radon emissions for 2022 in accordance with the EPA Construction Approval received by EFRI September 21, 2015.

Table 1 2022 Pinyon Plain Mine Radon Curie Totals

| Month | Collar (Curies) | Collar South (Curies) | Escapeway (Curies) | Vent (Curies) | Total (Curies) |
|---------------------|-----------------|-----------------------|--------------------|---------------|----------------|
| Jan-22 | 0.00 | 0.00 | 0.00 | 0.00 | 0.06 |
| Feb-22 | 0.00 | 0.00 | 0.00 | 0.00 | 0.51 |
| Mar-22 | 0.03 | 0.03 | 0.00 | 0.00 | 0.00 |
| Apr-22 | 0.30 | 0.21 | 0.00 | 0.00 | 0.00 |
| May-22 | 0.00 | 0.00 | 0.00 | 0.00 | 0.59 |
| Jun-22 | 0.00 | 0.00 | 0.00 | 0.00 | 0.42 |
| Jul-22 | 0.35 | 0.22 | 0.02 | 0.00 | 1.08 |
| Aug-22 | 0.23 | 0.18 | 0.01 | 0.00 | 2.42 |
| Sep-22 | 0.43 | 0.65 | 0.00 | 0.00 | 1.89 |
| Oct-22 | 1.35 | 1.06 | 0.01 | 0.00 | 2.40 |
| Nov-22 | 1.23 | 0.66 | 0.00 | 0.00 | 0.06 |
| Dec-22 | 1.64 | 0.75 | 0.01 | 0.00 | 0.51 |
| Annual Total | 5.56 | 3.76 | 0.05 | 0.00 | 9.37 |

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

COMPLY-R Modelling

The COMPLY- R modelling was performed using the wind rose for 2018-2022. 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 through 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 (m ²) ^a | 2022 Total Radon Released (Ci/y) ^b | Avg. Volumetric Flow Rate (m ³ /s) ^a |
|--------------------------|--------------------------------|---------------------------------|--|---|--|
| Pinyon Plain Mine Collar | 1.68 | 2.37 | 2.21 | 9.37 | 11.2 |

a) EFRI 2015

b) ACI 2021

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 **0.0072 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.



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

¹ 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. Kathy Weinel
Pinyon Plain Mine
March 23, 2023

References

Arcadis US Inc. (AUS). 2015. *Canyon Mine Meteorological Data*. Memorandum to Energy Fuels Resources (USA) Inc. from Jo Ann Tischler. July 1, 2015.

Arcadis Canada Inc. (ACI) 2021. *Pinyon Plain Mine NESHAPs (2020)*. Memorandum to Kathy Weinel. March 23, 2021.

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. Kathy Weinel
Pinyon Plain Mine
March 23, 2023

ATTACHMENT 1

COMPLY-R Output

Ms. Kathy Weinel
Pinyon Plain Mine
March 23, 2023

Attachment 1 COMPLY-R Output

03/15/23 06:38

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

| Stack | Release Rate (curies/YEAR) |
|------------|-------------------------------|
| ----- 1 | ----- 9.370E+00 |

Release Height 2.37 meters.

Vertical momentum NOT present for vent 1

Vent diameter 1.68 meters.

Volumetric flow rate is 11.200 cu m/sec.

STACK DISTANCES, FILE: S1CAN.DAT

| DIR | Distance (meters) |
|-----|----------------------|
| --- | ----- |
| N | 3360.0 |
| NNE | 11800.0 |
| NE | 20700.0 |
| ENE | 31600.0 |
| E | 15100.0 |
| ESE | 10600.0 |
| SE | 23400.0 |
| SSE | 8760.0 |
| S | 13300.0 |
| SSW | 100000.0 |
| SW | 29400.0 |
| WSW | 48400.0 |
| W | 24500.0 |
| WNW | 19800.0 |
| NW | 28000.0 |
| NNW | 9270.0 |

WINDROSE DATA, FILE: WINDROSE.DAT

Source of wind rose data: Grand Canyon
Dates of coverage: 18-22
Wind rose location: Canyon
Distance to facility: 5mi

Percent calm: 0.33

| Wind FROM | Frequency | Speed (meters/s) |
|--------------|-----------|---------------------|
| N | 0.015 | 2.94 |
| NNE | 0.026 | 3.19 |
| NE | 0.090 | 3.12 |
| ENE | 0.057 | 3.29 |
| E | 0.026 | 2.81 |
| ESE | 0.011 | 2.68 |
| SE | 0.011 | 2.85 |
| SSE | 0.011 | 3.26 |
| S | 0.045 | 4.37 |
| SSW | 0.105 | 5.78 |
| SW | 0.119 | 5.56 |
| WSW | 0.060 | 4.52 |
| W | 0.045 | 3.74 |
| WNW | 0.022 | 3.33 |
| NW | 0.016 | 3.15 |
| NNW | 0.012 | 3.04 |

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.

RESULTS:

Effective dose equivalent: 7.2E-03 (mrem/year).

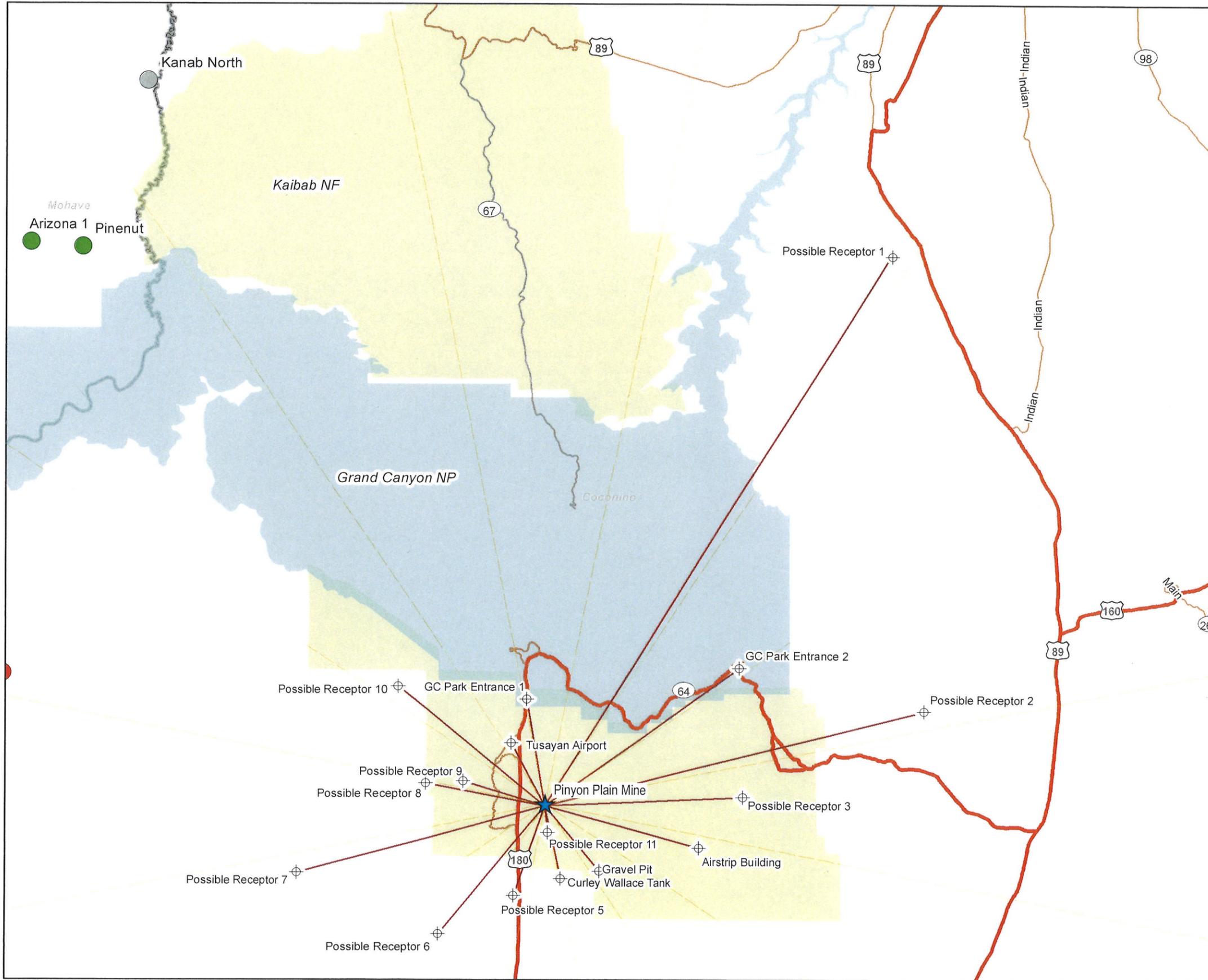
Complies with emission standards.

*** This facility is in COMPLIANCE ***

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

ATTACHMENT B
RECEPTOR LOCATIONS

S:\Source\AZ\Canyon\Maps\NESHAP\Figure 5 Receptor Locations 070115.mxd / 7/2/2015 11:04:07 AM by REllis

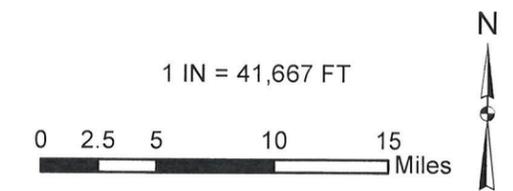


Legend

- ★ Pinyon Plain Mine
- Arizona 1
- Pinenut
- EZ1/EZ2, DB1, WHAT
- Wate
- Kanab North
- ⊕ Receptors
- Compass

| Name | Feet | Meters | Miles | Direction |
|----------------------|---------|--------|-------|-----------|
| GC Park Entrance 1 | 43,587 | 13,285 | 8.26 | N |
| Possible Receptor 1 | 262,381 | 79,973 | 49.69 | NNE |
| GC Park Entrance 2 | 96,600 | 29,444 | 18.30 | NE |
| Possible Receptor 2 | 158,677 | 48,365 | 30.05 | ENE |
| Possible Receptor 3 | 80,459 | 24,524 | 15.24 | E |
| Airstrip Building | 64,960 | 19,800 | 12.30 | ESE |
| Gravel Pit | 34,329 | 10,463 | 6.50 | SE |
| Curley Wallace Tank | 30,429 | 9,275 | 5.76 | SSE |
| Possible Receptor 11 | 11,028 | 3,361 | 2.09 | S |
| Possible Receptor 5 | 38,658 | 11,783 | 7.32 | SSW |
| Possible Receptor 6 | 67,784 | 20,661 | 12.84 | SW |
| Possible Receptor 7 | 103,609 | 31,580 | 19.62 | WSW |
| Possible Receptor 8 | 49,564 | 15,107 | 9.39 | W |
| Possible Receptor 9 | 34,721 | 10,583 | 6.58 | WNW |
| Possible Receptor 10 | 76,847 | 23,423 | 14.55 | NW |
| Tusayan Airport | 28,732 | 8,758 | 5.44 | NNW |

Coordinate System: NAD 1983 StatePlane Arizona Central FIPS 0202 Feet



| | | | |
|--------------------|--------|-------------------------------|--------------------|
| REVISIONS | | Project: PINYON PLAIN MINE | |
| Date: 03/21 | By: DK | County: Coconino | State: Arizona |
| | | Location: Section 20 T29N R3E | |
| ATTACHMENT B | | | |
| RECEPTOR LOCATIONS | | | |
| Author: REllis | | Date: 7/2/2015 | Drafted By: REllis |