

**Harold R. Roberts**  
**Executive Vice President and Chief Operating Officer**  
**Energy Fuels Resources (USA) Inc.**

**Testimony on**  
*Mining In America: The Administration's Cleanup of Abandoned Mine Lands*

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Chairman Lamborn, Ranking Member Holt and Members of the Subcommittee, Energy Fuels Resources appreciates this opportunity to provide testimony on *Mining in America: The Administration's Cleanup of Abandoned Mine Lands*.

I am Executive Vice President and Chief Operating Officer for Energy Fuels Resources (USA) Inc. Energy Fuels is a publicly traded company with uranium recovery operations in the western U.S. Our holdings in the U.S. include two operating mines, and one under development in northern Arizona, the only operating uranium mill in the U.S., located in southeastern Utah, and several mines on standby in Colorado and Utah. We are also actively permitting several new mines in Arizona, Utah and Wyoming. We currently directly employ over 300 people in our U.S. mining and milling operations. Our Arizona mines are surrounded by lands that are part of the one million acre withdrawal initiated by the Obama Administration in January, 2012.

Mr. Chairman, let me state clearly that the reason we were authorized to mine on public lands in this region at all is because Congress expressly provided for that mining in the historic 1984 Arizona Wilderness Act. In that legislation, Chairman Udall directed the uranium mining industry, environmental groups and others to negotiate a compromise that would allow both mining and protection of the Grand Canyon National Park. This we accomplished, and on the floor of the House Chairman Udall called the agreement "historic". Little did we expect that environmental groups and the Obama Administration would renege on this agreement, especially since nothing had changed to threaten the Grand Canyon National Park.

Throughout my time in the mining industry I have participated in mine development, operations and reclamation at several sites around the country. I have had the good fortune to work for companies whose owners and management innately understood and believed that a successful corporate mining program depends on much more than the financial bottom line and that corporate longevity is the result of many varied factors, including willingness to spend your hard-earned money where your values lie—particularly in showpiece reclamation of mine sites noticeable by the mine's absence.

Exceptional reclamation practices accomplish several things beyond the requisite elimination of landscape disturbances and safety hazards and improvement of the environment. These same standards can be and should be transferred to the cleanup of the 500,000 AML sites (identified by the Mineral Policy Center).

I would like to specifically address the Abandoned Mine Lands issue within the context of my company's and my personal 30 plus years of experience in uranium mining and mine reclamation in northern Arizona. The legacy of abandoned mine lands, particularly abandoned uranium mines in the western U.S. is continually pointed to by environmental groups and uninformed individuals as the standard for current uranium mining practices in the U.S. This could not be further from the truth. The majority of these abandoned mines were originally mined under U.S. government uranium production programs in the 1950's, 60's and early 70's. These programs supported the country's efforts to end World War II, and to kick start the nuclear power industry in the U.S. In the 1980's the U. S. government acknowledged it's responsibility for the cleanup of sites related to its uranium procurement program by reclaiming 20+ uranium tailings sites that were generated by processing uranium for its procurement program. The U.S. government should have similar responsibility for the mines that provided the raw ore to these processing facilities, but to date has largely ignored all but the newer sites, and not necessarily the highest risk sites. An example is the Navajo Nation which has several hundred such sites, the majority mined in the 1950's and 60's.

Industry wants to see abandoned mines cleaned up and has been straightforward about its desire to deal with AMLs. Our opponents have long used pictures of old, un-reclaimed sites to help raise funds to fight current mining projects, portraying disingenuously that historic mining practices represent today's practices.

I saw this scenario play out in the northern Arizona uranium district in the 1980s. Energy Fuels Nuclear (no relation to my current company Energy Fuels Resources) was originally drawn to the region because of uranium ore discovered in the 1950s in the Orphan Mine, an un-reclaimed patented claim deposit on the south rim of the Grand Canyon within the boundaries of the national park. The Orphan (developed before Grand Canyon became a national park) was originally mined for copper and gold, and later uranium, until its closure in the 1960s. Our exploration geologists studied the Orphan's breccia pipe characteristics and decided that the surrounding public lands would probably contain similar high-grade uranium ore. And they were right. Throughout a 15-year period, Energy Fuels Nuclear actively explored, developed, mined and reclaimed uranium sites throughout the region on BLM and US Forest Service lands. With a workforce of 250 people, we explored hundreds of targets and actually discovered nine ore bodies. Five of these were successfully mined and reclaimed, and three more are currently being mined or are in development.

With our success over the years came a certain amount of opposition to our activities from regional environmental groups who tried to foment public disapproval by comparing the mining practices used at the almost 100-year old Orphan Mine to the modern mining practices being used on public lands well outside of the Grand Canyon National Park. The success of Energy Fuels reclamation efforts in the 1980's and 90's was heralded by the BLM and the State of Arizona but otherwise largely ignored.

In an effort to assuage the public's fears about uranium mining in general, as well as to use Energy Fuels Nuclear's considerable reclamation abilities, in the late 1980's I conducted a review of what it would take for Energy Fuels to fully reclaim the Orphan Mine and sent the study and proposal to the National Park Service (the Orphan's current owner) offering to reclaim the site at no charge, in exchange for a waiver of liability. Our offer was summarily rejected, and we were told that the NPS was required under the law to competitively bid any such project. The employees of Energy Fuels were disappointed that the opportunity was lost to provide a showcase of modern mining reclamation skills, thereby demonstrating that industry had the technology and more importantly the willingness to improve a beloved national park. To this day the total disturbance at the Orphan Mine has still not been completely reclaimed, and untold thousands of dollars have been spent by the Park Service.

We support the need for the U. S. government to recognize its responsibilities for abandoned mine sites caused by its own actions, and to adequately fund those cleanups in a timely manner. For sites with no clear historical responsibility, we support efforts to find ways for industry and government to effectively reclaim the most hazardous sites. In addition, for reasons such as our experience with the Orphan Mine, Energy Fuels Resources, and the rest of the industry, continue to strongly support the enactment of Good Samaritan legislation that would allow mining companies to voluntarily reclaim AML sites without incurring liability under federal and state environmental laws. Thoughtful legislation is a winning proposition for the environment, the communities and for our Nation.

Thank you, Mr. Chairman, for this opportunity to speak to you today, and I look forward to working with you and the subcommittee on this important issue.