

Rio Algom Mining LLC

November 3, 2014

Mr. David J. (DJ) Ennis, P.G., Permit Lead
Energy, Minerals and Natural Resources Department
Mining and Minerals Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

RE: Response to MMD's letter of October 16, 2014
Additional Reclamation Required, Old Stope Leach Mine, McKinley County, NM
Permit Number MK009RE

Dear Mr. Ennis:

Rio Algom Mining LLC (RAML) appreciates being able to meet with the Mining and Minerals Division (MMD) and discuss your letter of October 16, 2014, regarding additional reclamation associated with Permit Number MK009RE. As we have discussed, there are certain steps that we agree should occur before a characterization work plan can be developed. As promised, this letter summarizes RAML's approach to address your proposed additional reclamation requirements.

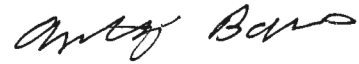
We agree that it is important to consolidate all of the available data for the mine sites listed in MMD's letter including: 1) data collected by RAML's consultants; 2) data collected by RAML for the Nuclear Regulatory Commission; 3) data collected by the Environmental Protection Agency (EPA) and MMD; and potentially other publically-available data. These data will be mapped and overlain with the ASPECT survey data and will be included with a summary report describing the results of this analysis. RAML will submit the data report to MMD by January 31, 2015. After MMD's review of these data, RAML will request a meeting with MMD to discuss the pathway forward which may include, if necessary, developing a work plan for additional characterization. If MMD concurs with this revised approach, RAML requests that MMD acknowledge in writing that the compliance timeframes set forth in its October 16, 2014 letter have been extended.

Because of the overlapping jurisdiction for the mine sites between MMD and the New Mexico Environment Department (NMED) through the ground water discharge permit program, RAML would like to coordinate with MMD and NMED regarding the appropriate approach and mechanisms for any future surface reclamation efforts at the mine sites to avoid duplicative effort and possibly conflicting requirements. For the same reasons, RAML requests that any pathway forward takes into consideration EPA's focus on the impacts of uranium mining within the Grants Mineral Belt.

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Please let us know if this approach and schedule is acceptable. We look forward to working with you to complete this work. If you have any questions, please do not hesitate to call me or Theresa Ballaine at (209)-736-4803.

Sincerely,
Rio Algom Mining, LLC



Anthony Baus,
Site Manager

cc: David Mayerson, NMED Mining Environmental Compliance Section