CLOSED MINES RECLAMATION & BIODIVERSITY

Denison's uranium mine at Elliot Lake, Ontario, which started operations in 1957, was permanently closed upon completion of deliveries of U_3O_8 to Ontario Hydro in May 1992. During its 35 years of continuous operation, the facility produced 147 million pounds of U_3O_8 in concentrates from the milling of 70 million tons of ore.

By 1998, all significant capital reclamation activities at Denison's two closed Elliot Lake mines had been completed and, for the most part, decommissioning has progressed to the long-term monitoring phase.

All activities and monitoring results are reviewed regularly by the Canadian Nuclear Safety Commission ("CNSC") and the Elliot Lake Joint Regulatory Group, which consists of federal and provincial regulators. Pursuant to a Reclamation Funding Agreement, effective June 30, 1994, with the Governments of Canada and Ontario, Denison has established a Reclamation Trust from which all spending on its Elliot Lake reclamation activities is funded.

Decommissioning activities at Elliot Lake are currently carried out under two decommissioning licences issued by the CNSC: for the Stanrock tailings area and the Denison mine site and tailings areas. Decommissioning of the facilities pursuant to the terms of the decommissioning licences has been completed.

The Closed Mines ongoing monitoring operations are in compliance with the 1995 Decommissioning Environmental Assessment of the Denison and Stanrock Mining Areas, which considered biodiversity in the planning, execution, and future performance of the decommissioned sites. Results of the environmental monitoring are presented to the regulatory authorities and local communities every five years in the State of the Environment Report.

With the closure of the sites and the decommissioning of the Tailings Management Areas (TMAs), the biodiversity of plants on the dry TMAs and of the benthic invertebrates in the affected downstream watershed has improved because of reduced activity on site, active revegetation, improving water and sediment quality and/or natural succession.

The biodiversity at the sites is becoming more similar to areas that were not previously disturbed by mining activities.

Care and maintenance of the sites also includes the control of known invasive plant species. Denison has actively managed occurrences of Giant Hogweed (Heracleum mantegazzianum) that have occurred at the Stanrock decommissioned site. The management of this invasive plant species helps protect native plant and animal health and biodiversity.