UPDATED TECHNICAL REPORT
ON

ENERGY FUELS RESOURCES CORPORATION'S

ENERGY QUEEN PROJECT

San Juan County, Utah

Prepared for Energy Fuels Inc.
In Compliance with Canadian National Instrument 43-101
"Standards of Disclosure for Mineral Projects"

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Updated Technical Report on
Energy Fuels Resources Corporation's

Energy Queen Project

1.0 Summary

Energy Fuels Resources Corporation's (EFR) Energy Queen Mine project is located near the west end of the La Sal Mineral Belt, some three-to-five miles west of the town of La Sal, Utah. It consists of a core property, the Energy Queen lease, comprising 702 acres of fee land in sections 6 and 7, T29S, R24E, Salt Lake Prime Meridian (SLPM), in San Juan County, Utah. The property is held under a surface lease from Markle Ranch Holding, LLC and a mineral lease with Superior Uranium Inc. for a 20-year term, which can be extended. The area was leased from the 1970s through 1997 by Hecla Mining Company in a joint venture with Umetco Minerals Corporation (Union Carbide) and its successor, International Uranium Corporation (IUC). It was then known as the Hecla Shaft. EFR has acquired other properties joining the Energy Queen lease to create the larger Energy Queen Project now totaling nearly 3,100 acres. The property additions include 42 unpatented mining claims on BLM land west of the Energy Queen lease (the 29 claim RM/Judas group and the 13 claim Rattlesnake group in sections 1 and 12, T29S, R23E). Two Utah State mineral lease tracts acquired by EFR in 2010 join the claims on the west and north sides (640 acres in Section 2 T29S, R23E {ML-49313} and 484 acres in Section 36 T28S, R23E {ML-49596}). EFR also holds a mining lease on 320 acres of private land, the Redd Ranch lease, joining ML-49313 on its north. Another Utah State parcel of 160 acres lies to the northeast, separated by one-quarter mile from the Energy Queen lease (ML-51440).

The La Sal District has seen production of uranium since the mid-20th century. Numerous underground mines near outcrops in the eastern part of the La Sal District extracted vanadium and uranium during the early 1900s. Deeper deposits of the central La Sal Trend were discovered in the 1960s and developed for production in the 1970s through vertical shafts and declines. The La Sal-La Sal Creek District production through 1980 amounted to about 6,426,000 pounds U_3O_8 (0.32% U_3O_8) and nearly 29,000,000 pounds V_2O_5 (1.46%) (Kovschak and Nylund, 1981). Production was derived from fluvial sandstones, mostly in the upper part of the Salt Wash Member of the Morrison Formation of Jurassic age. Production in the district ceased about 1991. Recently, Denison Mines Corp. ("Denison"), which acquired IUC in late 2006, has been producing from the Pandora Mine located six miles east of the Energy Queen and from the Beaver Shaft, which is 3.5 miles to the east. The westernmost workings of the Beaver Shaft are approximately 2 miles east of the Energy Queen shaft.

The Energy Queen Mine was started in 1979 by the Union Carbide/Hecla Joint Venture. The mine stopped production in 1983 due to inadequate uranium prices. Historic drilling by Union Carbide (Umetco)/Hecla, and EFR 2007-2008 drilling results suggest remaining Measured and Indicated Mineral Resources at the Energy Queen Mine lease of approximately 1,214,000 lbs U_3O_8 and 4.9 million lbs V_2O_5. This is contained in roughly 258,000 tons of material at a grade,

diluted to mining thickness, of 0.235% U_3O_8 and 0.96% V_2O_5. Additionally, Inferred Mineral Resources are projected at 32,900 tons with an in-place grade of 0.34% U_3O_8 and 1.43% V_2O_5 (222,000 lbs U_3O_8 and 943,000 lbs V_2O_5). This resource estimate for the Energy Queen lease was reported in the Amended Technical Report on the Energy Queen Lease Property dated December 4, 2008 by Peters Geosciences (the "December 2008 Technical Report"). It remains unchanged in this report. Since then, EFR property acquisitions have increased the Measured plus Indicated Mineral Resources to 1,395,891 lbs U_3O_8 and 6.03 million lbs V_2O_5. This is contained in roughly 223,700 tons of in situ material at a grade of 0.312% U_3O_8 and 1.35% V_2O_5. Diluted to mining thickness, there are 317,000 tons at 0.22% U_3O_8 and 0.95% V_2O_5. The acquisitions also increased the Inferred Mineral Resources by 144,250 lbs U_3O_8 and 861,460 lbs V_2O_5 to a new Inferred Mineral Resource total of 366,250 lbs U_3O_8 and 1,804,460 lbs V_2O_5 contained in approximately 67,780 tons at grades of 0.27% U_3O_8 and 1.33% V_2O_5. The new resource totals for the entire project area are summarized in Table 1.1,below.

The 785-foot deep shaft of the Energy Queen Mine, along with the hoist, water treatment, and other surface facilities, will be repaired or re-built as needed to access and rehabilitate the working level drifts. EFR plans to pursue acquisition of, or joint venturing with, adjoining leases that economically could be reached and produced from the shaft. Verification drilling as well as exploration drilling was conducted by EFR from October, 2007 to January, 2008.

Table 1.1 – Summary of Measured, Indicated, and Inferred Mineral Resources for the Energy Queen Project; rounded.

Resource Type	**Measured Mineral Resources (grade and tons)**	**Measured Mineral Resources (lbs)**	**Indicated Mineral Resources (grade and tons)**	**Indicated Mineral Resources (lbs)**	**Inferred Mineral Resources (grade and tons)**	**Inferred Mineral Resources (lbs)**
Energy Queen Lease	0.32% U_3O_8 1.24% V_2O_5 96,250 tons	614,870 U_3O_8 2,389,250 V_2O_5	0.35% U_3O_8 1.51% V_2O_5 84,670 tons	599,870 U_3O_8 2,549,470 V_2O_5	0.34% U_3O_8 1.43% V_2O_5 32,900 tons	222,000 U_3O_8 943,000 V_2O_5
Section 36 Lease	0.22% U_3O_8 1.30% V_2O_5 40,620 tons	175,090 U_3O_8 1,057,440 V_2O_5	0.14% U_3O_8 0.78% V_2O_5 2,150 tons	6,055 U_3O_8 33,480 V_2O_5	0.21% U_3O_8 1.23% V_2O_5 34,880 tons	144,250 U_3O_8 861,460 V_2O_5
TOTALS	0.29% U_3O_8 1.26% V_2O_5 136,870 tons	789,960 U_3O_8 3,446,690 V_2O_5	0.35% U_3O_8 1.49% V_2O_5 86,820 tons	605,925 U_3O_8 2,582,950 V_2O_5	0.27% U_3O_8 1.33% V_2O_5 67,780 tons	366,250 U_3O_8 1,804,460 V_2O_5

Notes:
1) Grades and tonnages shown as undiluted amounts.
2) Vanadium grades are based on assays where known, and otherwise estimated at the average V_2O_5:U_3O_8 ratio of 4.25:1 used by past operators.

2.0 Introduction and Terms of Reference

Peters Geosciences was retained by EFR to prepare an updated, independent Technical Report, in conjunction with updating of background information in the report by EFR staff, compliant with National Instrument 43-101 (NI 43-101) on the Energy Queen uranium-vanadium project. This report has been prepared to meet the requirements of NI 43-101 and Form 43-101F1.

Peters Geosciences understands that this report will be used in support of future public offerings by EFR's parent company, Energy Fuels Inc.

Douglas C. Peters, CPG (AIPG #8274) and PG (Utah license #2250), and principal in Peters Geosciences, visited the Energy Queen Mine and property on November 29, 2007 during a tour of the property led by Mr. Richard White, CPG (AIPG #8792). In addition to viewing the surface facility conditions and visiting various drill-hole locations and related cuttings, Mr. Peters traversed parts of the property. Only surface conditions and drilling activity were observed because access to the underground mine was not possible due to it being flooded. Consequently, depositional characteristics of the uranium were not directly seen and no in-place samples were collected.

Relevant reports, maps, and data were reviewed and discussed with EFR staff, principally Mr. Richard White, who is serving as VP of Exploration for the company's Colorado and Utah operations, and Mr. Clive Bailey (CPG #4605), Senior Geological Consultant for EFR. The References section of this report lists the reviewed documents of importance as cited in this report.

Measurements are in English units (i.e., short tons, feet, or acres), and grades are expressed as percent of U_3O_8 or V_2O_5.

3.0 Reliance on Other Experts

This updated report for EFR has been reviewed by Douglas C. Peters of Peters Geosciences for changes made to the December 2008 Technical Report by EFR staff. Most of the figures in that report were reused and/or modified by EFR for use in this report. Text also has been added and modified by Peters Geosciences as part of the report update process for EFR. The information, conclusions, opinions, and estimates contained herein are based upon information available to Peters Geosciences at the time of report updating and preparation. This includes certain data, maps, and other documents in the possession of EFR and reviewed with Mr. Richard White, CPG, and other EFR staff at the Energy Queen Mine site and in their offices in Lakewood and Nucla, Colorado. With the exception of results from 2007-2008 drilling by EFR, most data used in this report are from earlier exploration and mining efforts conducted by previous companies in the immediate La Sal District.

Mr. White led a field review on November 29, 2007 for Mr. Peters of the properties covered by this report and was instrumental in assisting with the review, discussion, and understanding of both the general and site-specific geology of the La Sal mining district. Mr. Clive Bailey directly supervised the 20 hole drilling program (Oct. 2007- Jan. 2008) under supervision of Mr. White.

Mr. Peters did not revisit legal title of claims and leases covering the Energy Queen and related properties per the December 2008 Technical Report. Likewise, Mr. Peters did not review the permitting and reclamation status of the Energy Queen property beyond basic discussions with Mr. White.

4.0 Property Location, Description, and Infrastructure

The Energy Queen core property consists of 701.93 acres of private surface and mineral rights located in the La Sal Mining District (also referred to as West Deer Creek), some three miles west of the town of La Sal, Utah (Figure 4-1). The leases lie in sections 6 and 7, T29S, R24E, SLPM, San Juan County, Utah. The area encompassed by the leases is covered by the U.S. Geological Survey La Sal West, Utah -7 ½ minute-Quadrangle topographic map (Figure 4-2). This land surface is owned by Markle Ranch Holding, LLC ("Markle") while the minerals are owned by a three-person partnership, Superior Uranium Incorporated ("Superior").

The northwest, west, and most of the southwest part of the Energy Queen lease borders federal Bureau of Land Management (BLM) acreage on which there are unpatented claims. In March 2009, EFR purchased 29 claims from BZU Holdings (Mesa Uranium) joining the west side of the lease in section 1, T29S, R23E. These are the RM/Judas group. There are no royalties on these claims. South of these and continuing into section 12 T29S, R23E are 13 claims referred to as the Rattlesnake group purchased by EFR from Uranium One in December 2010. Uranium One reserved an overriding royalty of 1% on the Rattlesnake group, which is also burdened by a 2.5% royalty due a previous owner of the claims. Claim holding fees are $140 per claim due to BLM by September 1 each year. Other claims adjacent to the Energy Queen lease on the north and the southwest are owned by a private individual. Private lands contiguous with the northeast portion of the lease, owned by Redd Ranches and San Juan County, have minerals leased to Denison. The successor to Energy Metals Corporation (EMC), Uranium One, holds a lease on about 138 acres of State of Utah-owned minerals another one-half mile to the east. To the southeast is more private land, along with another private parcel to the southwest. The remaining south boundary borders more BLM land.

In September 2008, EFR was the high bidder on a 160 acre Utah State mineral lease to the northeast, separated by one-quarter mile from the Energy Queen lease (ML-51440). In December 2010, EFR purchased, from Uranium One, two Utah State leases. One lease is ML-49313 of about 484 acres in the S½, S½ of NW¼, and E½ of NE¼ Section 36, T28S, R23E. The southeast corner of this section is one mile west of the Energy Queen Shaft. It is separated from the Energy Queen Lease property by BLM land (W½ sec 31, T28S, R24E and part of NW¼ sec 6, T29S, R24E) currently covered by unpatented

mining claims held by an individual. ML-49313 is contiguous to the north border of the RM/Judas claims. The other State lease purchased from Uranium One is ML-49596 comprising 640 acres in section 2, T29S, R23E. This joins the west border of the RM/Judas claims, which is one mile west of the Energy Queen lease. The Utah State leases have production royalties due to the State of 8% on uranium and 4% on vanadium. Uranium One reserved overriding royalties of 1% of total production on these two leases. Holding costs are currently $1.00/acre/year.

The northern part of Section 36, which is not part of ML-49313, is private land owned by Redd Ranches. EFR signed a Mining Lease with Redd in October 2007 for 320 acres here, continuing northward into Section 25, T28S, R23E. (Full description is S½ of the SW¼ and SW¼ of the SE¼ of sec. 25, NE¼ of NE¼ of sec. 35, N½ of NW¼, and W½ of NE¼ sec. 36, T28S, R23E.) Any production here will be subject to a sliding scale royalty varying from 5.5% to 9.5% for uranium prices ranging from $50/lb to $95/lb. Currently, the annual holding cost is $25/acre as advanced royalties and $25/acre as rental.

EFR entered into a 30-day option to lease the Energy Queen surface rights with Markle on November 15, 2006. The lease was signed on December 15, 2006 for a term of twenty years, which is extendable if mineral production is on a continuing basis. The lease gives EFR the right to use any of the 702 acres for exploration, development, or mining purposes. Rental is at the rate of $50.00 per acre for those acres disturbed by such activities, currently 60 acres, and $10.00 per acre for the remaining undisturbed acreage. Initial payment consisted of $50,000 cash, including payments for the option period, and 16,667 shares of Energy Fuels Inc. stock. ERFC is a wholly-owned subsidiary of Energy Fuels Inc. Markle also will be paid 1% of market value for any material mined on adjoining properties, if such minerals are removed by use of the mine shaft located on the Markle property.

EFR also entered into a 30-day option to lease the Energy Queen mineral rights from Superior on November 15, 2006. The lease was signed on December 13, 2006 for a term of twenty years, which is extendable if mineral production is on a continuing basis. Payments consisted of advance royalty paid at the time the lease was executed of $200,000 cash (less the $10,000 paid for the option period). There will be annual payments on the lease anniversary dates of $50,000, which are advanced royalties that will be credited against production royalties. Production royalty will be paid on a sliding scale for both uranium and vanadium from 4% to 8%, depending upon market prices of uranium ranging from less than $50 to greater than $95/lb and vanadium ranging from less than $8 to greater than $22/lb.

The surface and minerals of this parcel were leased previously to Hecla Mining with the surrounding properties controlled by UMETCO. These two companies operated the mine, then known as Hecla Shaft, in a joint venture. IUC subsequently assumed the lease, but did not renew it in 1997. The mine is currently permitted with the Utah Division of Oil, Gas, and Mining (DOGM), covering some 29.3 acres that lie partially in section 6 and partially in section 5, T29S, R24E. The surface and minerals of that portion

of section 5 are owned by San Juan County. Denison held the surface and mineral lease from San Juan County, which is now sub-leased by EFR.

The two primary environmental permits for the Energy Queen Mine are now in place and approved. They include the mine and reclamation permit (M/037/0043) with DOGM and the water discharge permit (UT-0025712) with the Utah Water Quality Division (WQD). Because the mine is located on private land, no permits are required with federal land managing agencies. EFR has other minor permits in place, such as for monitor wells (which were constructed in 2007).

The transfer of the Large Mining Operations permit from Denison to EFR was approved by DOGM on February 25, 2008. This permit, which outlines mine operating and reclamation requirements, originally was obtained by Union Carbide in 1978. EFR received an amendment in September 2009 to the permit to allow for installing additional mine-water treatment facilities, upgrading and expanding the ore pad, and updating ancillary monitoring and environmental plans.

Permanent structures existing at the site include the headframe and a metal building containing an office, shop, showers, warehouse, and the hoist. The compressor is located in a separate building. A small water treatment building and settling ponds are located on the permit portion in section 5. This will need replaced prior to dewatering. During earlier operations, water was treated with barium chloride to remove radium. EFR received approval for a new surface water discharge permit from WQD on March 14, 2008. Water encountered during mining will be in excess of the amount needed for the mining activity. Presently, inflow (once the mine is dewatered) is expected to be approximately 65 gallons per minute, based on Umetco pumping records from 1990. The mine water will be treated using barium chloride (or a similar process) to remove radium and treated water then will be discharged to an existing dry wash. Construction plans for a new treatment plant were submitted to WQD in second quarter 2008. Phone and power lines were installed and presently being used.

The Energy Queen will be capable of producing at least 200 tons of ore and waste rock per day once mine refurbishment is complete. Refurbishment activities are in progress on surface facilities. Initial production of mineralized material from the Energy Queen Mine could begin in about 9 months after a decision to dewater the mine is made. Evaluations of the hoisting equipment and other surface facilities, along with water issues, are underway. The mine is located 62 miles from the Denison White Mesa Mill at Blanding, Utah. It is about 38 miles to the Piñon Ridge Mill planned by EFR to be located in Paradox Valley near Bedrock, Colorado. EFR received final approval of a Radioactive Material License from the Colorado Department of Public Health and Environment (CDPHE) for that mill. Construction could begin in late 2011.

5.0 Access and Physiography

The Energy Queen Mine shaft is located in the extreme northeast corner of the Energy Queen lease (NE ¼ NE ¼ Sec. 6). It is accessed from Utah State Highway 46, either 5.5

miles east of U.S. Highway 191 at La Sal Junction or 3.3 miles west of the La Sal post office. The headframe of the shaft is visible for a considerable distance from any direction. The headframe is located only 500 feet south of Highway 46 and is accessed by a gravel road. All State and U.S. highways in this area are paved roads with weight limits of 85,000 lbs and are maintained year round.

La Sal, Utah is a very small town, currently home to some 200 people. It has been a hub to area ranchers, uranium and copper miners, and oil drillers for many years, as well as a supply stop for recreationists. A small grocery store and post office are located on the highway. The bulk of the residential sites are within the first mile south of the highway and two miles west of the store. The State of Utah and San Juan County both have road maintenance shops here. There are two churches, a fire station, and several small businesses in the community. Larger population centers of Moab and Monticello, Utah are 22 miles north and 34 miles south, respectively, from La Sal Junction on Highway 191.

The region of the Energy Queen lease is characterized by a broad shallow valley of hay fields and pasturelands at an elevation between 6,400 and 6,700 feet. The north side of the La Sal area slopes southwest, radially away from the La Sal Mountains, which attain an elevation of 11,817 feet at South Mountain, six miles to the north (even higher elevations are found farther north). The slope consists of bouldery gravels shed from the mountains, variably covered by wind-blown sandy loam. Underlying sedimentary rocks dip to the southwest, ranging from steep dips near the mountains to shallow dips near Highway 46. The shaft at the Energy Queen Mine is near to and on the south side of the axis of a northwest-trending syncline, so the underlying rocks are dipping slightly to the northeast with northeasterly dip increasing progressively southward within the lease. The near-surface gravels are thinner and finer-grained in the lease area; however, the area still is covered by thick soils. To the west and northwest on the claims and State leases, the sedimentary rocks are exposed in hills cut by small canyons due to moderate uplifting and faulting with a few hundred feet displacement related to the northwest extension of the Lisbon Valley salt-cored anticline. The relief is greater than on the Energy Queen lease. The top of the hill near the Rattlesnake Pit is at an elevation of 6,825 feet while the elevation at the western project boundary is 6,060 feet. The surface of the lease is drained by small tributaries to West Coyote Creek, which flows westerly to Hatch Creek, thence northwesterly to Kane Spring Creek and, ultimately, to the Colorado River.

The area is semi-arid. All elevations within 4 miles of the Energy Queen property support moderate growths of sage and rabbitbrush along with other brush, forbs, cactus, yucca, and grasses. Higher elevations contain juniper and piñon pine in the rocky soils to the west and southwest and scrub oak to the northeast.

6.0 History

There are early reports (1870s) of the local Indians' use of carnotite for its yellow pigment from the area of the Yellow Bird Mine near the east end of the La Sal Trend, on Wray Mesa (aka Ray Mesa), about 15 miles east of the Energy Queen property.

Outcropping deposits in the Morrison Formation in the east end of the La Sal Trend and other parts of the Uravan Mineral Belt farther east were mined in the early 20th century for radium (ca. 1899-1913). Vanadium was produced from the same areas of the La Sal Trend from 1913 through 1921. The area was mostly idle until about 1936 when several mills were built in the region to process the ores. Uranium became the emphasis of the district when the U.S. Army's Manhattan Project came to the area in 1943. The Atomic Energy Commission (AEC) purchased concentrates from the several area mills from 1947 through 1970. Beginning in 1952, the U.S. Geological Survey (USGS) on behalf of the Raw Materials Division of the AEC conducted a drilling program in the west end of the La Sal Creek canyon area. That program was successful in identifying new and extending known deposits (Vanadium Queen, Gray Daun, Firefly-Pigmy, and others). Private mining increased in 1953 with drilling outlining a favorable belt some 3,000 feet wide by 5 miles long (to Lion Creek). By 1955, other deposits had been found farther north of La Sal Creek canyon (Hop Creek) suggesting other belts might occur on the east flank of the La Sal Mountains and to the southeast (Carter and Gualtieri, 1965 and Chenoweth, 1981). The La Sal-La Sal Creek District produced 989,000 tons of ore containing 6.4 million pounds U_3O_8 and 29 million pounds V_2O_5 (Kovschak and Nylund, 1981).

Uranium-vanadium deposits were discovered in the Morrison Formation 10 miles north of the Energy Queen property in 1909 on Brumley Ridge, along the west slope of the La Sal Mountains. The mining history on the west side of the mountains (known as the Moab District) is similar to the La Sal Creek District. During the 1920s and 1930s, other discoveries were made south of Brumley Ridge in Pack Creek, on Amasa Back, Black Ridge, upper Kane Springs Canyon, and Brown's Hole, which is 3 miles northwest of the Energy Queen property. The Yellow Circle group of mines in upper Kane Springs Canyon was discovered in 1915. This group has yielded more than half of the Moab District's production. Total production of the district prior to 1978 was in excess of 500,000 pounds U_3O_8 and 2.5 million pounds V_2O_5 at grades that averaged 0.28% U_3O_8 and 1.4% V_2O_5. These production numbers were summarized from Minobras Mining Services Company (1978) and Chenoweth (1983).

Sometime after World War II (1948-1954), exploration work on Morrison Formation outcrops resulted in the discovery of the Rattlesnake Mine (Pit) two miles west-southwest of the Energy Queen shaft (U.S. Atomic Energy Commission, 1959), on claims now owned by EFR.

Uranium-vanadium mineralization was found in outcrops of the Chinle Formation near the south end of Lisbon Valley in 1913. Small production for vanadium occurred sporadically into the 1920s and again in the early 1940s with production for uranium recovery from 1948-1952. Deeper drilling away from the outcrops in 1952 discovered deposits in the Big Indian District five to eight miles southeast of the Energy Queen, including the famous Mi Vida Mine. Those deposits are in the Chinle and Cutler Formations. In the late 1960s, deep drilling (2,600+ feet) on the northeast, down-dropped side of the Lisbon Valley fault found the deposit mined by Rio Algom in its Lisbon Mine. See section 7.1 for a summary of the geology of the area.

Throughout the 1960s and into the 1970s, drilling progressed westward from the head of La Sal Creek canyon discovering Morrison uranium deposits under several hundred feet of cover (Pandora, La Sal, and Snowball mines). Drilling continued westward and intensified in the later 1970s, discovering large uranium-vanadium deposits which were developed by vertical shafts (Beaver Shaft and Hecla Shaft). The area boomed until 1985 when the uranium price decline triggered by the 1979 Three Mile Island nuclear plant incident made most mining here unprofitable. Shaft sinking of the Hecla Shaft (Energy Queen) occurred from mid-1979 through mid-1980. Development drifting and minor production were in progress through 1980, and production stopped by early 1983.

Since the 1940s, the vanadium price was rarely sufficiently high to make mining practical for the vanadium content alone, even though it is about 4-6 times the uranium content in the La Sal area deposits. However, the value of the vanadium as a byproduct has always been important to uranium mining within the La Sal Trend as well as in the overall Uravan Mineral Belt.

Production from the Energy Queen property is shown in Table 6-1. The last underground activity within the Energy Queen lease boundary was in early 1983. Pumping continued through 1993 with the mine in a standby mode. It has been flooded to within 150 feet of the surface since that time. A small mine produced in the eastern part of Section 2 (ML-49596) during the early 1980s. The amount of production from this is unknown. The mine was accessed by a rubber-tire decline. It has been reclaimed, but could easily be reopened. Since this is over two miles from any planned workings in the Energy Queen Mine, future production would be through the decline.

The Energy Queen Mine could be rehabilitated and readied for development production within about nine months once the mine is dewatered. The cost of rehabilitation, including hoist and headframe, compressor, pumping, water treatment facility, all other ancillary surface facilities, and shaft and drift rehabilitation to the point that development and production can begin, is estimated at about US$6 million. Mining will be conducted by conventional rubber-tired, underground drill-blast-muck methods in a random room-and-pillar configuration (reflecting the geometry of the deposit as found during mining). Material will be hoisted to the surface using the existing hoist facility.

7.0 Geologic Setting

7.1 Regional Geology

The Colorado Plateau covers nearly 130,000 square miles in the Four Corners region. (Figure 7-1). The Energy Queen and other properties currently held by EFR lie in the Canyon Lands Section in the central and east-central part of the Plateau in Utah and Colorado. The Plateau's basement rocks are mostly Proterozoic metamorphics and igneous intrusions. The area was relatively stable throughout much of the Paleozoic and Mesozoic Eras with minor uplifts, subsidences, and tiltings resulting in fairly flat-lying sedimentary rocks ranging from evaporites, limestones, and marine clastic sediments,

through eolian sandstones, to detritus of fluvial systems. The Uncompahgre Uplift, forty miles northeast of the Energy Queen claims, was active during the late Paleozoic so that Pennsylvanian through early Jurassic sedimentary rocks, which wedge out against the pre-Cambrian crystalline rocks, thicken in the Paradox Basin to the southwest. This thick stratigraphic sequence is interrupted locally by salt-cored anticlines (e.g., Lisbon Valley) in the Paradox Basin area, basement fault-related monoclines, and Tertiary laccolithic intrusions (e.g., La Sal Mountains). The salt anticlines are elongated in a northwest-southeast direction, as is the Uncompahgre Uplift. Flowage of the salt was erratically active from Permian through late Jurassic, thereby affecting deposition of the Triassic and early Jurassic sediments, including the flow of the streams that deposited the Morrison formation. Sedimentary rocks exposed in the canyons and hogbacks around the La Sal Mountains range from Pennsylvanian through Recent and are over 8,500 feet thick (Carter and Gualtieri, 1965).

Some four to fifteen miles north of the Energy Queen Mine area are the La Sal Mountains. These consist of Tertiary laccoliths intruded about 25 million years ago into several different horizons of Paleozoic and Mesozoic sedimentary rocks. There are three main stocks making North, Middle, and South Mountains, aligned due north-south. Diorite porphyry is the dominant rock type, with minor monzonite porphyry and syenite intruded later. The individual intrusive bodies of North and South Mountains are controlled by the salt anticlines and elongate in a northwest direction. The La Sal Mountains were uplifted in the late Tertiary, concurrently with the collapse of the salt anticlines. Deep canyon cutting occurred, continuing through the Pleistocene. The headward canyon-cutting of West and East Coyote Creeks have not yet reached the La Sal area, leaving the present broad valley. Figure 7-2 is a stratigraphic column of the rock units exposed in the La Sal, Utah area.

Major uranium deposits of the east-central Colorado Plateau occur principally in two of the fluvial sequences. The older one is located at or near the base of the upper Triassic Chinle Formation. Areas of uranium deposits occur where the basal Chinle consists of channels filled with sandstone and conglomerate that scoured into the underlying sediments. This channel system is known as the Shinarump Member in southern Utah. Farther north in eastern Utah, the basal member of the Chinle is a younger channel system known as the Moss Back. This is the host of the bulk of the ore mined from the nearby Big Indian District (Lisbon Valley). The Chinle deposition followed a period of tilting and erosion; therefore, the basal contact is an angular unconformity. Where the Chinle channels are in contact with sandstones of the Permian Cutler Formation, good uranium deposits locally occur in the Cutler, as well. The basal Chinle beds at the Energy Queen lease are greater than 2,600 feet deep. Potential for Chinle uranium deposits was explored by Umetco in 1977, but definitive information on the results is not available to EFR. In the western part of Section 2, west of the Lisbon Valley Fault, the basal Chinle would be approximately 1,600 feet deep.

The other significant Colorado Plateau uranium deposits occur in the late Jurassic Morrison Formation. The Morrison comprises two members in the La Sal area. The lower member, the Salt Wash, is the main uranium host. The upper part of the Morrison

is the Brushy Basin Member. The Salt Wash consists of about equal amounts of fluvial sandstones and mudstones deposited by meandering river systems. The Brushy Basin was deposited mostly on a large mud flat probably with many lakes and streams. Much of the material deposited to form the Brushy Basin originated from volcanic activity to the west. The majority of the uranium production has come from the upper sandstones of the Salt Wash Member known as the Top Rim (historically referred to as the "ore-bearing sandstone" or OBSS).

Uranium occurrences have been found throughout most of the Colorado Plateau; however, there are numerous belts and districts where the deposits are larger and more closely spaced (Figure 7-3). In addition to the uranium, many of the deposits contain considerable amounts of vanadium. In some districts the vanadium content is ten times or more than the uranium content. In general, the Cutler and Shinarump ores contain very little vanadium, whereas the Salt Wash deposits usually contain large amounts of vanadium. The V_2O_5:U_3O_8 ratio averages about 4:1, and can range up to 15:1 in parts of the Uravan Mineral Belt. The economics of the Salt Wash deposits are obviously enhanced by the vanadium content, even when vanadium prices are lower than at present. The west end of the La Sal Trend, west of where the Energy Queen is located, generally has a V_2O_5:U_3O_8 of 3.4:1. The east end has higher vanadium content, about 5.5:1. The average vanadium content from the assays of Umetco core of the Energy Queen lease shows a 4.25:1 ratio, which is the value used for resource projections in this document when direct vanadium assays are absent. *This ratio cannot be guaranteed and must be used only as a historical estimator for vanadium mineralization potential.*

7.2 Local Geologic Detail

The only geologic units exposed on the Energy Queen lease are the Cretaceous Dakota Sandstone and Burro Canyon Formation. (The lithology of these and the underlying stratigraphy is discussed below.) These units crop out as small isolated windows through the wind-blown sandy soil and Quaternary gravels and as a band along the west edge of the lease where West Coyote Wash has cut somewhat deeper. To the northwest, the Redd Ranch lease is flat-lying, with similar surficial features to the Energy Queen lease. State lease ML-49313 (Section 36) has experienced more erosion exposing the upper part of the Morrison Formation. Farther southwest in sections 1, 2, and 12, T29S, R23E, older sedimentary rocks are also exposed as a result of displacement related to the Lisbon Valley Fault and subsequent erosion. Jurassic rocks exposed here include the Entrada Sandstone, Summerville Formation, and both members of the Morrison Formation.

Rocks of interest in the subsurface at the Energy Queen lease range from the Permian Cutler Formation to the Dakota (stratigraphic column is shown in Figure 7-2). The units are described below. A portion of the published USGS geologic map of this area is seen as Figure 7-4. Figure 7-5 shows a generalized cross section of the area adapted from Weir et al. (1960).

The Dakota Sandstone consists of interbedded yellowish-brown sandstone and conglomerate with beds of gray carbonaceous shale containing discontinuous thin coal

seams. It can be 150-200 feet thick where all units are present. It was overlain by the thick marine Mancos Shale. On the Energy Queen lease, the Mancos and most of the Dakota were eroded prior to deposition of the Quaternary gravels. A very small exposure of the Mancos occurs in a window through the gravels in the northeast corner of Section 36.

Note that Union Carbide logged the shaft during construction as having consolidated gravel at 0-30 feet, Mancos at 30-50 feet, and Dakota at 50-210 feet. EFR's geologists believe this could possibly be a Dakota shale at 30-50 feet and most of the interval 50-210 feet is the underlying Burro Canyon Formation (described next).

Light-brown and gray sandstones and conglomerates compose most of the Burro Canyon Formation. It contains interbedded green and purplish mudstones with a few thin limestone beds. Locally silicification altered the limestones to chert and some of the sandstones to orthoquartzite. Orthoquartzite cobbles and boulders litter the slopes in Section 2. The unit is about 180-220 feet thick and is an aquifer in the region east of the Lisbon Valley fault. The Burro Canyon overlies the Jurassic Morrison Formation.

Much of the Brushy Basin Member of the Morrison Formation (90%) is reddish-brown and gray-green mudstone, claystone, and siltstone composed of clays derived from detrital glassy volcanic debris originating from volcanic activity to the southwest (Cadigan, 1967). This material settled on a large floodplain, and fine-grained clastic material is interbedded with a few channel sandstones and conglomerates. A conglomerate found near the base of the Brushy Basin commonly contains red and green chert pebbles and is called the Christmas Tree Conglomerate. The Brushy Basin also contains a few thin fresh-water limestone beds, some of which have been silicified. Devitrification of the volcanic ash may have been a major source of the uranium that leached downward into the Salt Wash Member sandstones and weakly mineralized some of the Brushy Basin sandstone lenses. The Brushy Basin is 350-450 feet thick in the La Sal area. The sandstones can be aquifers. The Brushy Basin crops out in most of sections 1, 2, and 12. However, in section 1 and 12, much of it is covered by land slide debris. Good exposures can be seen in the walls of the Rattlesnake open pit.

The Salt Wash Member of the Morrison Formation consists of interbedded fluvial sandstones (about 60%) and floodplain-type mudstone units (40%). The Salt Wash sandstones are usually finer-grained than Brushy Basin sands. They are varieties of orthoquartzite, arkose, and tuffs. Major detrital components are quartz, feldspars, and rock fragments. Minor components include clays, micas, zircon, tourmaline, garnet, and titanium and iron minerals. The cement is authigenic silicates, calcite, gypsum, iron oxides, and clays. The sandstone units crop out as cliffs or rims, whereas the mudstones form slopes in nearby La Sal Creek Canyon and the Browns Hole-Black Ridge area. These intervening mudstones contain considerable volcanic ash, similar to the Brushy Basin mudstones. Generally in the upper part of the Salt Wash, the numerous channel sandstones have coalesced into a relatively thick unit referred to as the Top Rim. Similarly, there is a thick sequence of channel sandstones at the base of the member called the Bottom Rim. Usually there are several thinner sequences or lenticular channel

sandstones in the central part of the member which are termed Middle Rim sands. The largest deposits in the Uravan Mineral Belt, the Moab District, and the La Sal Trend are in the Top Rim, commonly referred to as the OBSS. The Salt Wash is up to 300 feet thick in the area of the Energy Queen project. It is exposed on the Rattlesnake claims and in the lower slopes of Section 2. Good exposures of the upper sandstones (OBSS) can be seen in the floor and lowest walls of the Rattlesnake open pit.

The streams that deposited the Salt Wash sandstones flowed mostly in large meander belts across an aggrading, partly eroded plain with varying subsidence rates. The source area for most of the Morrison Formation was a highland about 400 miles to the southwest. The rocks eroding in the source area included volcanic, intrusive igneous, metamorphic, and minor sedimentary strata. Salt Wash streams flowed generally northeastward; however, some of the channel systems were obviously locally diverted by contemporaneous uplifting of the salt-cored anticlines. Kovschak and Nylund (1981) report the lower part of the Salt Wash is missing in the west end of the La Sal trend as observed in Union Carbide drill holes. They attribute this to the northwestern nose of the Lisbon Valley anticline being slightly positive topographically during early Salt Wash deposition.

The Salt Wash sandstones exhibit several facies and sedimentary features. These features can be seen in some outcrops, sometimes in drill core, and in underground mines. However, these features are usually too thin to be identified in borehole logs, such as neutron or resistivity logs. Large cross-bedding is common indicating stream thalwegs. Flat, thin bedding of low energy areas can be seen along with apparent levies and crevasse splays. Channel scouring is also common as are the associated point bar deposits of the meandering streams. The point bars are characterized by mudstone galls which are rip-up clasts from the scouring on the outside of previous meanders. The sand grains become finer upward. There are often abundant logs and other carbonaceous plant material in the point bars, which make them a prime location for uranium deposition.

The major Top Rim sandstones of the La Sal Trend have been interpreted as two channels joining in the vicinity of the Energy Queen, then flowing as one large channel due east (La Sal Trend on Figure 7-6). The Mike and Pandora deposits are thought to be in a large meander to the south (Kovschak and Nylund, 1981). It is possible that the entire La Sal channel is a meander belt rather than a straight-flowing channel. The channel or meander belt is about one mile wide in the center part (near the town of La Sal). In this central area, the upper sandstone attains a thickness of about 120 feet with very few thin mudstone beds. At both ends of the La Sal Trend, the Top Rim interval consists of multiple, thinner sandstone beds (35-50 feet thick) separated by thicker mudstones (up to 10 feet thick). Sandstone grain size is fine to medium, which is somewhat coarser than in the Uravan Mineral Belt. EFR's 2007-2008 drilling proved strong east-west and north-south trending mineralized areas in the Salt Wash member of the Morrison Formation. This drilling program will be discussed in detail in Section 11.

Fossils in the Morrison include petrified wood and carbonized plant material, dinosaur bone, tracks, and embryos, and sparse microfossils in the thin fresh-water limestone beds.

The Morrison overlies the Jurassic and Triassic San Rafael and Glen Canyon Groups. These consist of several hundred feet of red beds. The uppermost is the reddish-brown, thinly bedded mudstone and shale of the Summerville Formation, containing a few thin, slabby sandstone beds. It is about 80 feet thick. Very small exposures of the Summerville exist only along the Lisbon Valley fault in sections 2 and 12, T29S, R23E. Underlying the Summerville is the eolian Entrada Sandstone, some 250 feet thick. Within the project boundary, the Entrada only crops out on the footwall of the Lisbon Valley fault in the southwest corner of Section 2. It is the oldest stratigraphic unit exposed on the project property. The upper unit of the Glen Canyon Group is the Navajo Sandstone. It is a light-brown, massive, cross-bedded eolian sandstone. Its thickness in the region is variable (100-400 ft), pinching out against most salt anticlines. The Navajo is above the Kayenta Formation. The Kayenta is up to 210 feet thick and composed of lenticular sandstones interbedded with minor siltstones, shales, and conglomerates. The basal unit of the Glen Canyon Group is the Wingate Sandstone. It also is a massive eolian sandstone over 250 feet thick.

The Chinle Formation of Late Triassic age consists of bright red and red-brown mudstone and siltstone containing lenticular sandstones in the middle part, as well as thin beds of limestone-pebble conglomerate. Important uranium deposits occur in the basal, calcareous, gray conglomerate (Moss Back Member) which has been mined four miles southeast of the Energy Queen property. Minor amounts of vanadium occur with the uranium (0.47% V_2O_5). The thickness of the Chinle varies greatly in the area, partly due to salt movement, ranging from 200-600 feet. Nearly 78 million pounds of U_3O_8 (averaging 0.30% U_3O_8) have been produced from the Moss Back (Chenoweth, 1990), mostly on the southwest limb of the Lisbon Valley anticline (southwest side of Big Indian Valley), which is the upthrown side of the Lisbon Valley Fault. One large mine, the Rio Algom Lisbon Mine, produced from approximately 2,700 feet deep on the down dropped side of the Lisbon Valley Fault (Huber, 1981). The Moss Back is approximately 2,650 feet deep at the Energy Queen lease and approximately 1,600 feet deep west of the fault in the southwest corner of Section 2.

Unconformably underlying the Chinle is the Triassic Moenkopi Formation. It is an evenly bedded, chocolate-brown shale and mudstone unit containing thin bedded ripple-marked sandstones, sporadic limestone lenses, and gypsum layers. The salt anticlines were active following Moenkopi deposition, so it was mostly removed by erosion in the Big Indian District (Huber, 1981).

The Permian Cutler Formation was deposited as a thick clastic wedge derived almost entirely from the Precambrian rocks of the ancestral Uncompahgre Uplift. It contains a variety of rock types from mudstones to conglomerates. Where sandstones lie subjacent to the Moss Back, uranium deposits locally occur. The Cutler overlies the limestones, clastics, and evaporites of the Pennsylvanian Hermosa Formation.

Structurally, the Energy Queen project area lies in the northwest-trending Browns Hole Syncline formed between the Lisbon Valley Anticline and the South Mountain intrusion.

The shaft is located on the syncline axis, which has a slight northwest plunge. The beds containing the known deposit dip gently to the northeast, about one to three degrees, throughout most of the Energy Queen lease. The proposed mining area of the lease is little affected by the Lisbon Valley faulting. Minor faults that are splits of the Lisbon Valley Fault are mapped crossing the claims in sections 1 and 12 and ML-49596 in section 2, T29S, R23E. These are normal faults striking north-northwest to west-northwest, of small displacement (50-400 ft), down-dropped to the northeast. The main fork of the Lisbon Valley Fault continues northerly in the east part of the claims with about 400 feet of displacement, which is decreasing to the north. Two mapable splits of the fault extend west-northwest across the Rattlesnake claims. The southern one of these splits curves to a N45oW strike at the west edge of the Rattlesnake claims. It continues across the southwest part of Section 2, having a displacement of about 300 feet. See the geologic map (Figure7-4; Weir, Dodson, and Puffett, 1960)) for spatial relationship details. Farther north, the Brumley Ridge-Cane Canyon area is highly faulted, but uranium mineralization is not structurally related (Doelling, 1969).

8.0 Deposit Details

The Energy Queen and other La Sal district uranium-vanadium deposits are a similar type to those elsewhere in the Uravan Mineral Belt. The Uravan Mineral Belt was defined by Fisher and Hilpert (1952) as a curved, elongated area in southwestern Colorado where the uranium-vanadium deposits in the Salt Wash Member of the Morrison Formation generally have closer spacing, larger size, and higher grade than those in adjacent areas and the region as a whole (see Figure 7-3). The location and shape of mineralized deposits are largely controlled by the permeability of the host sandstone. Most mineralization is in trends where Top Rim sandstones are thick, usually 40 feet or greater.

The La Sal Trend is a large channel of Top Rim sandstone which trends due east, possibly as a major trunk channel to distributaries that fanned-out to the east to make a portion of the Uravan Mineral Belt. The Energy Queen deposit appears to be at the location of the junction of a tributary channel that joins the main channel from the southwest. The Rattlesnake Mine (U.S. Atomic Energy Commission, 1959) is located upstream in the tributary channel. The deposit in Section 36 (ML-49313) and the small mine on ML-45965 are in the western extension of the main channel. Figure 7-6 is a generalized map of the La Sal Trend after Kovschak & Nylund (1981). Figure 8-1 shows the property boundary, old UCC drilling along with the EFR drilling and resource blocks. Drilling by EFR in late 2007 and early 2008 show persistent mineralization drilled on approximately 100-foot centers in north-south “Rattlesnake Pit Trend” and east-west “ La Sal Trend” configurations (see Figure 8-2, cross-sections A & B). A complete discussion and details of the drilling results and conclusions are presented in section 10 in this report.

Most of the La Sal and Uravan Mineral Belt areas consist of oxidized sediments of the Morrison Formation, exhibiting red, hematite-rich rocks. Individual deposits are localized in areas of reduced, gray sandstone and gray or green mudstone (Thamm, et al, 1981). The Morrison sediments accumulated as oxidized detritus in the fluvial

environment. However, there were isolated environments where reduced conditions existed, such as oxbow lakes and carbon-rich point bars. During early burial and diagenesis, the through-flowing ground water within the large, saturated pile of Salt Wash and Brushy Basin material remained oxidized, thereby transporting uranium in solution. When the uranium-rich waters encountered the zones of trapped reduced waters, the uranium precipitated. Vanadium may have been leached from the iron-titanium mineral grains and subsequently deposited along with or prior to the uranium.

The habits of the deposits in the La Sal Trend have been reported to be typical of the Uravan Mineral Belt deposits. Where the sandstone has thin, flat beds, the mineralization is usually tabular. In the more massive sections, it "rolls" across the bedding, reflecting the mixing interface of the two waters. This accounts for the fact that there are several horizons within the Top Rim that are mineralized. Very thin clay layers on cross beds appear to have retarded ground water flow, which enhanced uranium precipitation. The beds immediately above mineralized horizons sometimes contain abundant carbonized plant material and green or gray clay galls. The mudstone beds adjacent to mineralized sandstones are reduced, but can grade to oxidized within a few feet. Lithology logs by Union Carbide of core from the drilling on and surrounding the Energy Queen project record these same characteristics. There are no significant differences between mineral depositional habits in the Top Rim and those in lower Salt Wash sands. EFR drilling (2007-2008) indicated mineralization occurring at the tops of carbon "trash" zones in drill holes EQ-07-1, EQ-07-16, and EQ-08-18 (see Figure 8-2).

The thickness, the gray color, and pyrite and carbon contents of sandstones, along with gray or green mudstone, were recognized by early workers as significant and still serve as exploration guides. The entire main La Sal Channel exhibits these favorable features. However, the bulk of the uranium deposits identified to date are aligned along the south edge (see Figure 7-6) of the Channel. This is the down-dip edge of the channel where the thick reduced sandstone grades and interfingers into pink and red oxidized sandstone and overbank mudstones (Kovschak and Nylund, 1981).

9.0 Mineralization

The uranium- and vanadium-bearing minerals occur as fine grained coatings on the detrital grains, they fill pore spaces between the sand grains, and they replace some carbonaceous material and detrital quartz and feldspar grains.

The primary uranium mineral is uraninite (pitchblende) (UO_2) with minor amounts of coffinite ($USiO_4OH$). Montroseite (VOOH) is the primary vanadium mineral, along with vanadium clays and hydromica. Traces of metallic sulfides occur. In outcrops and shallow oxidized areas of older mines in the surrounding areas, the minerals now exposed are the calcium and potassium uranyl vanadates, tyuyamunite, and carnotite.
The remnant deposits in the ribs and pillars of the old mines likely would show a variety of oxidized minerals common in the Mineral Belt. These brightly-colored minerals result from the moist-air oxidation of the primary minerals. Minerals from several oxidation stages will be seen, including corvusite, rauvite, and pascoite. Undoubtedly, the excess

vanadium forms other vanadium oxides depending on the availability of other cations and the pH of the oxidizing environment (Weeks, et al 1959). The Energy Queen has been standing full of water since 1993, so no direct observations have been made of the mine openings. Similarly, the mine on ML-49596 has been reclaimed and is not accessible at this time. Remnants of Salt Wash uranium-vanadium mineralization are exposed in the Rattlesnake pit floor. These show the habits described above and have mostly weathered to carnotite-type mineralization.

Some stoping areas in the mines to the east are well over 1,000 feet long and several hundred feet wide. The Indicated Mineral Resources of the Energy Queen Mine identified through drilling are of similar size. Individual mineralized beds vary in thickness from several inches to over 6 feet. Throughout much of the Energy Queen deposit there are two horizons in the Top Rim that host the mineralization. They are 25-40 feet apart. Figure 8-1 shows the blocks used for the Energy Queen Mine resource estimation, including the deposit on ML-49313, based on the historic and recent drill information. Also shown on that map are the Energy Queen Mine workings. The lithology of EFR's drilling program correlated well with the old Union Carbide drilling. The grades, position, and alteration also correlate well with the old holes. The old drilling provided the best guide to drill offset holes. EFR drilling discovered uranium grades comparable to past production in 10 of the 19 holes completed. This proves the accuracy of the old drilling data. The deposit is strong in lateral extent; the EFR drilling was done at 100 feet or greater centers. This is exceptional for Salt Wash uranium deposits.

Kovschak and Nylund (1981) report no apparent disequilibrium problems in the other mines of the La Sal area. Therefore, EFR has no reason to anticipate any disequilibrium conditions within the Energy Queen project property.

10.0 Exploration

Outcrops within a few miles were explored by prospectors in the early 20th century for their radium and vanadium content. Uranium exploration in the region began in the mid-1940s resulting in the discovery of the Rattlesnake deposit about 1948. The Energy Queen property was previously held by Umetco Minerals in a joint venture with Hecla Mining. The area around the mine was extensively drilled in the 1970s and early 1980s. Most of the past exploration on the Energy Queen property was core drilling by Union Carbide in the period 1977-1980. A few holes were deep enough to explore the basal Chinle horizon (see Figure 8-1). The drilling down dip from the Rattlesnake Mine discovered mineralization as did that in Section 2.

During the operation of the underground mine, development was the prime objective. Stoping occurred in only one area. It appears that no long hole drilling was done for exploration during the operating period.

EFR's geologic staff and consultant evaluated and made cross-sections from the old Union Carbide data. Based on this, a twenty-hole rotary drill program (14,000+ feet) was

then designed and permitted by EFR in the second half of 2007. These holes were drilled by EFR in late 2007 and early 2008.

11.0 Drilling

As mentioned above, most of the drilling on the Energy Queen lease was performed by the previous operators, namely Union Carbide in 1977-1980. There have been approximately 160 holes drilled on the Energy Queen lease. More than 90 holes were drilled on the Redd and ML-49313 parcels, combined. It is likely a few hundred holes were drilled over the years on the other land of the Energy Queen project to the west in sections 1, 2, and 12, T29S, R23E. EFR has not yet acquired data on these, but is aware of the existence of some maps. Several hundred more holes were drilled north and east on land not controlled by EFR. Union Carbide's preferred method of exploration in the late 1970s and early 1980s was to rotary "plug" drill through the upper part of the hole, then core through the Top Rim uranium-bearing sandstone horizon. This allowed the company to do assays for both uranium and vanadium. Holes then usually were logged with a natural gamma probe for radiometric uranium grades. EFR is in possession of the lithology logs of many of these holes, called Diamond Drill Logs. These logs give brief descriptions of the rocks cut by the rotary drilling, including surface gravels, Dakota Sandstone, Burro Canyon Formation, and most of the Brushy Basin Member of the Morrison Formation. The basal segment of the Brushy Basin and the Salt Wash Member that were cored are logged with slightly more detail. Generally the thickness and results of the core that was split for assaying also appear on the logs.

Nine of the holes on the lease were drilled deep enough to test the uranium potential of the Moss Back Member of the Chinle Formation. EFR has only sparse information on those holes. It appears that Union Carbide drilled at least seven holes to this horizon as part of the joint venture buy-in. Two of the company's holes offset a Hecla hole approximately 500 feet each direction along strike. The Hecla hole reportedly intercepted thin, good grade mineralization at the base of the Moss Back (on the order of 0.7 ft of 0.92% U_3O_8; personal communication (2007) with William Thompson, a former Union Carbide geologist). The Moss Back was underlain by the Cutler; however, the Cutler was not mineralized at this location. Drill depths through the base of the Chinle are 2,600-2,700 feet within the Energy Queen lease. Depth to the Chinle horizon are less in the western part of the project. It is unknown how many of the historic holes in that area may have targeted the Moss Back.

EFR also has come into possession of several maps showing the location of other holes on and surrounding the Energy Queen lease, but the company at this date has not acquired any gamma logs for these holes. The Union Carbide drill maps are deemed to be accurate as are the assay results recorded on the Diamond Drill Logs. However, without logs it is not possible to verify calculations of mineral intercepts. Alternate interpretations would be possible, especially in the thickly mineralized holes, if logs could be examined. EFR does not possess, nor have the company's geologists seen, any original core obtained from the past drilling episodes.

It must be emphasized that all the early information in the EFR database was considered historical in nature, and was not corroborated by twin-hole drilling, down-hole probes, or check assays of earlier cored material at the time of acquisition.

EFR conducted a drilling project to verify some of the older drilling, to obtain more stratigraphic information for mine planning, and to add more resources to the mine inventory. Twenty holes were drilled by EFR at the Energy Queen from October, 2007 to January 2008 totaling 14,450 feet. The drilling was successful in meeting the objectives of verifying the resource and adding 134,614 lbs U_3O_8 to the Measured and 308,131 lbs to the Indicated Mineral Resources, with 10 holes containing mineralization greater than 1.0 foot of 0.10% U_3O_8 (see Figure 8-1). Cuttings were logged with particular attention to sandstone color, carbon content, and interbedded mudstone characteristics. The holes were probed using a natural gamma tool along with resistivity and spontaneous potential logs when the holes contained water. An induction tool was used in holes that were dry. All holes were also logged with a deviation tool. Even though the digitally recorded data displays estimated U_3O_8 content, the gamma logs were interpreted and mineralization calculated using the proven AEC method (area under the curve times the k factor equals the grade times thickness (Scott et al., 1960)). It is believed that previous operators also used this method, or a close variant of it. The Colorado Plateau Logging, LLC tools were calibrated at the U.S. Department of Energy (DOE) test pits in Grand Junction, Colorado in May, 2007. A follow-up calibration run at the Grand Junction pits in October, 2007 showed no statistical difference between calibrations.

EFR's drilling proved strong east-west and north-south trending mineralized areas in the Salt Wash member of the Morrison Formation (see Figure 8-2 for cross-sections A and B). The following conclusions can be drawn by analyzing this current phase of drilling using the two cross-sections:

- Uranium and vanadium values and thicknesses discovered in the EFR drilling correlate well with the old (circa 1980) drilling done by Union Carbide.
- Carbon "trash" zones in the favorable 45-60 feet thick sandstone (this is commonly referred to as the "ore-bearing sandstone" or OBSS) were an important mechanism to fix the uranium-vanadium mineralization.
- Mineralization (E-W, cross-section A part of Figure 8-2) occurs in a favorable sand (OBSS); it is thick (~60 feet) with most of the mineralization forming within 25 feet of the base of the sand (~5790 foot elevation). Drill hole EQ-07-16 has a second mineralized zone 47 feet above the base of the sand (~5825 foot elevation). This is in line with the La Sal-Pandora main channel trend.
- Mineralization (N-S, cross-section B part of Figure 8-2) occurs in favorable sand (OBSS), about 45 feet thick. Holes EQ-07-15, 16, and18 have second mineralized zones above the base of the sand. Mineralization formed in this thinner sand is controlled by carbon trash (usually at the top of the trash zone) and the position of the altered mudstones. Mineralization occurred near the base of the OBSS in the north extents. Two strongly mineralized zones occur in the central portion, and in the south extents, the strong mineralization occurs in the

upper portion of the OBSS. This is equivalent to the La Sal-Rattlesnake Pit Trend.

- Both channels are strong and well developed, as indicated by an average drill offset distance of over 100 feet (from old mineralized holes in the preferred direction along course). Alteration is strongest on the top and middle splits of the OBSS sand.
- The OBSS sand sub-unit is located 40 feet-60 feet below the contact with the Brushy Basin Member of the Morrison Formation. The uppermost part of the Top Rim of the Salt Wash Member lacks lateral continuity, is split by mudstone, is finer, and is less permeable. It ranges from semi-favorable to unfavorable.

12.0 Sampling Method and Approach

EFR has not conducted widespread and definitive sampling on the Energy Queen project. Previous underground mining activity, which resulted in development drifting and stoping of one area will not be available for sampling until the mine is dewatered and shaft rehabilitation is done. The underground workings at the Rattlesnake and ML-49596 mines are not accessible at this time. The estimation of resources in this report has relied upon documentation from earlier operators and the EFR 2007-2008 drilling program. EFR employed a conventional combination of rotary drilling, geologic logging, and downhole electric and radiometric logging in its 2007-2008 field program.

13.0 Sample Preparation, Analyses, Security

Because EFR has not performed bulk sampling to date in the mine workings, the results of historical preparation techniques and analyses have been relied upon as being reasonably accurate. These tasks were performed by personnel of Union Carbide who were experienced in uranium exploration, sampling, and analytical methods, and the summary data appear to be in conformity with technological standards at the time.

EFR collected 17 strongly mineralized samples from its 5-foot sampling of the rotary drill cuttings. Sample uranium and vanadium analysis was performed by Grand Junction Laboratories, Grand Junction, Colorado. Check assays were performed at Energy Laboratories in Casper, Wyoming.

14.0 Data Verification

No verification of the historical data has been conducted. No core is available at the present time from the earlier exploration or production work, and EFR does not currently possess downhole gamma logs from the previous operators. It is believed that the diamond drill logging information is a reasonable representation of actual in situ conditions.

EFR drill cutting samples were initially analyzed by Grand Junction Laboratories. Check samples were taken in two ways: 1) a second split of the raw sample for complete sample preparation and assay, and 2) assay sample pulps from the first lab were sent out to a

second lab for check of assay of the sample pulp. Two raw split samples and two pulps were sent to another lab (Energy Labs in Casper, Wyoming). Twenty four percent of the 17 original samples were sent for check assays.

EFR collected 17 strongly mineralized samples from its five foot sampling of the rotary drill cuttings. These samples lack the absolute nature of core, being only chips which are diluted by other rock in the bore hole. The samples, when analyzed, do provide information on the U_3O_8 and V_2O_5 content to estimate a ratio for the property economic evaluation. Total vanadium to uranium (V_2O_5:U_3O_8) ratio results from the two labs ranged from 3.54:1 to 4.90:1 with the average at 4.22:1 which was very close to the 4.25:1 used for the resource estimate.

15.0 Adjacent Properties

There are parcels to the north and east of the Energy Queen lease that are reported to contain large uranium-vanadium deposits. The private land and mineral rights are all leased by other companies and the BLM land is claimed by another party. The parcels held by the other entities are identified on Figure 15-1. Most of the resource estimates are taken from historic summaries by Umetco Minerals Corporation (Hollingsworth, 1991). A summary of these properties follows:

San Juan County Properties: NW¼ sec. 5, T29S, R24E. This quarter section (not quite all is owned by the county, as shown on Figure 15-1) includes the San Juan County property where portions of the Energy Queen Mine surface facilities are located. It is contiguous on the east side of the Energy Queen property. Denison leases both surface and minerals. EFR now has a sub-lease of the surface on the portion covered by the mine permit.

S½ S½ sec. 32, T28S, R24E. Directly north of and contiguous with the Energy Queen Lease for 750 feet west from the northeast corner of the Lease. Umetco Minerals (January 1991) estimated about 754,000 lbs U_3O_8 and 2,070,000 lbs V_2O_5 on these two leases combined. Denison leases both surface and minerals. EFR has proposed a joint venture with Denison to jointly mine this deposit using the Energy Queen shaft. Nothing definitive has been agreed to as of the date of this report.

Other Private leases in NW¼ sec. 5, T29S, R24E.
Planksville Lease. This is a small private parcel in the northwest corner of this quarter section, nearly contiguous with Energy Queen Lease. Denison has the minerals leased. Umetco Minerals estimated about 108,000 lbs U_3O_8 and 324,000 lbs V_2O_5.

Shipler Lease. This is a larger private parcel in the eastern part of this quarter section, some 1,200 feet east of the Energy Queen Shaft. Denison has the minerals leased (Webb is surface owner). Umetco Minerals postulated 73,500 lbs U_3O_8 and 273,000 lbs V_2O_5.

State Lease ML-49315: Private Surface/ Utah State Minerals NE¼ sec. 5, T29S, R24E, 138 acres: Beginning 2,100 feet east of Energy Queen Shaft, for which Umetco Minerals

projected 488,500 lbs U_3O_8 and 1.58 mm lbs V_2O_5. Uranium One Americas Inc. has the Utah State minerals leased.

Other acreage: SE¼ sec. 31, T28S, R24E. This is directly north of, and contiguous with, the Energy Queen Mine property for the next 2,000 feet west of the County land in sec. 32. Redd Ranches (Hardy Redd, aka La Sal Livestock) owns surface and minerals. Denison has a lease on about 160 acres. Umetco Mineral's records forecast 204,500 lbs U_3O_8 and 1.33 mm lbs V_2O_5.

S½ S½ sec. 33, T28S, R24E. This is Redd Ranch land that Denison has leased. The west end starts about 4,800 feet east northeast of Energy Queen Shaft and the east end is about 1,000 feet west of Denison's Beaver Shaft workings (almost 8,000 feet west of the Shaft). Umetco Mineral's estimates were about 806,000 lbs U_3O_8 and 3.41 mm lbs V_2O_5.

The claims on BLM land north of the west half of the Energy Queen Lease ground (sec. 6 and 31) contain a projected resource of some 71,000 lbs U_3O_8 and 494,000 lbs V_2O_5 which could be mineable from the Energy Queen Shaft. There are unpatented claims held by an individual party at the southwest corner of Energy Queen Lease containing a resource of 82,000 lbs U_3O_8 and 315,000 lbs V_2O_5; however, this area is 6,500 feet from the Shaft.

The areas of BLM land to the south and southwest of the Energy Queen property that have not already been discussed largely contain unpatented claims held by various parties in which EFR has no interest or ownership at this time. EFR also has no information on uranium or vanadium resources in these areas.

The total resource controlled by other parties estimated to be within 9,000 feet of the Energy Queen Shaft is 2,587,500 pounds U_3O_8 and nearly 9,481,000 pounds V_2O_5 (not including the Energy Queen Property resource discussed in Section 17 of this report).

16.0 Mineral Processing and Metallurgical Testing

The La Sal Trend has a long history of uranium and vanadium production. Deposits from this district have been successfully milled at several historic mills in the region including Union Carbide's (Umetco) mill at Uravan, Colorado, the Climax Uranium mill in Grand Junction, Colorado, the Atlas mill at Moab, Utah and Denison's mill in Blanding, Utah. Samples of mineralized material were collected from the Energy Queen Mine waste rock dump. These were used along with samples from other mines in the region for preliminary testing of amenability to the proposed Piñon Ridge Mill leaching conditions. The samples were analyzed by J. E. Litz & Associates in October 2008 for grinding properties and process chemical consumption. Samples were ground to minus 28-mesh and leached for 24 hours at 85°C at strong sulfuric acid and oxidizing conditions. Leach tests of the Energy Queen sample showed U_3O_8 to be soluble up to 99.1% and V_2O_5 to be soluble up to 96.9% on a sample with head grades of 1.03% U_3O_8 and 0.76% V_2O_5. Settling tests were performed on leach slurries. A simulated raffinate was prepared and neutralized to 4.5 and 7.5 pH to determine the deportment of the soluble ions. These

results and the historic milling of district ores suggest at this point that the Energy Queen deposit will present no unforeseen problems with either metallurgical testing or processing. Testing of Energy Queen mineralized material should be performed after the mine is dewatered and rehabilitated to the point that representative samples can be obtained from in-place rock.

17.0 Mineral Resource and Mineral Reserve Estimates

Mineral resource estimates have been calculated by a modified polygonal method (polygons used as shown in Figure 8-1). The older drilling was often on 200 foot centers. The 2007-2008 drilling program on the Energy Queen lease partially consisted of fill-in holes on 100 foot spacing. Therefore, many polygons for measured mineral resources are squares of 10,000 square feet of area, reflecting just a 100-foot influence distance centered on the hole. At locations where drifting or stoping has removed portions of polygons, there have been reductions to the resources assigned those polygons. The same method of polygons is used for resources on ML-49596. These polygons yield areas for Measured Mineral Resource blocks from about 5,800 square feet up to about 10,400 square feet.

For the in situ resource estimate, the thickness and grade assigned to each polygon equals that of the intercepts recorded in the center hole of the polygon. A tonnage factor of 14 cubic feet per ton is used for Salt Wash deposits.

Note that drill holes L-1673 and L-1979, shown in the southwest corner of Figure 8-1, were not included in the resource calculation due to their being outside of the Energy Queen property limits. These two holes are shown only to indicate a potential ore trend in that portion of the property and geologically possible connection between this known mineralization and Indicated Mineral Resource Area F inside the property.

Drill holes L-1012 and L-1669 also were not included in the resource calculations for the Measured Mineral Resources. Although they were listed in the Union Carbide database as “ore” holes, EFR has not yet been able to find drill logs that show the thickness or grade of the mineralization intercepts, thereby making their use in Measured or Indicated Mineral Resource calculations impossible. The influence area of L-1012 has been included in the resource for Inferred 2 because it was a known mineralized location and its inclusion is in keeping with “inferred” level of mineral resources described below. These two holes have been included on Figure 8-1 and in Table 17-1 for completeness because their locations are known (in case any further stratigraphic and resource information does turn up on those locations).

Indicated Mineral Resource blocks are drawn where mineralization correlates well and similar geological conditions are believed to be continuous between drill holes that are over 100 feet apart. The grade and thickness for the indicated blocks are weighted averages of the particular drill holes’ intercepts that define each block. The areas of indicated blocks are shown on Figure 8-1. The two main mineralized horizons (“upper”

and “lower”) within the upper sandstone of the Salt Wash member are treated separately for indicated mineral resource purposes.

Inferred Mineral Resource blocks are geologically favorable areas where other deposits could occur in the defined channels. Mineral trends often follow the directions of the sandstone channels.

Previous workers in this area (mainly Union Carbide) have studied the main channel trends. Sandstone thickness, the gray color, and pyrite and carbon contents of sandstones, along with gray or green inter-bedded mudstone, indicate areas of sandstones that are favorable for containing uranium-vanadium mineralization. These conditions allow geological definition of Inferred Mineral Resources.

Mining assumptions were used in determining a cutoff grade for the resource estimates. Mining dilution is 1 foot of waste for mineralized thicknesses less than 6.0 feet or an appropriate fraction of a foot (if the intercept is greater than 6 feet) up to 7.0 feet. A resuing or split-shooting mining approach will be followed to minimize dilution when extracting thin zones. In the split-shooting method, the mineralization is usually thin (a few feet in thickness). The eventual stope height will be seven feet or greater, but at the time of mining the waste above or below the mineralized horizon is blasted. This waste layer may be one or more feet thick. After the waste is blasted and removed, the mineral zone is blasted and removed, thus reducing the amount of dilution to the mineralized rock. At times, the mineralized zone is blasted before the waste. For the Energy Queen Mine, 7.0 feet is the assumed minimum stope height. Mineralized intercepts greater than 7.0 feet are not diluted for resource calculations. It is conservative to use waste at zero grade for the dilution, because there is often lower-grade material adjacent to the target mineralized zones. Vanadium assays are available for some of the drill holes. Where no data exist on vanadium content, the intercept is assigned a value based on the historical Umetco Minerals resource estimate for the property which averages a V_2O_5:U_3O_8 ratio of 4.25:1 based on historic assays of core. *This ratio cannot be guaranteed and must be used only as a historical estimator for vanadium mineralization potential.*

The split-shooting mining method involves assessing each face as the stopes advance by the mine geologist, engineer, mine foreman, or experienced lead-miner. Because the grades and thickness of the typical Salt Wash uranium-vanadium deposits are highly variable, they are usually unpredictable from one round to the next. (A round is a complete mining cycle of drill-blast-muck-ground support, if needed-ready to drill again; a normal round advances a face about 6 feet.)

Typically, the thickness of the mineralized material is less than the height needed to advance the stope. As the stope face is being drilled, the blast holes are probed with a Geiger Counter probe in order to estimate the U_3O_8 grade. The uranium-vanadium mineralization is usually dark gray to black. The mineralization sometimes rolls, pinches or swells, or follows cross-beds within the sandstone; therefore the miner will also use drill cutting color as criteria to help guide blast hole direction and spacing. This irregular habit of the deposit can result in holes collared in mineralized material ending in waste,

or, conversely, holes collared in waste will penetrate mineralized material much of their length.

Based on the results of the assessment of the blast holes drilled in the face, the round will be loaded and shot in two or more stages. Depending on the location and thickness of the mineralized material in the face (there may be multiple mineralized layers), the miner will attempt to blast either only mineralized material or only waste rock. They will muck it out as clean as possible, then shoot the remaining rock and muck it cleanly. In resource estimates, one foot of waste is added to the mineralized material for dilution because of this method. The amount of waste rock shot before or after the mineralized material results in typical stope heights of eight-to-nine feet. The minimum height needed to advance the stope is about seven feet, so any drill intercept greater than seven feet does not receive dilution in resource estimate calculations.

As with the split-shooting method of mining, resuing mining involves very selective separation of the waste rock from the ore. Ore grade material is determined by probing drill holes in the face of the stope. In resuing, waste is blasted or otherwise removed from one side of the ore zone. The ore in that zone is then extracted, thereby leaving any waste on the other side of the ore zone in place. If additional stope space is needed or a second ore zone occurs behind the remaining waste, that waste is removed without dilution to the ore zones. The lower limit of waste volume that can be extracted without disturbing ore is a function of the precision with which waste areas of the drill pattern can be selectively blasted without unduly increasing mining costs.

A cutoff of 0.05% U_3O_8 has been used in all resource estimates for the Energy Queen and related properties that are based on historic or current drilling results. This cutoff is somewhat subjective and was chosen based on experience of EFR staff and on the basis of the lowest grade intercepts that are likely to be mined based on a tentative mine plan and location of such intercepts in or adjacent to development entries that will be mined regardless of the grade of involved mineralized sandstone. Assumptions involved in use of this cutoff are as follows:

1) Development entries will be made to access Indicated and Measured Mineral Resources of sufficient size to warrant mining to their locations and room-and-pillar mining of the resources. Such entries will follow the historic random pattern of mining areas that is driven by the localized nature of areas of mineralization. A good example can be seen on Figures 8-1.
2) Entries can and will intercept some lower grade material that would not necessarily be economically mineable as standalone resources.
3) Measured vanadium grades, in combination with uranium grade, can be high enough to warrant mining a resource area even if the uranium contents in all holes in that area would not be sufficient to make the mineralization mineable through uranium content alone.
4) The thickness of the drill intercept in mineralized material makes some areas attractive because of available volume of mineralization even when relatively low grade for uranium.

5) Any mineralized material below the cutoff grade that is mined during development or room-and-pillar extraction will be considered waste regardless of contained uranium and vanadium values.
6) Indicated or Measured Mineral Resources may still prove to be uneconomic to mine upon performance of a full feasibility analysis or due to economic or mining conditions at the time mining proceeds towards such resource areas. The inverse also could be true. A substantial increase in the price of uranium or vanadium could result in a lower cutoff being in effect during mining.
7) Minimum mining thickness is 2-3 feet using the split-shooting or resuing mining methods.

Originally, old drill-hole locations were scaled off existing maps prepared by the previous operators. This was used to design the EFR drill program for 2007-2008. Early in 2008, holes were surveyed by EFR staff surveyor John Hill to accurately locate the 20 new drill holes and to find several of the old (UCC-Hecla) drill holes to better define the site. The historic holes surveyed had steel casing collars or a scribed 2-inch by 2-inch wood stake cemented in the ground which served as positive, identifiable locations. The survey allowed EFR to verify and adjust the old UCC grid slightly. It would be difficult to accurately re-survey most of the old holes because most lay on pastureland and were reclaimed more than 20 years ago.

The mineral resource estimates that follow are based on EFR's drilling, historic drill records, and maps of the companies mentioned above as well as general knowledge of the area. EFR geologists are acquainted with many of the project geologists that worked these properties during these times and with the reputations of those companies doing the work. Therefore, the following resource estimates are believed to be reasonable for the Energy Queen project.

17.1a Measured Mineral Resources on Energy Queen Lease (Superior Uranium)

Measured Mineral Resource estimates on the Energy Queen lease remain the same as were reported in the December 2008 Technical Report by Peters Geosciences**.** The drilling in 2007-2008 by EFR allowed for upgrading the resource confidence level from the earlier 43-101 report by FGM Consulting Group, Inc. in 2007. This resulted in previously reported historic Indicated Mineral Resources being considered Measured Mineral Resources and a portion of previously reported historic Inferred Mineral Resources being defined as Indicated. The net change from the 2007 report was an increase of Measured plus Indicated Mineral Resources at the Energy Queen lease by 2.55 times over the previously reported Indicated Mineral Resource. It must be noted that some blocks or polygons of Measured Mineral Resources are isolated from the main body of Measured and Indicated Mineral Resources (Figure 8-1) and require much additional drilling and/or mine development to prove their potential for incorporation into a potentially mineable reserve.

Additions from the 2007-2008 drilling plus verification of the historic data yield a total Measured Mineral Resource of 614,869 lbs U_3O_8 and 2,389,250 lbs V_2O_5, contained in

roughly 96,250 tons of material at grades of 0.319% U_3O_8 and 1.24% V_2O_5. Diluted to a mining thickness of 3.0 feet, the grades are 0.217% U_3O_8 and 0.84% V_2O_5 (see the upper portion of Table 17-1a). The deposit occurs in two horizons of the upper sandstone of the Salt Wash Member of the Morrison Formation. These levels are typically about 25-30 feet apart when both are encountered.

17.1b Measured Mineral Resources on Utah State Lease ML-49596 (Section 36, T28S, R23E)

EFR has data generated by Union Carbide for this State lease of the same quality as the data on the Energy Queen lease. Therefore, using the same methodology for resource estimation, EFR has calculated Measured Mineral Resources on this parcel. The distance to this deposit from the planned mine workings at the Energy Queen Mine is about 4,000 feet, which makes this resource accessible from the mine. The Measured Mineral Resource of ML-49596 is 175,093 lbs U_3O_8 and 1,057,439 lbs V_2O_5, contained in roughly 40,621 tons of material at grades of 0.216% U_3O_8 and 1.30% V_2O_5. Diluted to a mining thickness of 3.6 feet, the grades are 0.158% U_3O_8 and 095% V_2O_5. The blocks used in this estimate are listed in Table 17-1b.

17.2a Indicated Mineral Resources on Energy Queen Lease (Superior Uranium)

Indicated Mineral Resource estimates on the Energy Queen lease remain the same as were reported in the December 2008 Technical Report by Peters Geosciences. In-fill drilling done by EFR (2007-2008) confirmed the continuity of mineralization between the historic drill holes. Mineral resources that were previously considered historic Inferred in the 2007 report are now categorized as Indicated. The 2007-2008 holes, coupled with the earlier data generated from Union Carbide drilling (1977-1980) combine for an Indicated Mineral Resource of 599,874 lbs U_3O_8 and 2,549,466 lbs V_2O_5, contained in roughly 84,670 tons of material at grades of 0.354% U_3O_8 and 1.51% V_2O_5. Diluted to mining thickness of 4.0 feet, this material is approximately 116,500 tons at grades of 0.235% U_3O_8 and 0.96% V_2O_5 (see the lower part of Table 17-1a). The above estimate includes material identified from a few isolated drill holes in the southeastern and southwestern corners of the lease (Areas F and G on Figure 8-1).

17.2b Indicated Mineral Resources on Utah State Lease ML-49596 (Section 36, T28S, R23E)

There are four small areas on the State lease where the mineralization correlates well between holes that are somewhat greater than 100 feet apart. These areas are assigned Indicated Mineral Resources of 6,055 lbs U_3O_8 and 33,484 lbs V_2O_5, contained in roughly 2,150 tons of material at grades of 0.141% U_3O_8 and 0.78% V_2O_5. Diluted to mining thickness of 2.6 feet, this material is approximately 3,478 tons at grades of 0.09% U_3O_8 and 0.48% V_2O_5. (see the lower part of Table 17-1b)

17.3a Inferred Mineral Resources on Energy Queen Lease (Superior Uranium)

A careful geologic review of the old (UCC-Hecla) drill hole data identified areas where undiscovered mineralized channels might exist. Based on the interpretation of favorable sandstone channels (Figure 8-1), the Inferred Mineral Resources (Table 17-2) are projected to be approximately 32,900 tons grading 0.337% U_3O_8 and 1.43% V_2O_5 (222,000 lbs U_3O_8 and 943,000 lbs V_2O_5). Future drilling will test these inferred areas. This Inferred Mineral Resource estimate on the Energy Queen lease remains the same as was reported in the December 2008 Technical Report by Peters Geosciences.

The Inferred 1 area on Figure 8-1 is supported by geological data that indicate a channel connecting the two areas of measured and Indicated Mineral Resources where there are drill holes. Hole L-1696 also shows mineralization worthy of being considered a Measured Mineral Resource, thereby further indicating that this channel has significant potential for further mineralization that has not been fully defined.

The Inferred 2 area on Figure 8-1 has been classified as inferred rather than indicated because historic drilling was not sufficient to raise the level of certainty to "indicated" even though Measured Mineral Resources exist within this area. Infill drilling by EFR is necessary before this Inferred Mineral Resource area can be upgraded to Indicated or Measured Mineral Resources.

17.3b Inferred Mineral Resources on Utah State Lease ML-49596 (Section 36, T28S, R23E)

There are three small inferred areas on ML-49596 and two larger areas (H1 through H4 and I1 shown on Figure 8-1). These areas are defined by gaps in the mineralized historic drill holes used as Measured and Indicated Mineral Resources. With additional evaluation and future drilling in this area, these Inferred Mineral Resources will likely be upgraded to indicated. The proximity of mineralized holes supports the inclusion of 144,250 lbs U_3O_8 and 861,465 lbs V_2O_5 as Inferred Mineral Resources**.** This is contained in 34,884 tons of material at grades of 0.207% U_3O_8 and 1.33% V_2O_5.

All estimates of Inferred Mineral Resources must be considered speculative and there is no certainty that they will be upgraded to Indicated or Measured Mineral Resources as a result of continued exploration.

North of ML-49596 lays the Redd Ranch lease. No resource calculation can be made for this property. Union Carbide did wide-spaced drilling across this piece of land in the late 1970s, with reported favorable sandstone encountered in parts of this property. This property will require drilling to properly evaluate its potential for resources.

On the Utah State Lease in section 2, T29S, R23E (ML-49313) there is a small, reclaimed mine. This is too far from Energy Queen to mine from any existing or planned workings. However, it is believed this mine closed in the mid-1980s because of depressed uranium prices, not because its resources were exhausted. EFR has located maps of this parcel showing the mine workings and some of the drilling, but has not yet acquired them. Therefore, no resource calculation can be made for this property.

17.4 Exploration Targets

Two large exploration target areas have tentatively been identified from scattered drill holes and by geological projection on the Energy Queen lease. Exploration Target 1 is a proposed extension or connection of a known channel from drill holes at both ends and adjacent to the target area. It has been classified as an exploration target rather Inferred Mineral Resource because of the long distance between Measured Mineral Resources. Nonetheless, based on favorable geology seen in adjacent drill holes (L-1328 and EG-12) and apparent stratigraphic correlation between holes L-1655 and L-1807, EFR anticipates that this connecting channel does exist and will be drilling in the future to confirm its existence.

Exploration Target 2 is a geologically projected channel trend based on measured and Indicated Mineral Resources at its western end and mineralized drill hole L-1971 in the eastern part of the target area. Drill hole L-1971 is at the resource cutoff of 0.05% U_3O_8, but does provide an indication of mineralization potential for this channel trend. This target will be drilled in the future by EFR to determine if better definable resources are present.

Some areas within the leased property remain unexplored at this time. The La Sal Mineral Trend follows the direction of the sandstone channel along its southern edge. A few scattered surface holes within the lease boundary encountered favorable sandstone and require offset drilling, because these mineralized zones are open in the direction of the tributary channel trend. Much of the surface drilling only penetrated the Top Rim sandstone so that there may be presently unknown lenticular Middle Rim sandstones which could be mineralized. The one good intercept in the deeper Moss Back Member of the Chinle Formation indicates additional potential for resources at depth.

The nearby properties contain considerable resources based on Union Carbide's drill maps. The potential, incompletely verified resource on this property is believed to be significant. *The potential pounds and grade are conceptual in nature, there has been insufficient exploration to define an accessible and compliant mineral resource in these adjacent properties, and it is uncertain if further exploration will result in these targets being delineated as mineral resources.*

18.0 Other Relevant Data and Information

EFR presently has multiple phases of work planned. An initial phase of rehabilitation work on the Energy Queen Mine surface facilities, which are in need of attention after sitting idle for 24 years, is well underway. This effort largely will be completed by mid-2011, with the exception of the hoist and headframe. Rehabilitation of the shaft will be concurrent with dewatering, and will be followed by drift rehabilitation, possibly by late 2011. Another phase of drilling also is planned, both to confirm earlier summary drill results in areas not explored in 2007-2008, to verify and explore the properties acquired

in 2009 and 2010, as well as for further confirmation and exploration in areas of Inferred Mineral Resources.

Some of the work needed includes: (all cost estimates are in US dollars.)

Surface Plant

The shaft collar, headframe, conveyances, and bins will need cleaning, some repair and modifications, and a thorough structural evaluation. Much of this work will be completed by late 2011. The hoist system will need to be evaluated more thoroughly and repaired or replaced, as needed. The ropes will be replaced. This is expected to be completed in six months from the decision to start. Cost of all components of the conveyance system, including power upgrade is approximately $2.5 million.

Cost for the planned water treatment plant, pond and other infrastructure, and pumping equipment and operating costs to dewater the mine is estimated to be just over $1 million.

Expenditures related to improvement and maintenance of the waste rock dump and stockpile areas are planned at less than $50,000 and will be done in early 2011.

Once the mine is dewatered, the shaft will be repaired, as needed. The underground shaft stations, loading pockets, and sumps will be rehabilitated. These tasks are estimated to cost $935,500. The next rehabilitation work underground will be to restore access to the existing ventilation shaft and install a fan and emergency escape hoist. It is estimated this phase will cost about $700,000 and will include communications and other systems needed for operation and safety, along with safety materials. Rehabilitation of the existing drifts to the faces may cost as much as $850,000.

The main mine building houses the dry/offices/hoist/shop/warehouse facilities. It has recently received a rigorous cleaning and remodeling. The other major building needing repair is the compressor building. It and the compressor refurbishment will cost about $75,000 The main building upgrade and surface work on the yard, including drainage control is mostly done and will be completed in early 2011.

The power distribution lines are still in place and the substation has been reconstructed for current power requirements. Wiring and conduits to and inside buildings have been upgraded. Other electrical upgrades will be done in phases to the hoist and other services as they are readied. The bulk of the cost of electrical gear is for the hoist, included above.

The most important factor in rehabilitation and development timing will be the construction of necessary water treatment facilities. Monitor wells have been installed and the underground water sampling and analyses are complete. The water discharge permit has been issued by the State of Utah and the construction permit application is ready to submit. Final design of the ponds and treatment facility are essentially complete. Facility costs are discussed above. Shaft rehabilitation will be conducted concurrent with dewatering.

Contractor and/or internal labor costs are included in each category listed above. Supervision costs for the entire rehabilitation project, including project foreman, consultant oversight, and staff salaries, are estimated at $276,500.

The total capital and labor cost for the entire rehabilitation project are estimated to be approximately $6,300,00 prior to commencement of new development and production.

Development

The in-house PEA currently being prepared includes proposals for developing the deposit for sustainable production. Once rehabilitation of the shaft has been completed and the underground workings dewatered, examination of the drifts and stopes will be performed. Rehabilitation of the haulage drifts will be done, as needed (mentioned above), before development can begin. Development plans to access the Measured and Indicated Mineral Resources to the west and southwest then will be completed. Production from areas near the shaft will be phased in, along with mineralized portions of the development drifts.

Exploration

EFR drilled 20 holes (Phase 1) at the Energy Queen from October, 2007 to January 2008 totaling 14,450 feet to verify some of the older drilling, to obtain more stratigraphic information for mine planning, and to add more resource to the mine inventory. The first program expenditure was $136,398 for drilling.

Another similar program of 20-30 drill holes (Phase 2) is planned for late 2011 on the Energy Queen lease and associated property. A portion of the holes will explore the continuation of the mineralized trends identified by the Union Carbide drilling, particularly on newly acquired properties to the west and southwest, including the Redd lease and ML-49596. The cost of this Phase 2 program is expected to be approximately $205,000.

19.0 Interpretations and Conclusions

Mr. Peters has reviewed the EFR resource estimate and supporting documentation and is of the opinion that classification of the mineralized material as Measured or Indicated Mineral Resources meets the definitions stated by NI 43-101, and also meets the definitions and guidelines of the CIM Standards on Mineral Resources and Reserves (adopted by the CIM Council on December 30, 2005). Dilution has assumed waste material to have a grade of zero, no dilution for intercepts greater than 7.0 feet, and dilution of 1 foot of waste for all intercepts less than 6.0 feet (with appropriate decreasing fraction of 1 ft for intercepts between 6.0 and 7.0 feet).

The EFR 20-hole drilling campaign in 2007-2008 was successful in meeting the objectives of verifying the resource and adding to the Measured and Indicated Mineral Resources, with 10 holes containing mineralization greater that 1.0 ft of 0.10% U_3O_8. The Measured Mineral Resources are estimated to be approximately 141,500 tons containing 615,000 lbs U_3O_8 and 2,390,000 lbs V_2O_5. Indicated Mineral Resources are

calculated to be approximately 116,500 tons holding 600,000 lbs U_3O_8 and 2,550,000 lbs V_2O_5. A minimum mining thickness of 2.0 feet has been employed in this estimate, and dilution has conservatively assumed waste material at a zero grade. Ninety percent of this material is within 2,000 feet of existing underground workings. Inferred Mineral Resources based on geological analysis and available drill holes are estimated to be about 32,900 tons at a grade of 0.337% U_3O_8 (222,000 lbs) and 1.43% V_2O_5 (943,000 lbs).

During the earlier periods of exploration, not all drill holes were assayed for vanadium. Therefore, it must be noted that the stated vanadium content represents the district-wide production average based on a 4.25 multiplier of associated uranium grade. This ratio derives largely from Umetco Minerals drill records collected between 1977 and 1980 and from the fledgling mining that occurred prior to mine closure in 1983.

There is potential to expand the estimated resources with additional surface drilling and underground development. EFR is planning on utilizing both techniques in the coming year to better define uranium-bearing material suited for extraction. No documented economic analysis has been performed to date which supports classification of any of the Measured, Indicated, or Inferred Mineral Resources as reserves.

20.0 Recommendations

The Author recommends that EFR proceeds with the following as the Energy Queen Project begins development and plans production. Note that some recommendations in the December 2008 Technical Report have not been addressed yet. Therefore, those recommendations have been repeated in this updated version of the Technical Report.

1. Drilling:
   Phase 2 Program (see Section 18.0)-Conduct additional surface drilling on the Energy Queen lease and other properties in the Project Area in order to identify possible areas of mineralization and also serve as a guide to mining. (Estimated cost = $175,000 for 15,600 ft of additional drilling in 23 holes down to test the Salt Wash Member.)

   A. Such drilling should include at least 5 holes that twin locatable Union Carbide drill holes for which radiometric logs and or drill core cannot be obtained. Such confirmation holes should be spread as evenly as possible around the Energy Queen property, outside of the 2007-2008 EFR drilling program area, so that additional confidence can be obtained regarding the accuracy of Union Carbide drill data that cannot be verified through core or radiometric logs. (Estimated minimum cost = $143,000 for 13,000 ft of additional drilling in 5 holes down to the Moss Back Member.)

   B. As many drill holes as possible, preferably all of the holes to be drilled in the future, should drill through the Middle and Bottom Rim sandstones in order to be certain that all potential Salt Wash resources are tested within the property boundary. If funding permits, it also is suggested that all drill holes test for

potential resources in the deeper Moss Back Member in light of a quality intercept having been encountered in one such penetration thus far.

2. Mine Rehabilitation (note that estimated costs are stated in Section 18 of this report and will not be restated here):
   A. Begin rehabilitation of the Energy Queen surface facilities, with emphasis upon the ventilation equipment, hoist, and headframe so that shaft rehabilitation can be performed as much in tandem as possible with other rehabilitation of surface facilities.
   B. Dewater the shaft, and rehabilitate as required, with the goal of access to existing workings as soon as possible to confirm their safe and trafficable conditions or rehabilitate them for renewed mining.
   C. Obtain representative bulk samples of ore from existing workings, as soon as they are rehabilitated, in order to perform confirmatory metallurgical testing and processing of the ore. Such sampling could be done at the same time as startup of production from the mine. Included in development costs.

3. Obtain historic radiometric logs of the holes previously drilled on all the properties in the project area and assay certificates where possible. ($50,000)
   .

As a follow-on to the preliminary economic assessment (PEA) currently being performed internally by EFR, prepare or have prepared a full feasibility (economic and mining) analysis to convert indicated mineral resources into probable and/or proven mineral reserves. (Estimated cost for the PEA = $50,000).

21.0 References

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22.0 Certificate of Qualification

I, Douglas C. Peters, do hereby certify:

1. That I graduated from the University of Pittsburgh with a Bachelor of Science degree in Earth & Planetary Sciences in 1977.

2. That I graduated from the Colorado School of Mines with a Master of Science degree in Geology in 1981 and with a Master of Science degree in Mining Engineering in 1983.

3. That I have read the definition of "qualified person" set out in National Instrument 43-101 ("NI-43-101") and certify that by reason of my education, affiliation with a professional association (as defined in NI 43-101), and past relevant work experience, I fulfill the requirements to be a "qualified person" for the purposes of NI 43-101. I am recognized by the Society for Mining, Metallurgy, and Exploration, Inc. as a Registered Member (#2516800). I hold the following certifications and licenses applicable to these requirements:

   A. Certified Professional Geologist #8274 (American Institute of Professional Geologists)
   B. Licensed Professional Geologist:
      Pennsylvania #2365
      Texas #5972
      Utah #2250
      Washington #396
      Wyoming #367

4. That I have practiced my profession for over 30 years, the last 14 of which have been as an independent consulting geologist.

5. That I am responsible for this technical report titled: "Updated Technical Report on Energy Fuels Resources Corporation's Energy Queen Property", dated March 15, 2011, and that property was visited by me on November 29, 2007.

6. That I have had prior experience with the Energy Queen Property that is the subject of this Technical Report and have had previous experience with other uranium properties in Colorado, New Mexico, and Wyoming.

7. That this report dated March 15, 2011 is based on published and unpublished maps and reports, on discussions with representatives of Energy Fuels Resources Corporation, and discussions with other persons familiar with this type of mineral deposit.

8. That I am not aware of any material fact or material change with respect to the subject matter of the Technical Report that is not reflected in the Technical Report, the omission of which would make the Technical Report misleading or would affect the stated conclusions.

9. That I am independent of Energy Fuels Resources Corporation and its parent, Energy Fuels Inc., applying all of the tests in section 1.4 of NI 43-101.

10. That I am the owner of Peters Geosciences, whose business address is 825 Raptor Point Road, Golden, Colorado 80403.

11. That I have read NI 43-101 and NI 43-101F1, and the Technical Report has been prepared in compliance with that instrument and form.

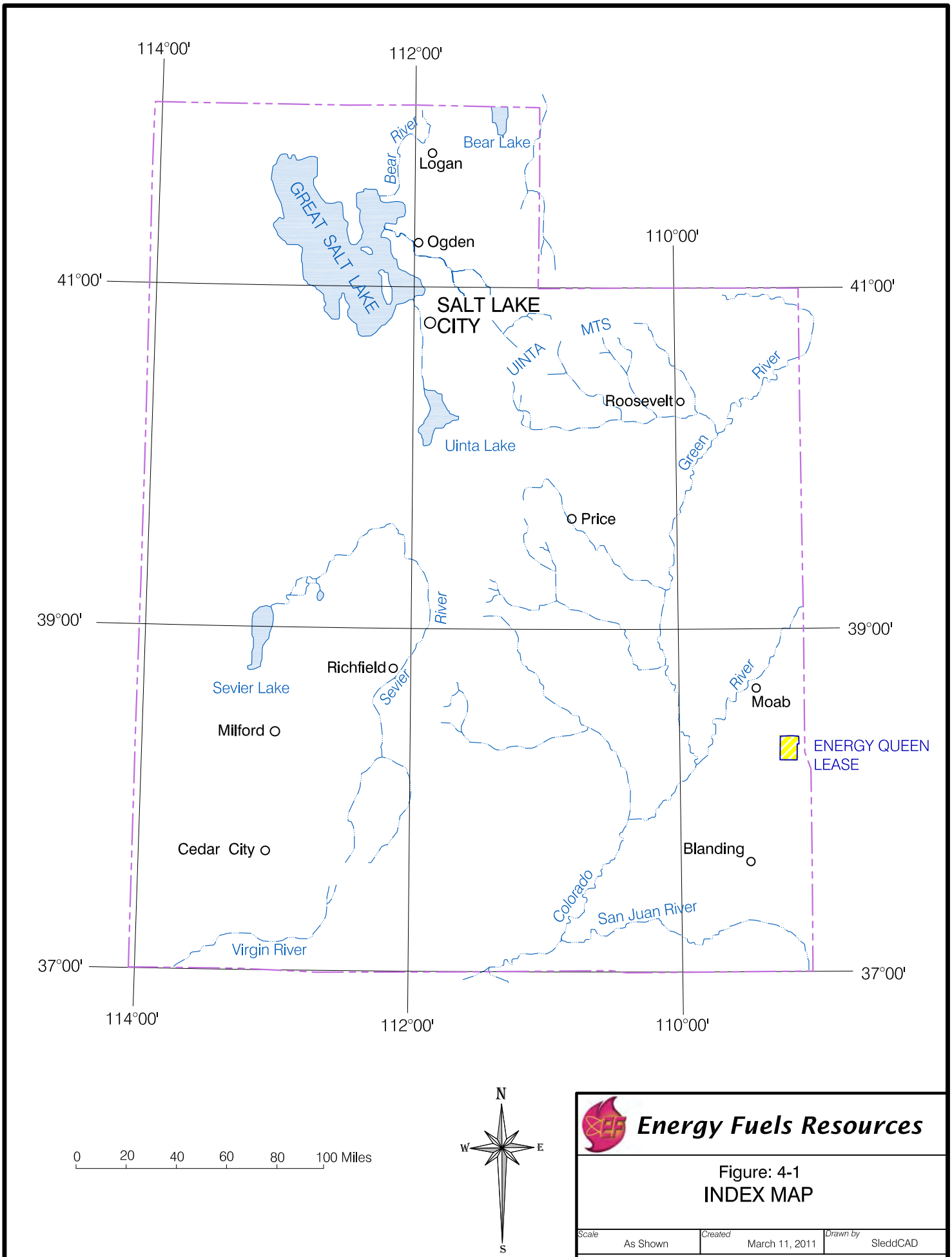
12. That I consent to the filing of this Technical Report with any stock exchange and other regulatory authority and any publication by them for regulatory purposes, including electronic publication in the public company files or on its website accessible by the public.

Signed and dated this 15th day of March, 2011.

Douglas C. Peters, CPG

AMERICAN INSTITUTE OF PROFESSIONAL GEOLOGISTS
CERTIFICATE NUMBER
08274
AIPG
DOUGLAS C. PETERS
CERTIFIED PROFESSIONAL GEOLOGIST

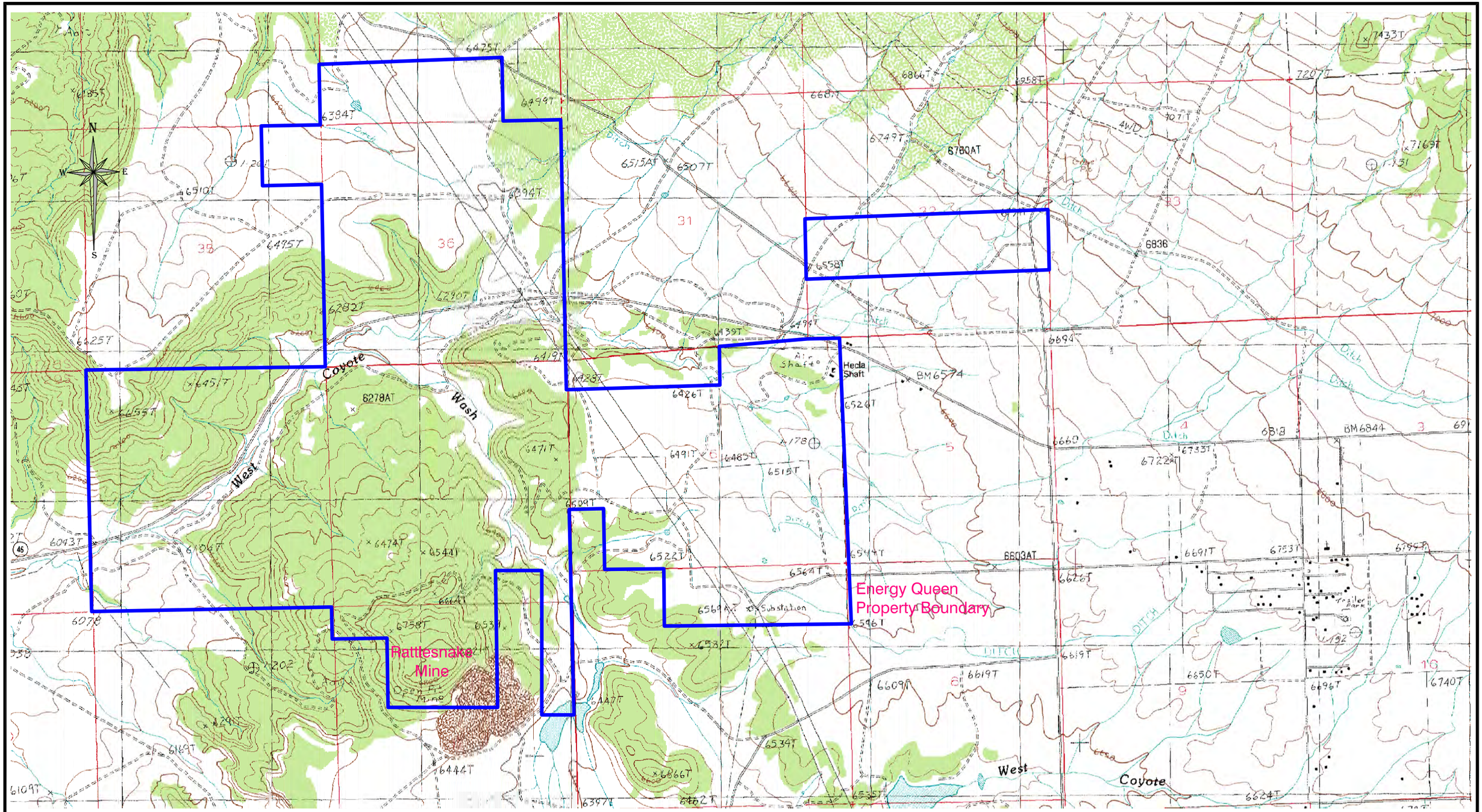
APPENDIX



Energy Fuels Resources

Figure: 4-1
INDEX MAP

Scale	Created	Drawn by
As Shown	March 11, 2011	SleddCAD



Energy Fuels Property Boundary

1000 500 0 1000 2000
SCALE IN FEET

Energy Fuels Resources

Figure: 4-2
TOPOGRAPHIC MAP
From USGS La Sal West 7.5 min. Topographic Quadrangle

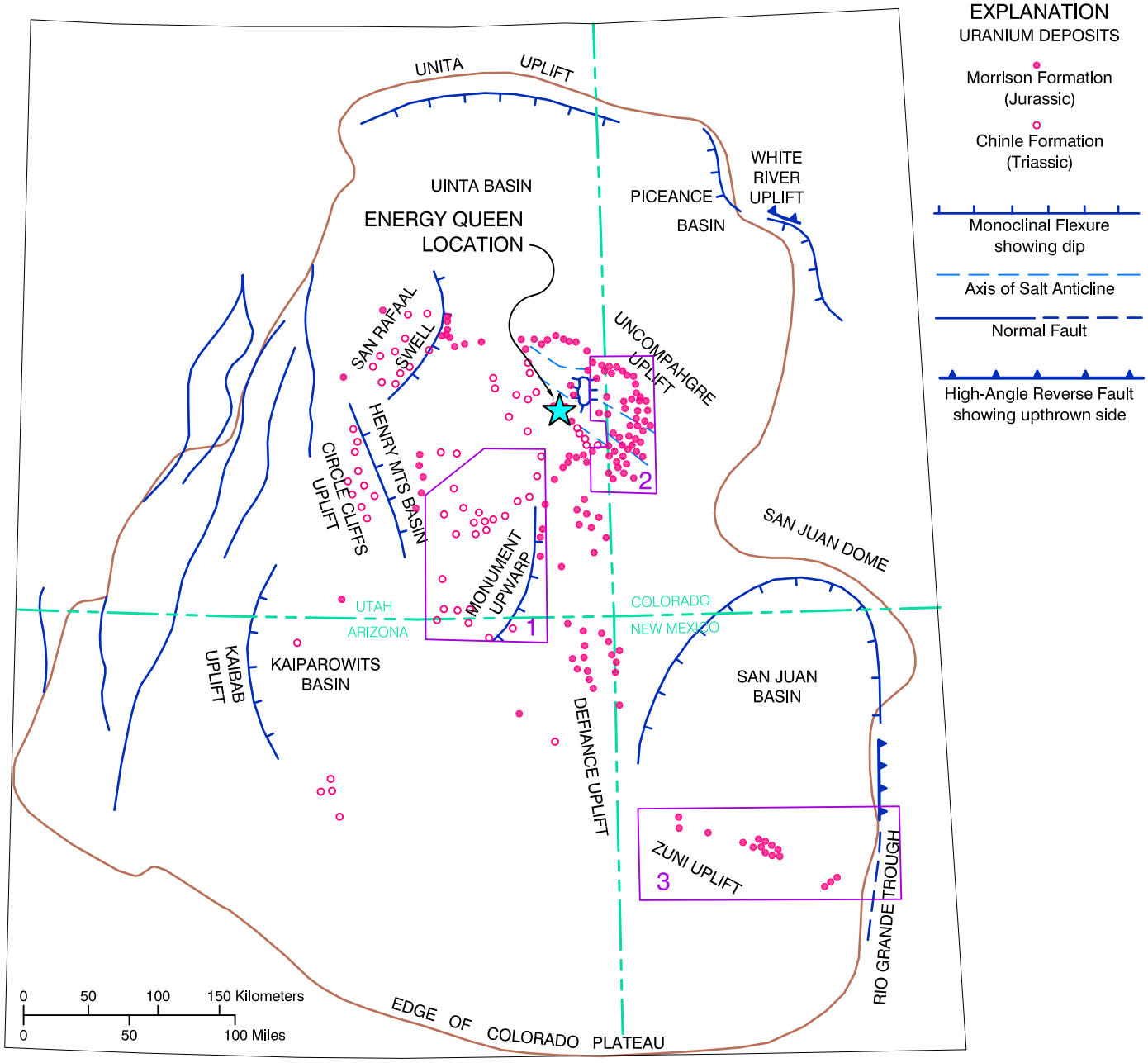
Scale	Date	Drawn by
NTS	March 11, 2011	SleddCAD

Table 6-1

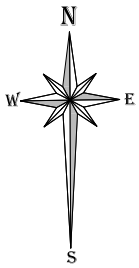
Production From Energy Queen (Hecla Shaft) Mine

(From partial records of Hecla-Union Carbide Joint Venture)

Year	Tons	Grade % U_3O_8	Pounds U_3O_8	Grade % V_2O_5	Pounds V_2O_5	Estimated V_2O_5:U_3O_8 4.25:1 Ratio
ORE						
1979	0.0		0			
1980	0.0		0			
1981	4,639.5	0.151	14,011	0.64	59,548	4.25
1982	7,177.6	0.183	26,270	0.78	111,648	4.25
1983	0.0		0			
LOW GRADE						
1979	0.0					
1980	0.0					
1981	426.6	0.088	751	0.37	3,191	4.25
1982	556.0	0.080	890	0.34	3,781	4.25
1983	0.0		0			
TOTALS/AVERAGE	12,800	0.164	41,922	0.70	178,167	4.25



Principal Uranium Deposits and Major Structural Features in the Colorado Plateau Province.
Blocks outline the approximate area of the following districts:
(1) Monument Valley - White Canyon, (2) Uravan, (3) Grants.
(after Nash et al., 1981; as modified from Fischer, 1968).



Energy Fuels Resources

Figure: 7-1

PRINCIPAL URANIUM DEPOSITS

& MAJOR STRUCTURES OF THE COLORADO PLATEAU

Scale	Created	Drawn by
1"=75 miles	March 11, 2011	SleddCAD

AGE	FORMATION	MEMBER	LITHOLOGY	THICKNESS Feet	DESCRIPTION
	Gravel			0-50	Fan gravels of predominately igneous cobbles; loess
Cretaceous	Mancos			0-50	Dark gray fissle marine shale; mostly removed by erosion.
	Dakota Sandstone			150-200	Yellow-brown sandstone and conglomerate interbedded with carnonaceous shale and impure coal.
	Burro Canyon Formation			130-180	Light gray, yellow to red sandstone and conglomerate interbedded with green and purple shale.
Jurassic	Morrison Formation	Brushy Basin		350-450	Fluvial and lacustrine variegated bentonitic mudstone with lenticular sandstone and conglomerate beds; local thin limestone beds
		Salt Wash		280-350	Fluvial light gray, tan, and red sandstones interbedded with red and minor gray mudstones.
	Summerville Fm.			30-80	Red and red-brown, thin bedded, sandy shale and mudstone.
	Entrada Sandstone			150-360	Eolian tan, orange crossbedded dandstone; red silty beds at base could actually be Carmel Formation.
	Navajo Sandstone			100-400	Eolian buff-tan crossbeded fine-grained sandstone; thins over salt-cored anticlines.
	Kayanta Formation			180-210	Irregularly bedded fluvial red-brown and lavender sandstones, siltstones, and shales.
Triassic	Wingate Sandstone			250-400	Reddish-brown fine-grained, thick bedded, massive, and crossbeded eolian sandstone; cliff-forming when outcropping.
	Chinle Formation			200-600	Upper part reddish siltstone with interbedded lenses of red sandstone, shale and limestone-pebble conglomerate. Lower part-grayish shale with lenticular basal conglomerate.
	Moenkopi Fm.			0-400	Chocolate-brown thin bedded shale with sandstone; locally missing due to angular unconformity at base of Chinle
Permian	Cutler Formation			1200-2000	Maroon and red conglomerate, and arkosic sandstone with interbedded red, brown, and purplish siltstone.
Pennsylvanian	HERMOSA FORMATION			2000+	Gray fossiliferous marine limestone interbedded with sandstone and mudstone. Thick evaporite sequence in middle part.

Energy Queen Report, June 2008

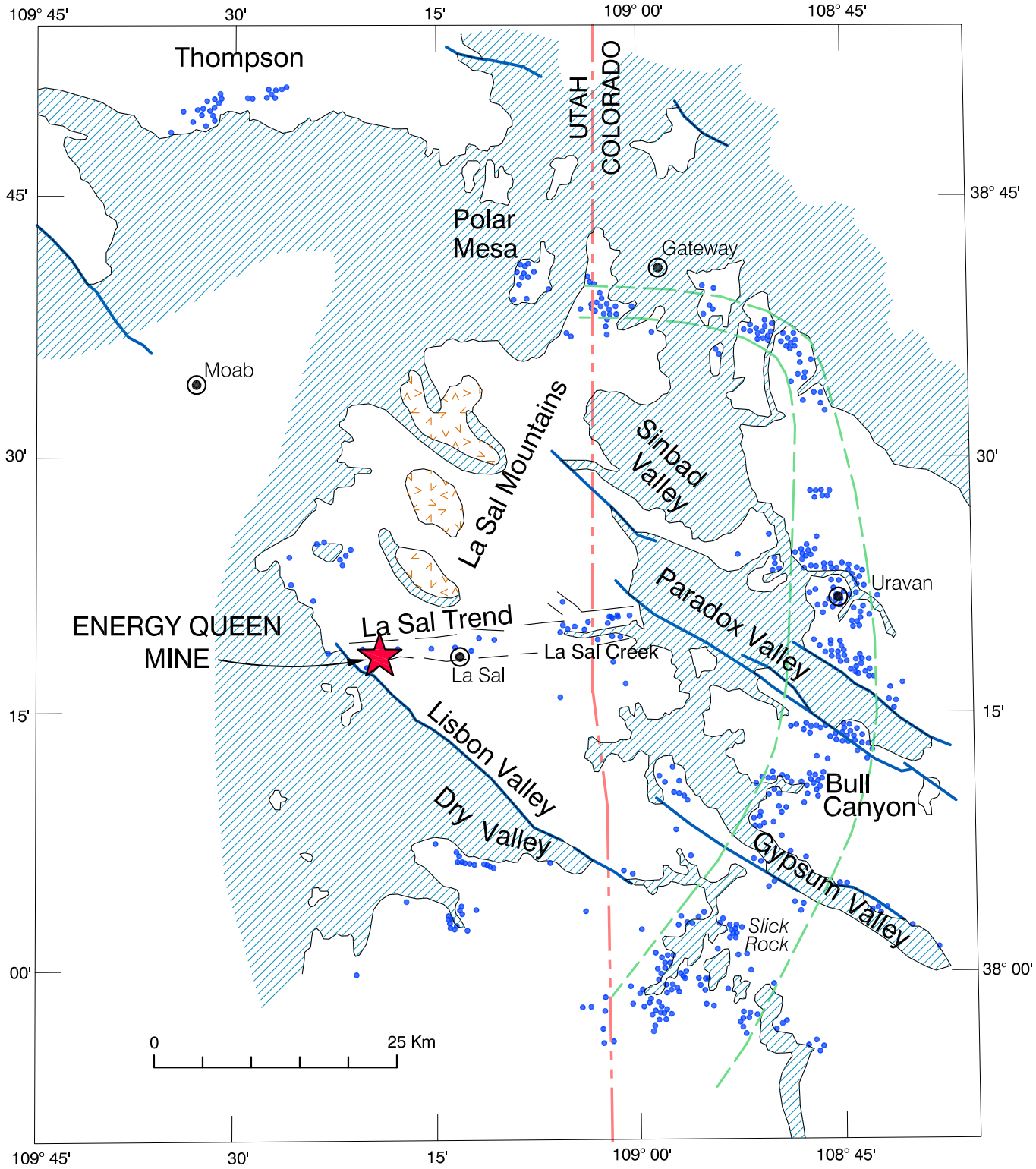
Energy Fuels Resources

Figure: 7-2

GENERALIZED STRATIGRAPHIC SECTION

La Sal, Utah Area

Scale	Created	Drawn by
NTS	March 11, 2011	SleddCAD



Intrusive Rocks of the La Sal Mtns.

Morrison Formation and past Morrison Formation

Pre-Morrison Formation

Fault, dashed where covered

Significant deposit or group of deposits

Limits of Uravan Mineral Belt

N
W
E
S

Modified from Butler and Fischer (1978)

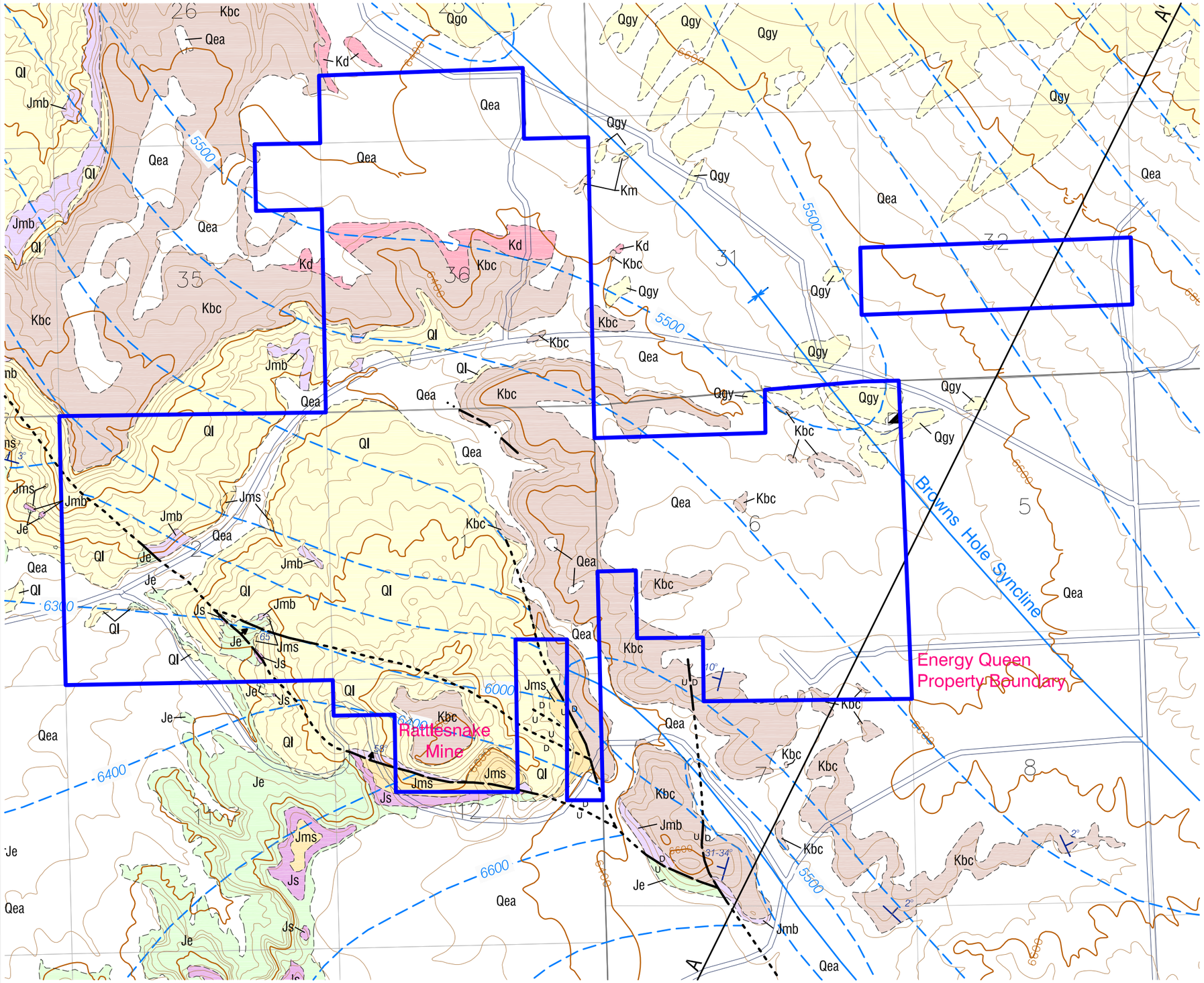
Energy Fuels Resources

Figure: 7-3

INDEX MAP

Salt Wash Uranium-Vanadium Deposits in and around the Uravan Mineral Belt

Scale	Created	Drawn by
1"=10 miles	March 11, 2011	SleddCAD



Modified from Weir, et al, 1960

LEGEND

Q	Quaternary gravels and loess
Km	Mancos Shale
Kd	Dakota Sandstone
Kbc	Burro Canyon Formation
Jmb	Brushy Basin Member of Morrison Formation
Jms	Salt Wash Member of Morrison Formation
Js	Summerville Formation
Je	Entrada Sandstone
◪	Mine Shaft
▬	Energy Fuels Property Boundary

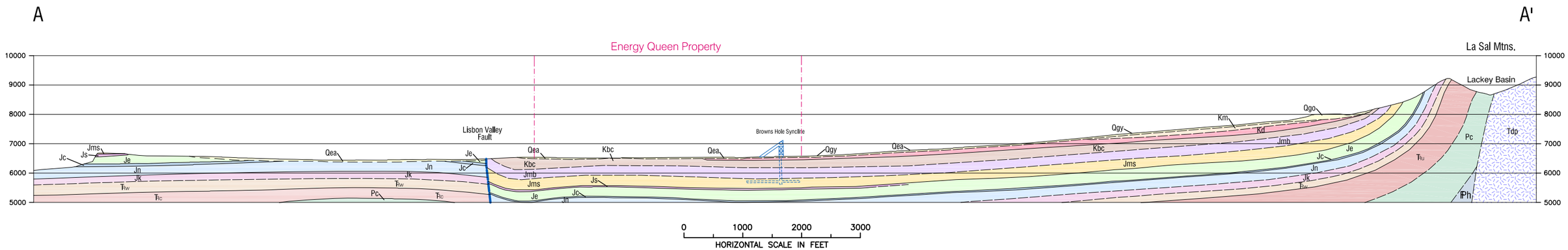
N
W E
S

1000 500 0 1000 2000
SCALE IN FEET

Energy Fuels Resources

Figure: 7-4
GEOLOGIC MAP

Scale	Date	Drawn by
NTS	March 11, 2011	SleddCAD



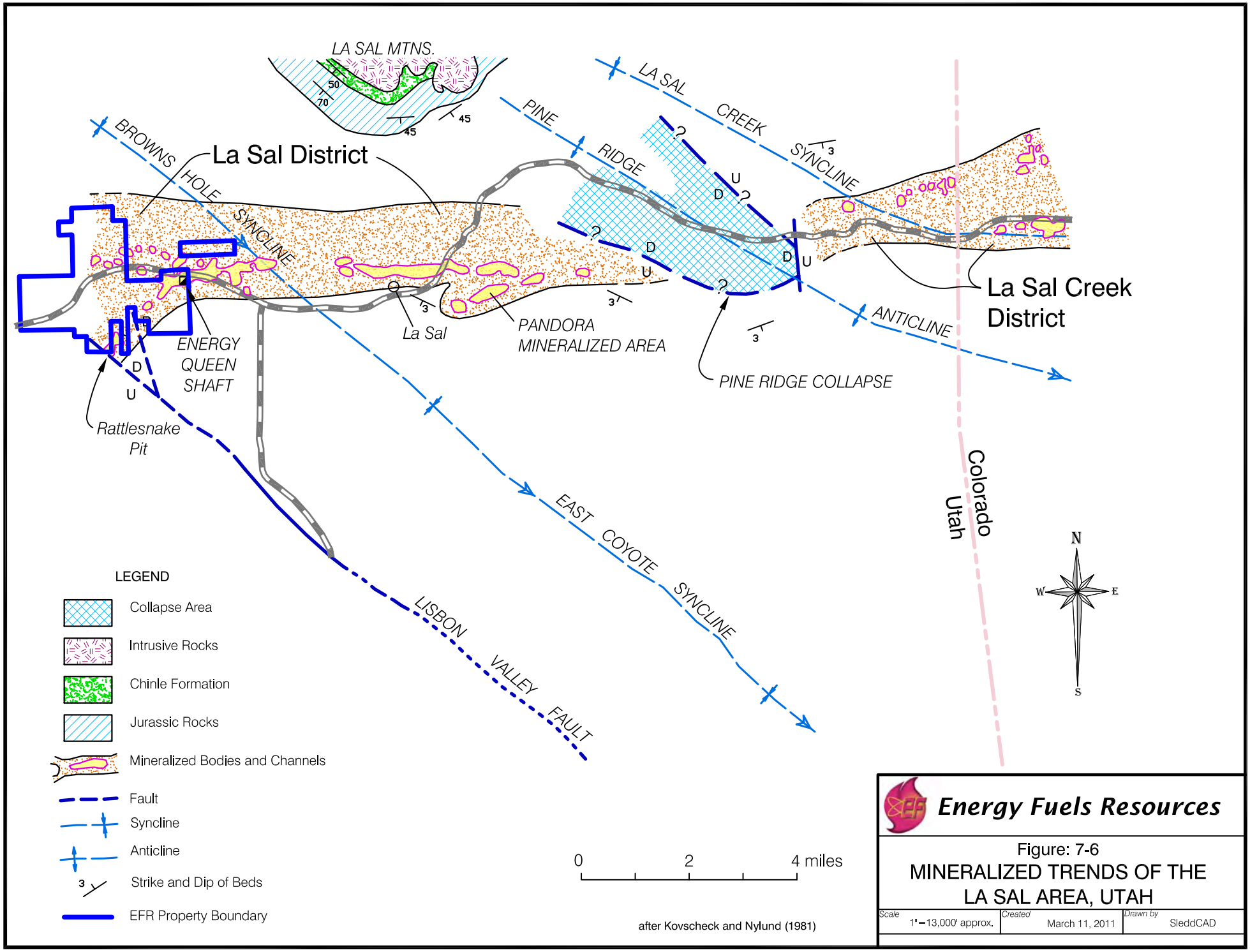
Q	Quaternary gravels and loess	Js	Summerville Formation	TRw	Wingate Sandstone
Tdp	Tertiary Diorite Porphyry Laccolith	Je	Entrada Sandstone	TRc	Chinle Formation
Km	Mancos Shale	Jc	Carmel Formation	TRu	Undivided Triassic (Includes Chinle & Moenkopi Formations)
Kd	Dakota Sandstone	Jn	Navajo Sandstone	Pc	Cutler Formation
Kbc	Burro Canyon Formation	Jk	Kayenta Formation	IPh	Hermosa Formation
Jmb	Brushy Basin Member of Morrison Formation				
Jms	Salt Wash Member of Morrison Formation				

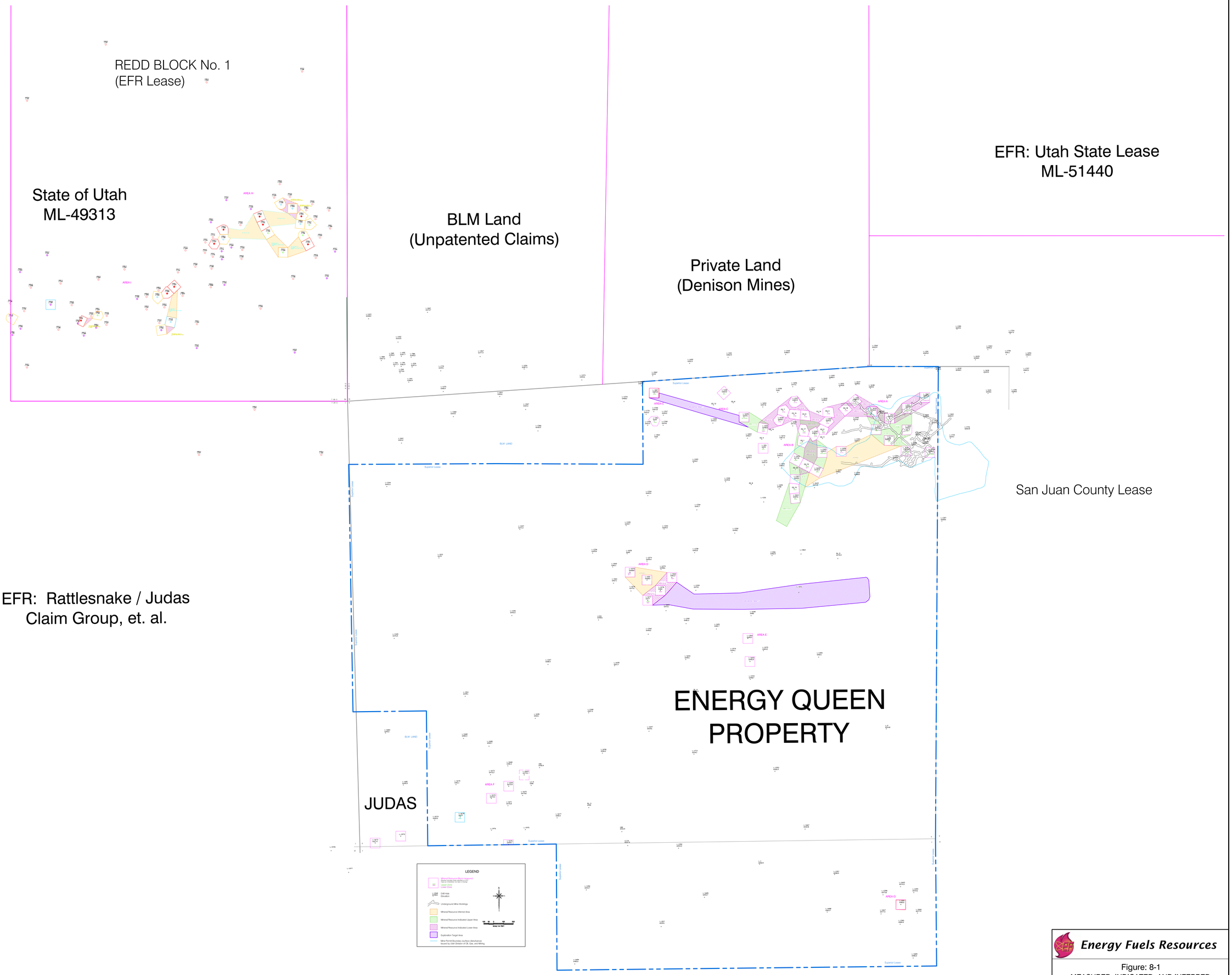
Modified from Weir, et al, 1960

Energy Fuels Resources

Figure: 7-5
CROSS SECTION

Scale	Date	Drawn by
NTS	March 11, 2011	SleddCAD


LA SAL MTNS.
50
70
45
45
BROWNS HOLE SYNCLINE
La Sal District
PINE RIDGE
LA SAL CREEK SYNCLINE
3
U
D
?
D
U
D
U
?
?
3
3
3
La Sal Creek District
ANTICLINE
ENERGY QUEEN SHAFT
La Sal
PANDORA MINERALIZED AREA
PINE RIDGE COLLAPSE
D
U
Rattlesnake Pit
EAST COYOTE SYNCLINE
LISBON VALLEY FAULT
Colorado
Utah
N
W
E
S
LEGEND
Collapse Area
Intrusive Rocks
Chinle Formation
Jurassic Rocks
Mineralized Bodies and Channels
Fault
Syncline
Anticline
3
Strike and Dip of Beds
EFR Property Boundary
0
2
4 miles
after Kovscheck and Nylund (1981)
Energy Fuels Resources
Figure: 7-6
MINERALIZED TRENDS OF THE
LA SAL AREA, UTAH
Scale
1"=13,000' approx.
Created
March 11, 2011
Drawn by
SleddCAD

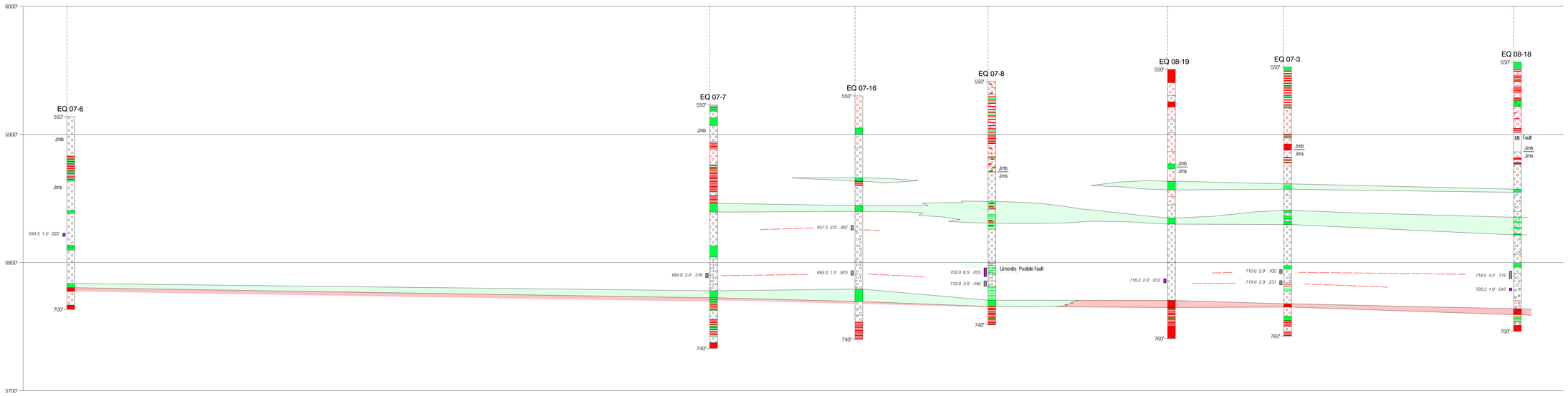


Energy Fuels Resources

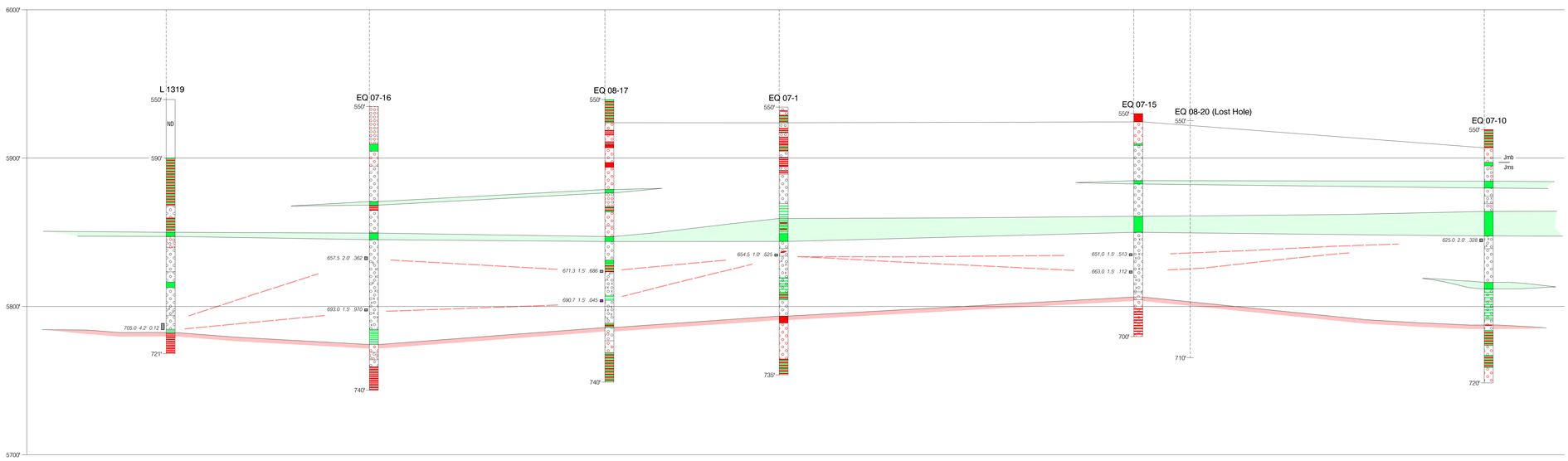
Figure: 8-1
MEASURED, INDICATED, AND INFERRED
RESOURCES OF THE ENERGY QUEEN PROPERTY

Scale	Date	Drawn by
1"=300'	March 14, 2011	CB / SleddCAD

GEOLOGIC CROSS SECTION A
(Looking North)



GEOLOGIC CROSS SECTION B
(Looking East)



LEGEND

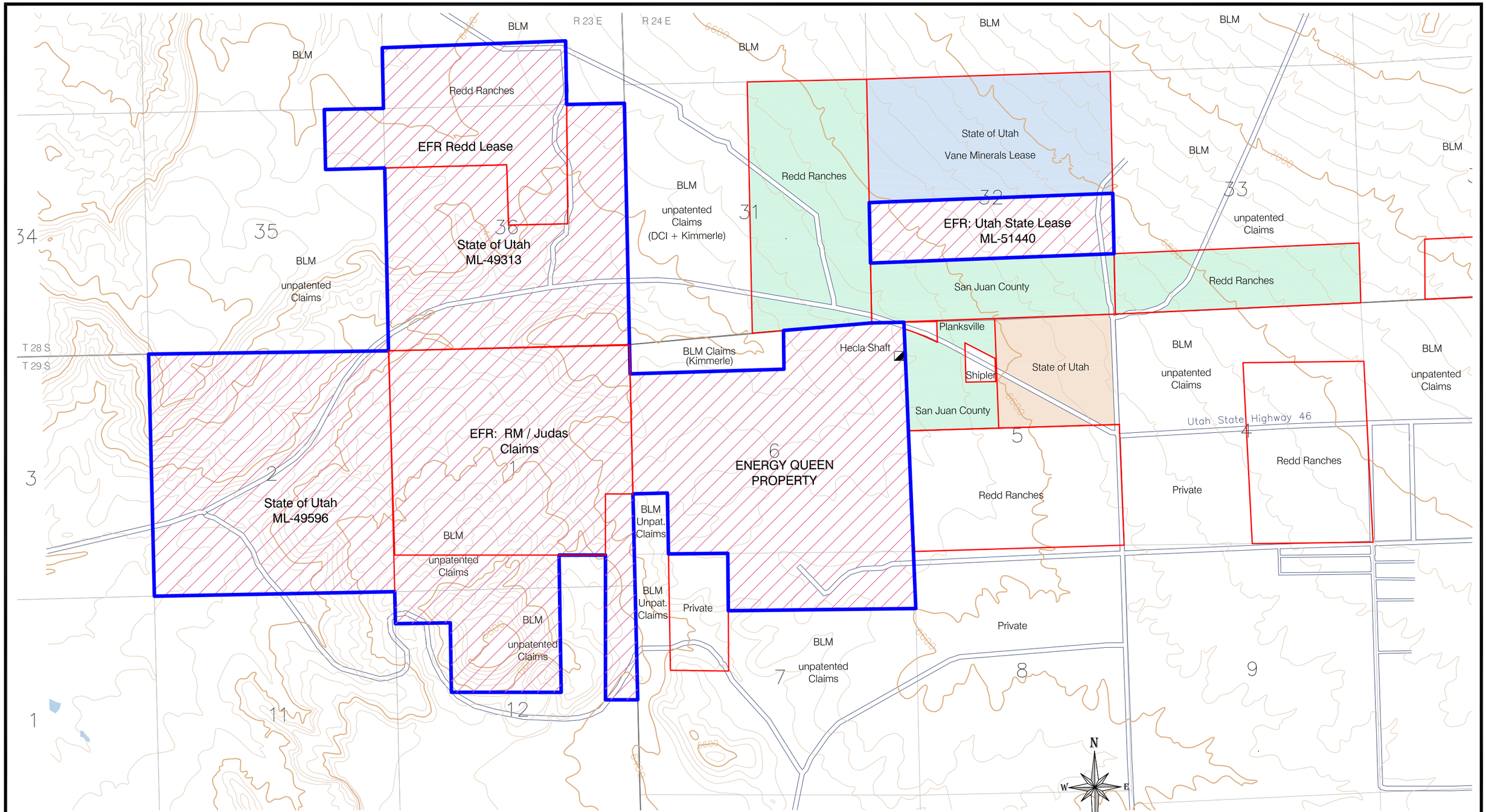
- Altered Sandstone
- Un-altered Sandstone
- Altered Mudstone
- Un-altered Mudstone
- Carbon "Trash"
- Varigated Semi-Altered Mudstone
- 710' Total Depth of DH
- 705.0 4.2' 0.12 Ore Grade Intercept
  - 705.0 Depth from ground level to base of ore
  - 4.2' Thickness of ore Intercept
  - 0.12 Percent of U_3O_8 ore grade
- Jmb / Jms Contact — Jurassic Morrison Fm. Brushy Basin Member / Salt Wash Member
- 702.0 6.5' .055 Mineralized Intercept SAA

By: C. R. G. Bailey CPG #4605 2/23/08

Energy Fuels Resources

Figure: 8-2
REPRESENTATIVE CROSS SECTION OF ENERGY QUEEN DEPOSIT

Scale	Date	Drawn by
1"=30'	March 11, 2011	SleddCAD



Energy Fuels Resources Corporation

Uranium One Corporation

Denison Mines

Other Leases

Energy Fuels Property Boundary

1000 500 0 1000 2000

SCALE IN FEET

Energy Fuels Resources

Figure: 15-1

PROPERTY OWNERSHIP MAP

Scale	Date	Drawn by
NTS	March 11, 2011	SleddCAD

Table 17-1 a

ENERGY QUEEN MINE LEASE RESOURCES **Measured and Indicated Resources**

(Same as in Amended Technical Report December 4, 2008 by Peters Geosciences)

		Mineralized Holes					Mineralization			In Place			Diluted		
Hole ID	Stope ID	coords East	North	Collar	Area	Thickness	Grade % U_3O_8	Grade % V_2O_5	Base Elevation	Tons of Material	Pounds U_3O_8	Pounds V_2O_5	Tons of Material	Grade U_3O_8	Grade V_2O_5
L-1010	A Upper	23,440	86,538	6517.1	6,842	1.3	0.22	0.67	5805.3	635	2,795	8,513	1,124	0.124	0.38
L-1010	A Lower	23,440	86,538	6517.1	6,842	4.3	0.82	1.97	5796.3	2,101	34,464	82,798	2,590	0.665	1.60
L-1265	A Upper	23,440	86,319	6524.1	8,456	3.5	0.25		5817.6	2,114	10,570	44,923	2,718	0.194	0.83
L-1730	A Upper	23,674	86,088	6516.7	6,307	3.9	0.26	0.26	5812.7	1,757	9,136	9,136	2,207	0.207	0.21
L-1730	A Upper	23,674	86,088	6516.7	6,307	3.6	0.12		5823.1	1,622	3,892	16,542	2,072	0.094	0.40
L-1730	A Upper	23,674	86,088	6516.7	6,307	3.0	0.29		5828.7	1,352	7,839	33,314	1,802	0.218	0.92
L-1636	A Upper	23,430	86,105	6512.9	5,833	1.7	0.20		5835.7	708	2,833	12,041	1,125	0.126	0.54
L-1635	A Upper	23,258	86,212	6522.2	9,440	1.0	0.49		5816.7	674	6,608	28,084	1,349	0.245	1.04
L-1643	A Lower	23,126	86,322	6523.6	8,368	3.0	0.22	1.26	5806.6	1,793	7,890	45,187	2,391	0.165	0.95
L-1264	A Lower	23,263	86,438	6514.9	7,541	6.2	0.31	0.80	5796.0	3,340	20,705	53,433	3,771	0.275	0.71
L-1264	A Lower	23,263	86,438	6514.9	7,541	1.0	0.16	0.50	5780.9	539	1,724	5,386	1,077	0.080	0.25
L-1264	A Upper	23,263	86,438	6514.9	7,541	1.6	0.07		5814.0	862	1,207	5,128	1,400	0.043	0.18
L-1639	A Upper	23,083	86,506	6516.8	7,622	1.0	0.11		5815.8	544	1,198	5,090	1,089	0.055	0.23
L-1639	A Upper	23,083	86,506	6516.8	7,622	1.2	0.69		5810.2	653	9,016	38,317	1,198	0.376	1.60
L-1639	A Lower	23,083	86,506	6516.8	7,622	3.5	0.30	1.41	5790.1	1,906	11,433	53,735	2,450	0.233	1.10
L-1639	A Lower	23,083	86,506	6516.8	7,622	0.7	1.05	1.15	5785.5	381	8,003	8,765	926	0.432	0.47
L-1639	A Lower	23,083	86,506	6516.8	7,622	0.9	0.94		5783.0	490	9,212	39,150	1,034	0.445	1.89
L-1321	A Lower	22,910	86,613	6503.3	7,556	5.0	0.20	0.42	5778.3	2,699	10,794	22,668	3,238	0.167	0.35
L-1322	B Lower	22,625	86,402	6505.2	10,290	6.2	0.44		5784.3	4,557	40,102	170,432	5,145	0.390	1.66
L-1686	B Lower	22,770	86,100	6493.5	10,000	0.8	0.15		5773.9	571	1,714	7,286	1,286	0.067	0.28
L-1325	B Upper	22,575	86,090	6484.5	10,000	3.5	0.08		5834.0	2,500	4,000	17,000	3,214	0.062	0.26
L-1325	B Upper	22,575	86,090	6484.5	10,000	5.8	0.45	1.12	5825.7	4,143	37,286	92,800	4,857	0.384	0.96
L-1645	B Upper	22,525	85,900	6476.5	11,000	1.0	0.96		5815.7	786	15,086	64,114	1,571	0.480	2.04
L-1267	A Lower	23,621	86,650	6526.5	7,754	2.2	0.24	0.80	5787.3	1,218	5,849	19,496	1,772	0.165	0.55
L-1267	A Lower	23,621	86,650	6526.5	7,754	0.9	0.77	0.80	5783.5	498	7,676	7,976	1,052	0.365	0.38
L-1646	B Lower	22,500	86,277	6489.2	10,945	0.9	0.44		5792.2	704	6,192	26,315	1,485	0.208	0.89
L-1646	B Upper	22,500	86,277	6489.2	10,945	0.9	0.13		5813.9	704	1,829	7,775	1,485	0.062	0.26
L-1653	B Upper	22,305	86,017	6471.8	11,000	3.8	0.15		5828.0	2,986	8,957	38,068	3,771	0.119	0.50
L-1327	B Upper	22,300	85,815	6468.6	9,360	0.9	0.43		5830.1	602	5,175	21,993	1,270	0.204	0.87
L-1664	B Upper	22,300	85,625	6459.6	9,559	1.0	0.61		5839.5	683	8,330	35,402	1,366	0.305	1.30
L-1011	C Upper	21,975	86,132	6458.7	10,000	1.5	0.43		5821.5	1,071	9,214	39,161	1,786	0.258	1.10
L-1268	C Upper	21,975	86,330	6458.8	10,000	2.2	0.33		5819.6	1,571	10,371	44,079	2,286	0.227	0.96
L-1268	C Lower	21,975	86,330	6458.8	10,000	0.8	0.16		5804.3	571	1,829	7,771	1,286	0.071	0.30
L-1648	C Lower	22,135	86,415	6468.3	10,000	1.1	0.18		5789.1	786	2,829	12,021	1,500	0.094	0.40
L-1655	C Upper	21,780	86,450	6449.1	10,000	1.0	0.15		5830.8	714	2,143	9,107	1,429	0.075	0.32
L-1655	C Upper	21,780	86,450	6449.1	10,000	0.9	0.69		5828.2	643	8,871	37,704	1,357	0.327	1.39
L-1655	C Upper	21,780	86,450	6449.1	10,000	3.9	0.26		5819.2	2,786	14,486	61,564	3,500	0.207	0.88
L-1318	C Upper	21,575	86,695	6453.2	10,000	0.7	0.19		5817.3	500	1,900	8,075	1,214	0.078	0.33
L-1807	C Upper	20,865	86,695	6425.8	10,000	1.0	0.41		5828.9	714	5,857	24,893	1,429	0.205	0.87
L-1061	C Upper	20,865	86,410	6418.0	10,000	0.7	0.16		5822.2	500	1,600	6,800	1,214	0.066	0.28
L-1319	C Lower	22,295	86,610	6483.9	10,000	4.2	0.12		5778.9	3,000	7,200	30,600	3,714	0.097	0.41
L-1662	D Lower	21,045	84,816	6461.2	10,000	1.2	0.08	0.93	5863.7	857	1,371	15,943	1,571	0.044	0.51
L-1275	D Lower	20,618	84,869	6468.8	10,000	1.3	0.13		5858.4	929	2,414	10,261	1,643	0.073	0.31
L-1275	D V. Low	20,618	84,869	6468.8	10,000	0.8	0.27		5811.3	571	3,086	13,114	1,286	0.120	0.51

Hole ID	Stope ID	Mineralized Holes coords East	North	Collar	Area	Thickness	Mineralization Grade % U_3O_8	Grade % V_2O_5	Base Elevation	Tons of Material	In Place Pounds U_3O_8	Pounds V_2O_5	Diluted Tons of Material	Grade U_3O_8	Grade V_2O_5
L-1278	D Lower	20,928	84,685	6466.0	10,000	2.7	0.11		5864.3	1,929	4,243	18,032	2,643	0.080	0.34
L-1277	D Upper	20,799	84,584	6477.0	10,000	0.7	0.14	0.52	5890.3	500	1,400	5,200	1,214	0.058	0.21
L-1277	D Lower	20,799	84,584	6477.0	10,000	0.8	0.10	0.28	5867.0	571	1,143	3,200	1,286	0.044	0.12
L-1012	D					no data				0	0	0	0		
L-1354	E	20,793	85,658	6490.3	10,000	0.9	0.12		5881.3	643	1,543	6,557	1,357	0.057	0.24
L-1693	E	21,841	83,959	6495.9	10,000	3.0	0.70		5873.9	2,143	30,000	127,500	2,857	0.525	2.23
L-1669	F			6479.5	0	no data				0	0	0	0		
L-1349	F	19,383	82,690	6473.9	10,000	0.9	1.86		5937.0	643	23,914	101,636	1,357	0.881	3.74
L-1672	F	19,206	82,566	6470.3	10,000	6.0	0.05		5950.3	4,286	4,286	18,214	5,000	0.043	0.18
L-1672	F	19,206	82,566	6470.3	10,000	2.4	0.23		5946.2	1,714	7,886	33,514	2,429	0.162	0.69
L-1672	F	19,206	82,566	6470.3	10,000	1.9	0.64		5931.5	1,357	17,371	73,829	2,071	0.419	1.78
L-1676	F	19,381	82,095	6499.7	10,000	1.9	0.24		5958.9	1,357	6,514	27,686	2,071	0.157	0.67
L-1016	G	23,378	81,484	6581.6	8,314	3.4	0.18	1.48	5894.2	2,019	7,269	59,766	2,613	0.139	1.14
UCC Drilling Total					**499,912**	**2.2**	**0.314**	**1.19**		**76,497**	**480,255**	**1,817,095**	**111,951**	**0.214**	**0.81**

Hole ID	Stope ID	Mineralized Holes East	North	Collar	Area	Thickness	Mineralization Grade % U_3O_8	Grade % V_2O_5	Base Elevation	Tons of Material	In Place Pounds U_3O_8	Pounds V_2O_5	Diluted Tons of Material	Grade U_3O_8	Grade V_2O_5
2007-2008 drilling															
EQ-07-1	B Upper	22,376	86,198	6483.6	11,278	1.5	0.53		5829.1	806	8,459	35,949	1,611	0.263	1.12
EQ-07-2	B Upper	22,581	86,313	6502.6	8,762	2.0	0.13		5830.6	939	2,366	10,054	1,565	0.076	0.32
EQ-07-2	B Lower	22,581	86,313	6502.6	8,762	2.0	0.08		5807.6	1,252	1,978	8,405	1,878	0.053	0.22
EQ-07-3	B Lower	22,632	86,500	6507.9	10,660	2.0	0.10		5797.1	1,523	3,107	13,203	2,284	0.068	0.29
EQ-07-7	B Lower	22,176	86,515	6475.6	11,209	3.5	0.32		5791.6	1,601	10,120	43,011	2,402	0.211	0.90
EQ-07-8	B Lower	22,399	86,469	6496.1	9,718	2.0	0.44		5786.1	2,430	21,380	90,863	3,124	0.342	1.45
EQ-07-10	B Upper	22,291	85,721	6469.4	9,904	1.5	0.33		5844.4	1,415	9,281	39,446	2,122	0.219	0.93
EQ-07-15	B Upper	22,415	85,958	6479.5	12,000	1.0	0.51		5828.5	1,286	13,191	56,064	2,143	0.308	1.31
EQ-07-15	B Lower	22,415	85,958	6479.5	12,000	2.0	0.15		5817.0	857	2,589	11,001	1,714	0.076	0.32
EQ-07-16	B Upper	22,290	86,475	6484.0	11,421	2.0	0.36		5826.5	1,632	11,813	50,203	2,447	0.241	1.03
EQ-07-16	B Lower	22,290	86,475	6484.0	11,421	1.5	0.71		5790.5	1,632	23,103	98,188	2,447	0.472	2.01
EQ-07-17	B Upper	22,383	86,316	6488.7	10,870	4.5	0.69		5817.4	1,165	15,979	67,910	1,941	0.412	1.75
EQ-07-18	A Lower	22,813	86,529	6513.6	10,000	1.0	0.18		5795.1	3,214	11,250	47,813	3,929	0.143	0.61
EFR 2007-08 Drill Total					**138,005**	**2.0**	**0.341**	**1.45**		**19,750**	**134,614**	**572,111**	**29,607**	**0.227**	**0.97**
TOTAL MEASURED RESOURCE							**0.319**	**1.24**		**96,247**	**614,869**	**2,389,205**	**141,558**	**0.217**	**0.84**
INDICATED RESOURCE															
Ind A-1L	A Lower				17,145	4.8	0.31		5786.0	5,878	36,445	154,893	7,103	0.257	1.09
Ind A-2L	A Lower				9,449	5.0	0.36		5782.0	3,375	24,297	103,264	4,050	0.300	1.28
Ind A-3L	A Lower				6,887	6.2	0.38		5793.0	3,050	23,180	98,514	3,444	0.337	1.43
Ind A-3L(U)	A Upper				6,887	1.0	0.53		5814.0	492	5,214	22,161	984	0.265	1.13
Ind A-4L	A Lower				4,757	5.8	0.49		5796.0	1,971	19,313	82,082	2,311	0.418	1.78
Ind A-4L(U)	A Upper				4,757	1.1	0.24		5810.0	374	1,794	7,625	714	0.126	0.53
Ind A-5L	A Lower				8,972	5.8	0.49		5792.0	3,717	36,426	154,812	4,358	0.418	1.78
Ind A-6L	A Lower				7,271	5.0	0.44		5792.0	2,597	22,852	97,120	3,116	0.367	1.56
Ind A-7L	A Lower				5,828	5.0	0.44		5796.0	2,081	18,317	77,845	2,498	0.367	1.56
Ind A-7LU)	A Upper				5,828	1.1	0.24		5810.0	458	2,198	9,341	874	0.126	0.53
Ind A-8U	A Upper				6,376	4.1	0.44		5812.0	1,867	16,432	69,835	2,323	0.354	1.50
Ind A-9U	A Upper				26,558	5.3	0.28		5812.0	10,054	56,303	239,288	11,951	0.236	1.00
Ind A-10U	A Upper				2,057	3.5	0.25		5817.0	514	2,571	10,928	661	0.194	0.83

Hole ID	Stope ID	Mineralized Holes coords East	North	Collar	Area	Thickness	Mineralization Grade % U_3O_8	Grade % V_2O_5	Base Elevation	In Place Tons of Material	Pounds U_3O_8	Pounds V_2O_5	Diluted Tons of Material	Grade U_3O_8	Grade V_2O_5
Ind A-11U	A Upper				6,450	1.4	0.31		5827.0	645	3,999	16,996	1,106	0.181	0.77
Ind B-1U	B Upper				52,238	2.6	0.42		5824.0	9,701	81,491	346,338	13,433	0.303	1.29
Ind B-2U	B Upper				11,683	1.5	0.41		5822.0	1,252	10,264	43,623	2,086	0.246	1.05
Ind B-3U	B Upper				28,810	1.7	0.45		5836.0	3,498	31,485	133,812	5,556	0.283	1.20
Ind B-4U	B Upper				41,094	1.5	0.42		5842.0	4,403	36,985	157,185	7,338	0.252	1.07
Ind B-5L	B Lower				17,680	1.3	0.25		5795.0	4,851	24,253	103,077	8,582	0.141	0.60
Ind B-6L	B Lower				4,201	1.7	0.44		5791.0	510	4,489	19,079	810	0.277	1.18
Ind B-7L	B Lower				20,741	4.2	0.29		5796.0	6,222	36,089	153,380	7,704	0.234	1.00
Ind B-8L	B Lower				12,178	2.9	0.35		5787.0	2,523	17,658	75,047	3,392	0.260	1.11
Ind B-9L	B Lower				25,949	3.4	0.43		5792.0	6,302	54,196	230,334	8,155	0.332	1.41
Ind B-10L	B Lower				25,865	1.0	0.29		5804.0	1,848	10,716	45,541	3,695	0.145	0.62
Ind B-11L	B Lower				3,872	1.0	0.15		5817.0	277	830	3,526	553	0.075	0.32
Ind C-1U	C Upper				21,919	1.6	0.28		5816.0	2,505	14,028	59,620	4,071	0.172	0.73
Ind D-1L	D Lower				12,990	1.7	0.12		5864.0	1,577	3,786	16,089	2,505	0.076	0.32
Ind D-2L	D Upper				14,916	2.0	0.10		5867.0	2,131	4,262	18,112	3,196	0.067	0.28
Indicated Total						**3.0**	**0.354**	**1.51**		**84,672**	**599,874**	**2,549,466**	**116,568**	**0.257**	**1.09**
Measured+Indicated total							**0.336**	**1.36**		**180,919**	**1,214,743**	**4,938,672**	**258,126**	**0.235**	**0.96**
							0.2	1.28		**42,771**	**181,148**	**1,090,924**	**58,847**	**0.154**	**0.93**
							0.312	**1.35**		223,690	1,395,891	6,029,596	316,973	**0.220**	**0.95**
									inf	5,807	24,620	104,634	10,152	0.121	0.52
											205,768				

Notes:

Coordinates are scaled from maps, mostly Umetco and Hecla, plus some surveying

Hole id's in ( ) are intercepts included in preceeding entries

Duplicate hole id's not in ( ) are intercepts separated by enough waste to be mined separately

Vanadium grades where listed are from assay data; otherwise, estimated at the average V_2O_5:U_3O_8 ratio of previous operators' resource calculations of 4.25:1

Tonnage factor is 14 cu ft/ton

Dilution is 1.0 ft of waste when intercept less than 6.0 ft, then appropriate fraction of a foot up to 7.0 feet of intercept

No dilution is included for intercepts greater than 7.0 ft

Grade cutoff is 0.05% U_3O_8

Intercept data could not be read from maps for holes L-1012 and L-1669, however, they are plotted as ore hole symbols on UCC maps.

The areas of influence for these two holes have not been included in the Measured or Indicated resource calculations.

Thickness and grade for indicated areas are averages of the holes that adjoin the indicated blocks

Table 17-1 b

UTAH STATE LEASE ML-49596 RESOURCES **Measured and Indicated Resources**

(Section 36, T28S, R23E)

(Additions since Amended Technical Report December 4, 2008 by Peters Geosciences)

							Mineralization				In Place			Diluted	
MEASURED RESOURCE		Mineralized Holes					Grade	Grade	Base	Tons of	Pounds	Pounds	Tons of	Grade	Grade
Hole ID	Stope ID	coords East	North	Collar	Area	Thickness	% U_3O_8	% V_2O_5	Elevation	Material	U_3O_8	V_2O_5	Material	U_3O_8	V_2O_5
L-1152	H Upper	16,875	88,395	6352.0	9703	1.0	0.140	2.280	5794	693	1,941	31,603	1,386	0.070	1.14
L-1152	H Lower	16,875	88,395	6352.0	9703	3.0	0.350	1.980	5780	2,079	14,554	82,333	2,772	0.263	1.49
L-1181	H	16,850	88,470	6360.0	9567	24.5	0.197	1.326	5762	16,743	65,921	443,948	16,743	0.197	1.33
L-1184	H	16,935	88,305	6344.0	10186	0.7	0.340	1.445	5785	509	3,463	14,719	1,237	0.140	0.60
L-1208	H	17,060	88,605	6370.0	9198	1.0	0.120	0.510	5774	657	1,577	6,701	1,314	0.060	0.26
L-1249	H	17,085	88,115	6340.0	10000	0.7	0.400	1.700	5782	500	4,000	17,000	1,214	0.165	0.70
L-1374	H	17,270	88,485	6348.0	9181	3.0	0.140	0.595	5778	1,967	5,509	23,412	2,623	0.105	0.45
L-1377	H	17,345	88,205	6348.0	10422	1.1	0.230	0.978	5760	819	3,767	16,010	1,563	0.120	0.51
L-1503	H	17,180	88,565	6348.0	10000	1.2	0.190	0.808	5783	857	3,257	13,843	1,571	0.104	0.44
L-1504	H	17,265	88,405	6350.0	8736	0.7	0.100	0.425	5833	437	874	3,713	1,061	0.041	0.18
L-724	H	17,355	88,395	6353.0	10128	0.6	0.250	1.063	5823	434	2,170	9,224	1,157	0.094	0.40
L-738	H	17,295	88,290	6350.0	9349	0.9	0.130	0.553	5794	601	1,563	6,641	1,269	0.062	0.26
L-1147	H	16,385	88,195	6326.0	8941	2.1	0.450	5.160	5796	1,341	12,070	138,402	1,980	0.305	3.50
L-1180	H	16,480	88,240	6328.0	10375	2.8	0.110	0.468	5788	2,075	4,565	19,402	2,816	0.081	0.34
L-1589	H	16,480	88,340	6339.0	9493	3.0	0.220	1.130	5784	2,034	8,951	45,974	2,712	0.165	0.85
L-1383	I	15,895	87,685	6293.0	10012	2.2	0.500	2.125	5773	1,573	15,733	66,863	2,288	0.344	1.46
L-1437	I	15,970	87,745	6297.0	10081	3.8	0.200	0.850	5830	2,736	10,945	46,518	3,456	0.158	0.67
L-1440	I	15,800	87,635	6289.0	10006	0.9	0.100	0.425	5782	643	1,286	5,468	1,358	0.047	0.20
L-1155	I	15,885	87,300	6289.0	10185	1.5	0.090	0.383	5804	1,091	1,964	8,348	1,819	0.054	0.23
L-645	I Upper	15,015	87,385	6260.0	6706	0.5	0.410	0.130	5823	240	1,964	623	719	0.137	0.04
L-645	I Lower	15,015	87,385	6260.0	6706	1.4	0.320	0.340	5792	671	4,292	4,560	1,150	0.187	0.20
L-740	I	15,185	87,440	6266.0	7565	2.0	0.110	1.950	5802	1,081	2,377	42,146	1,621	0.073	1.30
L-1157	I	14,285	87,400	6242.0	9795	1.2	0.140	0.595	5852	840	2,351	9,991	1,539	0.076	0.32
Total Measured						**2.6**	**0.216**	**1.30**		**40,621**	**175,093**	**1,057,439**	**55,369**	**0.158**	**0.95**
INDICATED RESOURCE															
ind H1	H				6825	1.1	0.158	0.672	5775	536	1,697	7,210	1,024	0.083	0.35
ind H2	H				5314	2.5	0.154	0.656	5779	949	2,928	12,445	1,329	0.110	0.47
ind I1	I				3776	1.3	0.090	0.383	5798	337	607	2,579	607	0.050	0.21
ind I2	I				2691	1.7	0.126	1.722	5797	327	823	11,250	519	0.079	1.08
Indicated Total						**1.6**	**0.141**	**0.78**		**2,149**	**6,055**	**33,484**	**3,478**	**0.087**	**0.48**
Measured+Indicated Total							**0.212**	**1.28**		**42,771**	**181,148**	**1,090,924**	**58,847**	**0.154**	**0.93**

Table 17-2
Inferred Resources

Inferred 1& 2 are: ENERGY QUEEN MINE LEASE RESOURCES
(Same as in Amended Technical Report December 4, 2008 by Peters Geosciences)

Inferred H1, H2, H3, H4, and I1: UTAH STATE LEASE ML-49596 RESOURCES
(Section 36, T28S, R23E)
(Additions since Amended Technical Report December 4, 2008 by Peters Geosciences)

		Mineralized Holes					Mineralization				In Place			Diluted		
Inferred Area ID	Stope ID	East	North	Collar	Area	Thickness	Grade % U_3O_8	Grade % V_2O_5	Base Elevation	Total Depth	Tons of Material	Pounds U_3O_8	Pounds V_2O_5	Tons of Material	Grade U_3O_8	Grade V_2O_5
Inferred 1					120,420	2.4	0.46		5827		20,643	189,920	807,158	29,245	0.325	1.38
Inferred 2					50,487	3.4	0.13		5865		12,261	31,879	135,485	15,867	0.100	0.43
Energy Queen subtotal						**2.9**	**0.337**	**1.43**			**32,905**	**221,798**	**942,644**	**45,112**	**0.246**	**1.04**
inferred H1					22,074	0.9	0.24	1.02	5768		1,419	6,832	29,038	2,996	0.114	0.48
inferred H2					19,700	0.7	0.37	1.57	5784		985	7,289	30,978	2,392	0.152	0.65
inferred H3					37,940	4.6	0.20	1.29	5780		12,466	49,864	321,623	15,176	0.164	1.06
inferred H4					47,460	4.9	0.21	1.31	5780		16,611	69,766	435,208	20,001	0.174	1.09
inferred I1					19,055	2.5	0.15	0.66	5853		3,403	10,498	44,618	4,764	0.110	0.47
ML-49596 subtotal						**2.7**	**0.207**	**1.23**			**34,884**	**144,250**	**861,465**	**45,329**	**0.159**	**0.95**
TOTAL INFERRED						**2.0**	**0.270**	**1.33**			**67,788**	**366,049**	**1,804,109**	**90,441**	**0.202**	**1.00**

Notes:
Vanadium grades are estimated at the average V2O5:U3O8 ratio of previous operators' resource calculations of 4.25:1
Tonnage factor is 14 cu ft/ton
Dilution is 1.0 ft of waste when intercept less than 6.0 ft, then appropriate fraction of a foot up to 7.0 feet of intercept
No dilution is included for intercepts greater than 7.0 ft
Grade cutoff is 0.05% U3O8