



Denison Mines (USA) Corp.
1050 17th Street, Suite 950
Denver, CO 80265
USA

Tel : 303 628-7798
Fax : 303 389-4125

www.denisonmines.com

MEMORANDUM

To: Jim Fisher, John Stubblefield and Alex Morgan **cc:** Terry Wetz, Phil Buck, and Denison File
From: Christy Woodward
Date: June 9, 2009
Re: Denison Mines Archeological and Paleontological Findings Policy

Denison Mines (USA) Corp. has a legal obligation to make all employees and contractors aware of the following policies related to historical artifacts and paleontological (dinosaur) artifacts that may be located at Denison's Mine properties:

"Should the condition of cultural resources be found to be impacted or in a deteriorated state due to actions of the Operator, it's employees, or its subcontractors, mitigation measures will be directed by the BLM and implemented to federal standards by the Operator and may involve excavation or intensive reclamation activity. If gross neglect or intent is involved, civil or criminal penalties may also apply.

Denison Mines is responsible for informing all persons associated with this project that they would be subject to prosecution for knowingly disturbing or collecting vertebrate fossils."

If a discovery of artifacts or fossils is made, it should be reported to Denison Mines' Environmental Coordinator (Christy Woodward, 303.389.4136), as soon as possible. If discovery of an artifact is made in an area where mining or construction is occurring, work must cease, and it should be reported to Denison Mines' Environmental Coordinator (Christy Woodward, 303.389.4136), as soon as possible.

ADDITIONAL DETAILED INFORMATION:

Cultural Resources

If cultural resources are discovered during plan-related operations, all activities in the vicinity of the resource would cease immediately and the Operator would notify Denison's Environmental Coordinator who would then notify the BLM Authorized Officer. The BLM or a BLM-permitted archaeologist would inspect and evaluate the discovery as soon as possible if during drilling operations to determine its nature and extent and eligibility to the National Register of Historic Places. If the resource is determined "eligible", the BLM would determine appropriate avoidance and protection measures after consulting with the Operator. If avoidance is not possible,

data recovery would be completed by the Operator according to Department of Interior policies and guidelines and the BLM Protocol with the Colorado or Utah State Historic Preservation Office.

Human remains and associated artifacts may be discovered during project development or during controlled archaeological test excavations. Discovery of such items would be handled in accordance with the provisions of the Native American Graves Protection and Repatriation Act. Pursuant to 43 CFR 10.4(g), Denison's Environmental Coordinator will notify the BLM authorized officer, by telephone, with written confirmation, immediately upon the discovery of human remains, funerary items, sacred objects, or objects of cultural patrimony. Further, pursuant to 43 CFR 10.4 (c) and (d), activities must stop in the vicinity of the discovery and the discovery must be protected by the BLM and the Operator for 30 days or until the Operator is notified by the authorized officer. All reasonable measures would be taken to resolve any issues regarding affiliation and disposition of discovered remains within a 30 calendar day period beginning with the agency certification of initial notification.

The Operator is responsible for informing all persons associated with this project that they would be subject to prosecution for knowingly disturbing Native American Indian shrines, historic and prehistoric archaeology sites, vertebrate fossils, or for collecting artifacts of any kind, including historic items and/or arrowheads and pottery fragments from Federal lands.

Paleontology Resources

If paleontological resources are discovered during plan-related operations, all activities in the vicinity of the resource would cease immediately and the Operator would notify Denison's Environmental Coordinator who would then notify the BLM Authorized Officer. The BLM or a BLM-permitted paleontologist would inspect and evaluate the resource as soon as possible and appropriate measures to mitigate adverse effects to scientifically important paleontological resources would be determined by the authorized officer after consulting with the Operator. The Operator is responsible for the cost of any investigation necessary for the evaluation and for any mitigation measures. The Operator may not be required to suspend all operations if activities can avoid further impacts to a discovered site or be continued elsewhere, however, the discovery shall be brought to the attention of the authorized officer as soon as possible and protected from damage or looting.

Should fossil resources be found during underground mining operations, reasonable efforts would be undertaken by the Operator to protect the fossil find or move it to a safe area for inspection, and Denison's Environmental Coordinator will notify the BLM Authorized Officer within 48 hours of discovery. The BLM would provide an assessment of the significance of the find and may require additional reasonable measures to preserve it.

During construction activities on the surface (outside the mine passageways), if any paleontological resources are recorded within proposed disturbance areas during preliminary surveys and do not require avoidance, any construction activities disturbing the ground surface would be monitored for additional paleontological resources. If during planning for operations, a fossil inventory reveals fossil sites near or within the boundaries of proposed mining activity, and it is noted that deposits may lie beneath the surface, a BLM or BLM-permitted paleontologist would monitor any additional construction or road blading operations in the vicinity of the resource to document and determine if additional fossil protection is needed. If the monitor identifies additional material, it would be immediately evaluated by the BLM or BLM-permitted paleontologist, and if found to be scientifically important, construction activity would cease.