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MEMORANDUM

To: Jim Fisher and Alex Morgan
cc: Terry Wetz, Phil Buck, and Denison File

From: Christy Woodward

Date: June 9, 2009

Re: Denison Mines Bat Policy

Per a request by the Department of the Interior Bureau of Land Management (BLM), Denison Mines (USA) Corp. is to follow the policy outlined in this memorandum as it relates to the presence of bats in our mines.

Abandoned underground mines provide significant habitat for bats, and entering mines without first evaluating the importance of the mines to bats may create a loss of, or damage to, this significant habitat. Although caves are numerous in some regions, mine sites, for obvious reasons, are subject to human disturbance. More than half of North America's 47 bat species are known to use mines, and many colonies are forced to find sanctuary in mines as a last resort. Colorado and Utah's BLM State Director's Sensitive Species List and the USFS sensitive species lists have multiple bat species identified in the regions in which we mine.

Cave-dwelling bats are vulnerable to disturbance of caves and subterranean tunnel roost sites, in particular as large numbers representing significant proportions of regional populations congregate in one roost site for protection and breeding. Disturbance may include removal of vegetation surrounding and immediately adjacent to the cave or tunnel entrance, changes to airflow within and at the cave or tunnel entrance and alteration of water flows and groundwater hydrology in the surrounding area. In particular, disturbance of maternity colonies during spring and summer breeding seasons and the raising of young during winter when animals congregate for warmth can result in a significant impact on regional populations.

Denison recognizes the possible use of underground mines as a habitat for bats and supports the USFS and BLM's efforts to conserve and manage key bat roosts within the mines. When Denison personnel or contractors enter a mine for the first time following the breeding season (spring and summer), a visual observation for bats will be made. In the event that bats are observed in the mine workings, Denison personnel will cease all activities in the area and report the finding to Denison's Environmental Coordinator (Christy Woodward – 303.389.4136). Recommendations made by USFS or BLM personnel will be evaluated by agency personnel and implemented by Denison.