

RADIOACTIVE MATERIAL LICENSE NO. UT 0900480 AND
UTAH GROUNDWATER DISCHARGE PERMIT UGW170003

Technical Evaluation and Environmental Assessment

Uranium Mill

Anfield Resources Inc.
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Purpose

This Technical Evaluation and Environmental Analysis describes the proposed changes to Radioactive Material License (RML) No. UT 0900480 and the Utah Ground Water Discharge Permit (Permit) No. UGW170003 for the Shootaring Canyon Uranium Mill near Ticaboo, Garfield County, Utah. The RML authorizes the receipt, storage, processing and disposal of 11e.(2) byproduct material in accordance with statements, descriptions and representations contained in the licensee's application, as submitted and approved by the Director of the Utah Division of Waste Management and Radiation Control. The Permit was issued by the Director under the authority of the Utah Division of Water Quality pursuant to the Utah Administrative Code, Subsection R317-6-6 for the operation of a uranium mill and tailings disposal facility.

Background

On August 15, 2014, Uranium One Americas, Inc. (Uranium One) and Anfield Resources Holding Corporation (Anfield) notified the Utah Division of Radiation Control (DRC) of a transaction between the two companies and submitted a request to transfer control of RML No. UT0900480 and Permit No. UGW170003 from Uranium One to Anfield Resources Holding Corporation.

The DRC reviewed the information provided in the above referenced submittal using the United States Nuclear Regulatory Commission's NUREG 1556, Volume 15, *"Consolidated Guidance about Materials Licenses: Guidance about Changes of Control and about Bankruptcy Involving Byproduct, Source, or Special Nuclear Materials Licenses,"* (NUREG-1556, Vol. 15) as guidance. During the review, the DRC determined that additional information was required and sent Uranium One and Anfield a Request for Additional Information (RFI) dated September 16, 2014. A response to the request for information was sent to the DRC by electronic mail on September 29, 2014. DRC staff reviewed the information submitted by Uranium One and Anfield and determined that the information was sufficient and met the guidelines of NUREG- 1556, Vol.15.

The Utah Administrative Code, Subsection R313-19-34(2), states that licenses or rights granted by a license cannot be transferred, assigned or in any manner disposed of, either voluntarily or involuntarily, directly or indirectly, through transfer of control of a license to a person unless the Director gives written consent. The Director concurred with staffs determination that adequate documentation meeting the NRC's guidance was submitted. Therefore, in accordance with R313-19-34(2), the Director of the Division of Radiation Control concurred with and consented to the Proposed Transaction in a letter dated October 17, 2014.

On July 1, 2015 the Utah Division of Radiation Control and the Utah Division of Solid and Hazardous Waste were merged to form the Utah Division of Waste Management and Radiation Control (DWMRC). This merger transferred the regulatory oversight of the Shootaring Canyon Uranium Mill to the new division.

On August 27, 2015, Anfield informed the Director of the DWMRC that the transaction had been completed and requested that the Shootaring Canyon Uranium Mill's RML and Permit be amended and transferred to them. On September 9, 2015, Anfield submitted a "Standby Trust Agreement and Surety Payment Bond" for the Shootaring Canyon Uranium Mill. DWMRC staff reviewed the submittal and transfer of the surety bond to Anfield was approved on September 28, 2015.

In accordance with R313-17-2(1)(a) of the Utah Administrative Code, the Director is required to provide an opportunity for public comment on this License if the changes constitute a proposed major licensing action as described in R313-17-2(1)(a). Proposed changes to the Licensee's/Permittee's name and mailing address are not specifically listed in the major licensing actions in R313-17-2(1)(a)(ii)(A) through (J). However part (J) states "A licensing issue the Director deems is of significant public interest." Since this transfer involves a new company with new management and staff in control of the Shootaring Canyon Uranium Mill, the Director has determined that this change is of significant public interest. This amendment will require a minimum 45-day public comment period with an opportunity for cross-examination a public hearing. If an opportunity for cross-examination is requested, an appropriate representative for Anfield must be present at the public hearing.

The changes considered below supersede the previous license and will be incorporated into Amendment 7 of the License.

License Change Summary

General modifications throughout the License and Permit:

- Minor corrections for typographical and non-substantive errors;
- References to "Executive Secretary" were changed to "Director" in response to changes made to Utah Code Annotated Title 19, Chapter 3, "as amended in Senate Bill21 of the 2012 General Session; and
- References to the "Utah Radiation Control Board" were modified in response to changes made to Utah Code Annotated Title 19, Chapter 3, as amended in Senate Bill21 of the 2012 General Session.
- References to the "Utah Division of Radiation Control" were changed to the "Utah Division of Waste Management and Radiation Control" in response to Senate Bill244 of the 2015 General Session.

Summary of License and Permit Changes

License Condition/Item Modified or Permit Modification	Minor/Major Change	Description of Modification
RML L.C 1.0	Major	Change Licensee/Permittee name to reflect the direct ownership transfer of the Shootaring Canyon Uranium Mill.
RMLL.C. 2.0	Minor	New mailing address of the new Licensee's Corporate Office.
RML L.C. 9.1	Minor	The previous location for authorized use only identified the name of the mill and the county in which it resides. The latitude and longitude of the facility was added to be more specific.
RML L.C. 9.12	Minor	Add the requirement for the new owners of the Shootaring Canyon Mill to submit a renewal application.
RML L.C. 10.1	Minor	Requiring Director approval prior to any construction activities.
GWPermit	Minor	Changed the name of Permittee and the address on the first page of the Permit.

Specific License and Permit Changes

1. General Modifications

The majority of modifications made in the License amendment and the Permit modification are administrative changes initiated by the Division Waste Management and Radiation Control. In the 2012 General Session, Senate Bill 21 (SB 21) was passed. As a result of the changes in SB 21, references to the "Executive Secretary" were changed to "Director." This is a non-substantial change in that the "Executive Secretary of the Utah Radiation Control Board" has historically been the "Director of the Utah Division of Radiation Control." SB 21 replaced references to the "Executive Secretary of the Utah Radiation Control Board" with "Director of the Division of Radiation Control." Therefore, duties and responsibilities previously held by the "Executive Secretary" were transferred to the "Director" of the Division of Radiation Control.

During the 2015 General Legislative session, Senate Bill 244 combined the Utah Division of Radiation Control with the Utah Division Solid and Hazardous Waste to form the Utah Division of Waste Management and Radiation Control. The modifications maintain the same level of protection that existed in prior Amendments of the License; therefore, the changes are considered "Minor."

2. License Condition 1

License Condition 1 was modified to recognize the direct change in control and ownership of the Shootaring Canyon Uranium Mill from Uranium One America, Inc. to Anfield Resources Holding, Corp. Therefore, the name of the Licensee on the License was changed to reflect the change in ownership. Personnel providing management oversight and daily mill operations have changed but activities conducted under the License will be conducted with the same commitments and restrictions that the previous Licensee followed. Due to new ownership and personnel providing oversight of the Shootaring Canyon Uranium Mill, this change is considered "Major."

3. License Condition 2

The mailing address of the License was changed to reflect the change in ownership. Since this affects only where mail is sent, this change is administrative in nature and is considered a "minor" change.

4. License Condition 4

The expiration date in License Condition 4 has passed. However, according to R313-22-36(3) a specific license continues to be in effect if necessary to maintain possession and control of radioactive materials until the Director notifies the licensee in writing that the license has been terminated. Inspections conducted by DRC/DWMRC staff have verified that there have been limited actions involving radioactive materials and the former licensee

has continued to control entry to the restricted area of the Shootaring Canyon Uranium Mill. No changes to this license condition are proposed at this time.

5. License Condition 9.1

License Condition 9.1 was modified because the previous location for authorized use only identified the name of the mill and the county in which it resides. The latitude and longitude of the facility was added to be more specific. Adding the latitude and longitude also matches the site description found in the Permit. The additional wording provides the same level of protection as previously existed in the License; therefore, the modification is considered "Minor."

6. License Condition 9.12

License Condition 9.12 was added because the RML has expired. Anfield needs to submit a RML renewal application for the Shootaring Canyon Mill. This license condition reiterates the need for the renewal to occur and informs Anfield of some of the steps required to submit the renewal. The added license condition adds an additional requirement and is considered "Minor."

7. License Condition 10.1

License Condition 10.1 was added to ensure that no construction activities occur at the Shootaring Canyon Mill until the plans have been approved by the Director. In meetings with Division staff, Anfield has stated that its intent is to take the Shootaring Canyon Mill from standby status to operational status. In the letter dated October 17, 2014, the DRC stated that any improvements to the Mill had to be modified to "Best Technology Available." Therefore, in order to bring the Mill back into operation, facilities at the Mill will have to meet the Best Available Technology requirements specified in R317-6 of the Utah Administrative Code. The added license condition adds an additional requirement and is considered to be "Minor."

8. Groundwater Quality Discharge Permit

The Groundwater Quality Discharge Permit was modified to recognize the direct change in control and ownership of the Shootaring Canyon Uranium Mill from Uranium One America, Inc. to Anfield Resources Inc. Therefore, the name of the Permittee and the address on the Permit were changed to reflect the change in ownership. The Permit changes are considered "Minor." References to "Executive Secretary" were changed to "Director" in response to changes made to Utah Code Annotated Title 19, Chapter 3, as amended in Senate Bill21 of the 2012 General Session.

Environmental Analysis of the Proposed Licensing/Permitting Action

Changes to the Radioactive Material License and the Ground Water Discharge Permit are

administrative in nature and will not change the current "standby" status or change the activities performed at the Shootaring Canyon Mill. Therefore, DWMRC staff has concluded that there are no additional environmental impacts associated with the proposed changes to RML and Permit.

Technical Evaluation of the Proposed Licensing/Permitting Action

The DWMRC staff has reviewed each of the proposed changes to RML and Permit. In addition to the requested changes, DWMRC staff also made general administrative corrections throughout the documents and added two new license conditions to the RML. The changes have been incorporated into the Draft RML and Permit. Based on the provided information, the DWMRC staff recommends approving the requested changes.

References

Uranium One Americas, Inc., Licensee's letter dated August 15, 2014, Radioactive Materials License (RML) UT 0900480 and Groundwater Discharge Permit (Permit) UGW170003 – "Notice of change of control" of the License and Permit for the Shootaring Canyon Uranium Mill from Uranium One Americas, Inc. to Anfield resources holding Corp. (DRC-2014-004922)

DRC, letter dated September 16, 2014, Radioactive Material License (RML) Number UT 0900480 – Request for Additional Information for Transfer of Control from Uranium One Americas, Inc. to Anfield Resources Holding Corporation. (DRC-2014-005384)

Uranium One Americas, Inc., Licensee's letter dated September 29, 2014, Radioactive Materials License (RML) UT 0900480 and Groundwater Discharge Permit (Permit) UGW170003 Response To Request for Additional Information. (DRC-2014-005722)

DRC, letter dated October 17, 2014, Radioactive Materials License (RML) UT 0900480 and Groundwater Discharge Permit (Permit) UGW170003- Change of Ownership and Transfer of Control of the Shootaring Canyon Uranium Mill Radioactive Material License (RML) UT 0900480 and Groundwater Discharge Permit UGW170003 (Permit). (DRC-2014-006205)

Anfield Resources Holding Corp., letter dated August 27, 2015, Shootaring Canyon Uranium Mill Facility Radioactive Materials License (RML) UT 0900480 and Groundwater Discharge Permit (Permit) UGW170003: Request to modify the name on the RML and Permit. (DRC-2015-006557)

DWMRC, letter dated September 28, 2015, Shootaring Canyon Uranium Mill, Termination of [Uranium One] Surety Bond and Standby Trust Agreement, Radioactive Material License Number UT 0900480. (DRC-2015-006563)

Utah Senate Bill21, 2012 General Session, retrieved from:
<http://le.utah.gov/2012/bills/sbillenr/sb0021.pdf>

Utah Senate Bill 244, 2015 General Session, retrieved from:
<http://le.utah.gov/2015/bills/static/SB0244.html>

Attachment A
Redline/Strikeout text of Anfield Resources Inc. Ile.(2) RML

Attachment B
Redline/Strikeout text of Anfield Resources Inc. Permit