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FOR IMMEDIATE RELEASE
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NRC ORDERS AMERICAN NUCLEAR CORPORATION TO STAY
AT WYOMING URANIUM MILL SITE UNTIL LICENSE IS TERMINATED

The Nuclear Regulatory Commission has directed American Nuclear Corporation of Casper, Wyoming, to control the company's licensed site in the Gas Hills of Wyoming and to maintain a presence there. ANC notified the NRC by letter dated May 9, 1994, that it is discontinuing operations and going out of business by the end of May 1994.

A press release attached to ANC's letter stated that ANC is discharging its employees and discontinuing operations. In telephone conversations on the same day, the President of ANC stated that he would periodically visit -- as a consultant -- the licensee's Gas Hills site, but that all environmental and safety monitoring activities would cease at the end of May 1994.

ANC is licensed by the NRC to possess nuclear material in the form of uranium waste tailings and other wastes generated by the company's past milling operations. The former U.S. Atomic Energy Commission first contracted for production from the Gas Hills uranium mill in November 1956. ANC ceased active production in the early 1980's. The license was last amended on July 26, 1993, and will not terminate until NRC determines that all applicable regulatory requirements have been satisfied.

The NRC's order to ANC stated that the company's NRC license requires ANC to conduct various activities at its Gas Hills site, including carrying out effluent and environmental monitoring programs, performing reclamation of mill tailings, employing a qualified radiation safety officer, implementing a groundwater corrective action plan and providing periodic reports to the NRC. ANC abandonment of its site would be a deliberate violation of the Atomic Energy Act, the NRC said.

In addition, NRC regulations require a licensee to perform certain activities before termination of a license. The NRC will terminate a license only after determining that the radioactive materials (mill tailings) have been properly disposed of, a reasonable effort has been made to eliminate any residual radioactive contamination, and a radiation survey has been

performed -- or other information has been submitted -- that demonstrates that the premises are suitable for release for unrestricted use.

NRC's order to ANC notified ANC that deliberate abandonment of the site could subject ANC to civil enforcement actions and potential criminal sanctions. In addition, individuals who deliberately cause the licensee to be in violation of the Atomic Energy Act, NRC regulations or the license could be subject to individual civil enforcement actions and potential criminal sanctions.

The NRC also demanded certain information from the licensee, including:

- How it intends to comply with NRC requirements and its license;
- The names, addresses and telephone numbers of all officers of the licensee and all members of the licensee's board of directors, as well as those persons on whom the licensee will rely for continued compliance with all NRC statutory provisions, regulations and license conditions;
- Copies of licensee financial data for the past five years, to include all records and reports filed with the Securities and Exchange Commission, all federal and state corporate income tax returns, all bank statements and other financial accounts information, all records reflecting all remunerations to corporate officers and other members of the board of directors and all other balance and cash flow statements normally kept by the licensee.

ANC is required to respond to the NRC in a letter by May 27.

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