

May 8, 2007

MEETING REPORT

DATE: April 26, 2007

TIME: 7:30 a.m.

LOCATION: Cibola County Chamber of Commerce, 100 North Iron Avenue, Grants, NM and locations in the San Mateo, New Mexico area.

PURPOSE: Category 1 meeting and tour of the Grant's Mineral District, New Mexico, with prospective new uranium mill applicants for an NRC license, Strathmore Mineral Corporation and Rio Grande Resources.

ATTENDEES: SEE ATTACHED LIST

BACKGROUND:

The Nuclear Regulatory Commission (NRC) staff was recently contacted by Strathmore Mineral Corporation and Rio Grande Resources Corporation, who both indicated their interest in pursuing an NRC Materials License for milling and processing uranium in the San Mateo, New Mexico area of the Grants Mineral District. NRC staff arranged a meeting with these prospective applicants and members of the public to discuss their plans, to see the physical location of ore deposits, and to develop an initial impression of some of the issues that may arise during the licensing process, if an application is submitted by either or both companies.

DISCUSSION:

NRC staff Ron Linton, Project Manager, and William vonTill, Uranium Recovery and Licensing Branch (URLB) Chief, met with representatives of Strathmore Mineral Corporation and Rio Grande Resources Corporation to conduct a site tour of land and mineral holdings of both companies in the area of San Mateo, New Mexico. This was the first site tour to the San Mateo area for NRC staff. In addition to NRC staff and the prospective applicants' personnel, in attendance were Tribal regulators, representatives of local and national environmental groups, industry consultants, local and State politicians, a U.S. Senator staff member, and members of the public.

The meeting was publicly noticed on April 10 by posting on the NRC web site.

The meeting began at approximately 7:30 a.m. in the Cibola County Chamber of Commerce. After brief introductions, Joe Lister, Mine Manger for the Mt. Taylor Mine, gave a brief overview of the operating history of the Mt. Taylor Mine. Mr. Lister indicated that the Mt. Taylor mine produced approximately 9,000,000 lbs of uranium from 1984 to 1990 and still holds approximately 150,000,000 lbs. of uranium at current price levels. The mine has been in standby since the 1990. Rio Grande Resources Corporation once held a permit from the State of New Mexico, when New Mexico was an Agreement State, to build a mill and tailings impoundment, but never built the mill or produced mill tailings.

Mr. Juan Velasquez, Vice President, Environmental and Regulatory Affairs, Strathmore Mineral Corporation, gave a brief overview of the Strathmore's Roca Honda property. Mr. Velasquez indicated Strathmore is in the process of obtaining an exploration permit from the State of New Mexico. Strathmore expects to be the first applicant to get a permit under the New Mexico Mining Act of 1993. After obtaining the exploration permit and further examining their holdings, Strathmore intends to determine if the Roca Honda project will be best developed by conventional mining or by *in-situ* leach milling. Mr. Velasquez indicated they will likely conduct an alternatives analysis for the mill location and that there is a possibility of a regional mill in the area that would serve several companies.

After a short discussion, the public was invited to offer comments to the NRC staff.

PUBLIC COMMENTS:

There was a discussion of the Environmental Impact Statement and environmental assessment process within the NRC and the possibility that NRC may develop a Generic Environmental Impact Statement for uranium milling. Specific questions on this issue were directed to Mr. Gregory Suber, Environmental Review Branch Chief (301-415-1124), who was not in attendance. There were general questions about the amount of time needed to review a license application and the personnel that might be used in the review, including both NRC staff and outside contractors.

A representative of the Sierra Club, Mr. Robert Tohe, discussed Environmental Justice issues, disproportionate impacts and read portions, then submitted, the Resolution of the Din'e Hataalii Association opposing uranium exploration, mining, and processing around Mt. Taylor to be part of the meeting record (enclosed). He further indicated that Mt. Taylor is culturally significant to indigenous people from the area and is the home of Tribal Holy people. Ms. Laura Watchempino, Water Quality Specialist, Pueblo of Acoma, indicated that she would like to see NRC come into the Tribal communities to get more input and appreciated the NRC coming to New Mexico for these meetings. She also indicated that overly technical presentations and information can be a problem in Native American communities. Mr. Chris Shuey, Director, Uranium Impact Assessment Program, Southwest Research and Information Center, discussed Environmental Justice, sacred Tribal sites, Indian Tribal jurisdictions, and the need to coordinate reviews with Tribal Governments, the U.S. Forest Service, Bureau of Land Management, and that speaking with an in local communities is critical.

New Mexico State Senator David Ulibarri spoke in support of uranium milling and made part of the meeting record New Mexico Senate Joint Memorial 10, Recognizing the Nation's Energy Demands and New Mexico's Uranium Assets. Mr. Elmer Chavez, Cibola County Commissioner, spoke in support of uranium exploration and mining in Cibola County and submitted, for the record, County Resolution 06-35 further supporting uranium exploration and mining. Other citizens in attendance also spoke in support of the uranium industry.

SITE VISIT:

After the meeting and public comment, those participating in the site visit reconvened in front of the fire house in San Mateo. The first stop was a back country drive through, and discussion at various stops within, Strathmore's Roca Honda holdings at Section 10 and viewing Section 9 from a distance. From there, the participants continued north on New Mexico Route 605 until it turned into a private road owned by the Lee family, local landowners in the area. The first stop along the route was viewing Rio Grande's formerly permitted mill and tailings site that was never constructed. The tour continued north to a location approximately 10 miles north of San Mateo that may be a possible alternative for a Rio Grande conventional uranium mill and tailings impoundment. The tour then proceeded to, and stopped at, the gate of the Mt. Taylor Mine to observe the head frame. At that location, participants engaged in a long discussion on western law, mineral rights, water rights, surface land ownership, and Tribal issues. Remaining participants then drove into and observed Section 16 of Strathmore's Roca Honda mineral holdings where the tour ended.

ACTION ITEMS: There were no action items.

Enclosures:

1. Meeting Agenda
2. Attendee List
3. Tribal Resolution
4. Strathmore Roca Honda handouts
5. Cibola County Resolution
6. Senate Joint Memorial 10

MEETING AGENDA
Strathmore Mineral Corporation and
Rio Grande Resources
Thursday, April 26, 2007
7:30 a.m. - 5:00 p.m.

MEETING PURPOSE: To take site tour of the Grants Mineral District, New Mexico, with prospective new uranium mill applicants for an NRC license.

MEETING PROCESS:

<u>Time</u>	<u>Topic</u>	<u>Lead</u>
7:30 a.m.	Introductions	All
7:35 a.m.	Rio Grande Resources discussion of sites to be toured	
7:50 a.m.	Strathmore Mineral Corporation discussion of sites to be toured	
8:05 a.m.	Begin site tour. There is no specific agenda or time when NRC and prospective applicants will be at various sites and there is no agenda planned for each stop. For members of the public interested in attending this meeting, please meet at the location listed in the meeting notice before the site tour begins. Members of the public can follow in their vehicles and attend the tour as it moves from site to site.	
	Summary of Action Items	Moderator
	Public comments/questions	
5:00 p.m.	Adjourn	