



February 16, 2010

Mr. Stephen Cohen  
United States Nuclear Regulatory Commission  
Mail Stop T8F5  
Two White Flint North  
11545 Rockville Pike  
Rockville, MD 20852-2738

Dear Mr. Cohen

**RE: Letter of Intent--Titan Uranium USA, Inc.'s Proposed Sheep Mountain Uranium Project, State of Wyoming**

The purpose of this letter is to introduce Titan Uranium USA, Inc. (Titan) and its proposed Sheep Mountain Uranium Project, located in Fremont County, Wyoming and to provide the United States Nuclear Regulatory Commission (NRC) Staff with information regarding preparation and submission of a combined source and 11e.(2) byproduct material license application for a conventional uranium milling (heap leach) facility at the aforementioned Sheep Mountain project site. Titan is a wholly-owned subsidiary of Titan Uranium, Inc., a publicly traded company listed on the Toronto Stock Exchange (TUE.V). Titan has its United States office in Casper, WY, and its parent company's (Titan Uranium, Inc.) head corporate office is located in Saskatoon, SK, Canada.

The Sheep Mountain area has been the site of previous uranium mining from both underground and open pit operations commencing in 1957 (Western Nuclear, Inc. (WNI)), with the most recent activities taking place in 1988. There is a past NRC source material license, which covers a portion of the project area, for an ion-exchange (IX) plant previously operated by WNI (SUA - 1524). The proposed project has a current mine permit issued by Wyoming Department of Environmental Quality (WDEQ) (Permit #381C) for both the underground and open pit mining operations. A proposed revision of that permit is currently being prepared for submission to WDEQ. Planned uranium extraction will be conducted using heap leach methodologies, followed by solvent extraction or IX, drying, and packaging. Each of these activities is proposed to be conducted within the current WDEQ mine permit area.

Titan plans to submit a license application that will include: (1) a cover memorandum discussing the aspects of the application and any associated legal/regulatory issues; (2) a technical report prepared in accordance with applicable NRC regulations, guidance, and associated regulatory guides; and (3) an environmental report prepared in accordance with NUREG-1748 entitled *Environmental Review Guidance for Licensing Actions Associated with NMSS Programs*. In addition, in the event that Titan determines that elements of the aforementioned license application require protection from public disclosure, Titan will submit an application pursuant to 10



CFR § 2.390 to obtain such protection.

In addition to the considerable data available regarding site-specific conditions, Titan's license application will comply with NRC's 10 CFR Part 40, Appendix A requirements for a minimum of twelve months of pre-operational monitoring and data gathering for a range of site-specific issues, including collection of the required environmental baseline data regarding site specific radiological conditions, climatology, air quality, geology and hydrology. As part of the pre-licensing process and in an effort to ensure that NRC Staff is presented with the highest quality license application, Titan believes that a meeting with NRC Staff should be scheduled to introduce the proposed Sheep Mountain project and to discuss its pre-operational monitoring and data gathering plan. Further, since Titan believes that ongoing interaction with NRC Staff is critical to a consistent and predictable licensing process, Titan would like to propose and maintain a schedule of quarterly meetings with NRC Staff to assure maximum interface with NRC Staff as the data-gathering and license application process progresses.

Based on current projections, Titan believes that it will submit its license application on or about April of 2011. In the event that this schedule is likely to change, Titan will provide NRC Staff with immediate notice of any such change. Thank you very much for your time and consideration in this matter and we look forward to working with you in the near future.

Respectfully Submitted,

A handwritten signature in black ink, appearing to read "Chris M. Healey".

Chris M. Healey, P.G.  
President and Chief Operating Officer  
Titan Uranium USA Inc.

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