



**UNITED STATES
NUCLEAR REGULATORY COMMISSION**
WASHINGTON, D.C. 20555-0001

September 21, 2015

MEMORANDUM TO: Docket files:
040-08502, Uranium One USA, Inc., Willow Creek Project
040-09073, Uranium One Americas, Inc., Moore Ranch Project
040-09079, Uranium One Americas, Inc., Jab & Antelope Project
040-09095, Uranium One USA, Inc., Ludeman Project
030-38260, Uranium One Americas, Inc., Well Logging Equipment

FROM: Ron Linton, Project Manager */RA/*
Uranium Recovery Licensing Branch
Division of Decommissioning, Uranium Recovery,
and Waste Programs
Office of Nuclear Material Safety
and Safeguards

SUBJECT: URANIUM ONE INC., PROPOSED PENDING CHANGE IN
CORPORATE LINEAGE (TAC J00716)

Introduction

By letter dated November 18, 2013, Uranium One Inc. (Uranium One), submitted details of a pending change of corporate lineage change of one of the parent companies of the U.S. Nuclear Regulatory Commission (NRC) licensees Uranium One USA, Inc.(Uranium One USA), and Uranium One Americas, Inc. (Uranium One Americas), listed below:

- 040-08502, Uranium One USA, Inc., Willow Creek
- 040-09073, Uranium One Americas, Inc., Moore Ranch
- 040-09079, Uranium One Americas, Inc., Jab & Antelope
- 040-09095, Uranium One Americas, Inc., Ludeman
- 030-38260, Uranium One Americas, Inc., Well Logging Equipment
(Collectively, the NRC Licenses and Applications)

The November 18, 2013, pending change of corporate lineage submission was placed in NRC Documents and Access Management System (ADAMS) and can be found at ML13337A591. Uranium One has stated in its submission that the restructuring [change of corporate lineage] will not constitute a change of control requiring NRC consent under the NRC's regulations and concluded that no additional NRC filings or approvals are required.

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Uranium One, November 18, 2013, Submission

The November 18, 2015, submission shows Uranium One Americas has one NRC Byproduct Materials License, licensed under 10 CFR part 30 (well-logging equipment) and one NRC Uranium Recovery Facility license licensed under 10 CFR part 40 (Moore Ranch), and two pending license applications for new facilities to be licensed under 10 CFR part 40 (Jab and Antelope, Ludeman). Uranium One USA has one facility licensed under 10 CFR part 40 (Willow Creek). Both Uranium One USA and Uranium One Americas are wholly-owned by Uranium One Investments, which is wholly-owned by Uranium One. Uranium One is 89.07 percent owned by Uranium One Holding N.V. (NV) and 10.93 percent owned by Uranium Mining Company (Mining Co), which in turn is 100 percent owned by JSC Atomredmetzoloto (ARMZ). When ARMZ acquired Uranium One in 2010 by acquisition of its two parent companies, NV and Mining Co, the transaction was reviewed by the NRC and consented to by NRC Order (see ADAMS ML103120147). At that time, the NRC noted that the ultimate parent company would be the State Atomic Energy Corporation ROSATOM (ROSATOM). The current structure of the companies under ROSATOM is shown in Enclosure 1 of the November 18, 2013, submission (ML13337A591).

According to the pending change of corporate lineage submission (ML13337A591), ROSATOM is currently proposing to restructure the ownership hierarchy of NV, but ROSATOM would continue to be the ultimate parent company with 100 percent ownership of all subordinate companies, including Uranium One, Uranium One Americas, and Uranium One USA. ROSATOM is creating a new wholly-owned subsidiary, JSC AtomCapital, that would acquire a 57 percent share of NV, which equates to about a 50.77 percent share of Uranium One. ARMZ would retain a 43 percent share of NV, which would equate to approximately a 38.30 percent direct share of Uranium One, and a 10.93 percent indirect share of Uranium One through Mining Company, which ARMZ wholly-owns, therefore ARMZ would have a combined 49.23 percent share of Uranium One. However, regardless of this breakdown, each of the three companies, AtomCapital, ARMZ, and Mining Company are ultimately 100 percent owned by ROSATOM as shown in Enclosure 2 of the November 18, 2013, submission (ML13337A591).

Uranium One concluded in its November 18, 2015, submission that the proposed transaction does not constitute a change in ownership or control under 10 CFR § 30.34(b), 10 CFR § 40.46, and NUREG 1556, Vol. 15 and that the restructuring will not affect personnel or operating safety procedures of NRC licensees. Uranium One concluded that the proposed transaction will have no effect on surety arrangements, no effect on licensee management and will not be inimical to the common defense or security. Furthermore, Uranium One has concluded that no additional NRC filings or approvals are required with regard to the pending change of corporate lineage.

Uranium One re-iterated in its submission that the change of corporate lineage will have no effect on the surety arrangements and letters of credit associated with NRC Licenses [SUA-1341, SUA-1596, and 49-29384-01]. Uranium One stated that the change of corporate lineage will not have any effect on the officers, directors, or management of Uranium One USA or Uranium One Americas. In the November 18, 2013, submission, Uranium One USA and Uranium One Americas acknowledged and confirmed compliance with License Conditions 9.14, 9.12 and 18 under License SUA-1341, License SUA-1596, and License 49-29384-01, respectively, which provide as follows:

If any officer, director, board member, employee, or representative of a parent company of Uranium One, Inc., will be appointed, hired, or designated as an officer, board member, or director of the licensee under any NRC license held by Uranium One, Inc. or its subsidiaries, Uranium One, Inc. or its subsidiaries must provide written notice to NRC at least 30 days prior to such appointment, hiring, or designation.

NRC Staff Review

The NRC staff reviewed the November 18, 2013, submission and description of the pending change of corporate lineage, as detailed above, and determined in January 2014, that no additional filings or approvals were required by the NRC. However, after NRC staff determined that no additional filings were required, NRC staff did not communicate its findings in writing with Uranium One or document its findings to the docket files. NRC staff has determined that the findings made in January 2014, should be documented in a memo to the affected docket files.

NRC staff determined in February 2014, that ROSATOM, the ultimate parent company, created a new wholly-owned subsidiary, JSC AtomCapital, and proposed to incorporate this wholly-owned entity into the ownership hierarchy of Uranium One. However, the NRC staff determined that the pending change of corporate lineage did not constitute a change of control requiring NRC consent under 10 CFR §§ 30.34(b) or 40.46 because the pending change of corporate lineage did not change the corporate ownership by ROSATOM. ROSATOM will continue to control 100 percent of all the companies in the NRC licensee's corporate lineage chain including Uranium One USA, Uranium One Americas, Uranium One Investments Inc., Uranium One, NV, and the newest company in the corporate lineage, JSC AtomCapital (see ML13337A591, Enclosure 2). Additionally, since NRC staff concluded that the proposed change of corporate lineage did not constitute a change of control requiring NRC consent, an inimicality review was not required.

Uranium One has continued to keep the NRC informed of corporate changes in its corporate lineage. Uranium One submitted a subsequent proposed change of corporate lineage to NRC dated June 1, 2015 (ML15181A376). NRC staff reviewed the June 1, 2015, submission and memorialized its review in a memo to docket file dated August 6, 2015, that can be found at ML15198A349.

In accordance with 10 CFR 2.390 of the NRC's "Agency Rules of Practice and Procedure," a copy of this Memo will be available electronically for public inspection in the NRC Public Document Room or from the Publicly Available Records component of NRC's ADAMS. ADAMS is accessible from the NRC Web site at <http://www.nrc.gov/reading-rm/adams.html>.

If any officer, director, board member, employee, or representative of a parent company of Uranium One, Inc., will be appointed, hired, or designated as an officer, board member, or director of the licensee under any NRC license held by Uranium One, Inc. or its subsidiaries, Uranium One, Inc. or its subsidiaries must provide written notice to NRC at least 30 days prior to such appointment, hiring, or designation.

NRC Staff Review

The NRC staff reviewed the November 18, 2013, submission and description of the pending change of corporate lineage, as detailed above, and determined in January 2014, that that no additional filings or approvals were required by the NRC. However, after NRC staff determined that no additional filings were required, NRC staff did not communicate its findings in writing with Uranium One or document its findings to the docket files. NRC staff has determined that the findings made in January 2014, should be documented in a memo to the affected docket files.

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OFFICE	DUWP	DUWP*	DUWP*	DUWP*	OGC*	DUWP
NAME	RLinton	SAchten	KKline	BVonTill	SClark	RLinton
DATE	9/2/2015	9/3/2015	9/9/2015	9/21/2015	9/18/2015	9/21/2015

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