

**TOWN OF NUNN, COLORADO
RESOLUTION 2009-09**

**RESOLUTION OF THE BOARD OF TRUSTEES OF THE TOWN OF NUNN
EXPRESSING THE BOARD'S OPPOSITION TO THE MINING OF URANIUM NEAR
THE TOWN**

WHEREAS, Powertech (USA) Inc. ("Powertech"), a wholly-owned subsidiary of Canadian company Powertech Uranium Corp., has proposed a uranium mining operation on nearly 10,000 acres of land located west of the Town of Nunn (the "Town"), known as the Centennial Project (the "Project"); and

WHEREAS, Powertech proposes to extract the uranium using in-situ leach-mining, which involves the drilling of wells into an aquifer, the injection of chemically-altered water under pressure to dissolve uranium and other heavy metals, and the pumping of the resulting solution to the surface for further processing; and

WHEREAS, leaching solutions contaminated with heavy metals and radionuclides would be repeatedly re-injected and re-circulated through the aquifer; and

WHEREAS, Powertech proposes to conduct in-situ leach mining in the Laramie-Fox Hills aquifer in which numerous domestic and agricultural wells are completed in close proximity to the proposed mining area; and

WHEREAS, in-situ leach mining holds inherent risks, including but not limited to the possible contamination of groundwater, and the release of contaminants to surface areas through spills and leaks as documented in Nuclear Regulatory Commission records; and

WHEREAS, Powertech proposes to prevent horizontal excursions of leaching solutions from the mining area into adjacent drinking water supplies by the use of water pressure; and

WHEREAS, Powertech claims that impermeable layers of rock will prevent vertical excursions of leaching solutions into overlying or underlying drinking water aquifers; and

WHEREAS, the proposed mining area includes thousands of exploration drill holes from the 1970s and 1980s, many of which were not plugged properly to prevent water from migrating vertically between aquifers; and

WHEREAS, both vertical and horizontal excursions of leaching solutions from the mining area of historical and current in-situ leach uranium projects are numerous and well-documented; and

WHEREAS, a lack of long-term monitoring of aquifers at historical in-situ leach uranium mines has resulted in insufficient data to determine long-term impacts on drinking water supplies; and

WHEREAS, Powertech proposes to dispose of mine wastewater with elevated levels of radionuclides and heavy metals by land application with pivot irrigation and by storage in open holding ponds for later injection into deep wells; and

WHEREAS, land application of mine wastewater could result in dispersal of contaminants by windblown dust and by surface water runoff; and

WHEREAS, wastewater holding ponds are subject to leaks and failures as documented in Nuclear Regulatory Commission records; and

WHEREAS, following the cessation of in-situ leach uranium mining, Powertech would be required to restore the aquifer to pre-mining baseline water quality or to Colorado radioactive materials standards and the most stringent ground water quality criteria; and

WHEREAS, aquifer restoration involves flushing the aquifer with large quantities of water from outside the mining area, and may also include filtering, injection of hazardous reducing chemicals, and injection of substances to promote growth of microbial agents; and

WHEREAS, historical attempts to restore aquifers to pre-mining baseline water quality following in-situ uranium leaching have all been unsuccessful, and regulatory agencies have had to relax water quality restoration standards to allow closure of these mines; and

WHEREAS, the closest area to be mined would be on Section 35, bounded by the Nunn Road (WCR 100), WCR 23, WCR 98, and WCR 21, and is located within the 3-mile growth management area of the Town; and

WHEREAS, the uranium deposits in the area closest to the Town are shallow and located above the water table and thus are not amenable to typical in-situ leaching; and

WHEREAS, shallow unsaturated uranium deposits are typically extracted using open pit mining; and

WHEREAS, open pit mining holds inherent risks, including but not limited to the possible contamination of groundwater, and the potential hazard of windborne contaminated dust and particulate matter; and

WHEREAS, Powertech originally notified state mining regulators that it intended to extract the uranium deposits south of the Nunn Road by the use of open pit mining, but has since indicated it is investigating alternative methods; and

WHEREAS, Powertech has not reasonably or fully explained how it intends to mine these shallow deposits; and

WHEREAS, the Project would occur in an area near the Town that is experiencing steady population growth and is in close proximity to many homes and agricultural operations; and

WHEREAS, mineral estate owners have a right to extract minerals when that extraction will not be injurious to surface right owners, neighboring property owners, and groundwater users; and

WHEREAS, Powertech has been unable to convincingly demonstrate that its proposed mining activities would not injure surface right owners, neighboring property owners, and groundwater users; and

WHEREAS, economic development is a high priority for the Town; and

WHEREAS, uranium mining close to the Town might provide employment for a few local residents but could negatively impact long-term efforts to attract new residents, businesses, and investment; and

WHEREAS, protection of health, safety, and economic well-being is a primary responsibility of the Board of Trustees; and

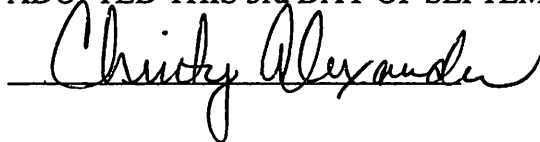
WHEREAS, for all these reasons the Nunn Board of Trustees is strongly opposed to the Project and hereby conveys that opposition to the federal, state, and county agencies that will review this project.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF TRUSTEES OF THE TOWN OF NUNN:

Section 1. The Nunn Board of Trustees hereby strongly opposes the proposal for mining uranium at the proposed Centennial project and urges all county, state, and federal agencies involved in the permitting process to recognize that locating such projects along the North Front Range in close proximity to cities and towns is inappropriate because such mining may be injurious to the health, safety, welfare, and property rights of the residents and do irreparable harm to the economic well being of the Town.

Section 2. For all the foregoing reasons the Nunn Board of Trustees further urges all involved government agencies to deny any and all permit applications for the Project.

ADOPTED THIS 3rd DAY OF SEPTEMBER 2009, A.D.



ATTEST:



TOWN CLERK