



## **McClellan Lake New Licence Application**

**A**  
**COGEMA**

## Why we're applying . . .

In March of 2003, COGEMA Resources filed an application with the Canadian Nuclear Safety Commission (CNSC) for a new operating licence for its McClean Lake uranium mine and mill.

Why? Last fall, a Federal Court decision quashed McClean Lake's 1999 operating licence, in response to an application initiated by the Inter-Church Uranium Committee Environmental Co-operative (ICUCEC) after the licence was originally issued. The ruling was not based on the actual performance of the McClean Lake facility, but on a technicality regarding the administration of the environmental assessment process by the Atomic Energy Control Board (now the CNSC). COGEMA Resources and the CNSC both filed appeals and believe there are sound reasons why the Federal Court of Appeal should overturn the initial decision. The court action does not involve any Provincial regulatory approvals.

## . . . and why now?

McClean Lake currently operates under a 4-year licence issued by the CNSC in 2001, but the ongoing court action raises legal and regulatory uncertainties. The company cannot expose those involved with the McClean Lake operation to any more uncertainty. A new licence will protect the interests of the company, its customers and employees, and the northern and other Saskatchewan communities and businesses that supply goods and services to the operation.

That is why we are applying for a new CNSC licence now.



About half of the uranium produced in Saskatchewan over the next 40 years will be partially or entirely processed at the McClean Lake mill. Total production in 2002 was 6,088,063 lbs. of yellowcake. The McClean Lake operation is located west of Wollaston Lake about 700 kilometres north of Saskatoon.

## What is the new licence for?

The new licence application covers exactly the same activities and facilities already at the McClean Lake site: the mill, tailings management facility (TMF), mining operations, water treatment

plants, camp and other supporting facilities. COGEMA Resources is asking that the existing licence be revoked when the new licence is issued.

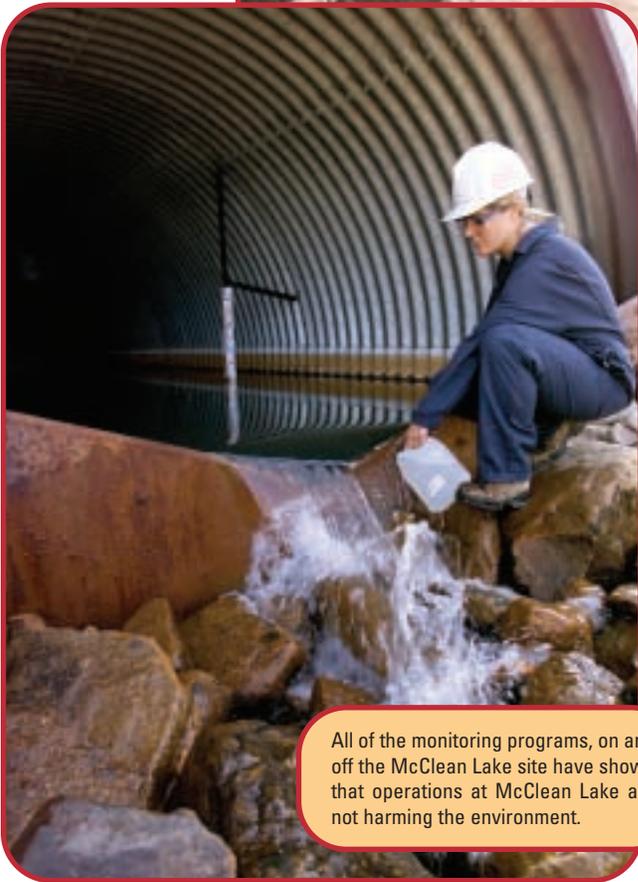
## A new licence needs a new Environmental Assessment

Before the CNSC can make a decision on a new licence application, a new environmental assessment or EA is required under the Canadian Environmental Assessment Act (CEAA). The CNSC is the Responsible Authority for this assessment, which is called an environmental screening. This means that the CNSC is responsible for ensuring that the EA is done, and for making the decision on the significance of any predicted environmental effects.

Normally, an EA studies an area and predicts the potential impact of a project before the project is developed. Since the McClean Lake operation has been producing yellowcake for about 4 years, COGEMA Resources and government agencies have been able to monitor actual activities. That makes assessing environmental impacts much more certain. The new EA will review the performance of McClean Lake and any effects on the environment. It will also predict future performance taking into account the first four years of operating experience.



The Sue C mine has been completed. Sue A and B are licensed to proceed when the ore is needed.



All of the monitoring programs, on and off the McClean Lake site have shown that operations at McClean Lake are not harming the environment.

## Monitoring the environment

There are many environmental monitoring programs in place to ensure the McClean Lake operation and other uranium mines do not harm the environment. McClean Lake programs include both compliance-based and environmental effects monitoring.

Compliance-based monitoring demonstrates that regulatory conditions imposed by government agencies through licences and permits are met. Monitoring is done at various places at the mine and mill. Actual water and air emissions are measured to confirm that contaminants, if any, are within regulatory requirements.

Environmental effects monitoring ensures that the environment (animals, fish and plants) is not significantly adversely affected by mining and related activities. Monitoring takes place on and off site.

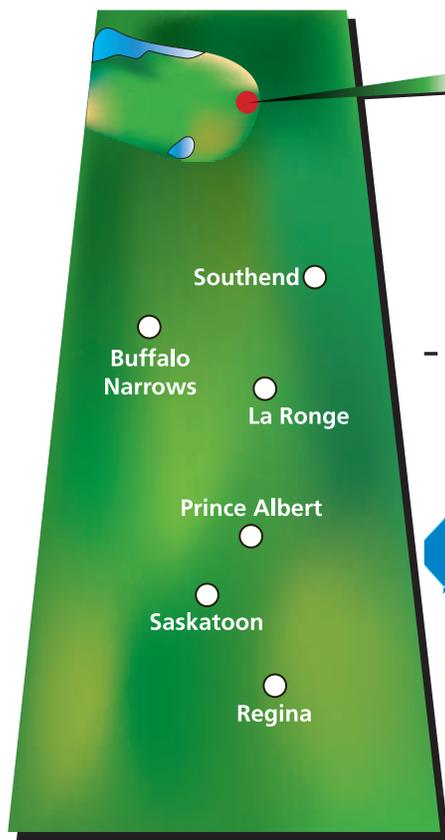
## Northern residents are involved in monitoring

Several different groups are involved in environmental effects monitoring programs at McClean Lake and the surrounding region.

COGEMA Resources prepares State of the Environment reports and submits them to federal and provincial agencies. The reports are also available to the public. Sampling locations are at, and nearby, the McClean Lake site.

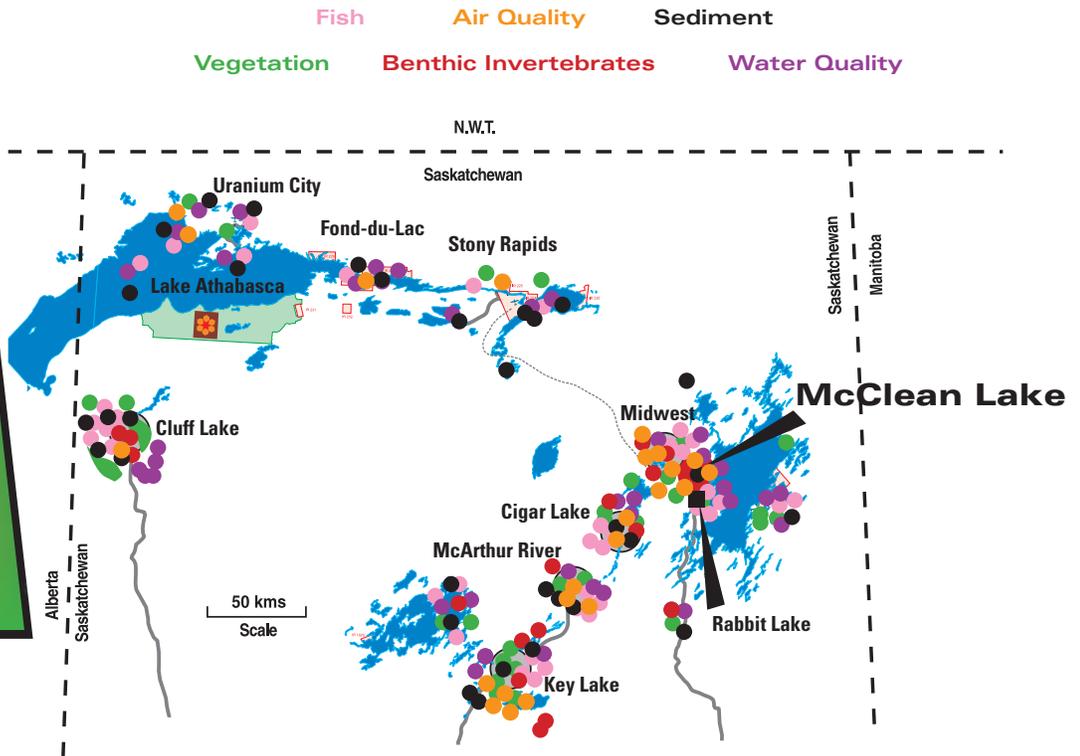
Saskatchewan Environment carries out the Provincial Cumulative Effects Monitoring Program. This program samples selected parts of the ecosystem both near the mine sites and at locations further away in the Athabasca Basin, paying special attention to those that are part of the food chain. The goal is to determine whether there are any impacts of uranium mining that are increasing over time and whether there are any overlapping impacts from more than one mine in the same area.

The Athabasca Working Group's community-based Environmental Monitoring Program began in 2000 with assistance from Athabasca Basin residents. Local hunters and other residents helped collect water, air, plants, fish and animal tissues such as caribou and moose in and around their communities. These samples were sent to independent laboratories. All samples from the first three years of monitoring showed there were no environmental effects from uranium mining operations.



## McClellan Lake Operation

# Athabasca Basin Environmental Monitoring Locations



## EA answers important questions

An environmental assessment (EA) examines several important questions, not just for the CNSC and COGEMA Resources, but also for area residents, businesses and communities.

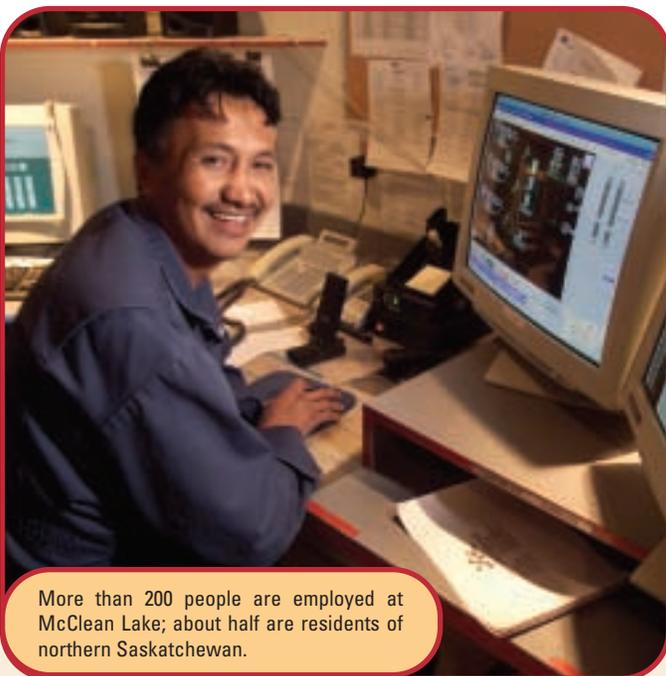
Does the existing environmental management system protect the environment around McClellan Lake?

What is the predicted future performance?

Are valued ecosystem components such as fish, game and water quality being protected, and will this continue?

Are local environmental and communication needs being addressed?

Is there enough information or are new studies required?



More than 200 people are employed at McClellan Lake; about half are residents of northern Saskatchewan.

## The EA and licensing process

### May/2003

Meetings with Athabasca Environmental Quality Committee (EQC) and Athabasca Economic Development and Training Corporation (AEDTC)

### July/2003

CNSC public hearing in Ottawa on EA guidelines (July 16)

### Summer/Fall/2003

Environmental assessment undertaken; results discussed with Athabasca Working Group (AWG), Athabasca EQC and other interested stakeholders.

### June/2003

Public meetings on the licence application and EA in Athabasca communities and, later, in La Ronge and Saskatoon

### Fall/Winter/2003

CNSC hearings, followed by licensing hearings, pending completion of EA

Comments on EA guidelines due to CNSC (June 30)

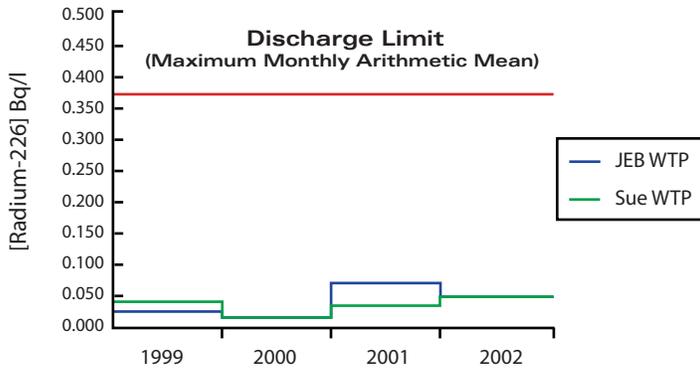
### 2004

Subject to regulatory approvals, a new licence for the McClellan Lake operation will be issued by CNSC.

## A 4-year track record

After nearly four years of work experience at McClean Lake, COGEMA Resources has access to excellent operating data. All of the monitoring programs, on or off the McClean Lake site, have shown that operations at McClean Lake are not harming the environment.

### Effluent Within Discharge Limits



All treated water is tested for a range of potential contaminants before release to the environment. The annual data shown here is just one example of many tested. Monitoring of radium-226 in treated effluent at the JEB mill water treatment plant (WTP) and Sue mine WTP continues to show levels well below the regulatory limit. McClean Lake operations produce a fraction of the allowable limit of radium-226 in discharged effluent.

### McClean Lake Employment

#### COGEMA Resources

- Total Employees	179	
- Northern	78	44%
- Basin	42	23%

#### Athabasca Basin Dev. Corp. (security & janitorial)

- Total Employees	19	
- Northern	16	84%
- Basin	13	68%

#### Northern Metis Site Services (catering)

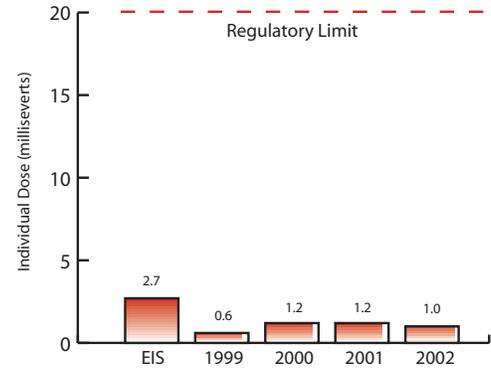
- Total Employees	13	
- Northern	8	62%
- Basin	4	31%

#### Total McClean Lake Workforce

- Total Employees	211	
- Northern	102	48%
- Basin	59	28%

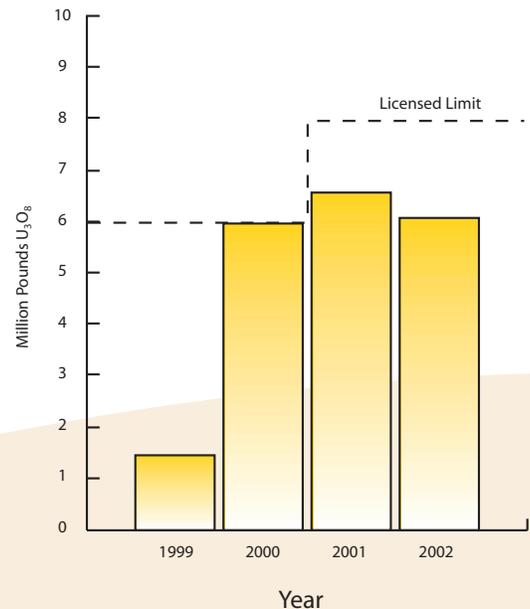
More than 200 COGEMA Resources employees and contractors currently work at McClean. Close to half (48%) are residents of northern Saskatchewan and about 28% are residents of the Athabasca Basin. Right now, the McClean Lake mill is processing stockpiled ore, so no mining is taking place, and employment is less than it will be when mining resumes.

### Radiation Protection Performance



Radiation protection performance at the McClean Lake JEB Mill has been consistently good. In the original environmental assessment, COGEMA Resources predicted an average individual dose of 2.7 milliseverts (MSv) per year. The regulatory limit is 20 mSv. At 1.0 mSv in 2002, the actual average individual dose per year is about one-twentieth of the limit.

### JEB Mill Production Performance



Production of yellowcake began at the JEB mill in 1999. A year later, the mill met its licensed annual limit of 6 million pounds of yellowcake production in only 10 months of operation. COGEMA Resources then applied for an increased limit and in 2001, following a CEAA environmental screening study, the CNSC approved raising the mill's licensed annual limit to 8 million pounds of yellowcake production.

## McClellan Lake timeline

**1979:** McClellan ore body discovered.

**1982:** JEB ore body discovered.

**1985-90:** Sue A, B & C ore bodies discovered.

**1991:** Environmental Assessment begins under joint federal-provincial process.

**1995:** Canadian Environmental Assessment Act (CEAA) becomes law. Joint federal-provincial process continues assessments already in progress.

**1995-98:** JEB mill constructed.

**1999:** Atomic Energy Control Board (AECB) issues a licence for the operation of McClellan Lake uranium mill and TMF after an 8-year environmental assessment and licensing process.

A Saskatoon-based group (ICUCEC) files an application in Federal Court to quash the licence, stating that the AECB (now Canadian Nuclear Safety Commission) erred in issuing the licence without requiring a further environmental assessment under the CEAA.

**2001:** McClellan Lake operating licence renewed for 4 years and amended for higher annual production.

**2002:** Federal Court judge rules against CNSC and quashes the 1999 operating licence. Both CNSC and COGEMA Resources appeal the ruling and are granted a stay until the appeal is resolved. COGEMA Resources continues to operate the facility under the 4-year licence issued in 2001.

**2003:** COGEMA Resources files for a new operating licence from the CNSC as insurance in case the appeal does not overturn the original Federal Court decision.

Lac La Ronge Indian Band, Kitsaki Development and Northern Resource Trucking file an application with the Federal Court of Appeal requesting standing to present information supporting COGEMA Resources' position. Province of Saskatchewan files a similar separate application.



The McClellan Lake operation achieved ISO 14001 certification for its environmental management system in late 2000 – the first uranium mine in North America to achieve this high standard. The tailings management facility, shown here, is designed so that it can be safely decommissioned, without harming the environment, when the mining and milling are completed.

## Questions? Comments? Here's who to call

**COGEMA Resources, Saskatoon**  
Toll-free: 1-888-9COGEMA (1-888-926-4362)

COGEMA Resources, La Ronge  
425-6880

Athabasca Working Group (AWG)

Representatives in the Athabasca communities of Camsel Portage, Uranium City, Fond du Lac, Stony Rapids, Black Lake, Hatchet Lake and Wollaston Lake.

Environmental Quality Committee (EQC)

Representatives in all northern Saskatchewan communities

Saskatchewan Environment

Brent Keevill, McClellan Lake operation officer: 425-4234

Canadian Nuclear Safety Commission (CNSC)

Rick Forbes, McClellan Lake operation officer: 975-6385