

Wheeler River Project:

Draft Environmental Impact Statement

Project Overview

The Wheeler River Project (the Project) is Denison's proposed in situ recovery (ISR) uranium mine and processing plant:

Location: northern Saskatchewan, Canada.

Project components and activities: the central Project components are the ISR mine and the processing plant. Supporting Project components and activities include those needed for waste management, water management, distribution of electricity, and transportation, such as pads, ponds, buildings, roads, and an airstrip.

Inputs: freshwater, chemicals (for mining, uranium processing, treating water), electricity, and fuel.

Outputs: waste (organics, clean waste rock, special waste rock (drilling core), domestic waste, industrial waste, precipitates from the processing plant and water treatment, sewage), air emissions including greenhouse gas emissions (GHGs), noise, and treated effluent.

Product: U₃O₈ or yellowcake. The product Denison sells is ultimately used as fuel in nuclear power plants, supporting global efforts to reduce GHG emissions.

Employment: Approximately 300 workers during Construction and 180 during Operation. The Project will be operated as a fly-in-fly-out operation.

Project duration: Total of approximately 38 years, about 2 years for Construction, 15 years for Operation, 5 years for Decommissioning, and 15 years for Post-Decommissioning periods.

The environmental assessment (EA) outlined in this environmental impact statement (EIS) was transparent and conservative, following a standard, step-wise approach for evaluating Project effects including cumulative effects. In an effort to generate a conservative EA and provide operational flexibility, Denison developed an assessment basis for the EA which bound, or was higher than, the current understanding of the Project's engineering design basis. For example, the direct Project footprint based on engineering site plans is about 75 ha, but the EIS assumed the Project's area of disturbance was closer to 170 ha. Similarly, the annual production for current engineering design is 6 Mlbs U₃O₈ per year over 10 years, but the EIS assumed production of 9 Mlbs U₃O₈ per year over 15 years, with a peak production up to 12 Mlbs U₃O₈ in a given year to allow for operational flexibility. This means that, for example, the EIS assessed inputs needed and outputs generated on an annual basis as being 50% more than expected.

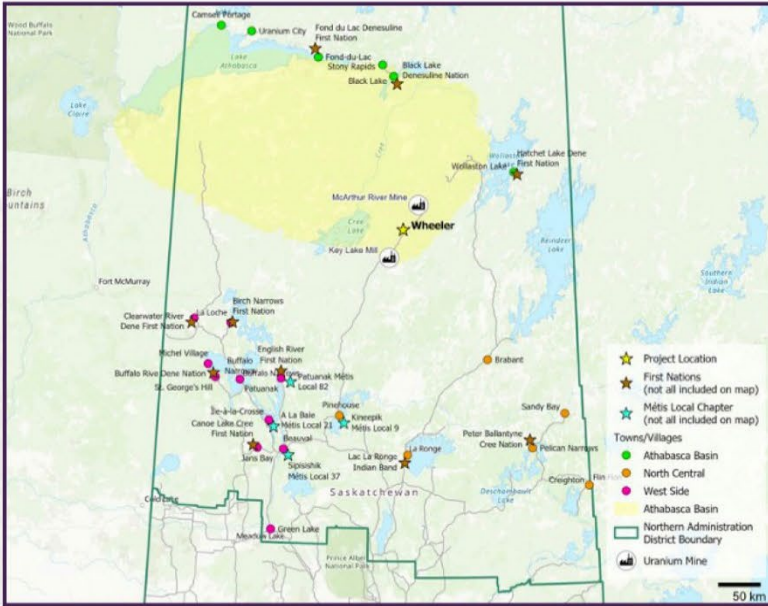
Residual effects remaining after mitigation were largely linked to land clearing, increases in traffic, emissions to air, waste generation, and water management. Residual effects were evaluated for 32 Valued Components (VCs) and significance determined for receptor VCs. The evaluations and conclusions of the EIS are that the Project can be constructed, operated, and decommissioned while regional plant communities are stable and continue to function, regional fish and wildlife populations are viable and healthy, human health is protected, there is continued opportunity for land use activities, including exercising Indigenous rights, and there is continued social and economic viability of local economies. The EIS outlines mitigation measures, monitoring requirements, and commitments needed for Denison to have confidence that Project is operating as planned and that the actual effects resulting from Project Construction, Operation, and Decommissioning are at or below predicted effects.

Overall, the Project has the potential to achieve a superior standard of environmental sustainability when compared to conventional uranium mining operations. Owing, in large part, to the use of the ISR mining method, the Project has potentially fewer residual effects remaining after mitigation when compared to conventional open pit or underground mining methods and conventional milling activities.

Importantly, Denison has been proactively engaging with Indigenous communities and organizations, the general public, and regulatory agencies since 2016. The use of a collaborative approach to engagement and advancement of the Project is exemplified by the input these groups have provided to influence both project designs and the EA in various ways. Denison views the EIS as an important planning tool that will be used to support future activities and represents one stage in the rigorous EA, licensing, and permitting process for a uranium mining facility in Canada.

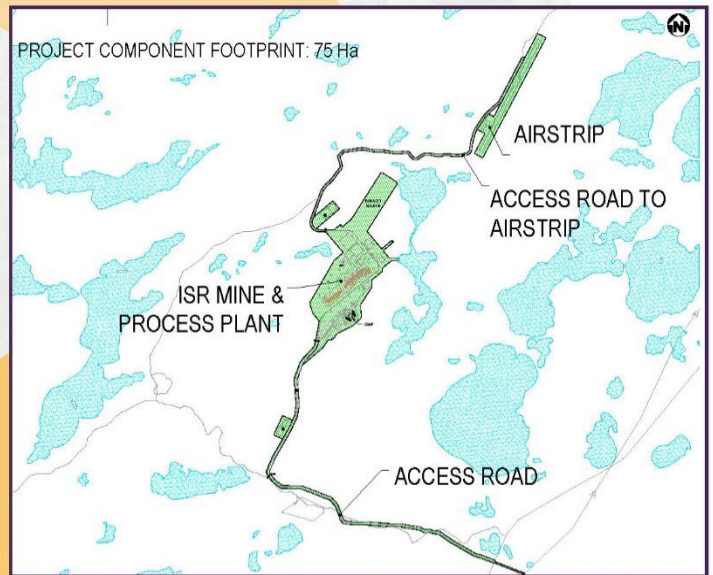
LOCATION

The Wheeler River Project is located in northern Saskatchewan in the Athabasca Basin.



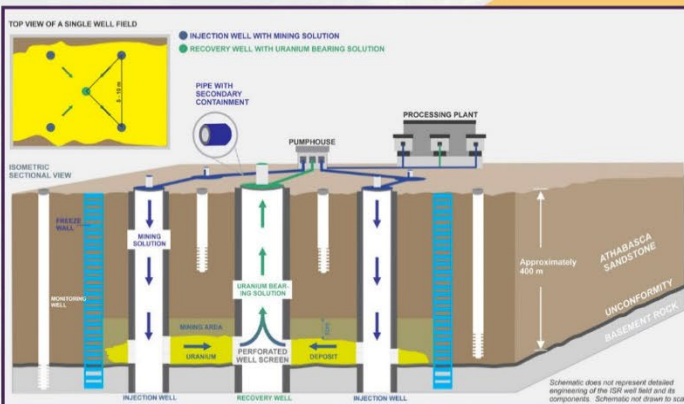
PROJECT FOOTPRINT

The main Project components are the in situ recovery mine and the processing plant.



IN SITU RECOVERY

In situ recovery uses an acidic solution to leach uranium ores from the ground through a series of injection and recovery wells. The processing plant houses the tanks and equipment to process the uranium recovered from in situ recovery into yellowcake. Denison will sell the yellowcake to the market for use in nuclear power plants, supporting global efforts to reduce greenhouse gas emissions.



VALUED COMPONENTS & PROJECT INTERACTIONS

Denison is assessing elements, called valued components, important to people or the environment, and the potential effects of the Project on these elements.

