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NEW CARE AND MAINTENANCE CONTRACT AWARDED FOR FARO MINE COMPLEX

WHITEHORSE – A new contract for care and maintenance at the Faro Mine Complex has been awarded to Denison Environmental Services, following a six-month open and competitive public tender process overseen by the Government of Yukon.

The announcement was made by the Honourable Brad Cathers, Minister of Energy, Mines and Resources and the Honourable Chuck Strahl, Minister of Indian Affairs and Northern Development and Federal Interlocutor for Métis and Non-Status Indians.

“This contract is a significant step in our progress to long term remediation at the Faro Mine Complex,” Minister Cathers said. “This contract supports the Yukon government’s commitment to protect the environment while maximizing socio-economic opportunities for Yukoners in the Faro area.”

The new care and maintenance contract will be managed by the Government of Yukon and funded by the Government of Canada.

"This important work is in keeping with the federal government's Northern Strategy and our commitment to protect the health and safety of Aboriginal people, Northerners, and the integrity of the environment", Minister Strahl said. "This care and maintenance contract at the Faro Mine Complex is a concrete example of that commitment and provides economic opportunities for affected Yukon First Nations and other Yukoners."

The three-year \$7.2 million per annum contract will provide care and maintenance services at the Faro Mine Complex, including: the ongoing collection and treatment of contaminated water; the management of uncontaminated runoff; the inspection and maintenance of dams and diversion channels; the monitoring of water quality; general maintenance and site security.

“Denison Environmental Services is committed to delivering the highest possible level of service on the Faro project,” Ian Ludgate, Manager of Denison Environmental Services said. “At the same time, we will maximize the economic benefits to affected Yukon First Nations and other Yukon stakeholders, and involve local communities in the process.”

Faro was an open-pit lead-zinc mine that closed in 1998. It is classified as a Type II site under the Devolution Transfer Agreement. The Government of Canada and the Government of Yukon are taking a collaborative approach to management of the Faro mine remediation project, including planning for final closure and remediation.

Denison Environmental Services will take over the care and maintenance responsibilities in March 2009, after a transition period with the court appointed Interim Receiver for the Anvil Range Mining Corporation (Deloitte and Touche Inc.) who have managed the care and maintenance at the site since 1998. The contract will provide interim environmental protection until the implementation of a final closure and remediation plan anticipated for 2012-2013.

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BACKGROUNDER

Denison Environmental Services

www.denisonenvironmental.com

Denison Environmental Services, based in Elliot Lake, Ontario, is a division of Denison Mines Inc., a wholly owned subsidiary of Denison Mines Corp. It was formed to assist the mining industry and governments with the final stages of the mining cycle. Its goal is to lead the industry in cost effective decommissioning solutions to mine closure issues, focusing on infrastructure, tailings rehabilitation, sale of mine assets and especially long term-care and maintenance of closed sites. DES is an ISO 9001: 2000 certified company.

Over the past decade, Denison Environmental Services has had significant experience with care and maintenance activities on a number of closed mine sites including all eleven of the closed mines in Elliot Lake, Ontario, the Kam Kotia Lime Treatment Plant in Timmins, Ontario, the Shebandowan Mine in Ontario, the Hope Brook Mine in Newfoundland and Labrador and Les Mines Selbaie in Québec. Denison has also provided mine decommissioning services at many properties in Canada including the demolition of the Cluff Lake Mill in Saskatchewan, the Caland and Coppercorp mines in Ontario, the Yvan Vezina mine in Quebec and many others.

Denison Environmental Services also provides consulting services to industry, governments and other consultants and has expertise in decommissioning planning, permitting, aquatic and terrestrial studies.

Denison Environmental Services will be opening a Yukon office in 2009.