



**Energy***inc*

HORNBY  
LAKE  
PROJECT

THELON  
PROJECT

CANADA

Exploring for **Uranium  
Resources**  
in Canada

Energy

# Corporate Overview

## Company:

- Formed in 2004
- Listed on TSE in 2005, Symbol: URE
- Junior Mining Exploration Company
- Market capitalization is \$300 million
- Head office: Ottawa, ON

## Personnel:

- CEO/President: W. William Boberg
- Senior Vice President: Eric Craigie (Present)
- Senior Geologist: Jack Charlton



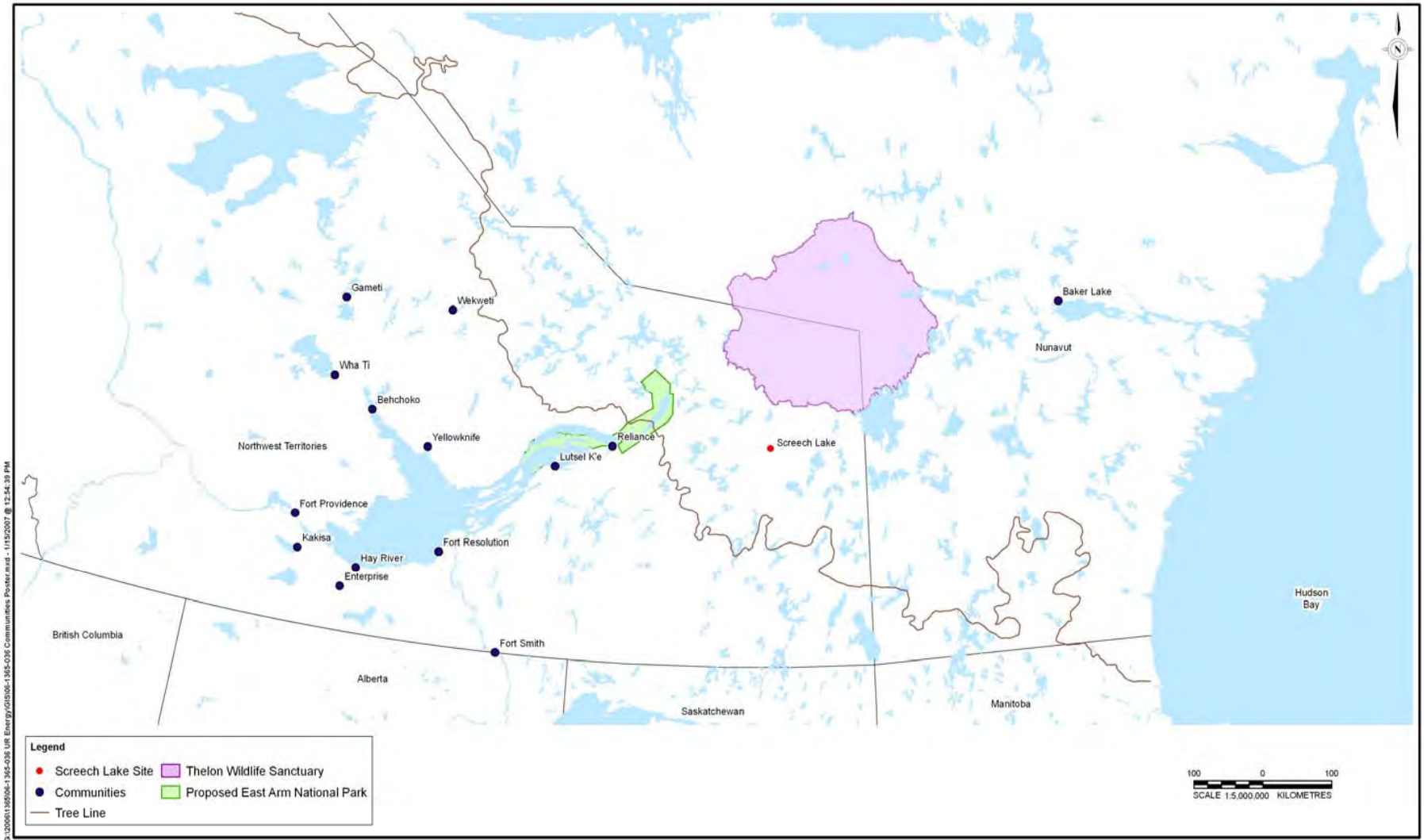
# Proterozoic Basins *in Canada*

- The Thelon Basin is one of the Proterozoic Basins in Canada
- Others include the Hornby Bay, Baker Lake and Athabasca Basins
- Uranium exploration is occurring in all of these basins
- Uranium is currently mined in the Athabasca Basin

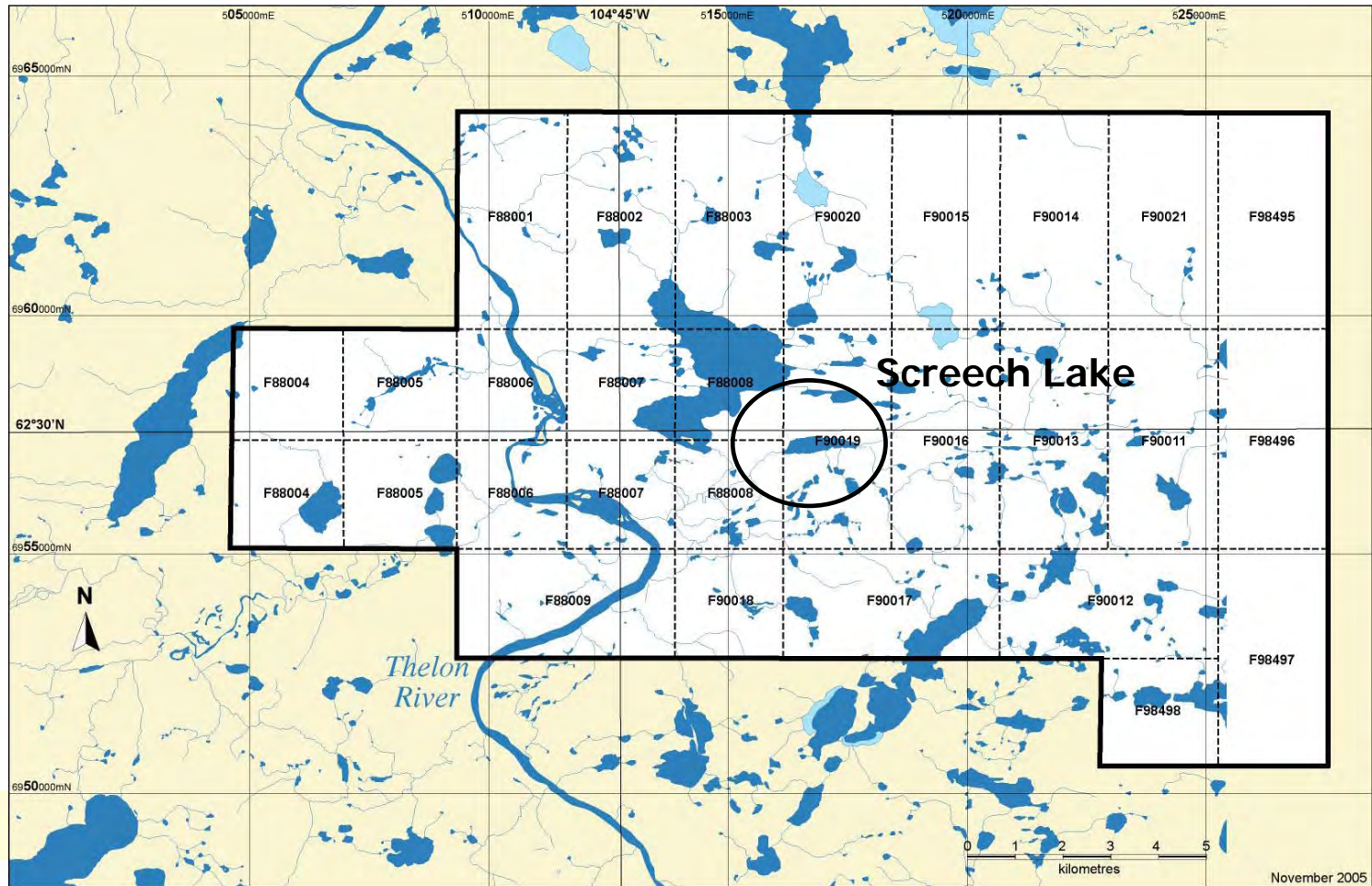




# Regional Setting for Screech Lake Program



# Screech Lake Claim Group



# Summary of Past Exploration Activities

## 1976 to 1980 - Urangesellschaft

- Prospecting, geochemistry and radon surveys
- Airborne and ground geophysical surveys
- Drilling at Screech Lake, one hole to depth of 460 metres

## 2005 to 2006 – Ur-Energy

- Airborne geophysical surveys
- Ground geophysical surveys
- Prospecting and radon surveys



# Overview of Exploration Program

- Program will be conducted over a three to four month period
- The exploration camp will be constructed on the shore of Looksok Lake about 2 km north of Screech Lake
- Small camp, approximately 6 tents/10-12 staff
- Drill water will be screened and re-circulated back down the hole
- Grey water will be disposed of in settling sump
- Good housekeeping practices (maintain a garbage free camp and exploration area to limit the attraction of animals)
- All combustible garbage to be burned and ash placed in sealed metal containers
- All waste flown to Yellowknife for disposal

# Overview of Exploration Program

- Prohibit hunting, fishing, trapping by URE staff and contractors
  - All wildlife have right-of-way
  - No feeding or harassment of wildlife
  - All chemicals stored in double-walled containers
  - All materials, chemicals and equipment will be removed from the drill sites and camp area at the completion of the project
  - Spill Contingency Plans in place
  - Camp and drill sites will be inspected at end of activities



An aerial photograph showing a temporary camp situated on a grassy, brownish field. The camp consists of several small, white, rectangular buildings with blue roofs, arranged in a line. To the right of the buildings, there are some vehicles and equipment. In the background, a large body of water, Screech Lake, stretches across the horizon. The sky is clear and blue.

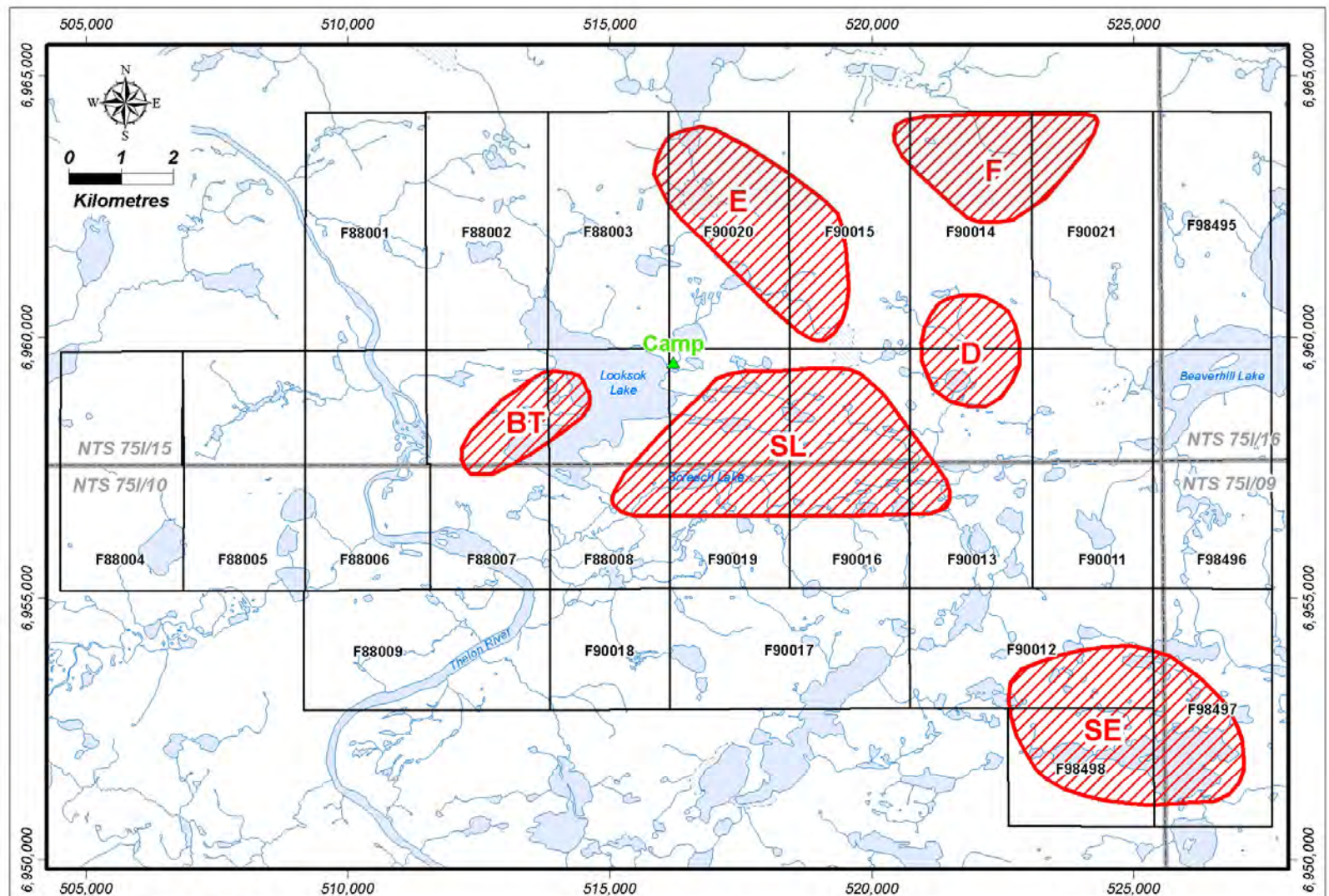
## 2006 Temporary Camp near Screech Lake

# Exploration Drilling Program

- Will be completed using a single drill rig
- The drilling program would be conducted in stages
- The first stage, five to six drill holes are proposed
- If the results are positive, the second stage would add 15 more holes for a maximum total of 20 drill holes
- It is anticipated that the second stage program may take two years to implement but may take longer depending on success
- The exact number of holes that can be drilled in one season will depend on the drilling conditions encountered



# Potential Drill Areas – SL is the primary Target Area



Base: Portion of NTS Sheets 75I/09, 10, 15 & 16  
 Drawn: BCS, April 27, 2006

**UR-ENERGY INC.**  
**SCREECH PROPERTY, N.W.T.**  
**OUTLINE of SIX POTENTIAL DRILLING AREAS**

Projection: UTM Zone 27, NAD27 datum



# Drilling Operations



- Only one drill rig
- Drill moves will be done by helicopter
- It is estimated that it will take one week to drill each hole (depth 500-700 m)
- Once drilling of a hole is started, drilling will be continuous
- It is estimated that it will take one day (eight to ten hours) to move a rig
- Each drill pad has small footprint (less than 30m x 30m)

# Schedule for Exploration Program

- The preferred timing of the program is January to April to limit effects to wildlife and the environment
- The LUP application requested a March to May 2007 operating period due to delays in the permitting process
- Activities in 2007 would be dictated by the success of the permitting process and would be carried out to limit interactions with caribou migrations
- March, April and June 2007 are proposed for the first stage
- Ur-Energy would proceed with the January to April schedule for 2008

# Supporting Documentation

- An Environmental Screening Report was submitted with the LUP
- This document contained a description of the following:
  - Project description
  - Characterization of the local environment
  - Screening of the potential environmental issues associated with the proposed program
  - Mitigation measures to limit potential effects
  - Potential residual effects of the program



# Heritage Resources

## ■ Issue:

- Disturbance to heritage resources

## ■ Mitigation:

- Helicopter for transport
- No trails between camp and exploration sites
- Minimum surface disturbance from camp and drill rig

## ■ Residual Effects:

- Localized to drill sites and camp site, and restricted to exploration activities.

# Traditional Land Use

## ■ Issue:

- Disturbance to traditional land use

## ■ Mitigation:

- Only one drill rig
- Short duration of drilling activity
- Mitigation measures for caribou and all wildlife

## ■ Residual Effects:

- Localized to area of activity, restricted to exploration activities, and likely result in minor change to wildlife and traditional land use

# Non-Traditional Land Use

## ■ Issue:

- Disturbance to non-traditional land use

## ■ Mitigation:

- Short duration
- No trap lines registered within 50 km of Screech Lake
- Sport hunting occurs in late summer and early fall
- Nearest outfitting camp is 80 km away
- Ecotourism occurs in the summer/fall

## ■ Residual Effects:

- Local, restricted to exploration activities, and likely result in no measurable change to the environment and non-traditional land use



# Socio-economic

## ■ Issue:

- Change to local and regional economies

## ■ Mitigation:

- Use of local labour force (if possible)
- Purchase of goods and services in the north

## ■ Residual Effects:

- Regional, restricted to exploration activities, and likely result in small positive change

# Fish and Fish Habitat, Water Quality and Quantity

## ■ Issue:

- Disturbance to fish and fish habitat; contamination of local water sources; changes in water quantity and movement

## ■ Mitigation:

- Follow DFO guidelines for water intakes
- No drilling on shorelines or lakes
- Drill water recycled
- Drill cuttings not allowed to disperse to nearby water bodies
- Grey water monitored
- Spill Contingency Plan

## ■ Residual Effects:

- Local, restricted to exploration activities, and likely result in no measurable change to aquatic environment

# Air and Noise

## ■ Issue:

- Noise disturbances from drilling, camp activities and helicopter

## ■ Mitigation:

- Infrequent flights into camp (approximately once per week)
- Minimum flying altitude of 300 m except during take off and landing
- Noise levels not expected to exceed 94 dBA at 10 m beyond the drill rig
- Decrease to 26 dBA at 1500 m
- Noise will be below current regulatory criteria and expected background noise levels (30-40 dBA)

## ■ Residual Effects:

- Local, restricted to exploration activities, and likely result in no measurable change to the environment beyond 1500 m from center of activity



# Topography, Soil, and Vegetation

## ■ Issue:

- Disturbance to land, soil, vegetation

## ■ Mitigation:

- Helicopter for transport (no trucks or heavy earth-moving equipment)
- No trails between camp and exploration sites
- Minimum surface disturbance
  - Each drill pad has small footprint (less than 30m x 30m)

## ■ Residual Effects:

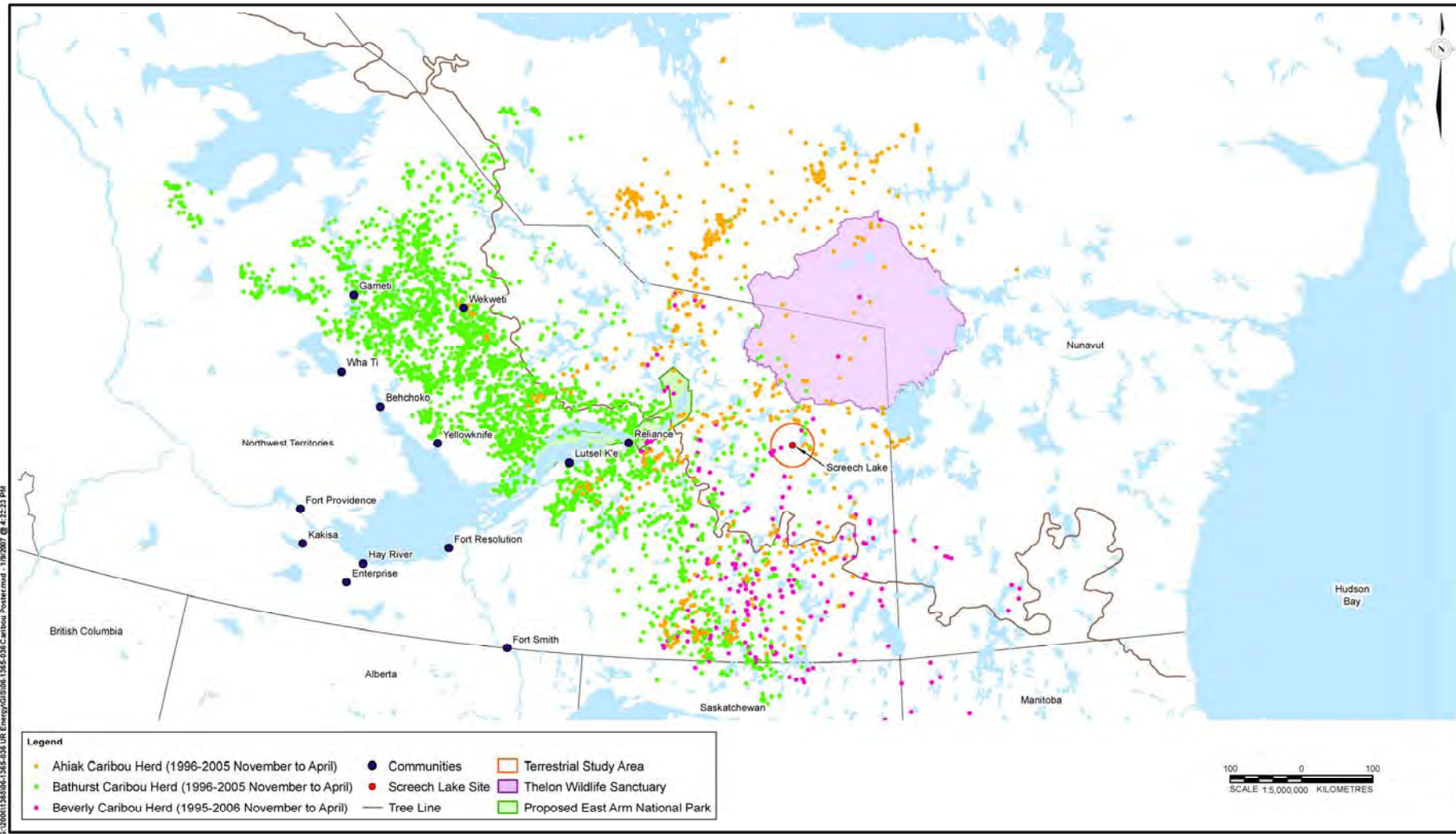
- Localized to drill sites and camp site, restricted to exploration activities, will likely result in minor change in appearance to the land and vegetation

# Caribou

## ■ Issues:

- Disturbance to caribou behaviour
- Change in migration routes and wintering grounds
- Effects to pregnant females
- Decrease to caribou health and populations

# Caribou Locations from November to April



# Caribou

## ■ Mitigation:

- Avoid operating in May during the northern migration
- Caribou have the “right-of-way”
  - Not blocked from moving through the area
  - Drilling activities suspended if caribou come within 500 m of drilling operations as recommended by the GNWT
- Attempt to fly all aircraft at a minimum of 300 m above ground except during take off and landing

## ■ Residual Effects:

- Local, restricted to exploration activities, and likely result in minor changes to caribou behaviour
- Not expected to increase the risk to the population



# Other Wildlife

## ■ Issues:

- Disturbance to wildlife behaviour and movement
- Increase in wildlife mortality

## ■ Mitigation:

- Limit the footprint
- Good housekeeping practices (maintain a garbage free camp and exploration area to limit the attraction of animals)
  - All combustible garbage to be burned and ash placed in sealed metal containers
  - All waste flown to Yellowknife for disposal
- Prohibit hunting, fishing, trapping by URE staff and contractors
- All wildlife have right-of-way
- No feeding or harassment of wildlife
- All chemicals stored in double-walled containers
- All materials, chemicals and equipment will be removed from the drill sites and camp area at the completion of the project
- Spill Contingency Plan

## ■ Residual Effects:

- Local, restricted to exploration activities, and likely result in minor change to wildlife behaviour and movement
- No expected wildlife mortality



## 2006 Consultation Program





**June 2006 Meeting in Fort Resolution**







**June 2006 Meeting in Lutsel K'e**





**August 2006 site visit with Lutsel K'e**







**August 2006 Aquatic baseline program**







**September 2006 and March 2007  
Vegetation and Wildlife Baseline Programs**







**QUESTIONS?**

