

# The Coles Hill Progress



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## Message from the Chairman



Walter Coles

Not a day goes by without a neighbor, reporter, legislator, supervisor or environmental activist asking me or a member of VUI staff about our project. I'm

always pleased to share information, but for every individual who asks a question, there are many more who are still wondering. That is what led us to develop The Coles Hill Progress as a means for sharing information with more people.

In these newsletters, we plan to feature articles on topics related directly and indirectly to our work at Coles Hill. While safety will always be our foremost concern, I believe this project can have a profound effect on the long-suffering economy of Southside and our country's ability to provide more of its own energy. I am also aware of the sincere concerns expressed by some of my neighbors about how the project could affect the environment and the health of our community, and hope this will serve as a forum to provide information to everyone interested in expanding their knowledge of uranium mining and related topics.

I hope you will find this newsletter interesting and informative.

## Uranium Mining Study Approved

Our efforts to mine uranium safely in Virginia – the only way to do it – took an important step forward in March. The state, through its Coal and Energy Commission, approved the framework of a study on uranium mining.

There is a moratorium on mining uranium that dates back to the 1980s. The proposed independent study could take eighteen months, the Associated Press recently reported, and then the General Assembly would have to pass legislation directing state agencies to develop regulations before the moratorium could be lifted.

Safety is the No. 1 priority in mining uranium, all the interested parties agree.

Among undeveloped deposits, it is the seventh largest in the world and believed to be the largest in the nation. Its value is estimated at anywhere from \$7 billion to \$10 billion.

Go to [www.dls.state.va.us/groups/cec/uraniummeetings.htm](http://www.dls.state.va.us/groups/cec/uraniummeetings.htm) for more information on the study's status.



## Southside Jobs! Welcome News.

A bright spot in the bleak economy appeared recently when an independent panel of experts confirmed that the skilled workforce needed for the development of uranium in Pittsylvania County is ready and waiting in Southside Virginia, according to a report filed with the Canadian Securities Administrators.

"Mining personnel can reasonably be recruited from the local area, as the skill sets needed for miners exist already among people and companies who are comfortable with farming and heavy equipment," stated the report, [Technical Report on the Coles Hill Uranium Property, Page 15] which was submitted by Virginia Uranium Inc.'s minority investor, Santoy Resources of Vancouver. A copy of the full report can be found at <http://www.santoy.ca/i/pdf/43-101ColesHill.pdf>.



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## Geologist has Confidence in Safety of Mining Project

A seasoned geologist from the Virginia Museum of Natural History told a group recently that he “does not foresee major health or environmental risks from a proposed uranium mining operation,” at Coles Hill, according to an article in the Martinsville Bulletin.

Dr. Jim Beard told the Martinsville Rotary Club that he hopes a state-sponsored study will allow mining to proceed at the Pittsylvania site. The newspaper reported that Beard believes the state “is proceeding in a responsible fashion” by doing the study, and that he hoped mining of the site was approved “for the sake of Virginia and Southside Virginia in particular,” according to the story.

Beard said uranium mining would create an important domestic source of energy for the United States, saying that the energy potential of the Coles Hill mine is 100 times the total potential of offshore drilling for oil off Virginia’s coast. “If we’re going to have some energy stability in this country, we have to make some choices,” he said.

*He also addressed criticism of the Coles Hill project, saying, “Uranium has this aura of horribleness around it, but it’s not that toxic. I would have no objection to living a mile from that mine myself. I think the risks are going to turn out to be small.”*

While mining opponents have expressed concern that communities downstream of the mine could experience serious water contamination, Beard dismissed those claims. He said that radon, for instance, is already escaping from this deposit, and more will probably be dispersed if mining operations begin. “But it’s going to be so dispersed, I’m sure it won’t be a problem,” he said.

The Martinsville Rotary Club has previously heard from a Virginia Uranium geologist as well as from opponents of the issue.



## A Voice for Supporters

The Virginia Energy Independence Alliance is a broad-based coalition of citizens, consumers, industries, associations and academia from across Virginia that are committed to promoting alternatives to foreign energy in Virginia. Through VEIA, supporters of the uranium mining project can make their voices heard.

The organization recently launched a Web site where information about Coles Hill and many other Virginia-based energy projects can be found. Visitors to the site can also sign up to join the coalition and receive information on Coles Hill as the proposed project moves through the many phases of study, permitting and approval from various agencies of the state and federal governments. You can also request a Virginia NRG bumper sticker to show your support for energy that’s “made in Virginia.”

[www.VirginiaEnergy.org](http://www.VirginiaEnergy.org)



Many people took the opportunity to stop by a VEIA informational booth at the annual Shad Planking in Wakefield, and sign up.

## BY THE NUMBERS

<b>700</b>	The number of nuclear engineers that must graduate each year in order to support the demand for this clean energy form in the United States, according to the American Nuclear Society.
<b>230</b>	Number of nuclear engineers currently graduating annually in the U.S.
<b>1.6 MILLION</b>	The amount, in pounds, of uranium used annually by Virginia's nuclear reactors.
<b>119 MILLION</b>	The estimated amount, in pounds, of uranium located at Coles Hill.
<b>3.9 MILLION</b>	The amount, in pounds, of uranium produced in the U.S. in 2007.
<b>51 MILLION</b>	The estimated amount, in pounds, of uranium purchased in the U.S. in 2007.
<b>500</b>	Number of workers Virginia Uranium hopes to employ on its site. Most of that labor can be found right here, in Southside.

## VCU Announces Nuclear Engineering Tracks

The engineering school at Virginia Commonwealth University in Richmond has announced a joint program with Dominion Virginia Power to offer courses and degree programs in nuclear engineering.

This is a field that will put students into an industry that will create in-state jobs, meet future energy demand, and enhance U.S. energy independence. At Virginia Uranium, there's a clear interest in this undergraduate and graduate track, since the ore that we mine will eventually become the fuel that powers nuclear plants.

"We are pleased to see Virginia's universities taking steps to ensure our students are equipped to play an important role in advancing education, research and technology in the nuclear industry," said Norm Reynolds, President and Chief Executive Officer of Virginia Uranium. "Energy is supremely important to the future economy of Virginia, and we are poised to lead the nation in this field and play an important role in solving the nation's energy challenges."



## Water Concerns Unrelated to VUI

Local residents were assured recently that concern over lead levels in a few residential wells in the general vicinity of the Coles Hill have nothing to do with activities by Virginia



Uranium. While scientific staff at VUI reviewed the data, wells with reported lead levels in the water are all in geologically and hydrologically isolated areas that are unaffected by activities conducted by the company.

The simple laws of gravity and hydrology preclude water running uphill – whether in the ground or on the surface – as it would have to do to reach these sites. In addition, ridges of land and several creeks create boundaries that physically separate the area of VUI activities from the sites of the wells in question.

The indicated levels of lead may be caused by any number of possibilities that could vary from household to household. Among the possibilities, according to the Virginia Department of Health, is household plumbing. Anyone concerned with their water quality should consult the Pittsylvania County Health Department for an assessment of their particular situation.

## Southside Jobs! Welcome News.

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The report was welcome news to the Danville area which continues to have, "by far, the highest metropolitan area jobless rate," according to the Virginia Employment Commission. According to the VEC unemployment statistics, Danville's unemployment rate is 12.2%, which is nearly double the unemployment rate of all other metropolitan areas in Virginia.

"This is important news for our company, as well as this region," said Norm Reynolds, President and Chief Executive Officer of Virginia Uranium. "We are all painfully aware of the unemployment figures in the City of Danville, Pittsylvania, Halifax and Henry Counties where we would expect to draw the bulk of our 400-500 workers, if the Commonwealth of Virginia decides to permit the development of the Coles Hill resource."

The report is the work of Behre Dolbear & Company, LTD., Marshall Miller and Associates, Inc. and PAC Geological Consulting Inc. This report, called a "National Instrument 43-101 Technical Report," is required by the Canadian Securities Administrators, and amounts to a technical and scientific audit of the project.



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