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*Terri A. Lockman, Attorney
Environmental Quality Council*

SETTLEMENT AGREEMENT

THIS SETTLEMENT AGREEMENT, by and between the STATE OF WYOMING, DEPARTMENT OF ENVIRONMENTAL QUALITY ("DEQ"), and PATHFINDER MINES CORPORATION ("Pathfinder").

WITNESSETH

WHEREAS, on approximately July 21, 1993, Pathfinder filed with the Wyoming Environmental Quality Council ("EQC") a Petition for Appeal and Request for Hearing ("Petition") (subsequently assigned Docket No. 2485-93) whereby Pathfinder appealed to the EQC a determination by the DEQ pertaining to the disposal of certain radioactive waste materials at Pathfinder's Shirley Basin tailings facility located in Carbon County, Wyoming ("Appeal");

WHEREAS, Pathfinder and the DEQ desire to resolve the Appeal in accordance with the terms and conditions set forth in this Agreement.

NOW, THEREFORE, the parties hereto hereby agree as follows:

1. Dismissal of Appeal.

Within 10 days after both parties have exchanged fully signed copies of this Settlement Agreement, their respective legal counsel will execute and file with the EQC a stipulation and motion for dismissal of Docket No. 2485-93 pending before the EQC, subject to the terms and conditions of this Settlement Agreement. Such dismissal shall be with prejudice, except as to (i) any future legal proceedings directly related to enforcement of the terms and conditions of this Settlement Agreement; and (ii) those matters which are included within the reservation of rights provided for in Paragraph 2 hereinbelow.

2. Reservation of Rights.

2.1 By granting Pathfinder a de minimis exemption based on the provisions of this Settlement Agreement, DEQ in no way waives, concedes, modifies or prejudices its position regarding any jurisdiction issues referred to in or raised by the Petition and DEQ reserves, and does not waive, any and all rights to assert such position in any controversies or legal proceedings which might arise in the future regarding such jurisdictional issues, except legal proceedings directly related to enforcement of the terms and conditions of this Settlement Agreement. Likewise, by Pathfinder's agreeing to the

provisions of this Settlement Agreement, including the aforesaid de minimis exemption, Pathfinder in no way waives, concedes, modifies or prejudices its position regarding any jurisdiction issues referred to in or raised by the Petition and Pathfinder reserves, and does not waive, any and all rights to assert such position in any controversies or legal proceedings which might arise in the future regarding such jurisdictional issues, except legal proceedings directly related to enforcement of the terms and conditions of this Settlement Agreement.

2.2 This Settlement Agreement does not constitute agreement by the State of Wyoming to eventually take title to or custody of the NRC licensed Shirley Basin uranium mill tailings and byproduct material disposal facility in Carbon County, Wyoming under 42 USC §2113 or any other federal statute or regulation, and the State of Wyoming expressly retains and does not waive its option to not take title to and custody of the Shirley Basin site.

3. Byproduct Waste Disposal.

3.1 Subject to the terms and conditions of this Settlement Agreement, including quantity and source limitations, and any terms and conditions imposed by the U.S. Nuclear Regulatory Commission ("NRC"), Pathfinder may receive and dispose of, at its Shirley Basin tailings facility ("Facility"), byproduct material generated at one or more of the following uranium in-situ leach operations ("Pathfinder ISL Byproduct Material"):

North Butte, Brown Ranch, Irigaray, Irigaray II, Christensen Ranch, Alta Mesa (which operations are hereinafter collectively referred to as "Group I Operations");

Highland, Ruth, Holiday/El Mesquite, O'Hern, West Cole, Gas Hills (which operations are hereinafter collectively referred to as "Group II Operations").

3.2 The term "byproduct material" shall be as defined in Section 11.e.(2) of the Atomic Energy Act of 1954 (42 USC §2014 (e)(2)), as amended, and as in effect on the date hereof, which definition is as follows:

"The term 'byproduct material' means ... (2) the tailings or wastes produced by the extraction or concentration of uranium or thorium from any ore processed primarily for its source material content".

3.3 The total amount of Pathfinder ISL Byproduct Material which Pathfinder may receive and dispose of at the Facility after March 19, 1993 from Group I Operations shall

not exceed 22,150 cubic yards. The total amount of Pathfinder ISL Byproduct Material which Pathfinder may receive and dispose of at the Facility after March 19, 1993 from Group II Operations shall not exceed 26,500 cubic yards.

4. Testing and Reporting.

4.1 Pathfinder ISL Byproduct Material from Group I Operations which Pathfinder desires to dispose of at the Facility shall be subject to the testing and reporting requirements for Pathfinder ISL Byproduct Material from Group I Operations as set forth in Attachment 1 (dated 3-14-94), attached hereto and hereby incorporated herein.

4.2 Pathfinder ISL Byproduct Material from Group II Operations which Pathfinder desires to dispose of at the Facility shall be subject to the testing and reporting requirements for Pathfinder ISL Byproduct Material from Group II Operations as set forth in said Attachment 1.

4.3 Except as provided for in this Agreement and NRC Source Material License SUA-442, receipt and disposal at the Facility of Pathfinder ISL Byproduct Material shall not be otherwise restricted, unless required by a subsequent change in applicable law.

5. No Enlargement of Facility.

The Facility has sufficient existing capacity for the disposal of more than the quantity of Pathfinder ISL Byproduct Material referred to herein. Pathfinder agrees that it will not enlarge the tailings dam or expand the boundary of the affected surficial area at the Facility after March 19, 1993 to accommodate the receipt or disposal of Pathfinder ISL Byproduct Material.

6. Submittal of Documentation.

Pathfinder agrees to provide to DEQ, Solid and Hazardous Waste Division ("SHWD") informational copies of all documents which it is required to provide to the NRC pursuant to Source Material License SUA-442 related to the disposal of Pathfinder ISL Byproduct Material at the Facility. Pathfinder shall provide copies of all such documents to SHWD concurrently with submittal of such documents to the NRC. It is understood such documents will include the annual ground water compliance monitoring report,

correspondence from Pathfinder to the NRC directly related to Pathfinder ISL Byproduct Material disposal at the Facility and copies of any requests for amendments to Source Material License SUA-442 pertaining to Pathfinder ISL Byproduct Material disposal. All documents provided to SHWD pursuant hereto which are identified by Pathfinder as containing confidential business information shall be held as such by DEQ pursuant to applicable law.

7. Miscellaneous.

This Settlement Agreement, including Attachment 1 hereto, contains the entire agreement between the parties hereto with respect to the subject matter hereof and any amendment or supplement hereto shall be in writing, signed by both parties. Each person executing this document warrants and represents to the other party that he/she is authorized to do so on behalf of the party for which such person is signing.

STATE OF WYOMING
Department of Environmental Quality

By: _____

Title: DENNIS HEMMER, DIRECTOR

Date: APRIL 7, 1994

PATHFINDER MINES CORPORATION

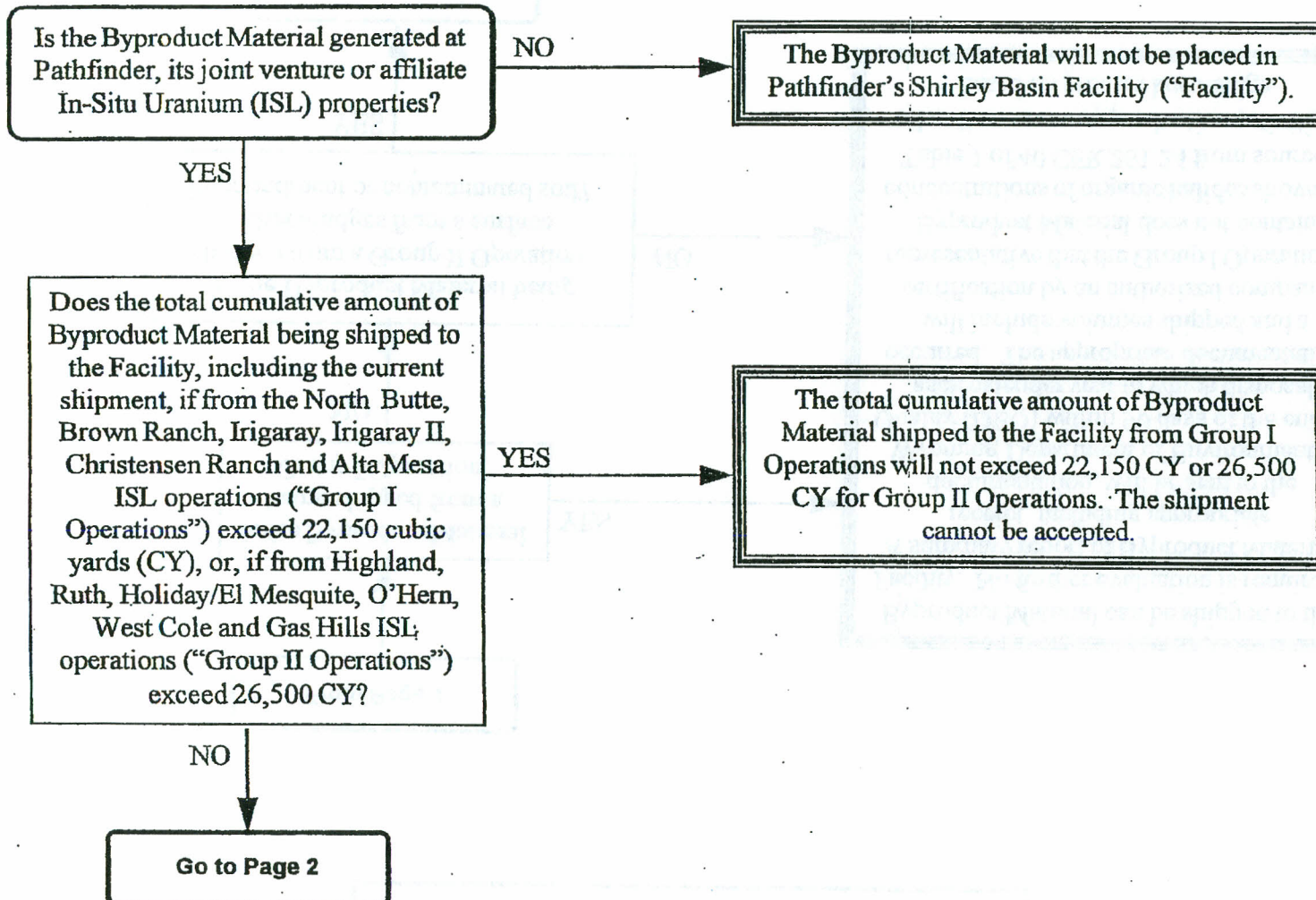
By: _____

Title: MICHEL POISSONNET, PRESIDENT

Date: APRIL 7, 1994

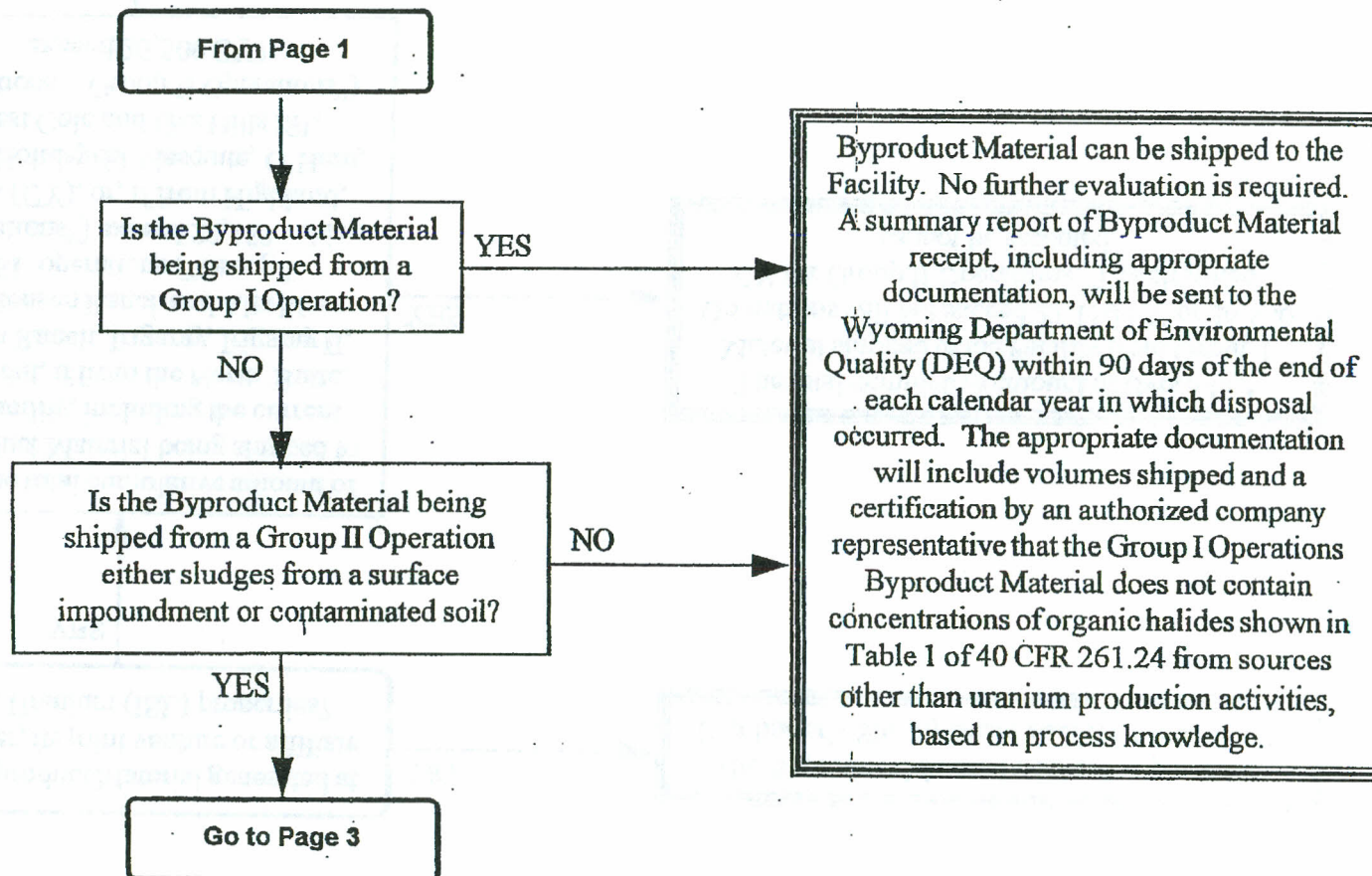
Attachment 1 to Settlement Agreement

BYPRODUCT MATERIAL DISPOSAL PROTOCOL



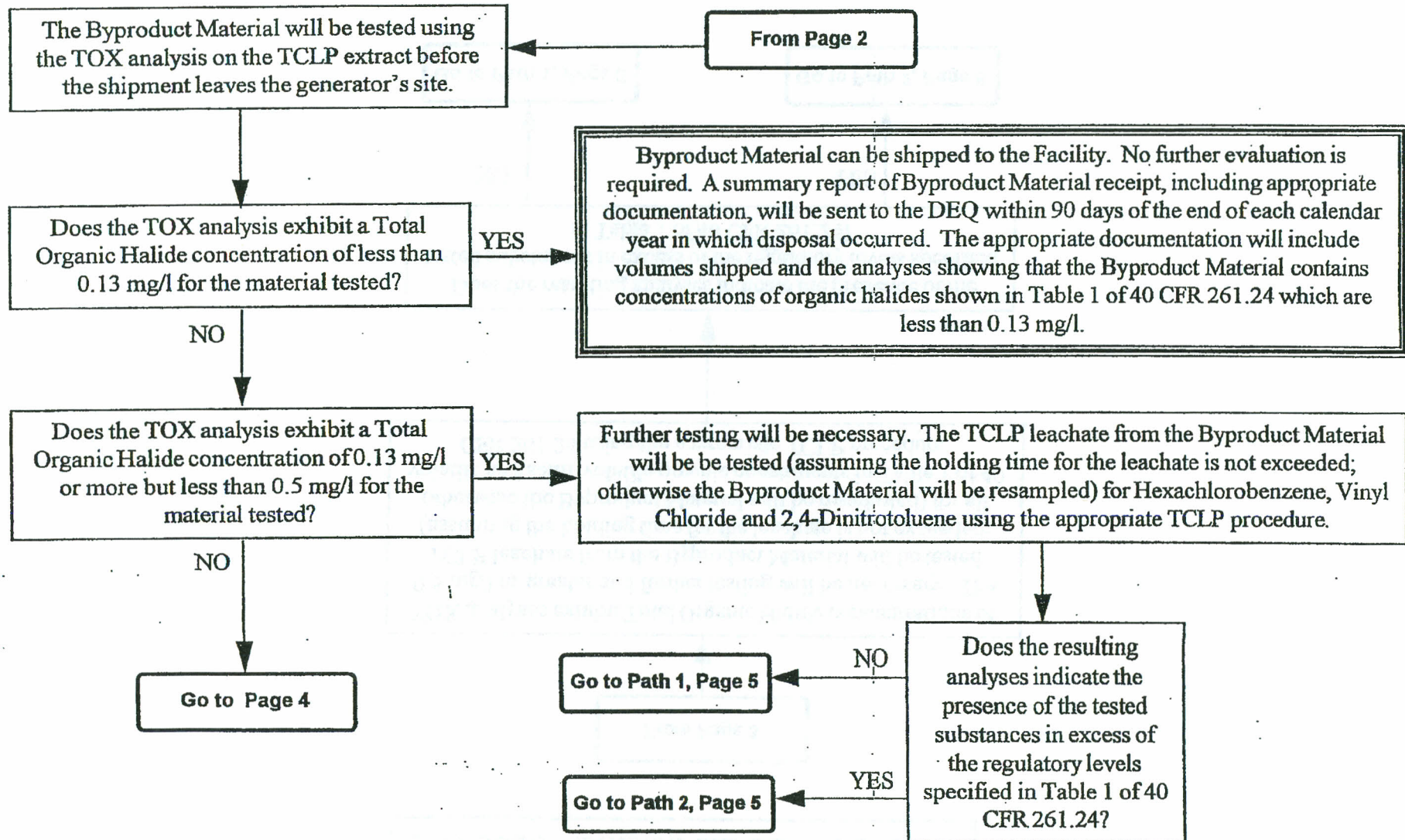
Attachment 1 to Settlement Agreement

BYPRODUCT MATERIAL DISPOSAL PROTOCOL



Attachment 1 to Settlement Agreement

BYPRODUCT MATERIAL DISPOSAL PROTOCOL



Attachment 1 to Settlement Agreement

BYPRODUCT MATERIAL DISPOSAL PROTOCOL

From Page 3

TOX analyses exhibit Total Organic Halide concentrations of 0.5 mg/l or greater and further testing will be necessary. The TCLP leachate from the Byproduct Material will be tested (assuming the holding time for the leachate is not exceeded; otherwise the Byproduct Material will be resampled) for all volatile and semi-volatile organic constituents in Table 1 of 40 CFR 261.24 using the appropriate TCLP procedure.

Does the resulting analyses indicate the presence of the tested substances in excess of the regulatory levels specified in Table 1 of 40 CFR 261.24?

NO

Go to Path 1, Page 5

YES

Go to Path 2, Page 5

Attachment 1 to Settlement Agreement

BYPRODUCT MATERIAL DISPOSAL PROTOCOL

Path 1, Page 5

Byproduct Material can be shipped to the Facility. No further evaluation is required. A summary report of Byproduct Material receipt, including appropriate documentation, will be sent to the DEQ within 90 days of the end of each calendar year in which disposal occurred. The appropriate documentation will include volumes shipped and the analyses showing that the Byproduct Material does not contain tested constituent concentrations of organic halides in excess of the regulatory limits shown in Table 1 of 40 CFR 261.24

Path 2, Page 5

The Byproduct Material will be further evaluated to determine if the analytical results are a result of laboratory or sampling error; or, characteristic of substances (1) used in the ISL process, (2) made radioactive as a result of extracting and concentrating uranium at the ISL facility, (3) classified as a discrete surface waste resulting from uranium solution extraction processes, or (4) naturally occurring in the formation. Retesting may be performed, at the generator's discretion, to confirm that any constituent previously tested does not exceed the regulatory levels in Table 1 of 40 CFR 261.24. The analytical data from any retest showing that the constituent is below the regulatory limits in Table 1 will be supplied to DEQ by the generator. If the DEQ does not otherwise notify the generator within 10 working days of its receipt of said data, the Byproduct Material may be shipped to the Facility, as provided for in this Protocol, without further evaluation. If the DEQ objects to the retest data and so notifies the generator, the generator will proceed through the remainder of this Protocol prior to shipping the Byproduct Material.

Got to Page 6

Attachment 1 to Settlement Agreement

BYPRODUCT MATERIAL DISPOSAL PROTOCOL

From Page 5

An evaluation report will be prepared showing that the tested material is Byproduct Material as defined in the Atomic Energy Act and applicable rules and regulations, or, describing the nature, and if possible, the source of the waste.

The generator of the tested material will provide a copy of the report to the DEQ prior to shipping Byproduct Material to the Facility. If the DEQ believes the tested material is other than Byproduct Material, it will so notify the generator within 10 days of receipt of the analytical results. If the generator and the DEQ cannot agree within 30 days that the tested material is, in fact, Byproduct Material, the report, along with the DEQ's objections, will be submitted to the NRC for final determination.

A summary report of Byproduct Material receipt including appropriate documentation, will be sent to the Wyoming Department of Environmental Quality (DEQ) within 90 days of the end of each calendar year in which disposal occurred.

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JUN 02 1997

AMENDMENT #1 TO SETTLEMENT AGREEMENT

Wanda L. Thompson, Attorney
for the State of Wyoming

This Amendment #1 amends that specific Settlement Agreement by and between the State of Wyoming, Department of Environmental Quality ("DEQ"), and Pathfinder Mines Corporation ("Pathfinder"), dated April 7, 1994, resolving the contested case in Docket No. 2485-93 before the Wyoming Environmental Quality Council ("Council").

A. The term "Pathfinder ISL Byproduct Material" as used throughout the Settlement Agreement shall be changed to read in all cases, "ISL Byproduct Material."

B. Paragraph 3, subparagraphs 3.1 and 3.3 are amended to read in their entirety as follows:

3.1 Subject to the terms and conditions of this Settlement Agreement, including quantity and source limitations, and any terms and conditions imposed by the U.S. Nuclear Regulatory Commission ("NRC"), Pathfinder may receive and dispose of, at its Shirley Basin tailings facility ("Facility"), byproduct material generated at one or more of the following uranium in-situ leach operations ("ISL Byproduct Material"):

North Butte, Irigaray, Christensen Ranch (which operations are hereinafter collectively referred to as "Group I Operations");

Ruth, Holiday/El Mesquite, O'Hern, West Cole (which operations are hereinafter collectively referred to as "Group II Operations");

Highland, Gas Hills (which operations are hereinafter collectively referred to as "Group III Operations").

3.3 The total amount of ISL Byproduct Material which Pathfinder may receive and dispose of at the Facility after March 19, 1993 from Group I Operations shall not exceed 14,150 cubic yards. The total amount of ISL Byproduct Material which Pathfinder may receive and dispose of at the Facility after March 19, 1993 from Group II Operations shall not exceed 19,500 cubic yards. The total amount of ISL Byproduct Material which Pathfinder may receive and dispose of at the Facility after March 19, 1993 from Group III Operations shall not exceed 15,000 cubic yards.

C. Paragraph 4, subparagraphs 4.1 and 4.2 are amended to read in their entirety as follows:

4. Testing and Reporting.

4.1 ISL Byproduct Material from Group I Operations which Pathfinder desires to dispose of at the Facility shall be subject to the testing and reporting requirements for ISL Byproduct Material from Group I Operations as set forth in original Attachment 1 (dated 3-14-94) of the Settlement Agreement, which are unchanged by this Amendment.

4.2 ISL Byproduct Material from Group II Operations and Group III Operations which Pathfinder desires to dispose of at the Facility shall be subject to the testing and reporting requirements for ISL Byproduct Material from Group II and Group III Operations as set forth in said Attachment 1, as amended on pages 1 & 2.


D. Amended pages 1 & 2 (dated 3-26-97), attached hereto and incorporated herein, replace original pages 1 & 2 (dated 3-14-94) of Attachment 1 to the original Settlement Agreement.


Except as specifically set forth herein, the original Settlement Agreement (dated April 7, 1994), including original pages 3-6 (dated 3-14-94) of Attachment 1, remains unchanged and in full force and effect.

DATED this 12 day of MAY, 1997.

FOR PATHFINDER MINES CORP.:

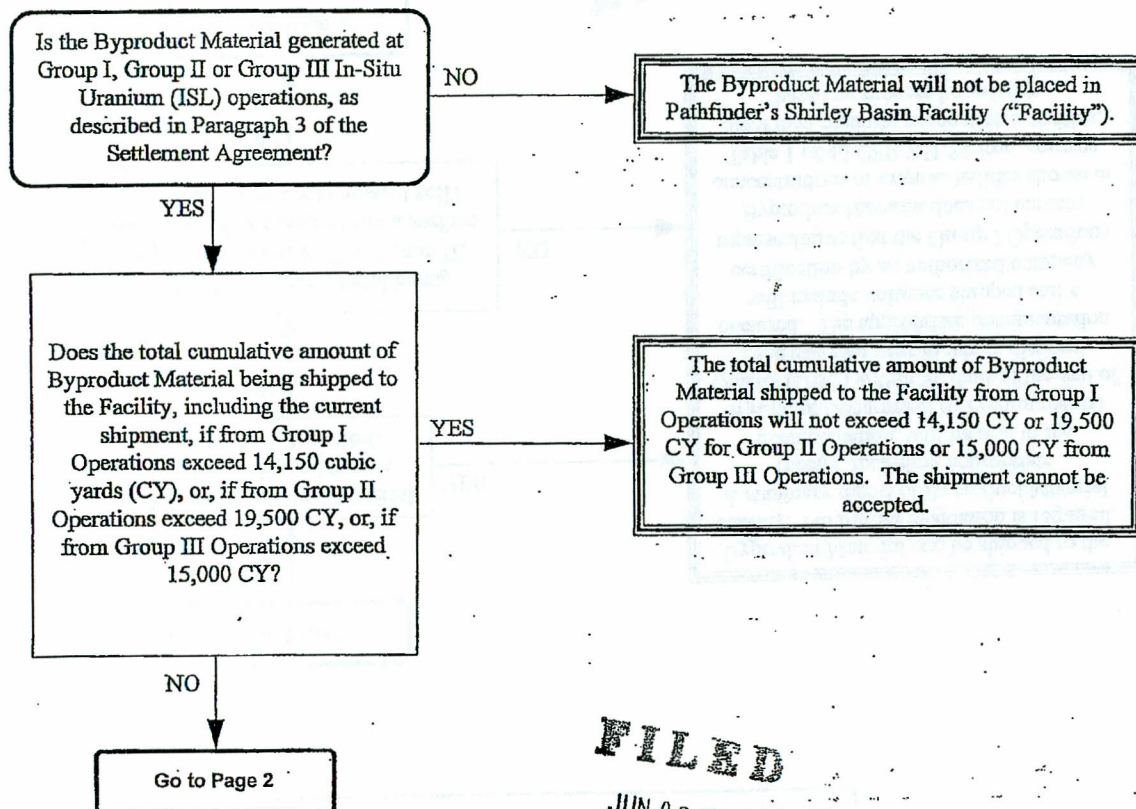
FOR THE WYOMING DEPARTMENT
OF ENVIRONMENTAL QUALITY:


Name: ALAN MARVY
Title: PRESIDENT


Name: DENNIS HEMMER
Title: DIRECTOR

Attachment 1 to Settlement Agreement

BYPRODUCT MATERIAL DISPOSAL PROTOCOL



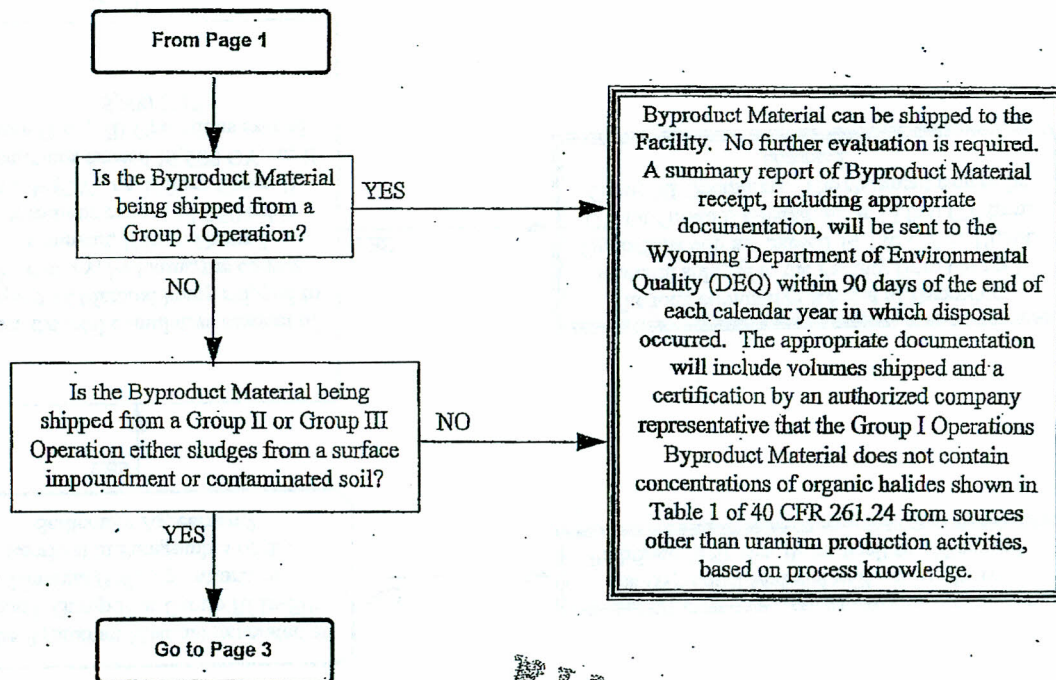
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U.S. District Court
District of Colorado
Denver, Colorado

Attachment 1 to Settlement Agreement

BYPRODUCT MATERIAL DISPOSAL PROTOCOL



FILED

JUN 02 1997

Shirley A. Lawrence, Secretary
Wyoming Department of Environmental Quality

BEFORE THE ENVIRONMENTAL QUALITY COUNCIL
STATE OF WYOMING

FILED

JUN 02 1997

IN THE MATTER OF PATHFINDER)
MINES CORPORATION'S REQUEST)
FOR HEARING TO CONTEST A FINAL) Docket No. 2485-93
DETERMINATION BY THE DEPARTMENT)
OF ENVIRONMENTAL QUALITY)

~~David A. Ferguson, Attorney
Environmental Quality Council~~

STIPULATION AND MOTION TO MODIFY SETTLEMENT AGREEMENT

On or about July 23, 1993, Pathfinder Mines Corporation ("Pathfinder") filed a Petition for Appeal and Request for Hearing before the Environmental Quality Council ("Council"), Docket No. 2485-93, to contest a determination by the Department of Environmental Quality ("DEQ")/Solid & Hazardous Waste Division regarding Pathfinder's plan to use its Shirley Basin uranium mill tailings impoundment in Carbon County, which is licensed by the NRC (SUA-442), for disposal of §11.e.(2) byproduct material. Ch.I, §11 of the DEQ Rules of Practice & Procedure allows for disposition of contested cases by stipulation "upon approval of the Council."

In order to resolve this matter without a hearing, the parties entered into a binding Settlement Agreement, dated April 7, 1994 (including Attachment (6 pages) dated 3-14-94), and filed it along with a STIPULATION AND MOTION FOR DISMISSAL OF APPEAL WITH PREJUDICE on April 8, 1994. Based upon that Stipulation and Settlement Agreement, the Council entered an ORDER DISMISSING APPEAL WITH PREJUDICE, dated April 13, 1994.

At Pathfinder's request, the parties now stipulate and move for modification of the April 7, 1994 Settlement Agreement and Stipulation as follows:

1. The original April 7, 1994 Settlement Agreement, including Attachment (6 pages) dated 3-14-94, should now be amended only as specified in the attached AMENDMENT #1 TO SETTLEMENT AGREEMENT, with amended Attachment pages 1 & 2 (dated 3-26-97).

2. All terms of the original April 7, 1994 Stipulation and Settlement Agreement, including pages 3-6 of the original Attachment (dated 3-14-94), which are not specifically amended as provided in paragraph 1 above shall remain unchanged and in full force and effect.

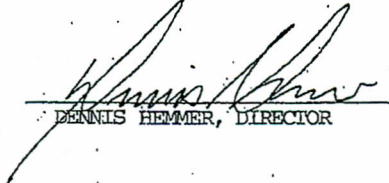
3. The parties respectfully request that the Council enter an Order approving this Stipulation and granting this motion to modify the Settlement Agreement.

DATED this 12 day of MAY, 1997.

FOR PATHFINDER MINES CORP.:


ADAM MARVY, PRESIDENT

FOR THE WYOMING DEPARTMENT
OF ENVIRONMENTAL QUALITY:


DENNIS HEMMER, DIRECTOR

BEFORE THE ENVIRONMENTAL QUALITY COUNCIL
STATE OF WYOMING

FILED

JUN 26 1997

Wyoming Department of Environmental Quality Council

IN THE MATTER OF PATHFINDER)
MINES CORPORATION'S REQUEST)
FOR HEARING TO CONTEST A FINAL)
DETERMINATION BY THE DEPARTMENT)
OF ENVIRONMENTAL QUALITY)

Docket No. 2485-93

ORDER APPROVING STIPULATION AND GRANTING MOTION
TO MODIFY SETTLEMENT AGREEMENT

Pathfinder Mines Corporation ("Pathfinder") and the Wyoming Department of Environmental Quality ("DEQ")/Solid & Hazardous Waste Division originally filed a Stipulation and Settlement Agreement dated April 7, 1994 to resolve the contested case in Docket No. 2485-93, regarding Pathfinder's plan to use its Shirley Basin uranium mill tailings impoundment in Carbon County, which is licensed by the NRC (SUA-442), for disposal of §11.e.(2) byproduct material from certain uranium in situ leach operations. Based upon that Stipulation and Settlement Agreement, the Council entered an ORDER DISMISSING APPEAL WITH PREJUDICE, dated April 13, 1994, pursuant to Ch. I, §11 of the DEQ Rules of Practice & Procedure.

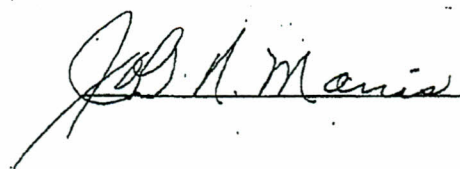
The Council's April 13, 1994 Order bound the parties to comply with the terms of their Stipulation and Settlement Agreement. Pathfinder and the DEQ have now filed a STIPULATION AND MOTION TO MODIFY SETTLEMENT AGREEMENT, with attached AMENDMENT TO SETTLEMENT AGREEMENT (including amended pages 1 & 2 of the Attachment), in this matter. Based upon the parties' Stipulation and Motion to modify their Settlement Agreement, with Attachment, which the Council has reviewed,

IT IS HEREBY ORDERED THAT,


1. The parties' Stipulation to modify their Settlement Agreement is approved and their Motion to do so is granted.
2. All terms of the parties' original April 7, 1994 Stipulation and Settlement Agreement, including the Attachment, which are not specifically amended by their Stipulation and Motion to modify shall remain unchanged and in full force and effect.

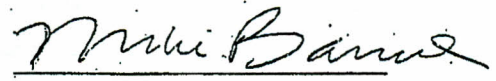
3. The parties are bound by and shall comply with the terms of their original Stipulation and Settlement Agreement, including Attachment, as specifically amended and modified under this Order.

DATED this 18th day of June, 1997.



APPROVED AS TO FORM:


ALAN MARV, PRESIDENT
FOR PATHFINDER MINES CORP.


MIKE BARRASH, SR. ASS'T. ATT'Y. GEN.
FOR THE WYOMING DEPARTMENT
OF ENVIRONMENTAL QUALITY

CERTIFICATE OF SERVICE

I, Terri A. Lorenzon, certify that at Cheyenne, Wyoming, on the 26th day of June, 1997, I served a copy of the foregoing ORDER, by depositing copies of the same in the United States mail, postage prepaid, duly enveloped and addressed to:

Robert Poyser
Cogema Resources, Inc.
7401 Wisconsin Avenue
Bethesda, MD 20814-3411

and also to the following persons via interoffice mail:

Dennis Hemmer, Director
Department of Environmental Quality
122 W. 25th Street, Herschler Building
Cheyenne, WY 82002

David Finley, Program Manager
Solid & Hazardous-Waste Division
Department of Environmental Quality
122 W. 25th Street, Herschler Bldg.
Cheyenne, WY 82002

Mike Barrash
Senior Assistant Attorney General
Attorney General's Office
123 Capitol Building
Cheyenne, WY 82002

Terri A. Lorenzon
TERRI A. LORENZON, Attorney
Environmental Quality Council

AMENDMENT #2 TO SETTLEMENT AGREEMENT

This Amendment #2 amends that specific Settlement Agreement by and between the State of Wyoming, Department of Environmental Quality ("DEQ"), and Pathfinder Mines Corporation ("Pathfinder"), dated April 7, 1994, as amended by Amendment #1 dated May 12, 1997, resolving the contested case in Docket No. 2485-93 before the Wyoming Environmental Quality Council ("Council").

A. Paragraph 3, subparagraph 3.1 is amended to read in its entirety as follows:

3.1 Subject to the terms and conditions of this Settlement Agreement, including quantity and source limitations, and any terms and conditions imposed by the U.S. Nuclear Regulatory Commission ("NRC"), Pathfinder may receive and dispose of, at its Shirley Basin tailings facility ("Facility"), byproduct material generated at one or more of the following uranium in-situ leach operations ("ISL Byproduct Material"):

North Butte, Irigaray, Christensen Ranch (which operations are hereinafter collectively referred to as "Group I Operations");

Ruth, Holiday/El Mesquite, O'Hern, West Cole (which operations are hereinafter collectively referred to as "Group II Operations");

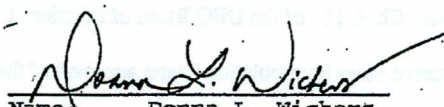
Highland, Gas Hills, Ruby Ranch, Crow Butte (which operations are hereinafter collectively referred to as "Group III Operations").

Except as specifically set forth herein, the original Settlement Agreement (dated April 7, 1994), as amended (by Amendment #1 dated May 12, 1997), including original pages 3-6 (dated 3-14-94) and amended pages 1 & 2 (dated 3-26-97) of Attachment 1, remains unchanged and in full force and effect.

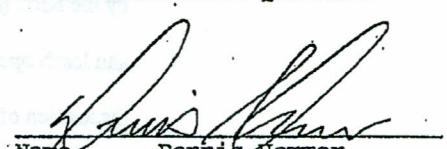
The signatories certify that they are authorized to bind their respective parties to this Amendment.

DATED this 17 day of August, 2000.

FOR PATHFINDER MINES
CORPORATION:


Name: Donna L. Wichers
Title: General Manager

FOR THE WYOMING DEPARTMENT
OF ENVIRONMENTAL QUALITY:


Name: Dennis Hemmer
Title: Director

BEFORE THE ENVIRONMENTAL QUALITY COUNCIL
STATE OF WYOMING

FILED

SEP 19 2000

IN THE MATTER OF PATHFINDER)
MINES CORPORATION'S REQUEST)
FOR HEARING TO CONTEST A FINAL)
DETERMINATION BY THE DEPARTMENT)
OF ENVIRONMENTAL QUALITY)

Docket No. 2485-93

Terri A. Lorenzon, Director
Environmental Quality Council

SECOND STIPULATION AND MOTION TO MODIFY SETTLEMENT AGREEMENT

On or about July 23, 1993, Pathfinder Mines Corporation ("Pathfinder") filed a PETITION FOR APPEAL AND REQUEST FOR HEARING before the Environmental Quality Council ("Council"), Docket No. 2485-93, to contest a determination by the Department of Environmental Quality ("DEQ")/Solid & Hazardous Waste Division regarding Pathfinder's plan to use its Shirley Basin uranium mill tailings impoundment in Carbon County, which is licensed by the NRC (SUA-442), for disposal of §11.e. (2) byproduct material from specified uranium in-situ leach operations. Ch. I, §11 of the DEQ Rules of Practice & Procedure allows for disposition of contested cases by stipulation "upon approval of the Council."

In order to resolve this matter without a hearing, the parties entered into a binding Settlement Agreement, dated April 7, 1994 (including the 6 page Attachment dated 3-14-94), and filed it along with a STIPULATION AND MOTION FOR DISMISSAL OF APPEAL WITH PREJUDICE on April 8, 1994. Based upon that Stipulation and Settlement Agreement, the Council entered an ORDER DISMISSING APPEAL WITH PREJUDICE, DATED April 13, 1994.

On June 2, 1997, the parties filed a STIPULATION AND MOTION TO MODIFY SETTLEMENT AGREEMENT, dated May 12, 1997. The modification was specified in the May 12, 1997 "Amendment #1 to Settlement Agreement" (including amended Attachment pages 1 & 2 dated 3-26-97), which was also filed June 2, 1997. On June 23, 1997 the Council entered an ORDER APPROVING STIPULATION AND GRANTING MOTION TO MODIFY SETTLEMENT AGREEMENT, which was filed June 26, 1997.

At Pathfinder's request, the parties now stipulate and move to modify as follows the April 7, 1994 Settlement Agreement and Stipulation as previously amended by the May 12, 1997 Amendment #1.

1. The original April 7, 1994 Settlement Agreement (including the 6 page Attachment dated 3/14/94), as previously amended by the May 12, 1997 "Amendment #1 to Settlement Agreement" (including amended Attachment pages 1 & 2 dated 3-26-97), should now be amended only as specified in AMENDMENT #2 TO SETTLEMENT AGREEMENT dated August 17, 2000, *which is attached hereto*.

2. All terms of the original April 7, 1994 Stipulation and Settlement Agreement including the 6 page Attachment dated 3/14/94), as previously amended by the May 12, 1997 Amendment #1 to Settlement Agreement" (including amended Attachment pages 1 & 2 dated 3-26-97) which are not specifically amended by Amendment #2 shall remain unchanged and in full force and effect.

3. The parties respectfully request that, pursuant to Ch. I, §11 of the DEQ Rules of Practice & Procedure, the Council enter an Order approving this Stipulation and granting this Motion to modify their Settlement Agreement.

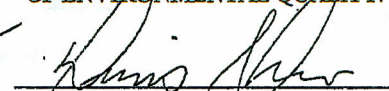
Dated this 19 day of September, 2000.

FOR PATHFINDER MINES CORP.:



Name: Donna L. Wichers
Title: General Manager

FOR THE WYOMING DEPARTMENT
OF ENVIRONMENTAL QUALITY:



Name: Dennis Hemmer
Title: Director

Mr. Barish
FILED

OCT 24 2000

Terri A. Lorenzon, Director
Environmental Quality Council

BEFORE THE ENVIRONMENTAL QUALITY COUNCIL
STATE OF WYOMING

IN THE MATTER OF PATHFINDER)
MINES CORPORATION'S REQUEST)
FOR HEARING TO CONTEST A FINAL)
DETERMINATION BY THE DEPARTMENT)
OF ENVIRONMENTAL QUALITY)

EQC Docket No. 00-5402
Docket No. 2485-93

ORDER APPROVING STIPULATION AND GRANTING MOTION
FOR SECOND MODIFICATION OF SETTLEMENT AGREEMENT

Pathfinder Mines Corporation ("Pathfinder") and the Wyoming Department of Environmental Quality ("DEQ")/Solid & Hazardous Waste Division originally filed a Stipulation and Settlement Agreement dated April 7, 1994 to resolve the contested case in Docket No. 2485-93, regarding Pathfinder's plan to use its Shirley Basin uranium mill tailings impoundment in Carbon County, which is licensed by the NRC (SUA-442), for disposal of §11.e.(2) byproduct material from specified uranium in-situ leach operations. Based upon that Stipulation and Settlement Agreement, the Council entered an ORDER DISMISSING APPEAL WITH PREJUDICE, dated April 13, 1994, pursuant to Ch. I, §11 of the DEQ Rules of Practice and Procedure, which allows for disposition of contested cases by stipulation upon approval of the Council.

On June 2, 1997, the parties filed a STIPULATION AND MOTION TO MODIFY SETTLEMENT AGREEMENT, dated May 12, 1997. The modification was specified in the May 12, 1997 "Amendment #1 to Settlement Agreement" (including amended Attachment pages 1 & 2 dated 3-26-97), which was also filed June 2, 1997. On June 23, 1997 the Council entered an ORDER APPROVING STIPULATION AND GRANTING MOTION TO MODIFY SETTLEMENT AGREEMENT, which was filed June 26, 1997.

The Council's April 13, 1994 and June 23, 1997 Orders bound the parties to comply with the terms of their Stipulations and Settlement Agreements, as amended by the May 12, 1997 Amendment #1. Pathfinder and the DEQ have now filed a Second Stipulation and Motion to modify their Settlement Agreement, as specified in Amendment #2, dated August 17, 2000, attached thereto. Based upon Amendment #2 and the parties' Second Stipulation and Motion to modify their Settlement Agreement accordingly, which the Council has reviewed,


IT IS HEREBY ORDERED THAT,

1. The parties' Second Stipulation and Motion to modify their Settlement Agreement as specified in Amendment #2, dated August 17, 2000, is approved and granted, respectively.

2. All terms of the parties' original April 7, 1994 Stipulation and Settlement Agreement (including the 6 page Attachment dated 3-14-94), as previously amended by Amendment #1 dated May 12, 1997 (including amended Attachment pages 1 & 2 dated 3-26-97) which are not specifically amended by Amendment #2 shall remain unchanged and in full force and effect.

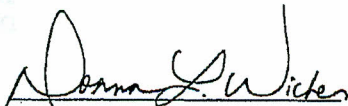
3. The parties are bound by and shall comply with the terms of their original Stipulation and Settlement Agreement (including the Attachment dated 3-14-94), as specifically amended by Amendment #1 (including amended Attachment pages 1 & 2 dated 3-26-97) and Amendment #2.

DATED this 23 day of October, 2000.


Environmental Quality Council

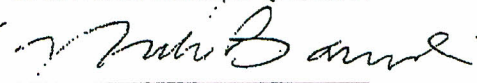
APPROVED AS TO FORM:

FOR PATHFINDER MINES, CORP.:



Name: Donna L. Wichers
Title: General Manager

FOR THE WYOMING DEPARTMENT
OF ENVIRONMENTAL QUALITY:



Name: Mike Barrash
Title: Sr. Assistant
Attorney General

CERTIFICATE OF SERVICE

I, TERRI A. LORENZON, certify that at Cheyenne, Wyoming, on the 24th day of October, 2000, I served a copy of the foregoing ORDER by depositing copies of the same in the United States mail, postage prepaid, duly enveloped and addressed to:

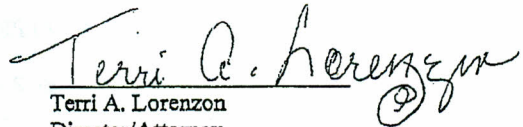
Ms. Donna L. Wichers
P. O. Box 730
Mills, WY 82644

and also to the following persons via interoffice mail:

Dennis Hemmer, Director
Department of Environmental Quality
122 W. 25th Street, Herschler Building
Cheyenne, WY 82002

David Finley, Administrator
Solid & Hazardous Waste Division
Department of Environmental Quality
122 W. 25th Street, Herschler Bldg.
Cheyenne, WY 82002

Mike Barrash
Senior Assistant Attorney General
Attorney General's Office
123 Capitol Building
Cheyenne, WY 82002


Terri A. Lorenzon
Director/Attorney