

VIA EMAIL

May 18, 2021

Mr. Dominick Orlando,  
Senior Project Manager  
Uranium Recovery and Materials Decommissioning Branch  
Division of Decommissioning, Uranium Recovery and Waste Programs  
Office of Nuclear Material Safety and Safeguards  
Mail Stop T-5A10  
Washington D.C. 20555-0001

RE: Rare Element Resources, Bear Lodge Project; License Application Re-Start Notification: Docket No. 040-38367

Dear Mr. Orlando:

This correspondence is in response to our recent conversations regarding the current suspension and potential restart of the Source Material License for the Bear Lodge Project.

On September 2019, Rare Element Resources (RER) requested an extension to the license suspension so that additional testwork could be completed as well as an evaluation of the project permitting. RER was to inform the NRC of the project status by September 30, 2020. Unfortunately, RER inadvertently did not provide that update.

In 2020, RER, along with consortium partners, General Atomics (GA), Umwelt-und Ingenieurtechnik GmbH Dresden (UIT) along with LNV, an Ardurra Group, Inc. as engineering and construction subcontractor, submitted a formal proposal to the U.S. Department of Energy (DoE) in response to a published FOA in mid-2020 for the construction and operation of a rare earth separation and processing plant utilizing proprietary technology to produce commercial grade products. In January 2021, a formal selection notice was received from the DoE that the RER project team had been selected to enter into financial award negotiations pursuant to the Critical Materials Funding Opportunity Announcement (FOA) for the engineering, construction and operation of a rare earth separation and processing demonstration plant over a 3-year period.

A separate licensing application and permitting process will begin in 2021 for this Demonstration Plant Project. The technical and operational data obtained from this plant will be used to support and update the NRC license application process for the larger scale commercial plant.

RER requests that the current suspension be extended until September 30, 2023, until sufficient data has been obtained from the Demonstration Plant operation to support re-starting the license application process.

Should RER consider a formal request to restart the application process during the extension, we understand that a meeting with NRC will be required to inform the NRC of any anticipated changes to

the license application and to discuss with agency staff a plan for a smooth and timely path forward including a schedule and detailed estimate of agency costs to complete the review.

We appreciate your patience over the past year. We will keep the NRC informed of our progress over the next several months

Sincerely,

A handwritten signature in black ink, appearing to read "Randall J. Scott", with a long horizontal flourish extending to the right.

Randall J. Scott  
President and Chief Executive Officer