

Canberra tips 3 new uranium mines in 10 years

Now we are getting serious

The Age (Australia)
March 21, 2006

AT LEAST three more uranium mines are likely to be opened up in Australia within 10 years to deal with growing global demand for nuclear power, Resources Minister Ian Macfarlane says.

"With the growing world demand for uranium, you're going to see the industry expand quite dramatically in Australia," Mr Macfarlane told The Age.

At present exports were running at \$600 million to \$700 million a year and an agreement with China could see that double, Mr Macfarlane said.

Internationally, the market for Australian uranium could treble over the next 15 years.

There was not enough high-grade uranium available and some countries were reprocessing old nuclear weapons for uranium to run civil reactors.

The demand was there, Mr Macfarlane said, and Australia was sitting on 40 per cent of the world's commercial deposits.

Mr Macfarlane said the next big expansion in uranium production would come from BHP Billiton's Olympic Dam mine, which would expand production two or threefold. That decision was well down the track, he said.

The Sunday Age revealed this week that Australia was likely to sign an agreement clearing the way for massive uranium sales to China during a visit by Premier Wen Jiabao early next month.

And during last week's trilateral talks involving Australia, the US and Japan, Prime Minister John Howard announced that Australian officials would soon visit India and the US to examine the agreement under which the US would begin sharing nuclear technology with India.

Mr Howard also said of uranium sales to India, "You never say never", despite it being against policy not to sell to countries that had not signed the Nuclear Non-Proliferation Treaty.

Mr Macfarlane said if BHP Billiton expanded Olympic Dam, that would bring a big increase in production without more mines. "But it's conceivable that you'll have another mine in South Australia and probably two or three in the NT in the next decade."

That was speculative, Mr Macfarlane said. "But suffice to say that output from Australian mines would treble over the next decade."

That was without WA — where the State Government has exercised its power to ban such mining — where there were significant deposits worth an estimated \$7 billion.

Mr Macfarlane said new WA Premier Allan Carpenter had stated that the state's Labor Party would not be changing its policy during this term. "That just is nonsense to me."