

China fires nuclear reaction – meaning: “uranium share prices rose after Australia promised to sell ore to China!

Such is the responsibility of journalist reporting.

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SHARES in uranium mines soared today after Australia sealed an export deal with China, the world's most populous nation, with many shares hitting record levels.

BHP Billiton, which owns the world's biggest uranium resource, at Olympic Dam, jumped \$1.29 by 1214 AEST to \$29.29 after earlier hitting a record high of \$29.32. Shares in Rio Tinto subsidiary Energy Resources of Australia Australia's largest uranium exporter, jumped 18c to \$14.69 by 1207 AEST. Rio Tinto itself jumped \$1.58 to a \$80.43, after earlier hitting an all-time high of \$80.50.

Australia has signed two agreements with China's Foreign Minister Mr Li Zhaoxing on supplying uranium to China.

The agreements will allow for the supply of Australian uranium to China's nuclear power program, and cooperation in peaceful uses of nuclear technology. China currently gains most of its energy from coal, but the nation needs a cleaner source of fuel as it combats pollution and a diminishing source of coal.

Encounter Resources which recently listed on the stock exchange, jumped 9.5c to 80.5c by 1212 AEST.

China plans to boost use of electricity provided by nuclear power stations fourfold by 2020 by building 28 nuclear power plants to meet rising energy demand, according to the World Nuclear Association.

But the soaring prices of uranium stocks prompted warnings that new producing uranium mines are years away, in part because of the continuing three-mines policy adopted by the Labor Party and enforced by state governments around the country, who control exploration and mining approvals.