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**Political Support for Increased Nuclear Power and Uranium Mining in Czech Republic.
Appeals Lodged Over Exploration Permits in Czech Republic.**

Political support appears to be growing for nuclear power generation and further uranium mining in Czech Republic.

In response to public protests against uranium mining in the Liberec area the Trade Minister, Mr Martin Říman, is reported to have stated recently that uranium in the area "will not remain underground". Minister Říman stated that "We will not take a negative stance on renewing mining activities", and that uranium constitutes one of the natural resources of the Czech Republic with deposits worth between 400 and 500 billion CZK (about \$20-25 billion) at today's prices.

Mr Jiří Jež, general director of state uranium rehabilitation and mining company Diamo, has said that "The deposits are big and no state will let natural resources, of which there is an insufficient amount, lie unused". Support has also been expressed by the governor of the Liberec Region.

All 24 Czech members of the European Parliament, regardless of their party affiliations, have unanimously signed a letter in support of further development of nuclear energy in the European Union. The letter stated that "without nuclear energy as a vital component of a low-carbon energy mix the [European] Community will not be able to meet its energy security, energy independence and CO₂ emissions reduction goals".

A independent expert commission on the future energy needs of Czech Republic, headed by Dr Vaclav Paces, will hand its report to Government at the end of June. Dr Paces has stated that it is already clear that the commission will recommend to Government that it should not obstruct, through the legislative process, electricity supply from any source including nuclear.

Support for construction of further nuclear power plants has been voiced by other parties including the Czech power utility CEZ, and senior government representatives including Prime Minister Mirek Topolánek.

It is significant that there appears to be no real political resistance to use of uranium other than by the Green Party, which is headed by the Minister for Environment, Mr Bursig. Inevitably a review of nuclear power generation will have to include the likely source of uranium.

Uran Limited considers that the political environment in Czech Republic is becoming more favourable for future uranium mining, and discussion of changes to the Raw Material Policy and Mining Act has commenced. However at present the decision on grant of exploration permits rests solely with the Minister of Environment.



Uran therefore expects its applications for exploration permits to continue to be delayed and rejected, but will follow through the application and appeal process. If the appeals are rejected Uran may appeal against that decision to the Administrative Court. This process is slow but low-cost, and will assist Uran to maintain rights over the properties while a political outcome is sought.

Brzkov Project

Uran advises that applications lodged by its Czech subsidiary company Urania Mining s.r.o. for exploration permits at Polna and Jamne, in the Brzkov project area, have been rejected by the Minister for Environment. Appeals have been lodged with the Ministry for Environment against the rejections.

No response has yet been received regarding applications by Urania for exploration permits at Brzkov and Veznice.

Liberec Area

Urania's applications for exploration permits at Plouznice and Osecna-Kotel have been rejected by the Ministry of Environment, and appeals have been lodged. Submissions in support of Urania's applications were lodged by a number of parties including the Ministry for Industry and Trade. No submissions were received against the application for Plouznice other than from Calla, an environmental lobby group whose submissions were previously ruled as invalid during applications for permits at Brzkov.

As previously advised, a "protected area" was declared by the Ministry of Environment over the Osecna-Kotel deposit at the beginning of May, to protect the deposit for future uranium mining.

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