

Uran eyes early output if Czech uranium talks succeed

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Michael Kiernan-chaired uranium developer Uran could join the elite ranks of international uranium producers by mid-year, after revealing it is in talks to buy control of Europe's only operating uranium mine at Rozna in the Czech Republic.

Uran, which also hopes to commission an in-situ leach mine in Ukraine by the end of the year, said yesterday it had been talking to the Czech Trade Ministry about Rozna since March last year and had been asked to submit a formal investment proposal to the government by February 20.

Managing director Kate Hobbs

said she understood that Uran was the only group to have expressed serious interest in the mine, which has been running continuously since 1957 at an average production rate of around 450 tonnes of uranium oxide grading 0.44 per cent a year.

Despite the high grade — about a third higher than that mined at ERA's Ranger mine in the Northern Territory — Ms Hobbs said the operating company lacked the resources to invest in exploration and development to make the most of the project's potential and it had been slated to close next year.

Its last published reserve estimate

in early 2005 totalled just 884 tonnes of uranium oxide at 0.447 per cent.

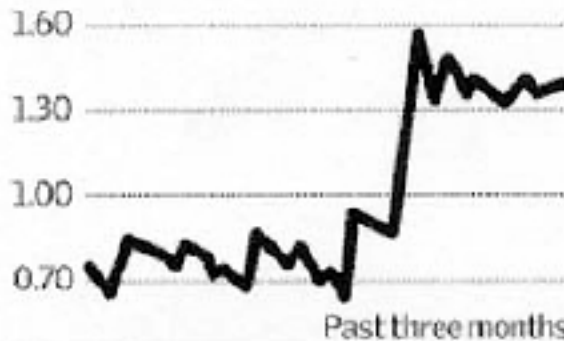
"It has always had (limited reserves) because there hasn't been any funding available to do advanced reserve calculations, or any significant maintenance or technology upgrades," Ms Hobbs said.

"They're doing the absolute best they can, but they need funding."

Ms Hobbs declined to comment how much Uran might offer for the mine, but said it envisaged "quite a significant investment" to optimise the operation and boost the mine's reserves.

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