

Uranium One on buying spree

By The Associated Press

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GILLETTE -- Uranium One Inc. is buying several uranium facilities in Wyoming's Powder River Basin, including mining and processing plants in Campbell and Johnson counties, the company announced this week.

The company said it has agreed to pay \$35 million for the Irigaray in-situ recovery central processing plant in Johnson County, the Christensen Ranch processing facility in Campbell County and several uranium resources in the Powder River Basin.

The company also plans to open a separate processing facility at Moore Ranch in southern Campbell County.

Uranium One is one of the world's largest uranium producers with operations in Kazakhstan, Australia and South Africa, as well as the United States.

The company is buying the facilities from subsidiaries of Areva and EDF, it said.

"The acquisition of the Irigaray and Christensen Ranch ISR facilities is an excellent complement to our current Wyoming uranium resource portfolio," said Jean Nortier, Uranium One's president and CEO. "By acquiring existing, licensed production facilities, we will reduce the permitting and construction risk associated with developing our own central production plant."

Donna Wichers, senior vice president of in-situ recovery operations for Uranium One America, said the company will use drilling rigs to install well fields and expects to create jobs in the area. In-situ recovery involves injecting a solution into the ground to capture the uranium and bring it to the surface.

"We are starting to gear up to do a lot of drilling where the coal-bed (methane) people are gearing down," Wichers said. "The rigs we use are very similar in size to the coal-bed methane rigs, so we are hoping to put some of those people to work."

The Irigaray and Christensen Ranch processing facilities are already permitted and licensed, and the company hopes to start production next year. They've been sitting idle since the late 1990s when uranium prices dropped to \$8 a pound. The price is now at about \$48.50 a pound.

At full capacity, Uranium One expects to produce about 1 million pounds of uranium annually from wells in Campbell and Johnson counties, the company said.

The Christensen and Moore facilities will partially process in-situ mined uranium in Campbell County. The uranium will then be trucked to the Irigaray central processing facility, which will further process the uranium into yellow cake.

Wichers said the uranium mines in will help increase domestic uranium supplies. The company plans 32 project areas in the Powder River Basin encompassing 140,000 acres.

"Right now, the U.S. requires about 40 million pounds of uranium per year to run our nuclear reactor fleet," Wicher said. "We have a real opportunity here to expand the domestic uranium industry."