

## **Japanese Firms Move to Acquire Uranium Rights and Interests in Australia and Uzbekistan**

Mitsui & Co. recently agreed with the Canadian firm, Uranium One, to buy an interest in six uranium deposits in Australia, having signed a contract of sale as well as a joint-venture contract for the purpose of joint development. This is the first time that Mitsui has acquired uranium rights, with the invested sum expected to be around JPY7 billion (\$75 million at \$1=JPY93.8).

The deal involves Mitsui's acquisition of mining concessions near the Western Australian capital of Adelaide. All are undeveloped as of yet, except for the Honeymoon area, for which development permits have already been extended and development beginning. Starting at the end of 2009, annual production is expected to reach approximately 400 tons in 2010, with six years of commercial production planned.



Sojitz Corporation of Japan recently signed a basic letter of agreement with the Uzbek State Committee for Geology and Mining Resources, an arm of the national government of Uzbekistan, to set up a joint venture for the exploration and development of uranium resources in that country. According to the agreement, Sojitz will acquire exclusive negotiation rights from the Committee for 18 months, and will now enter more specific deliberations.

The mining area for which Sojitz was granted rights by the Committee for the joint exploration project is in the Chetbertoye area, which lies some 350km west of the country's capital of Tashkent. The uranium deposits are found in a thin layer of stacked mudstone of the black shale type.

Once Sojitz's more specific deliberations with the Uzbeki government lead to an agreement, a joint venture will be established to promote exploration activities that will start as soon as a license is acquired, based on Uzbekistan's underground resources utilization law. Uranium production will then begin after the joint venture's exploration leads to the confirmation of promising uranium resources that are deemed commercially feasible. The produced uranium will be exported and marketed to overseas power utilities as civilian nuclear reactor fuel.

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