



Rush is on for uranium in Athabasca Basin

Paul Marck

CanWest News Service

Tuesday, March 22, 2005

Overshadowed by the oilsands is another kind of energy boom in Alberta. A uranium rush is going on around the Athabasca Basin, this time on the Alberta side of the valuable northern mineral reserve straddling the boundary with Saskatchewan.

"It's an exciting time right now. Nobody has been looking for uranium (in Alberta) for 25 years," says geologist Randy Turner, president of Triex Minerals and Diamondex Resources Ltd. of Vancouver.

Provincial records show a total of 4,500 square kilometres has been staked for metallic and industrial mineral exploration across the province, including uranium, since early 2004. The province cannot quantify how much of that was for uranium, but it is believed to be the highest level of prospecting not related to diamond staking for some time.

Uranium exploration is centred around Lake Athabasca, 570 kilometres northeast of Edmonton, just beyond Fort Chipewyan.

The Alberta foray is the first since the late 1970s and is led by junior companies. Triex and Roughrider Uranium share in the Old Fort Bay property hugging the provincial boundary, southwest of Lake Athabasca. Further sites are staked out by Strathmore Minerals Corp. and CanAlaska Ventures.

Uranium has never been mined on the Alberta side of the Athabasca Basin, while production in Saskatchewan has continued unabated since the 1970s. The Athabasca Basin is the world's largest uranium-producing area, holding 30 per cent of known global deposits. Two resource companies, Cameco and Cogema, mine and process a total of more than 10,000 tonnes of uranium from five sites on the Saskatchewan side of the boundary.

Strathmore Minerals predicts projects in the Athabasca Basin will grow to encompass fully half of the world's production by the end of the decade.

Alberta's unmapped uranium is speculative. But there is little doubt that the rich Saskatchewan deposits, under and around Lake Athabasca, also extend into Alberta.

"There's just as much prospecting here as on the eastern side," Turner said.

Brad Anderson, executive director of the Alberta Chamber of Resources, said the uranium rush is a timely addition to Alberta's traditional oil, gas and coal discoveries.

"It's exciting to see that kind of exploration going on the Alberta side of the Athabasca Basin," said Anderson. "Now, what you're seeing is a reflection of the price of uranium, and the fact that with that basin, there's probably more to be discovered there. There's great potential in that basin for more world-class deposits, including in Alberta."

Uranium prices have climbed from \$8 US to \$22 a pound in less than a year. That in turn sparked interest in Alberta's uranium potential, which began percolating last June and then took off in October, Turner says.



CREDIT: Larry Wong, CanWest News Service

Randy Turner, president of Triex Minerals and Diamondex Resources Ltd., says there's great potential for uranium mining on the Alberta side of the Athabasca Basin.

In January, Patricia Mohr, Scotiabank's vice-president of economics, industry and commodity market reports, declared uranium as her top commodity pick for investors over the next two years. She predicts a steep rise in the mineral's price between 2007 and 2009 to meet growing nuclear energy demand.

There are 425 nuclear power plants worldwide and 33 new ones planned, driving the search for new uranium sources.

With most mineral discovery already made at the Cluff Lake, Key Lake, McArthur River, McClean Lake and Rabbit Lake sites on the eastern Athabasca Basin in Saskatchewan, it makes sense that producers will look toward Alberta, Anderson said.

"It's a large, unexplored part of the world in terms of mineral potential."

Triex is flush with \$4 million in cash and is devoting a substantial part of that toward exploration. Current plans include a detailed airborne geological survey, to be followed by further mapping on the ground.

Turner expects other players to follow suit, quickly.

"I would speculate that by the time the staking race is over, it will be like it was in the 1970s."

The handful of prospectors for uranium in the Athabasca basin two years ago has risen to about 45 companies, and there could be plenty more, Turner says.

Even global uranium giant Cogema, which has extensive uranium interests in Saskatchewan, did preliminary exploration in the Maybelle River area on the Alberta side in 2002 and 2003.

The amount of claims staking since last year is phenomenal.

Triex and partner Roughrider Uranium have acquired an 89,000-hectare interest in the Old Fort Bay Property, 50 kilometres from the proven Cluff Lake uranium deposit. Triex and Roughrider also have a 50 per cent interest in 4,450 hectares situated in the Maybelle River area, with Strathmore Minerals.

Aside from the price of uranium, which some forecasters predict will hit \$30 to \$40 in the next 18 months, discovery technology has also advanced well beyond what was available in the 1970s.

One form of deep penetration technology, which scans depths up to a kilometre, has only been available since 1997.

Turner says a big find in Alberta will spur more activity, but it won't happen overnight.

"It's going to take a number of years to make a discovery. If anybody thinks they are going to discover a mine tomorrow -- well, it's a 10- to 15-year window."

Herald Energy: Oil & Gas - Electricity Alternative Energies

© The Calgary Herald 2005

CLOSE WINDOW

Copyright © 2005 CanWest Interactive, a division of [CanWest Global Communications Corp.](#) All rights reserved.
Optimized for browser versions 4.0 and higher.

