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URANIUM RESOURCES:
PLENTY TO SUSTAIN GROWTH OF NUCLEAR POWER

Global uranium resources are more than adequate to meet projected requirements, says the latest edition of the recognised world reference on uranium published today.

Uranium 2005: Resources, Production and Demand, also known as the Red Book, estimates the identified amount of conventional uranium resources which can be mined for less than USD 130/kg, just above the current spot price, to be about 4.7 million tonnes.

Based on the 2004 nuclear electricity generation rate this amount is sufficient for 85 years. However, total world uranium resources which could be available at market price are much higher. Based on geological evidence and knowledge of uranium in phosphates, the study estimates that more than 35 million tonnes are available for exploitation.

Since its 2001 historical low, the spot price of uranium has increased over fivefold. The uranium industry has reacted to this increase by launching major new investment in exploration, which can be expected to lead to further additions to the uranium resource base. Worldwide exploration expenditures in 2004 totalled over USD 130 million, an increase of almost 40 per cent compared to 2002, and close to USD 200 million in 2005.

A significant number of new mining projects have also been announced that could substantially boost the world's uranium production capacity. There has been a dramatic turnaround in the industry's outlook.

During the last 15 years, the price of uranium has been very low due to the availability of excess commercial inventories, uranium released from military use and other secondary sources. At the end of 2004, world uranium production (40 263 tonnes) provided about 60% of world reactor requirements (67 450 tonnes) for the 440 commercial nuclear reactors in operation. The shortfall between production and requirements was made up by secondary sources. These are now in decline, and the shortfall will increasingly need to be made up by primary production.

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By 2025, world nuclear energy capacity is expected to grow to between 450 GWe (+22%) and 530 GWe (+44%) from the present generating capacity of about 370 GWe. This will raise annual uranium requirements to between 80 000 tonnes and 100 000 tonnes. The currently identified resources are adequate to meet this expansion.

In the longer term, continuing advances in nuclear technology will allow a substantially better utilisation of the uranium resources. Reactor designs are being developed and tested that are capable of extracting more than 30 times the energy from the uranium than today's reactors.

Uranium 2005: Resources, Production and Demand, jointly prepared by the OECD Nuclear Energy Agency (NEA) and the International Atomic Energy Agency (IAEA), is based on official information from 43 countries and includes statistics on uranium resources, exploration, production and demand as well as projected requirements up to 2025.

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Uranium 2005: Resources, Production and Demand
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