



Australia and India to sign uranium sale deal

🕒 September 3, 2014 📁 News 👤 Vicky Validakis

Australia will soon be exporting its uranium to India, with a deal set to be finalised in the next few days.

Prime Minister Tony Abbott left for India yesterday and is expected to sign off on the uranium agreement with Indian Prime Minister Narendra Modi.

This will mean India will be able to buy the uranium Australia produces, [a deal which has been in the works since the former Labor Government overturned a 30-year uranium trade ban with the country in 2011.](#)

While India is not a signatory of the Non-Proliferation Treaty, there are 22 safeguard agreements in place and India has committed to using uranium for peaceful purposes only.

A growing population means energy demands in India are booming, with [reports its coal-based power plants are struggling to keep up with daily demand.](#)

The country has 20 nuclear power reactors with a generation capacity of 4,780 MW, and the government intends to upgrade this power capacity to 20,000 MW by 2020.

India has signed similar uranium agreements with several other countries including Argentina, Canada, Kazakhstan, France, Russia and the US.

CEO of West Australian uranium explorer Toro Energy, Dr Vanessa Guthrie will travel to India with Abbott and said a trade agreement deal would create a massive boost for Australia's uranium industry.

"Australia could actually open up all the currently proposed mines by 2018/2019 so we could generate \$1 billion a year of investments and generate 10,000 direct and indirect jobs," Guthrie said.

"If the India deal goes ahead it will increase the opportunity for new suppliers.

While the current market price for uranium is at historical lows, Guthrie said a spike in demand would help this as a supply gap presents itself by 2018.

While Australia is uranium rich, with over 40% of the world's recoverable uranium, we currently only export 19% of this to the world market.

Currently the mining of uranium is only allowed in the Northern Territory, South Australia and more recently in Western Australia.



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However the Queensland government overturned its uranium mining ban in 2012, while New South Wales is also accepting applications for uranium exploration licences.

A critic of a uranium export deal to India, [Greens Senator Scott Ludlam](#) said India's nuclear industry had been "plagued with accidents and near-misses at reactor sites".

"Australia will be directly complicit in fuelling the nuclear arms race between India and Pakistan if reports are confirmed that a uranium deal with India is on the cards," Ludlam said.

"Instead of fuelling this arms race, Australian industry should be partnering with India's vibrant solar sector."

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