

Uranium in export mix

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AUSTRALIA should embrace India's hunger for nuclear power and let the South Asian nation invest in Australian uranium, says a former top diplomat.

Indian companies have generated publicity buying large swathes of land in Queensland – including food-producing farms - for coalmines, and foreign investment in uranium mines would be equally controversial.

Former Australian deputy high commissioner to India Rakesh Ahuja said Australia's uranium industry was a missing link in the energy resources sector.

Australian uranium companies should prepare for the opportunity as India spends billions of dollars on energy security, as that nation targeted 7 per cent economic growth a year, he said.

"The Australian uranium industry can play a major role in satisfying India's hunger for energy resources - and thus promote Australia's longterm economic and political interests," Mr Ahuja said, ahead of the Paydirt 2013 Uranium Conference on Monday.

The federal government's attitude to exporting Australian yellowcake to India has thawed, negotiating an agreement on safeguards before sales to the nucleararmed state can go ahead.

The Queensland state government dumped a long-held ban on uranium mining last year, amid claims from Premier Campbell Newman the state had \$10 billion in known deposits.

Mr Ahuja said with India highly dependent on imports of oil, gas and coal as well as uranium for energy security, the implications for Australia could not be ignored.

"India is actively scouting for uranium imports to feed its expanding atomic power infrastructure and for prospective investments in related assets overseas," Mr Ahuja said.

Nuclear power currently contributes less than 5 per cent of Indian electricity but it wants to increase that to 25 per cent by 2050 through massive investments.

Australia's known uranium resources are the world's largest. AAP