

Areva puts the brakes on its Namibian mine

WINDHOEK: Energy giant Areva said on Thursday, 11 October 2012, it is suspending work at a new Namibian uranium mine currently under construction because of the low uranium prices.



"Areva will postpone the launch of the Trekkopje mine until the uranium prices improve," the Namibian office of Areva said in a statement.

The French company cited a decrease in uranium prices coupled with the scale of investments that still had to be made on site as reasons for the stoppage.

"In October 2011, a decline in uranium prices resulting from the nuclear accident at Fukushima in Japan, forcing a slowdown in production," a statement said.

The mine is situated in the Namib Desert, some 300km west of Windhoek.

Construction work already underway will be completed by the end of December 2012, while existing installations will be onto a \$10m a year structured care and maintenance programme.

"The objective is to restart the project in the best possible conditions as soon as the overall market allows it," Areva said.

The decision could mean job losses, but the firm said it would offer "accompanying measures" to affected workers.

"Areva is committed to stay in Namibia over the long term," it said.

Source: AFP