

881138

Login: Password: [Forgot Password?](#) [FREE Membership](#) [Make StockHouse My Homepage](#) | [Help](#) | [Feedback](#)



[.com](#) [+1](#) [.ca](#) Quote Search Symbol Name BullBoards Search Symbol

[Quotes](#) [Portfolio](#) [BullBoards](#) [News](#) [Markets](#) [Mutual Funds](#) [Commodities](#) [Prod](#)

StockHouse Editorials

[Canadian News](#) [US News](#) [MediaScan](#) [SHfn](#) [SH Editorial](#)

Features

Features

Venture Friday: Uranium Wars

Friday, March 17, 2006

By Don Whiteley

Send to a Friend

Note: Conflicts and Disclosure Policy- StockHouse Editorial writers may own, buy, or sell shares in public companies mentioned in their article; be advised that a conflict may exist and that any investment decisions you make are your own responsibility. You should not make any kind of investment decision in relation to these articles without first obtaining independent investment advice from an authorized investment advisor. [Conflicts and Disclosure Policy](#).

Robust growth forecasts for the global nuclear power industry coupled with increasingly tight supply has made uranium exploration a hot topic.

Almost non-existent on the TSX Venture Exchange a decade ago, there are now dozens of junior miners snatched at the edges of major uranium exploration plays all over the world.

Canada is the world's largest producer of uranium, based largely on existing and potential resources in Saskatchewan. In the last few months, Southern Alberta has also experienced an exploration frenzy.

Few think of British Columbia as having any real uranium potential, but a few juniors are looking to change that attitude. It's going to be a rough road.

Santoy Resources Ltd. (TSX.V: SAN, [BullBoards](#)) and Sparton Resources Ltd. (TSX.V: SRI, [BullBoards](#)) recently announced that they had settled a title dispute over control of B.C.'s most promising uranium play - Blizzard property east of Kelowna near the Big White Ski Resort.

The two companies have agreed to consolidate all the Blizzard interests into Boss Gold International (TSX.V: [BOG.H](#), [BullBoards](#)). Boss is currently trading on the Venture's NEX exchange, a sort of limbo for companies struggling to get their act together.

Once consolidation is complete, Boss will issue shares to the parties in the title settlement, and proceed with technical evaluation, and hopefully the development of the project.

Good luck to them all. The Blizzard property was discovered in the late 1970s, and a joint venture involving Norcen Energy Resources, Lacana Mining Corporation, Campbell Chibougamau Mines, E&B Explorations & Ontario Hydro conducted a feasibility study on the drilling results obtained.

It was looking very good until a groundswell of public opposition sparked the provincial government to hold a Royal Commission inquiry into uranium exploration, and subsequently a seven year exploration moratorium imposed.

Junior miners (and majors) are accustomed to volatile geopolitical issues in developing countries. Venezuela comes immediately to mind. When it comes to uranium, British Columbia is almost in the same ballpark. Memories of nuclear power to many B.C. residents, and visions of the Simpson's Mr. Burns as premier flood their minds.

While the original moratorium is no longer in place, today's provincial government has been non-committal in allowing any revival of uranium exploration. And the opponents are gearing up. The Uranium Free BC Coalition was established in Kelowna a month ago with one goal in mind: get that moratorium re-instated.

Sparton President and CEO Lee Barker has seen all this before, having been involved in the initial discovery having participated in the royal commission hearings that were conducted in the late 1970s.

"The objective is to see if this thing can be exploited in an environmentally friendly way," he said in an interview. "If the BC government and BC population resist that to any degree, then that's a risk.

"All we want is a chance to try it," he continued. "If everyone wants to just get their backs up against the wall be totally negative; pump more oil; build more hydro dams; that's up to the people of BC."

While the Blizzard play is at the top of the list in B.C., there are other areas attracting interest in areas fairly far from ~~Blizzard~~, and North of Kamloops. International Ranger (OTCBB: IRNG, **BullBoards**) hopes to develop the Rexspar property, which it argues is big enough to "turn the province around."

Rexspar was discovered nearly 100 years ago, with the uranium potential identified in 1949. As was the case with the Blizzard, development work came to a standstill when the government imposed its moratorium. The Rexspar property also has significant molybdenum potential.

The juniors trying to revive the idea of uranium exploration in B.C., for the most part, have other exploration projects in other places in their portfolios. Santoy Resources also has uranium properties in Saskatchewan, Alberta, and the U.S. Sparton is active globally with interests in natural gas, coal, and coal bed methane properties as well as other uranium properties; and International Ranger has another uranium property in Wyoming.

Investors considering these companies will of course do all the due diligence research into their finances, structure, etcetera. But anyone pinning his investment hopes on a successful run at a B.C. uranium play needs to come to grips with that third world political risk.

Don Whiteley is a financial journalist whose career spans more than 30 years in both Canada and the U.S., includes everything from sports to politics to business to the fast-paced internet, where he was editor-in-chief of an online financial news site. His resource coverage as a reporter at the Vancouver Sun earned him three journalism awards.

Whiteley also spent 10 years working as a consultant on "the dark side," providing strategic communication advice and media relations advice to both government and business. He teaches continuing education courses in both journalism and communications at Simon Fraser University and Langara College.
