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Kuriskova project

very low cost, Tournigan says

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Slovakia--a country roughly the size of South Carolina--has four nuclear reactors generating half the nation's electricity needs with two more reactors planned or under construction, making **Tournigan Energy's** (TVC-V) flagship Kuriskova uranium deposit an attractive project, the company says.

Tournigan says Kuriskova could potentially offer Slovakia a steady source of uranium for thirty years at its current consumption rate. The Slovak Republic, among the world's highest per capita consumers of nuclear power, is a land-locked nation in the eastern portion of Central Europe bordering Poland to the north, Ukraine to the east, Hungary to the south, and Austria to the west.

A preliminary feasibility study on the uranium deposit identifies a base case internal rate of return of 30.8% on a pre-tax basis with a 1.9 year payback after the start of production using forward prices of US\$68 per lb. U3O8 and US\$15 per lb. molybdenum. At an 8% discount rate the pre-tax net present value is estimated at US\$277 million.

Tournigan's management believe its high-grade uranium project could prove to be among the world's lowest cost uranium producers. Operating costs over the life of the mine are pegged at US\$22.98 per lb. U3O8 net of a molybdenum credit of about US\$1.27 per lb U3O8. During the first four years of production operating costs would be about US\$16.68 per lb. U3O8 net of the molybdenum credit.

Average annual production would be about 786 tonnes of uranium as a U3O8 concentrate and 84 tonnes of molybdenum in molybdenite with a life-of-mine U3O8 production of 20.9 million pounds or 9,500 tonnes.

The prefeasibility envisions that the project would be best developed as an underground mine with an underground processing facility. The mine plan is based on underhand drift and fill mining utilizing a road-header as the primary production method.

Initial capital costs are estimated to reach US\$225 million including owner's costs and a contingency of US\$31 million. During the life of the mine there will be sustaining capital requirements of about US\$71 million.

Construction will take about three years.

Metallurgical tests at Hazen Research in Golden, Colorado suggest that uranium and molybdenum recoveries can be achieved using conventional alkaline leaching and precipitation circuits that will produce separate uranium (yellowcake) and molybdenum concentrates. Recoveries of uranium were 92% and molybdenum 86.8%.

Looking ahead Tournigan says it will continue to test exploration targets within the area and do further step-out exploration drilling where high-grade mineralization is open along strike and at depth. Kuriskova is about 10 km northwest of the city of Kosice, a regional industrial centre in East-Central Slovakia.

Tournigan's strategic partner at Kuriskova is French uranium heavyweight Areva.

At presstime in Toronto shares of Tournigan were trading at 9.5¢ apiece within a 52-week range of 6.5¢-41.5¢. The junior has about 208.02 million shares fully diluted.

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