Greenland moves one step closer to uranium production

Greenland Minerals and Energy Limited welcomes a formal agreement between Greenland and Denmark to manage the mining and export of uranium.

On February 3, Greenland Minerals and Energy Limited (GMEL) announced that the governments of Denmark and Greenland have signed uranium export agreements that could eventually allow GMEL to mine and export uranium from the company’s Kvanefjeld project in southern Greenland. In 2009, Greenland began to exercise self-rule and assumed full authority over its mineral and hydrocarbon rights. But Greenland remains a part of the Kingdom of Denmark, and Denmark manages Greenland’s defense and foreign policies. On January 22, GMEL announced that the two governments had agreed on January 19 “to establish an internal framework within the Kingdom of Denmark regarding the special foreign, defense, and security policy issues related to the mining and export of uranium from Greenland.”

According to GMEL, “The agreements reaffirm Greenland’s full authority over its natural resources, including environmental, health, and safety at any uranium (or thorium) production facility in Greenland. They also establish a framework under which Denmark will assume responsibility for nuclear non-proliferation and safeguards matters.” A new joint Denmark-Greenland structure housed within Greenland’s Department of Industry, Labor, and Trade will implement export controls, inspections, and reporting. GMEL anticipates that Denmark and Greenland will pass legislation this spring to implement safeguards and export regulations for any uranium produced in Greenland.

Denmark plans to model its nuclear safeguards and export control system on international standards, according to GMEL. The system will ensure that only states that are a party to the Nuclear Non-Proliferation Treaty and that enter into nuclear cooperation agreements with Denmark can receive uranium exported from Greenland.

The new agreements, and the ratification by the government of Greenland of a series of international safety conventions in late 2015, are “the end result of ongoing

Ore dumps from the exploration of the Kvanefjeld deposit are shown in the foreground, with Mount Illimaussaq prominent in the background. Kvanefjeld is located to the left on a broad plateau adjacent to the Narsaq Valley.
cooperative work by Greenland and Denmark, which follows the recommendations of a report into uranium mining and export, commissioned in 2013,” according to GMEL. “This important development highlights the progress made by Greenland’s authorities on regulatory aspects, which has taken place in parallel to GMEL working to establish an agreed development strategy with Greenland and finalize an exploitation (mining) license application for Kvanefjeld. The application was successfully completed in late 2015, and handed over to Greenland’s regulatory bodies.”

John Mair, GMEL’s managing director, said, “Greenland Minerals and Energy welcomes the decisions of the two governments, which strengthen Greenland’s authority over its natural resources while providing a modern framework for the export and sale of uranium for the growing international fleet of nuclear electricity plants. These developments continue to firm confidence in the Kvanefjeld project, with major progress now made on Greenland’s capacity to produce and export uranium.”

GMEL’s key license in southern Greenland has three deposits with a collective resource estimate of 1 billion metric tons (t) containing 593 million lb U₃O₈, 11 million t of rare earth oxide, and 5.3 billion lb zinc. Kvanefjeld, the most advanced of the three deposits, contains a 108-million t ore reserve, sufficient to sustain a 37-year mine life, according to GMEL. Mined products other than uranium oxide would include praseodymium, neodymium, dysprosium, terbium, zinc concentrate, and fluorspar. A prefeasibility study was finalized in 2012, and a comprehensive feasibility study was completed in May 2015 (NN, July 2015, p. 65).