

## MINING FUTURE OPTIMISTIC FOR WYOMING

**W**hile coal mining dominates the Wyoming mineral scene, the state has tremendous resources of other minerals, and the future for these minerals is optimistic, in addition to the state's more famous minerals such as uranium, bentonite, soda ash and gold. Wyoming boasts other minerals, including diamonds, that may offer economic strength in coming years.

One mineral that has played an important role in the state's economy is uranium, and while the current value of the ore called yellowcake, is not strong, the Wyoming Mining Association feels that may turn around.

Marion Loomis, association executive director, said, "The conventional uranium mining industry is probably gone and we won't see much of it return. There is one operation near Green Mountain in the Jeffrey City area that has an underground mine and conventional mill with it."

"The uranium industry is 'price dependent' and if uranium prices were to rise, the conventional mining industry could become viable, he said.

The rest of the industry will be in situ mining for the most part, and many companies are in "a holding pattern" so they can produce if the price turns around. Loomis said the state has the capability of producing five million pounds of yellowcake a year. Current production is about 1.2 million pounds.

"The United States uses approximately 30 million pounds of yellowcake a year. We're producing about eight million pounds. The rest is being used out of stockpiles. Russia now is dumping lots of uranium on the open market and that is what has driven the price down into the single digits."

When Russia stops dumping or cuts back, Loomis said the industry expects prices to come back up. Prices need to be in the mid-range, around \$17 a pound, for an operator to make money.

Looking at the next year, the uranium industry isn't seeing any increase in price, Loomis said. Over the next five years, the industry is optimistic though.

Another important mineral industry in Wyoming is bentonite, a clay that can absorb up to 15 times its own weight in water and is highly heat resistant. Fifty percent of the mineral's use is in the oil and gas drilling industry.

"The bentonite in Wyoming is as good as bentonite as there is in the world, if not the best, and we export it all over the world. One bright spot, countering drilling increases, is in environmental control."

Many sewage lagoons, landfills and tailings ponds have to be lined, and bentonite is one of the best natural liners. Loomis said bentonite could see a growing market in environmental clean-up, although it would be a small portion of the market, perhaps 10 percent.

Bentonite also sees use in the state's tourism industry and in foodstuffs, plus is useful in wine clarifying, cosmetics, crayons, explosives and agricultural products.

Wyoming is a major supplier of soda ash for the United States, supplying about 92 percent of its needs. Soda ash is a primary chemical in the manufacture of glass, but also goes into pharmaceuticals, soaps, detergents, baking soda, sodium sulfate and a wide variety of other industrial and consumer products.

"The domestic demand for soda ash is declining, but the worldwide demand is increasing. So far, the operations in Sweetwater County have been able to expand their production to meet worldwide demand. If we have to expand or maintain the production we have, we have to look at export markets," Loomis said.

China used to be a good market, but a portion of that market is gone. There still is demand in other Pacific Rim countries. The real growth, he said, will be in the European community if countries will lower tariffs and allow Wyoming soda ash into Europe.

The soda ash industry in Wyoming is looking to new products to keep demand high. New plants to handle caustic soda, sodium bicarbonate, sodium cyanide and sodium sulfite are on the increase, especially during the last two years.

"Taking the soda ash and making another product out of it is really positive development for the state of Wyoming."

Other mining industries that have an impact on the Wyoming economy include sand and gravel, limestone, sodium, decorative stone, ballast for the railroads, granite, gypsum and lignite.

There's also gold in Wyoming, and one of the more exciting developments is a small gold operation in the Crown Butte district across the Park County line in Montana.

Dan Hanel, senior economic geologist for the Wyoming Geological Survey in Laramie, said gold is more prone to rise "well south" than in Wyoming.

The geology of Wyoming is similar to the geology of South Africa and western Australia where most of the world's gold is produced. Many deposits in the state have been overlooked and some projections indicate that gold demand will be higher than world production.

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# Wyoming Mining Future

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