The year 1966 was significant for the industry because the first large contracts for the sale of uranium for peaceful purposes were consummated. Rio Algom Mines Limited negotiated a contract with the United Kingdom Atomic Energy Authority for a minimum of 8,000 tons of U_3O_8 with an option to increase the amount to 11,500 tons. Deliveries are to begin in late 1971 and to continue at a rate of 1,000 tons annually. In December, Ontario Hydro completed negotiations with Rio Algom and Eldorado Mining and Refining Limited for the purchase of 6,500 tons of uranium, deliveries to begin in 1970. Rio Algom will supply more than 90 p.c. of the requirement and Eldorado the remainder of the contract as well as refining services. Canadian uranium producers expect to negotiate other long-term contracts. Delegations from West Germany, Japan and Mexico visited Canada during 1966 relative to uranium. Of significance is an agreement between Denison Mines Limited and Mitsui and Company Ltd., a major Japanese trading company, whereby Mitsui will purchase uranium only from Denison for sales to the Japanese industry and Denison will sell uranium to Japan only through Mitsui.

Production in 1966 totalled 3,900 tons of U_3O_8. Final deliveries were made at the end of 1966 to the United States under the contracts that had been negotiated in the 1950s. Total shipments involving these contracts were valued at over $1,500,000,000. At the end of the year, about 5,700 tons of U_3O_8 remained to be delivered to the United Kingdom Atomic Energy Authority. This contract is not expected to be completed until 1971.

At the end of 1965, Canada's reserves of uranium were about 210,000 tons of U_3O_8 recoverable at less than $10 a pound. These are more than adequate to meet the firm contracts and the capacity of present plants for the foreseeable future. However, if the large future demand for Canadian uranium is to be met, new reserves will be required. In 1966, the industry was marked by a movement of mining concerns into uranium ventures. Much of the activity consisted of land acquisition but several companies began intensive exploration programs. The most promising new area is at Agnew Lake, Ont., about 45 miles east of Elliot Lake, where Kerr Addison Mines Limited continued a diamond drilling program. Results were encouraging and several other companies are interested in the region.

15.—Quantity and Value of Producers' Shipments of Uranium (U_3O_8), by Province, 1957-66

Year	Ontario		Saskatchewan		Northwest Territories		Canada	
	Quantity	Value	Quantity	Value	Quantity	Value	Quantity	Value
	lb.	$	lb.	$	lb.	$	lb.	$
1957	7,970,598	82,940,763	4,462,552	44,561,832	838,264	8,801,769	13,271,414	136,304,364
1958	19,970,136	210,149,700	5,924,253	59,815,924	910,843	9,572,847	26,805,232	279,538,471
1959	25,492,171	268,529,993	5,372,685	54,457,321	919,333	8,155,729	31,784,189	331,143,043
1960	19,793,727	211,983,533	4,624,431	48,722,961	1,077,211	9,231,698	25,495,369	269,938,192
1961	14,970,594	151,060,610	4,310,871	44,631,014	—	—	19,281,465	195,691,624
1962	12,805,203	118,283,081	4,053,966	39,900,588	—	—	16,859,169	158,183,669
1963	12,770,421	102,951,146	3,932,645	33,957,973	—	—	16,703,066	136,909,119
1964	11,805,143	63,606,944	2,765,164	19,902,485	—	—	14,570,307	83,509,429
1965	6,825,046	47,234,892	2,060,167	15,126,485	—	—	8,885,213	62,361,377
1966	5,875,698	42,758,135	1,987,992	11,576,652	—	—	7,863,690	54,334,787

Silver.—Canada's mine production of silver in 1966 was 33,418,000 oz.t., about 1,146,000 oz.t. more than in 1965; the 1966 production was valued at $46,752,000, over $1,570,000 higher than the previous year. Declines in output in the Yukon Territory, Manitoba and Saskatchewan were more than offset by increases in other provinces. Quebec had the largest increase because of increased by-product output at several base metal