



United States Department of State

Washington, D.C. 20520

March 12, 2001

Ms. Janice Dunn Lee
Director, International Programs
United States Nuclear Regulatory Commission
Rockville, Maryland

Dear Ms. Lee:

I refer to the letter from your office dated January 26, 2001 requesting the views of the Executive Branch as to whether amendment of an export license in accordance with the application hereinafter described meets the applicable criteria of the Atomic Energy Act of 1954, as amended:

NRC No. XSOU8777/Amendment 01 -- Application by Cabot Corporation for approval of an amendment to license XSOU8777 to increase the amount of tantalite ore concentrate authorized for export to China from 500,000 to 1,000,000 kilograms, and to add F & X Electro-Materials Limited, Yaxi Industrial Development Zone, Xinhui city, Guangdong; and Ningxia Non-Ferrous Metals I/E Corp, P.O. Box 105, Shizuishan City, Ningxia, to the list of authorized ultimate consignees. The tantalite will be processed to recover potassium tantalum fluoride for sale to Cabot Corporation for capacitor manufacture. The 1,000,000 kilograms of tantalite proposed for export under the amended license contains an estimated 3,200 kilograms of uranium and 4,200 kilograms of thorium, which will not be separated or utilized.

It is the judgment of the Executive Branch that the proposed export of this material for non-nuclear use would not be inimical to the common defense and security of the United States, and is consistent with the provisions of the Atomic Energy Act of 1954, as amended.

On the basis of the foregoing, the Executive Branch recommends amendment of the license as requested.

Sincerely,

Richard J. K. Stratford
Director
Nuclear Energy Affairs

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