

## Grade

### The most important investment concern for uranium projects

The grade of a potential project should be the overarching concern for those interested in investing in uranium.

This is according to Venmyn Deloitte MD [Andy Clay](#), who notes that so many uranium projects have closed or have performed poorly that one needs to ensure that the economic fundamentals, and most importantly the required grade, be in place before starting any uranium venture.

Uranium can be used in military or civilian applications, with the main use in civilian applications as a fuel source for nuclear power plants.

Many countries, including South Africa and Kazakhstan, have vast low-grade deposits. These may have grades that are technically acceptable for power plant usage following processing, but may not provide the project owner with high returns.

In a previous higher-price commodity environment these vast resources were attractive but, increasingly, investors are being advised to focus more on grade than deposit size as an investment criterion.

“The hunt is on for quality resources,” says Clay, although he observes that the ease of processing is also another criterion that may be important since projects that are mechanically and chemically suitable for mining and processing are likely to also bring down the cost.

“Resources are oversold and, for specialist minerals such as uranium, it is all about grade,” he reiterates.

To comment on this issue, go to Venmyn Deloitte’s [Facebook](#) and [Twitter](#) pages.

Kind regards,  
Deborah Spicer



## Also read...

[Tracking the Trends 2016](#)



[Mozambique's Mineral Industry](#)



[Nigeria's Mineral Industry](#)



### Contact:

Tel: +27 11 656 1450  
Office Hours: 7am - 5pm (GMT+2) Monday to Friday

[venmyinfo@deloitte.com](mailto:venmyinfo@deloitte.com) | [venmyndeloitte.com](http://venmyndeloitte.com)

Deloitte refers to one or more of Deloitte Touche Tohmatsu Limited, a UK private company limited by guarantee, and its network of member firms, each of which is a legally separate and independent entity. Please see [www.deloitte.com/about](http://www.deloitte.com/about) for a detailed description of the legal structure of Deloitte Touche Tohmatsu Limited and its member firms.

Deloitte provides audit, tax, consulting and financial advisory services to public and private clients spanning multiple industries. With a globally connected network of member firms in more than 150 countries, Deloitte brings world-class capabilities and high-quality service to clients, delivering the insights they need to address their most complex business challenges. The more than 200 000 professionals of Deloitte are committed to becoming the standard of excellence.

This communication contains general information only, and none of Deloitte Touche Tohmatsu Limited, its member firms, or their related entities (collectively, the “Deloitte Network”) is, by means of this communication, rendering professional advice or services. No entity in the Deloitte Network shall be responsible for any loss whatsoever sustained by any person who relies on this communication.

© 2016 Deloitte & Touche. All rights reserved. Member of Deloitte Touche Tohmatsu Limited

To no longer receive emails about this topic please reply to the sender with the word “Unsubscribe” in the subject line.