

Uranium Mining Equity Portfolio Strategy

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URANIUM MINING EQUITY PORTFOLIO STRATEGY

You've thoroughly evaluated the market dynamics for uranium and have established the grounds for understanding why the price of uranium has all of the reasons to rise over the next five years. Now comes the consideration of how you build a investment strategy to express your position that uranium prices must rise. You must consider the following components:

- Uranium producer exposure
- Uranium developer exposure
- Uranium exploration exposure
- All stage exposure
- Uranium jurisdictional diversification
- Positioned for timing
- Speculation exposure
- Management team selection
- Total risk mitigation & exit strategy

Producer exposure is important to take advantage of near term uranium production as prices increase. Good producers are the first to cash flow. Producers attract early capital and are often the most liquid. Developer exposure is the next component where participants will look for uranium assets being developed in anticipation of production as prices move higher. Exploration exposure carries more risk but contains severe upside in the event of a good discovery. As a result exposure here is a part of overall strategy. Having access to an "all stage" opportunity provides another realm of exposure because the correct opportunity can enjoy exploration, development, and production all in the same cycle. With these various selections mentioned should come jurisdictional diversification by default. For example, selections should include uranium mining nations such as Australia, Namibia, Canada, and the United States. As the portfolio strategy is developed a mix of timing should be obtained with proper equity selection. A speculation or two should be included. These might include new uranium jurisdictions, political outcomes, or good uranium deposits that demand much higher prices. During the process, proven management is a large part of specific equity consideration. Last, you must have a specific risk mitigation plan along with a set of triggers to exit your investment.