

Basic mineral project assessment procedure involves comparing the final economic effects or the relative value of each alternative project activity

In a complex market environment, of local, regional and global character, decisions on investments in mineral projects is very sensitive, complex and responsible work, which must include geological, mining, technological and economic component of decision-making - this is the topic of paper "Characteristic of decision making on investments in mineral resources", written by professor Dr Radule Tosovic, B. Eng.

Modern business of enterprises in the mining sector is primarily required to provide the necessary funding for the running of business process. For the realization of long-term development goals, certain capital investment ventures must be implemented, which are connected to specific mineral projects. The seriousness of the issues of mineral investment projects requires consideration of all the characteristic elements necessary for making timely, accurate, and exact decisions regarding the appropriate investment.

In a complex analytical approach, is necessary to include all relevant geological, mining, technological and economic aspects of the mineral project, which will provide quality pre calculation, or the development of planned financial structure. The basic mineral project assessment procedure involves comparing the final economic effects, or the relative value of each alternative project activity, after which, the key information essential for decision-making is preparing. The process of decision-making must analyze the financial value of investments and the opportunity cost of capital. Time factor importantly affects the value of the mineral project, and given the specificity, affects the process of deciding on investments mineral project. The period from the beginning of investigation until the start of exploitation is also the freeze period of the invested funds, during which there is no capital return, which is why after the beginning of exploitation refund must be increased in order to cover the specified period. Therefore, each type of investment decisions requires prior preparation of different sets of information, which must include the impact of the time factor. In this particular specificity may represent the certainty or uncertainty of future prices and costs, which are reflected in the assessment of mineral projects.

In the decision-making process, the length of the mineral project or duration of use of the positive economic effects of the project, must also be considered. In addition, it is necessary to analyze the independence or the exclusivity of individual mineral projects in the context of the decision-making.

Mineral sector and mineral economics of Serbia are under the transition process of moving towards the conditions of market mineral economy, which includes the domain of investments in mineral projects. Pursuant to the new market conditions, top management in

all enterprises of the mineral sector, should devote special attention to the modern approach in evaluation of mineral projects, as a basis for a decision making on the need and justification of their investment. Initiated extensive and complex authors activity on the investigations of the characteristics of decision-making of investments in mineral projects, especially from the economic and management aspects, will be continued, as part of the continuous support of scientific research and application work. Special attention will be paid to the individual specifics of the investment process in the function of more successful decision-making, in order to ensure higher efficiency and effectiveness of investments in mineral projects, and the necessary prerequisites for the success of enterprises activities in the mineral sector in Serbia.