HIGH PURITY SILICA SAND

INVESTMENT OPPORTUNITY SCORECARD

MINING & METALS

استثمر في السعودية
INVEST SAUDI

MINING & METALS

HIGH PURITY SILICA SAND

Opportunity Description: Opportunity to produce 144 KT of High Purity Silica sand per year to serve the Saudi market

INVESTMENT OVERVIEW

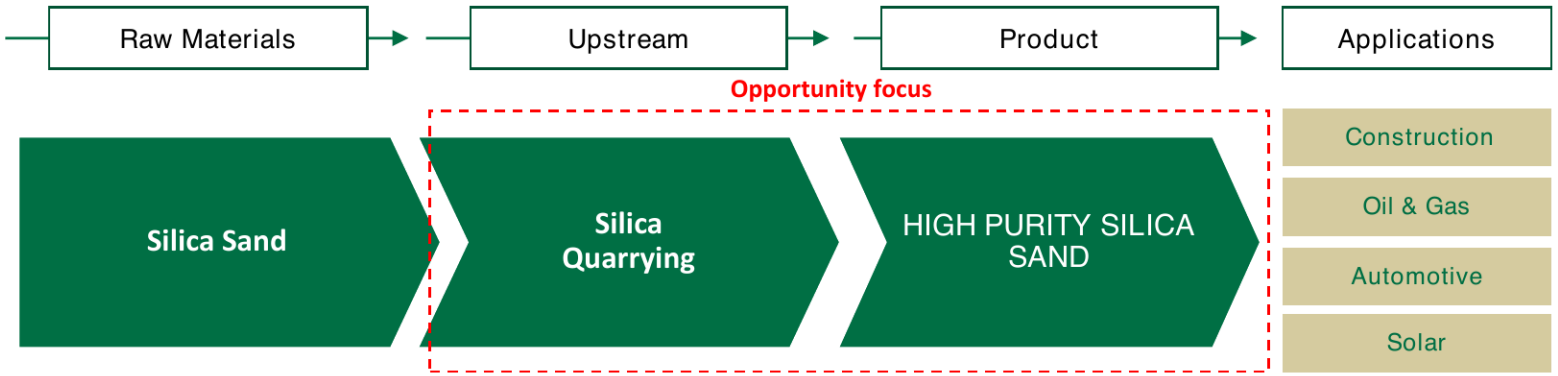
INVESTMENT HIGHLIGHTS

- Expected investment size of USD 6 Mn
- Plant Capacity: 144 KT
- Silica is one of the most common minerals in the earth's crust with the chemical formula SiO_2, most commonly found in nature as quartz and in various living organisms. In many parts of the world, silica is the major constituent of sand.

VALUE PROPOSITION

- Mining and Metals industry set to become the “third pillar” of the Saudi industrial base due to KSA’s rich deposits of minerals
- KSA’s geographical advantage and trade agreements with neighboring countries make exporting favorable
- Construction of Mega projects which will boast the demand of the key infrastructure investment projects include Neom, the Red Sea Project, Qiddiya Entertainment City, King Abdullah Financial District and Amaala
- High purity silica sand reserves (>98%) are available in the KSA with 1 billion tons of reserves along with adequate energy and infrastructure

VALUE CHAIN ANALYSIS



MARKET OVERVIEW

GLOBAL TREND

- The global silica sand consumption reached 450 Mn Ton in 2020 with expectation to grow at a CAGR 6.2% by 2026
- The accelerations in construction spending and manufacturing output worldwide are expected to drive growth in important silica sand-consuming industries, including the glass, foundry, and building products sectors.
- As technology advances, silica is being used for more technical applications such as aerospace, military and precision automotive parts.
- Hydraulic fracturing is a new market for silica sand downstream using horizontal drilling

KEY DEMAND DRIVERS

- The KSA has set a target of 58.7 GW of renewable energy by 2030. This shall also boost further fuel demand for silicon metal as it is a one of the primary materials utilized in the composition of solar cells.
- Silicon metal demand is boosted by the regional increase in the aluminum-silicon alloys market.
- Governmental commitment towards net zero carbon emissions and renewable energy to drive demand in the GCC which will boast the demand for Solar as its main Raw material is Silica Sand

DEFINITIONS

#	SCORECARD SECTION	DEFINITIONS
1	Market size	Size of market in value/volume in KSA and/or Region (MENA/GCC) covering future projections based on available estimates from published /government sources
2	Business drivers	A select number of factors that will influence future demand for the related product/service
3	Investment highlights	An overview of key financial metrics summarizing the investment opportunity along with the expected return based on the suggested investment size
4	Value proposition	Summary of key differentiators that position KSA as a strategic choice over other regional/global peers
5	Market readiness	An overview of KSA market structure, market maturity and level of participation by local and global players
6	Competitor analysis	List of the local & international players manufacturing the underlying product in Saudi Arabia and their market share
7	Global trends	Latest business developments within the sector/product category
8	Scalability and localization	Ease of scaling the business across the value chain or into new adjacent products or geographies that would maximize the opportunity's investment returns and the ability and potential to locally manufacture the product and its components
9	Import dependency	An overview of the countries from which Saudi Arabia is importing the product and their value/volume and share in total imports
10	Value chain analysis	The process or activities that would potentially need to be carried out to deliver the underlying product or service
11	Key stakeholders	Government institutions, organizations, and/or authorities that participate or influence the market for the underlying product/service
12	Enablers	Factors that enable investment in the underlying opportunity
13	Cost of doing business in KSA	Key factors that position KSA as a competitive destination for investment in the region. Productivity adjusted wages do not include cost of $1.23/hour towards annual recurring charges including work permit, resident identity (iqama) and health insurance

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