



# MINING & METALS

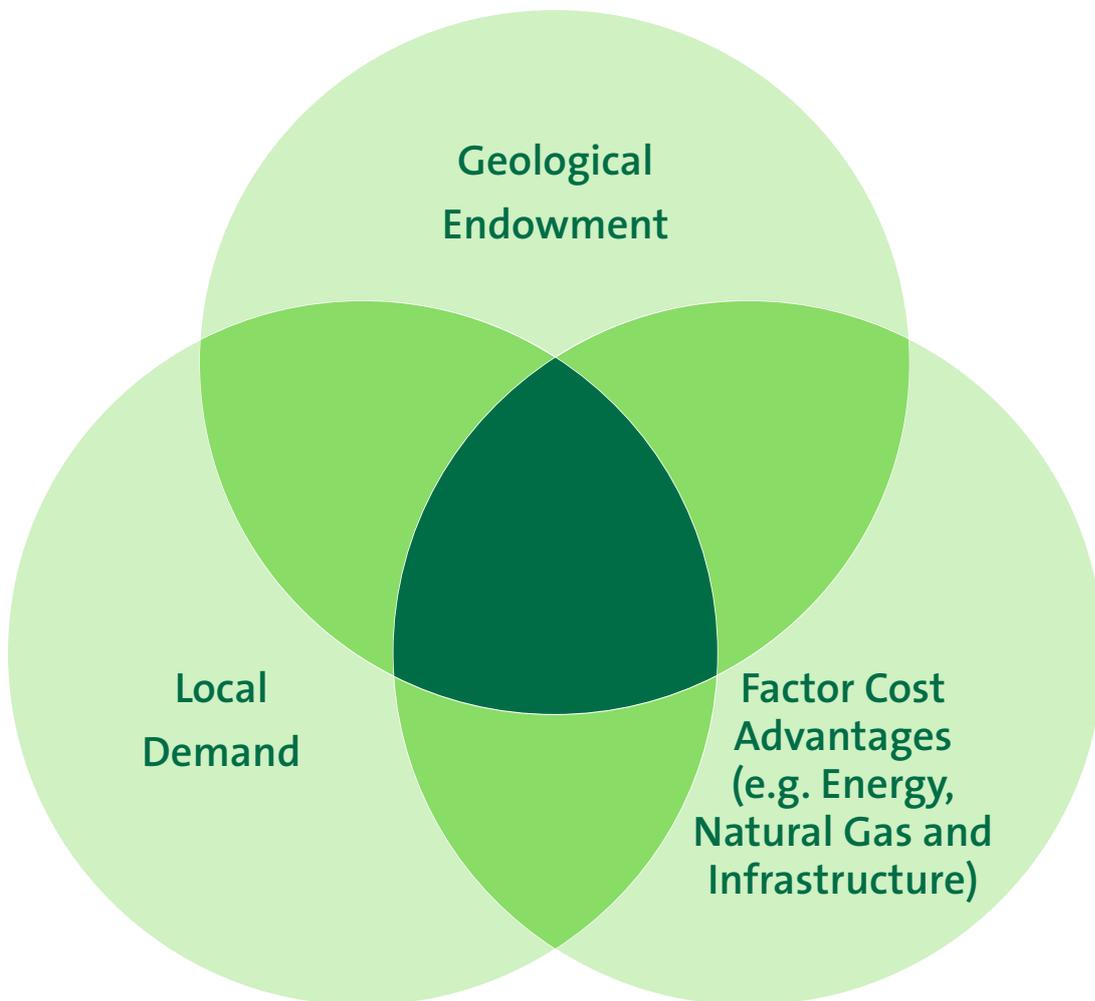


The Mining and Metals Industry sector in Saudi Arabia has grown significantly over the last few years. Going forward, it will have tremendous growth opportunities in line with Saudi Vision 2030's goal to have "a Mining and Metals industry sector contributing to the national economy at full potential."

Moreover, Saudi Arabia's proximity to other MENA countries puts local manufacturers in a great position to export to those countries. Large demand, coupled with the abundance of resources in Saudi soil, creates significant investment opportunities for private sector investors.



# SECTOR COMPETITIVE ADVANTAGE



# LOCAL DEMAND

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## LARGE DEMAND WITH EXCEPTIONAL GROWTH

- ▶ KSA's demand for mineral products currently exceeds local supply, leading to a large amount of imported resources.
- ▶ In addition, Saudi Arabia is going through economic and industrial growth, leading to **significant increase in demand for such products** to serve key growing sectors<sup>1</sup>
- ▶ The supply gap of minerals leads to **multi-billion dollar investment opportunities and value chain integration**
- ▶ Demand across many value chains is rising, with opportunities to replace imports with domestic production such as high-quality iron ore for steel, copper concentrate for copper smelter, titanium, silica, zinc, etc.

## THE 4<sup>TH</sup> LARGEST NET IMPORTER OF MINERAL PRODUCTS GLOBALLY

### #2

in precious metals

### #3

in copper

### #5

in ceramic tile consumption

### #8

in phosphate consumption

### #12

in sodium carbonates

### #15

in steel and aluminum consumption

1. Oil and Gas, Construction, Equipment, Packaging, Defense, Automotive, Ship building etc.

# GEOLOGICAL ENDOWMENT

THE **LARGEST**  
COUNTRY IN THE  
MIDDLE EAST

THE **13<sup>TH</sup> LARGEST**  
IN THE WORLD

**\$1.3T**

KSA Minerals Potential  
(65% metallic)

ARABIAN SHIELD

**600,000 km<sup>2</sup>**

is a major source of precious and  
base minerals

TO DATE, OVER

**48 minerals**

have been identified in the Kingdom,  
with at least 15 minerals that are  
commercially viable.

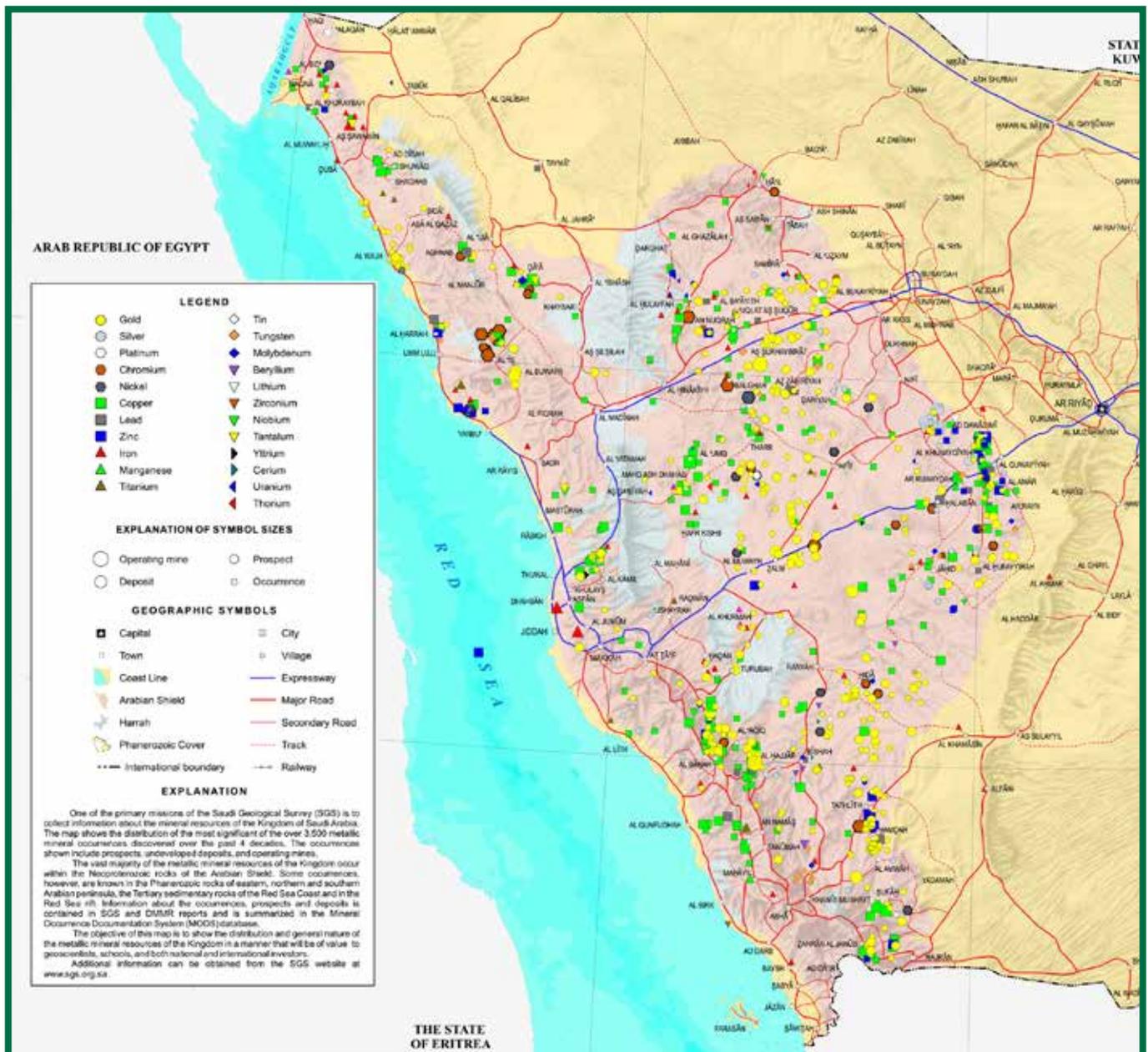
## OVERALL SECTOR BASELINE



- Saudi Arabia has a long history of mining gold. However, rapid development of other products took place recently
- This development has been driven by local demand, primarily in construction materials, with more than 65% of licenses for building material quarries
- Despite this, Saudi Arabia has many valuable deposits, including precious and base metals and phosphate. These deposits are currently under-explored and under-extracted when compared to the rest of the world.
- Which opens the window for large and lucrative investment opportunities for the private sector investors to tap into and serve the under-supplied market

# GEOLOGICAL ENDOWMENT

SAUDI ARABIA HAS SIGNIFICANT DIVERSE METALLIC MINERAL RESOURCES SPREAD ACROSS THE KINGDOM.



# COST ADVANTAGES



## SIGNIFICANT GOVERNMENT COMMITMENT AND SUPPORT TO ENABLE THE SECTOR

- The mining sector is a key pillar in Vision 2030 given that it will have significant economic impact through increasing mining GDP contribution to USD 70B by 2030, and creating additional 250,000 jobs in the process
- **Saudi government heavily supports the mining and metals processing industry through multiple megaprojects developing key enablers**
  - SAR North–South East Rail: 1500 km railway connecting Al-Jalamid mine with processing facilities in Ras Alkhair Industrial City
  - Ras Alkhair Industrial City is a “world-class metals and minerals city” with integrated industrial complexes, ports and end-to-end ecosystem
  - Waa’d Al Shamaal City (North Promise City) includes Ma’aden’s phosphate mining expansion, and many large world class facilities, with a production capacity of 16M tons/year



## GREAT COST ADVANTAGES

- Saudi Arabia offers access to high quality raw materials, as well as utility at competitive costs.
- Thus, investors benefit from well-developed infrastructure, quality power and gas supply, land availability, and other support programs

# COST ADVANTAGES

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## EASY ACCESS TO MAJOR IMPORTING COUNTRIES

- ▶ Saudi Arabia is **strategically located** and has a **proximity advantage** to end-user markets in major geographies i.e. **MENA, Asia and Europe.**



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## EXPERIENCED SUPPLIERS, CONTRACTORS AND TALENT POOL

- ▶ Given Saudi Arabia's **extensive experience in the Oil, Gas and Chemicals sectors, the Kingdom bolsters a developed ecosystem** that complements several aspects of the mining and metal processing industry:
  - Procurement of machinery and equipment from existing companies
  - Large pool of talent through well-established players (e.g. Aramco with more than 65,000 employees, SABIC with more than 35,000 employees and Ma'aden with more than 6,000 employees) as well as global universities (e.g. King Fahd University of Petroleum and Minerals, King Saud University and King Abdulaziz University )
  - Shared service providers



- **Mining Strategy:** ~1,200 potential projects were identified, +150 passed the initial feasibility tests.
- **Local content programs:** (Aramco, SABIC, Ma'aden, etc) for metals/ mining investment opportunities.

# CURRENT SECTOR OVERVIEW

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**70,000 km<sup>2</sup>**

Mining area used



**#8**

largest cement producer in the world



**365**

Mining Complexes



**4M Oz**

of gold sold since 1988



**2000**

Licenses issued for reconnaissance, exploration and exploitation



**6M tonnes**

Yearly production of phosphate



**420M**

Tons of minerals exploited



**9M tonnes**

Domestic steel production



**~250,000**

Working in Mining and Metals industry



**\$7B**

Mineral value chains delivered in gross exports

# NATIONAL MINING STRATEGY 2030



**GDP  
Contribution**



**Create over  
250,000 new jobs  
by 2030**

**1**  
CREATE ENGINES OF  
GROWTH BEYOND OIL &  
GAS (THIRD PILLAR)

**2**  
DIVERSIFY  
GOVERNMENT REVENUE

**3**  
CREATE NEW JOBS FOR  
RAPIDLY GROWING  
SAUDI LABOUR FORCE

**4**  
DRIVE ECONOMIC  
DEVELOPMENT OF  
REMOTE AREAS

# NATIONAL MINING STRATEGY 2030

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## TREMENDOUS GROWTH TARGETS

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### IRON



**2X**

- More than doubling the production of steel to meet full long steel demand and 80+% self-sufficiency in flat products

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### FERTILIZERS



Among top | **3**

- Increasing production to over 7.5M tonnes (P205 basis) to become a top 3 global phosphate producer

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### BASE METALS



**10X**

- Increasing mining output 10 times while creating fully-integrated value chains

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### ALUMINUM



Among top | **10**

- To become among the top 10 in aluminum and increase the capacity of conversion industries.

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### GOLD



**10X**

- Increasing gold mining production up to 10 times
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**CEMENT**



**50%**  
increase

- Increasing cement production in line with local demand while enhancing energy efficiency

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**CERAMICS**



Among top | **10**

- Achieve self-sufficiency in ceramic industries across markets

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**GLASS**



**2X**

- Increasing production for self-sufficiency and increase opportunities to export container glass.

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**INORGANIC COMPOUNDS**



**PIONEER IN INNOVATION**

- Becoming an innovator in inorganic chemical manufacturing

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**OTHER**



- Expansion in new value chains (uranium, titanium, rare earth elements, niobium/tantalum / Tantalum, basalt fibers, mineral-based catalysts)
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ABOUT THE SAUDI ARABIAN  
GENERAL INVESTMENT

**The Saudi General Investment Authority** is the Kingdom's investment promotion agency. Our priorities are to attract and develop foreign investment, enhance the nation's investment climate, increase the ease of doing business, and eliminate obstacles from investors' journey.

To discover the countless opportunities, across major economic sectors, that Saudi Arabia has to offer:

## CONTACT US NOW

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