



Ministry of Industry  
& Mineral Resources

# UMM QUSUR LICENSING ROUND

## INFORMATION MEMORANDUM

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## Foreword

Economic diversification is the foundation of Saudi Arabia's Vision 2030, and the mining and industrial sectors are critical to the Kingdom of Saudi Arabia's (the "**Kingdom**" or "**KSA**") strategy, through increasing local production, exports, job opportunities and investments, in line with the Vision 2030 targets.

In August 2019, the Ministry of Industry and Mineral Resources was established as an independent government body with responsibility for regulating the mining sector in the Kingdom. This is a clear representation of the government's priority to develop this sector of the Saudi economy and provide opportunities to local and foreign investors while maximizing their benefits.

The mining sector is set to become the third pillar of the Kingdom's economy (after oil & gas and chemicals). To enable this sector growth, the Kingdom's mining strategy includes a comprehensive set of initiatives to develop and enhance the mining ecosystem in the Kingdom, including areas such as accelerating exploration by promoting investor protection, clarifying the legal and fiscal regimes and in promoting geodata acquisition and distribution through the Regional Geological Survey Program and the creation of the National Geoscience Database.

The new mining law that came into effect in 2021 targets the exploitation of the Kingdom's mineral resources and the development of its mineral-based manufacturing industry, all of which is expected to reduce imports to the Kingdom by c. \$10 billion and generate more than 200,000 jobs by 2030.

The Kingdom's competitive Licensing Rounds are a continuation of a successful, new chapter in our journey towards unlocking our country's vast mineral resources by fast-tracking exploration activity. The Umm Qusur project is an example of an enticing exploration project with the potential to contribute to the Kingdom's future gold economy.

This Licensing Round will enable the Kingdom to identify the most suitable exploration partners for long-term growth and investment in the mining sector of the Kingdom, and provides interested investors with open access to data relating to the Umm Qusur project.

We look forward to showcasing Umm Qusur on a global stage so that, together, we can create value for our partners and the Kingdom.

## EXECUTIVE SUMMARY

As announced on 10<sup>th</sup> January 2024, the Ministry is conducting a competitive licensing round for the exploration of the Umm Qusur site ("**Licensing Round**" or the "**Project**") pursuant to which the Ministry will award the successful bidder ("**Successful Bidder**") an exploration license for the Umm Qusur site ("**Exploration License**"). The Licensing Round is designed as a transparent, standards-based, competitive process, which will result in the selection of the most appropriate licensee for the Umm Qusur site ("**Umm Qusur**" or the "**Site**").

**Bidders are hereby invited to submit their best offer for the Exploration License as part of a valid and binding proposal to become a licensee for the Site ("Proposal"). Proposals must be submitted to the Ministry on or before 5<sup>th</sup> September 2024 ("Proposal Submission Deadline") by completing the application form set out in the Ministry's data room ("Application Form") which can be accessed via the data room created on the Taadeen platform <https://taadeen.sa/en/mining-bids> ("Data Room").**

### The Site

The Site covers an area of 20 km<sup>2</sup> within the Riyadh Region, ~14 km southwest of the town of Halaban in the center of the Kingdom of Saudi Arabia (Figure 1). Umm Qusur is strategically located on the Arabian Shield within the Halaban Quadrangle (1:250,000), ~600 km from the Port of Jeddah on the Red Sea.

Further details are set out in Section 2 of this Information Memorandum.

### Minimum Qualification Criteria

Bidders must demonstrate that they meet the Minimum Qualification Criteria in order for the Ministry to continue evaluating their respective Proposals, as summarized in the below table and further described in Section 4 of this Information Memorandum.

Whilst the Minimum Qualification Criteria is scored on a 'Pass/ Fail' basis and does not have a weighting score attributed to it, bidders must demonstrate that they satisfy all the Minimum Qualification Criteria in order for their respective Proposals to be evaluated further in this Licensing Round.

Section	Criteria	Description
Technical Ability	<i>Internal Capability</i>	Bidders must demonstrate internal capabilities in mineral exploration.
	<i>Track Record / Examples</i>	Bidders must demonstrate track record experience in relevant or similar style mineralization including capability in projects through the development cycle and developing exploration projects beyond the discovery stage through pre-feasibility and feasibility studies.
Financial Details	<i>Exploration Expenditure</i>	Bidders must have undertaken a minimum expenditure of USD five hundred thousand (\$500,000) in exploration activities in the last twelve (12) months.

	<i>Exploration Funding</i>	Bidders must demonstrate access to at least USD five hundred thousand (\$500,000) to fund the first three months of any exploration work program to be undertaken in the Kingdom in connection with the Project.
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## Scoring Methodology

Proposals submitted by bidders who satisfy all the Minimum Qualification Criteria will be further evaluated by the Ministry and scored in accordance with the following scoring methodology, and as further detailed in Section 5.8 of this Information Memorandum.

The bidder whose Proposal receives the highest score will be announced as the Successful Bidder for the Site and will be awarded the Exploration License by the Ministry once the legal and regulatory requirements are satisfied.

Section	Criteria	Weighting
Proposed Work Program and Exploration Spend	Proposals will be evaluated on the thoroughness and soundness of the bidder's proposed Work Program for the entire licensed area.	50%
Resource Exploration and Discovery Activities	Proposals will be evaluated on the bidder's experience in relation to focused exploration activities.	20%
Innovation	Proposals will be evaluated based on the innovative solutions and technologies used by the bidder in mineral exploration activities.	10%
Social Impact Management Plan	Proposals will be evaluated on the demonstrated ability to successfully implement social development in and around the Site, and local community expenditure.	20%
Financial Capability	Proposals will be evaluated on the bidder's financial resources, and its capability to fund its Work Program.	Pass/ Fail
Environmental Impact Management Plan	Proposals will be evaluated on the basis of whether the bidder has the demonstrated ability to ensure the protection of the environment.	Pass/ Fail
Corporate and Legal Requirements	Proposals will be evaluated on the basis of the bidder's corporate and legal information.	Pass/ Fail
Performance Financial Guarantee	Proposal will be evaluated on the bidder's commitment to provide a Performance Financial Guarantee if selected as a Successful Bidder.	Pass/ Fail
Model Exploration License	Proposals will be evaluated on the bidder's commitment to accept the terms of the Model Exploration License.	Pass/ Fail

## **PART A: GENERAL INFORMATION**



# 1. Introduction

The Ministry has launched the Licensing Round with the objective of identifying a Successful Bidder to whom it will award the Exploration License in accordance with the Mining Investment Law (issued by Royal Decree No.M/140 dated 10/19/1441H) ("**Mining Investment Law**") and its Implementing Regulations issued by Ministerial Resolution (3293/1/1444) dated 05/06/1444H ("**Implementing Regulations**"). The Licensing Round is designed as a transparent, standards-based, competitive process, which will result in the selection of the most appropriate licensee for the Site.

**Bidders are hereby invited to submit their best offer for the Exploration License as part of a valid and binding Proposal to become a licensee for the Site. Proposals must be submitted to the Ministry on or before the Proposal Submission Deadline.**

The Licensing Round requires that the Successful Bidder possesses, demonstrates and dedicates to the Project qualified management personnel and resources, adherence to principles of sustainability and conformity with the laws of the Kingdom. The Successful Bidder will have demonstrated that it is committed to working with the Government to explore the Project in a timely manner to define future options for local and regional economic growth.

To that end, the Ministry suggests that the following points be considered seriously by the bidders in preparing their Proposals:

- 1) A clear commitment to conduct an accelerated exploration program for the Site along a suitable timeline, coupled with the technical and financial capability to do so; and
- 2) To the extent possible during the exploration period, the provision of employment for the local population with a particular focus on the education and training of those hired locally.

Responses should be unambiguous and include detailed information.

This Information Memorandum is intended to be used by bidders to provide further information on the Site and the Licensing Round. It also sets out the rules for submission of a valid Proposal and participation in subsequent stages of the Licensing Round, as set out in Part B of this Information Memorandum ("**Proposal Submission Rules**").

## 1.1 Umm Qusur Gold Project

Umm Qusur is situated in central KSA and covers an area of 20 km<sup>2</sup>. The Project is centered at 23°41'N, 44°27' E, ~120 km south of Ad Dawadimi and ~230 km west of Al Hariq in the central region of the Kingdom. Umm Qusur is part of the Afif Terrane in the eastern Arabian–Nubian Shield (ANS). The Afif Terrane hosts various mineral systems and commodities, including gold (Au), silver (Ag), lead (Pb), copper (Cu) and zinc (Zn) and, as such, has been the focus of numerous exploration programs in recent years owing to its Au and base-metal prospectivity.

### Prospectivity

Exploration and geological reviews completed to date have highlighted the exploration potential of the Umm Qusur Project area for structurally controlled, granitoid-hosted precious metal

mineralization and intrusion-related Au systems. The Umm Qusur Project area is proximal to multiple noteworthy mineral deposits and mines (e.g. Al Amar Au mine, Khnaiguiyah Zn–Cu deposit, and the Suwaj porphyry Cu deposit); some of which occur in a similar geological setting to that of the Project. Previous work was confined to areas of ancient workings and surface expressions of mineralization; therefore, there is potential for the discovery of mineralization at depth.

In order to better define the distribution of Au and base metal mineralization, selected areas of the mineral occurrences within Umm Qusur could be re-mapped and sampled at an appropriate grid spacing. Samples could be analyzed by e.g. portable X-ray fluorescence (XRF) coupled with laboratory analyses for Au and base metals by atomic absorption spectrometry (AAS). Interpretation of the new regolith and geological mapping, integrated using the results of previous surface mapping and soil sampling, would allow the identification of priority areas for targeted ground-based electromagnetic (EM) and magnetic geophysical surveys. Following this multifaceted approach, would allow subsequent diamond and reverse circulation (RC) drilling campaigns to advance exploration and define zones with potential for economic precious metal mineralization.

Proposed future work at Umm Qusur included prospect mapping at 1:1,000 scale, sampling at a resolution of 50 m x 25 m, ground magnetic and very-low-frequency electromagnetic (VLF-EM) surveys on a 1,500 m x 600 m grid covering mapped auriferous vein systems to identify demagnetized alteration zones and veins in shear zones, and a ~1,000 m diamond drilling program (Workman et al., 2016). The suggested work has not been followed up, although it merits consideration for future exploration at Umm Qusur.

## **1.2 Structure of this Information Memorandum**

This Information Memorandum is structured in two main parts as follows:

### **PART A: GENERAL INFORMATION**

- Section 2 provides information about the Site;
- Section 3 introduces the Data Room, an online resource with further information about the license opportunity, including geological survey data as well as the Application Form to be submitted by bidders as part of their Proposal;

### **PART B: PROPOSAL SUBMISSION RULES**

- Section 4 sets out the Minimum Qualification Criteria that bidders must meet in order for their Proposals to be further evaluated for the Project;
- Section 5 sets out the Licensing Round process and Proposal requirements including the criteria and scoring methodology; and
- Section 6 provides additional information regarding participation in the Licensing Round and submission of a Proposal.

## **1.3 Key Dates**

The table below (Table 1) sets out the key dates relating to the Licensing Round. All dates set out in this Information Memorandum are subject to change at the Ministry's absolute and sole discretion. Any revised dates will be notified to bidders through email to the confirmed address(es) submitted by the bidders to the Ministry in their expression of interest submission.

**Table 1: Key dates**

<b>Date</b>	<b>Process stage</b>
17:00 (Riyadh time) 5 <sup>th</sup> September 2024	Proposal Submission Deadline
18 <sup>th</sup> September 2024	Announcement of outcome of the Proposal Stage and Successful Bidder

The Ministry will be available continuously to support bidders through each stage of the Licensing Round.

## 2. The Site

### 2.1 Location

The Site (covering ~20 km<sup>2</sup>) is located ~14 km southwest of the town of Halaban in the Riyadh Region in the center of the Kingdom of Saudi Arabia (Figure 1, Table 2). The Project is situated in the Halaban Quadrangle (1:250,000 sheet), ~600 km from the Port of Jeddah on the Red Sea.

The Site is accessible by Highway 80 west from Halaban for 9 km then southwest for ~5 km along tracks through flattish terrain interspersed with rocky mesas.

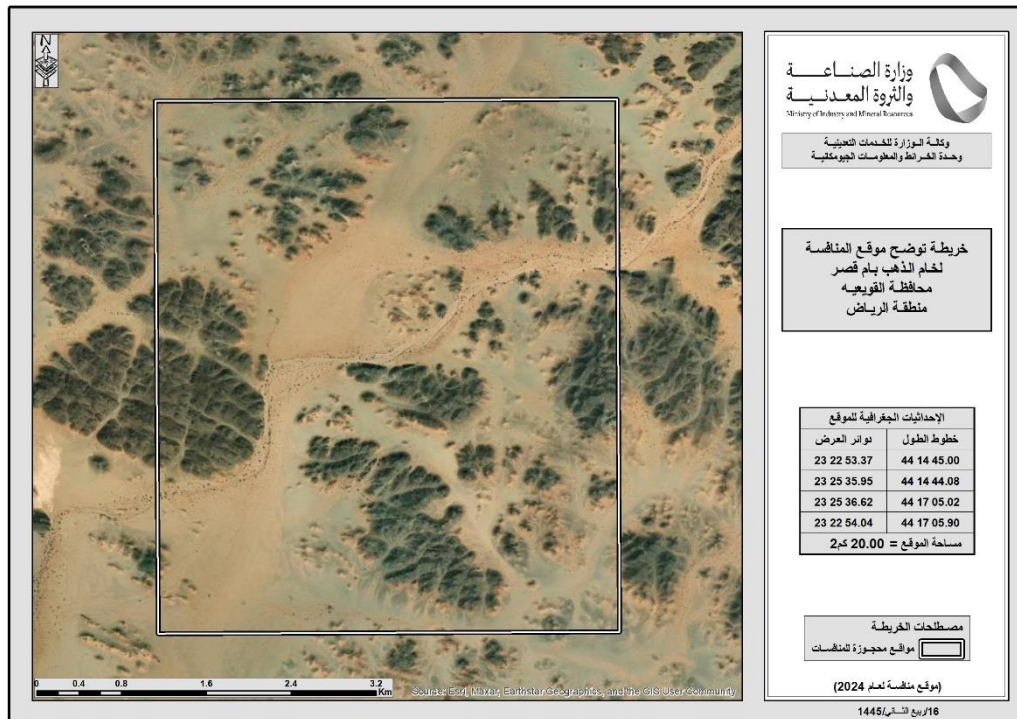


Figure 1: Project location

Table 2: Site coordinates

Point	Latitude	Longitude
1	23° 22' 53.37	44° 14' 45.00
2	23° 25' 35.95	44° 14' 44.08
3	23° 25' 36.62	44° 17' 05.02
4	23° 22' 54.04	44° 17' 05.90

### 2.2 Exploration History

Previous exploration within the area comprises mapping, hydrochemistry, and pan sampling. A summary of this work is presented in Table 3. The most recent fieldwork was completed by the French Geological Survey in the 1980s.

#### The French Geological Survey (Bureau de Recherches Géologiques et Minières)

The earliest work at Umm Qusur was artisanal (“ancient”) Au mining, exploiting near-surface gossans. Fieldwork by the Bureau de Recherches Géologiques et Minières (BRGM) in the 1960s and 1970s in the older (mid-Proterozoic) basement rocks within the Halaban Quadrangle resulted in the identification of ancient workings at Jabal Abu Hasak, Abu Salam, and Umm Qusur, which were dug in gabbro or granodiorite (Delfour, 1979). At the first two localities, Au concentrations varied from 2 to 5 g/t, although Ag, Cu, Pb, and Zn were absent. Mineralization at Umm Qusur is similar to that observed at the Al Artawi, Abu Isnun, Jabal Al Tayr, Jabal Al Tays, Umm Lidam, and Jabal Al Abd workings. Epigenetic Ag–Pb–Zn–Cu–Au occurrences are noted to occur in quartz-carbonate veins in the ophiolite complex and the Abt Formation, associated with the Najd Fault, and in granodiorite and gabbro.

Mapping and sampling at the Umm Qusur prospect (MODS 1608) resulted in the identification of a zone of quartz veins within sheared diorite over a strike length of 800 m. A total of 46 panned samples of vein quartz and mine waste returned Au values of up to 5.85 g/t. Several anomalous Pb values were also noted.

The BRGM conducted geological and geographical mapping of the Halaban Quadrangle in 1979 (Bureau de Recherches Géologiques et Minières, 1979; Delfour, 1979), including the amalgamation of previous field mapping and surveys into the 1:250,000 geological map of the Halaban sheet. This work was followed by hydrogeological and hydrochemical mapping over the same area in 1984 (Cottez et al., 1984). Also in 1984 (but not accessible within the data room), the BRGM conducted geological reconnaissance and mineral exploration within the Ar Rumadiyah region, including pan sampling of MODS 1608 in Umm Qusur (Woldeabzghi and Vazquez-Lopez, 1984). Finally, in 1985, the BRGM published regional aeromagnetic data covering the ANS (Georgel et al., 1985b). These data were acquired during regional airborne magnetic surveys flown by a consortium of aerial survey contractors in the 1960s and subsequently reprocessed in the 1970s and 1980s (Georgel et al., 1985a).

### **RioFinex Limited**

During 1978–1980, RioFinex Limited undertook a reconnaissance exploration study of the Arabian Shield including exploration recommendations (Hopwood, 1980). The study area included the Ad Dawadimi Basin, specifically the area of the Ar Ridaniyah Zn mine to the Al Amar Zn–Au mine to the north and east of Umm Qusur, respectively. A subsequent RioFinex report (RF-OF-01-23; Boddington et al., 1981) contains a brief discussion of the Halaban district in the northeast Najd subregion and reference to polymetallic mineralization within hydrothermally altered shear zones in Najirah granitoids at Al Artawi (MODS 0126 and 1609), 19.6 km east-northeast of Umm Qusur. Rock sample assays returned results with base and precious metal concentrations of up to 19.5% Pb, 1.2% Zn, 1.5 g/t Au, and 27.4 g/t Ag.

### **The United States Geological Survey (USGS)**

The USGS produced Landsat image maps of the Halaban and southern Najd quadrangles (United States Geological Survey, 1982, 1984).

### **Watts, Griffis, and McOuat Limited**

In 1992, Watts, Griffis, and McOuat Limited (WGM) prepared a comprehensive review of mineral exploration of the eastern Arabian Shield (Ministry of Petroleum and Mineral Resources, 1992a). This report references two parallel quartz-vein zones in sheared diorite (MODS 1608) identified by the BRGM during previous work at Umm Qusur.

In a subsequent report in the same year, WGM made recommendations for mineral exploration in the eastern Arabian Shield (Ministry of Petroleum and Mineral Resources, 1992b). The proposed work at Umm Qusur included prospect scale mapping, sampling and ground-based geophysics covering two vein systems, followed by a ~1,000 m diamond drilling program.

**Table 3: Summary of past exploration (most recent at the top)**

Key Reports	Entity	Location	Activities
WGM-CR-11-12	WGM. 1992 A.D. 1412 A.H.	Eastern Arabian Shield	Recommendations for mineral exploration in the eastern Arabian Shield. Work proposed at Umm Qusur included prospect mapping and sampling, ground geophysics covering both vein systems, and ~1,000 m of diamond drilling
WGM-CR-11-11	WGM. 1992 A.D. 1412 A.H.	Eastern Arabian Shield	Review of mineral exploration in the eastern Arabian Shield.
BRGM-TR-05-14	BRGM 1985 A.D. 1405 A.H.	Halaban Quadrangle	Aeromagnetic surveying of the Halaban Quadrangle.
GM-46G	BRGM 1984 A.D. 1404 A.H.	Halaban Quadrangle	Hydrochemical mapping and explanatory notes for the Halaban Quadrangle.
USGS-TR-04-9	USGS 1984 A.D. 1404 A.H.	Southern Najd Quadrangle	Landsat image mapping of the southern Najd Quadrangle.
USGS-OF-02-12	USGS 1982 A.D. 1402 A.H.	Halaban Quadrangle	Landsat image mapping of the Halaban Quadrangle.
RF-OF-01-23	RioFinex 1981 A.D. 1401 A.H.	Selected areas of the Arabian Shield	Brief reference to polymetallic mineralization in quartz veins within hydrothermally altered shear zones in Hulayfah Group rocks in the Halaban district of the northeastern Najd subregion. Rock sample assays at Al Artawi (MODS 0126) up to 19.5% Pb, 1.2% Zn, 1.5 g/t Au, and 27.4 g/t Ag.
RF-OF-01-16	RioFinex 1980 A.D. 1400 A.H.	Regional	Geological and mineralization reconnaissance and exploration recommendations for the Arabian Shield, including the Ad Dawadimi Basin and the area encompassing the Ar Ridaniyah Zn mine and the Al Amar Zn–Au mine to the north and east of Umm Qusur, respectively.
GM-46A	BRGM 1979 A.D. 1399 A.H.	Halaban Quadrangle	Geological mapping and explanatory notes for the Halaban Quadrangle.
GM-46B	BRGM 1979 A.D. 1399 A.H.	Halaban Quadrangle	Geographical mapping of the Halaban Quadrangle.
Umm Qusur: Accelerated Exploration Program (AEP)	SGS 2023-24	Umm Qusur	Geophysics, mapping and rock chip sampling, trenching, and drilling data from the AEP

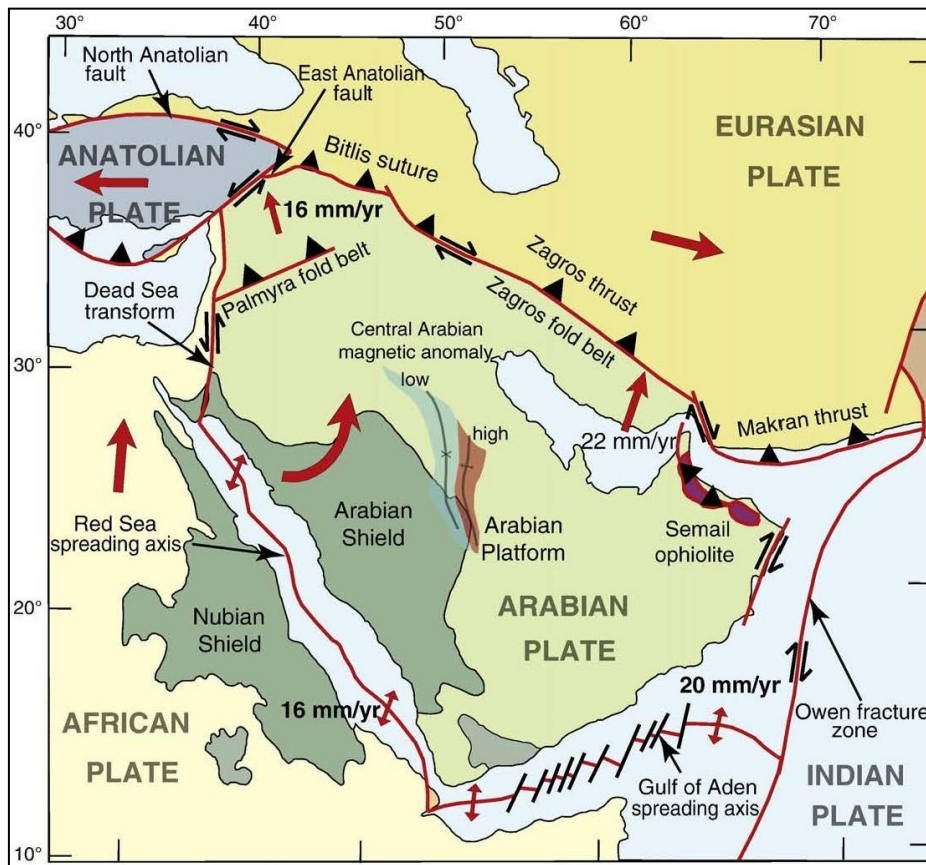
Source: National Geoscience Database (NGD) of the KSA

## 2.3 Geology and Mineralization

### 2.3.1 Tectonic Overview

The Umm Qusur Project is located on the Arabian Shield within the Afif Terrane, which is prospective for vein-hosted Au mineralization. The tectonic evolution of the Arabian Shield is fundamental for the formation of various deposit styles across the region. The Arabian Shield can be divided into

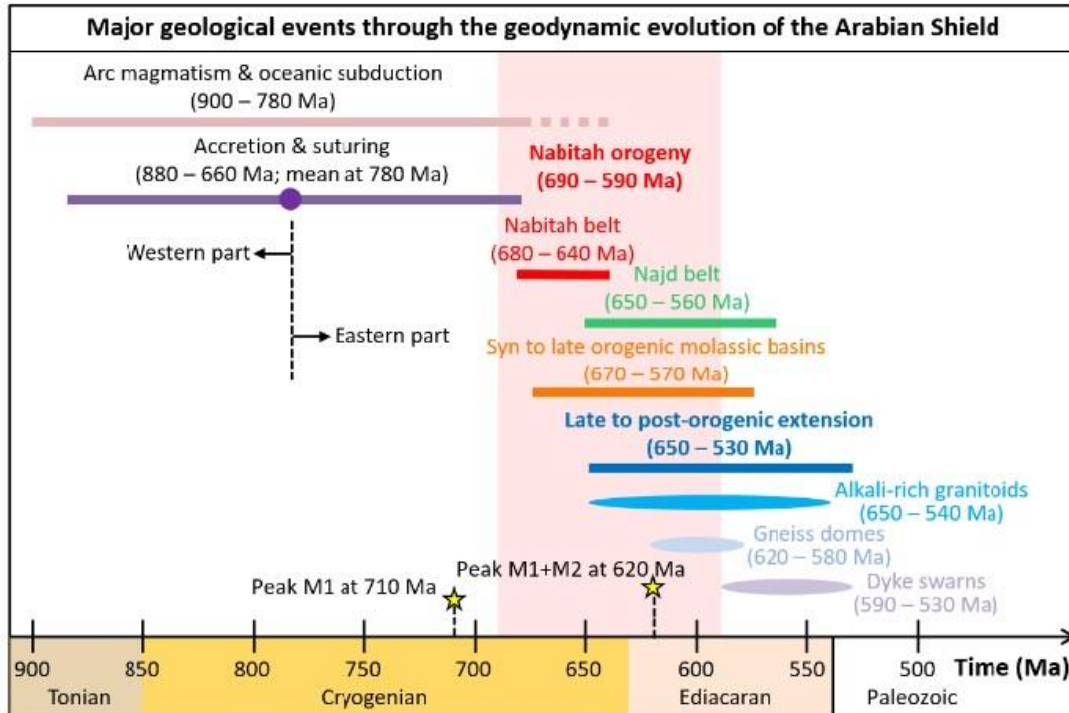
two main regions: the Arabian Shield and the Arabian Platform (Figure 2). The Arabian Shield, a segment of the Arabian–Nubian Shield (ANS), separated from the Nubian Shield to the west during rifting and extension in the Red Sea from ~30 Ma (Bosworth, 2015; Hamimi et al., 2021). The Arabian Platform comprises layered Phanerozoic rocks with thicknesses of up to 10 km, which were deposited on the Arabian Shield. The rock units and structures of the shield can be traced beneath the Phanerozoic cover rocks using magnetic anomalies, and they extend up to 300 km laterally from the exposed shield margins (Hamimi et al., 2021).



**Figure 2: Tectonic framework of the Arabian Peninsula with plate boundaries, approximate relative plate motion vectors, and major fault zones (Stern and Johnson, 2010)**

The ANS underwent a complex geological evolution spanning over 300 Myr (Figure 3) (Stern and Johnson, 2010). The juvenile crust of the ANS formed in primitive arc systems throughout the existence of the Mozambique Ocean, which opened as a result of the break-up of the Rodinia supercontinent during 870–800 Ma (Mole et al., 2018). The magmatic arcs, ophiolites, and clastic sedimentary rocks forming the ANS, including the Asir Terrane, were accreted on the margin of West Gondwana, gradually accumulating through a series of subduction-related events referred to as the Nabitah Orogeny (Stern and Johnson, 2010). At 630–600 Ma, the accretionary margin of West Gondwana collided with East Gondwana, resulting in the formation of a major Neoproterozoic mountain belt, the East Africa–Antarctica Orogen (EAAO) (Stern, 1994). The accretion resulted in the formation of tectonostratigraphic terranes that are separated by major north, northwest, and northeast trending suture zones or major northwest trending faults. The suture zones host serpentinized ultramafic rocks, which comprise dismembered ophiolites, along with synorogenic plutonic complexes and transpressional gneissic domes (Nehlig et al., 2002). This collisional event resulted in the formation of a vast mountain chain comparable to the present-day Alpine–Himalayan range.

The final stages of the EAAO's evolution were marked by movement along continental-scale shear zones (escape tectonics), orogenic collapse, crustal delamination, and the exhumation of gneissic domes and the deposition of sediments at 600–550 Ma (Hamimi et al., 2021). Following the assembly of the newly amalgamated arc terranes, volcano-sedimentary assemblages were deposited in post-amalgamation basins from ~650 Ma (Figure 4) (Johnson et al., 2011).



**Figure 3: Chronology of major geological events through the geodynamic evolution of the Arabian Shield (Bonnetti et al., 2023)**

The Arabian Shield is partially overlain by Phanerozoic rocks, including Lower Paleozoic siliciclastic rocks and Mesozoic–Cenozoic rocks (Haq and Al-Qahtani, 2005). These Phanerozoic sedimentary rocks host significant mineral deposits, such as phosphates, evaporites, and potentially stratabound Zn–Pb deposits. Carbonate replacement-type Zn–Pb–Ag deposits are also formed in the limestones of the Red Sea coast (Taylor et al., 2005).

Early Cambrian uplift led to widespread erosion, and subsequent Cambrian–Devonian sequences were typically deposited on a peneplained platform (Konert et al., 2001). Gentle subsidence during the Late Cambrian and Early Ordovician was followed by increased subsidence during the mid-Ordovician which led to marine transgressions (Sharland et al., 2001).

During the Late Ordovician, a glacial episode occurred while the Arabian Shield resided at a relatively high southern latitude. The Plate started to drift northward into lower latitudes in the Early Devonian, reaching tropical environments by Permian times (Konert et al., 2001). The Late Silurian saw uplift, broad regression, and the development of stratigraphic gaps on the Arabian Platform (Sharland et al., 2001).

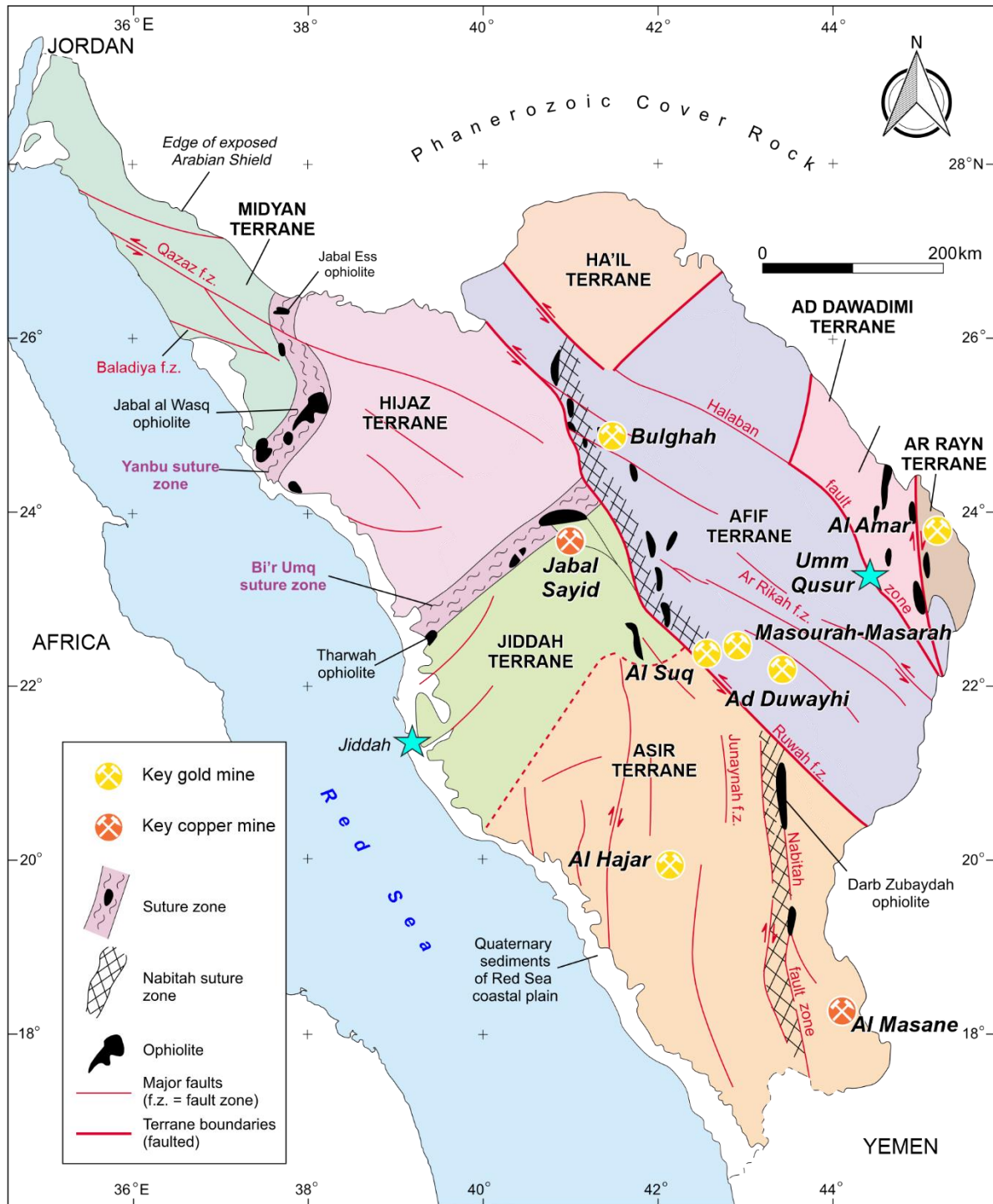
The Hercynian Orogeny (the Late Devonian to Permian diastrophism in Europe and North America) resulted in multiple phases of compression and block faulting (Konert et al., 2001). Back-arc rifting and basaltic eruptions occurred in the northern margin of the Arabian Plate. The compression, uplift of central Arabia, and clockwise plate rotation resulted in widespread inversion and erosion, leading to the removal of several kilometers of sediment from uplifted areas (Konert et al., 2001).



During the early Permian, another phase of major crustal extension weakened the crust enough to allow sediment load alone to drive subsidence and facilitate the accumulation of thick carbonate sediments in subtropical latitudes. In the Late Permian, further rifting and block faulting along the northeastern front of the Arabian Shield resulted in the initiation of continental break-up and the development of a passive margin along most of the northeastern boundary of the plate, fronting the newly opened Neo-Tethys Ocean. During this period, sedimentation on the Arabian Platform was dominated by carbonates over a break-up unconformity. The subsidence at the northeastern passive margin was initially largely post-rift thermal and then replaced by sediment loading (Bishop and Al-Husseini, 1995).

Rifting also began in the central Mediterranean in the Early Jurassic, affecting the northern part of the Arabian Shield. Jurassic rifting at the northwestern boundary of the plate led to the subsequent development of a passive margin and accommodation space along the subsiding shelf (Sharland et al., 2001). The Mediterranean rifting continued into the Early Cretaceous and may have been partially responsible for uplift in western Arabia (Haq and Al-Qahtani, 2005).

Before the Eocene, the ANS formed the northernmost corner of the African continental plate, which moved progressively northward towards Eurasia, resulting in the closure of the Tethys Ocean. The Arabian Shield separated from the African Plate with the opening of the Red Sea and the development of the Gulf of Aden rift system at 35–30 Ma. Rifting was centered in the Afar region of Ethiopia, where a mantle plume resulted in volcanism and uplift from ~45 Ma, with peak activity at ~30 Ma (Bellahsen et al., 2003).



**Figure 4: Simplified geological map of the Arabian Shield, with the locations of key mines within the KSA. Major tectonostratigraphic terranes are delineated by sutures and major fault zones. The Umm Qusur Project is located within the Afif Terrane, toward the eastern edge of the map (modified after Nehlig et al., 2002)**

### 2.3.2 Afif Terrane

The Umm Qusur Project area is located within the Afif Terrane (Figure 4), which is one of the largest terranes on the Arabian Shield and is formed from four assumed subunits or subterrane (the Khida, Siham, Nuqran, and Suwaj subterrane); therefore, it is sometimes referred to as a composite terrane.

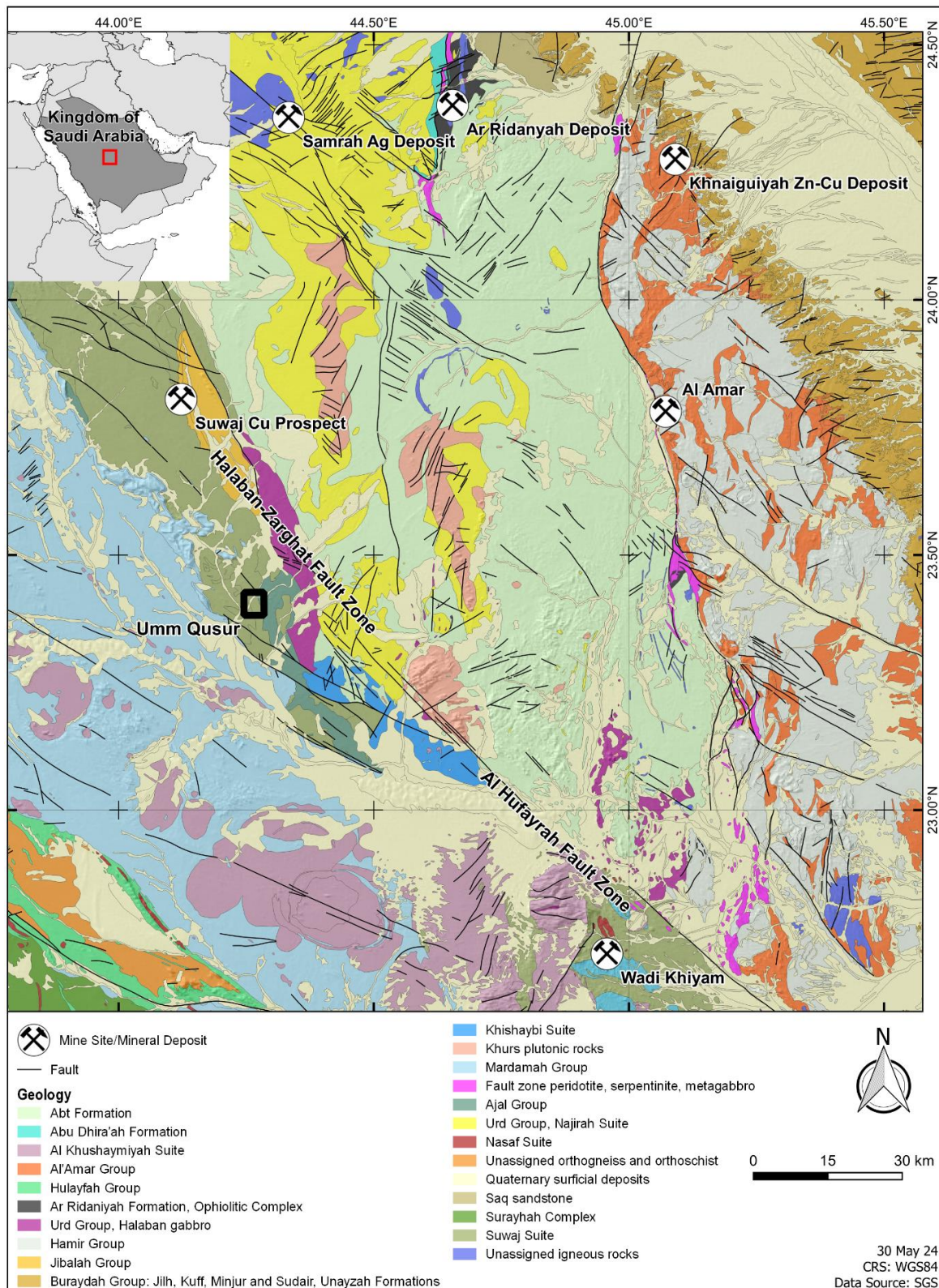
The terrane assembly was completed prior to the deposition of sedimentary and volcanic rocks that form overlap assemblages. According to Johnson and Kattan (2001), the oldest assembly occurred after 670 Ma. The Khida subterrane comprises remnants of Archean to Paleoproterozoic continental rocks, and the other subterrane comprise Neoproterozoic volcanic/magmatic arc rocks (Johnson and Kattan, 2001).

The Siham subterrane is a continental-margin volcanic arc that locally unconformably overlies the Khida subterrane. It comprises volcano-sedimentary rocks of the Siham Group (750–695 Ma) and arc-related gabbro, diorite, tonalite, granodiorite, and monzogranite with ages of 750–705 Ma (Agar et al., 1992; Johnson and Kattan, 2001).

The Nuqrah subterrane lies in the northwestern part of the Afif Terrane. It comprises intermediate–mafic intrusive rocks of the Nuqrah Formation ( $839 \pm 23$  and  $821 \pm 48$  Ma) (Delfour, 1977; Calvez et al., 1982); which may represent an island-arc assemblage. Structural lenses of mafic-ultramafic rocks and roof pendants are interpreted as tectonically disrupted ophiolites, which may have formed oceanic crust beneath the Nuqrah Arc. The age of the ophiolites is consistent with the age of the arc rocks (Johnson and Kattan, 2001).

The Suwaj subterrane is exposed in the eastern part of the Afif Terrane and comprises weakly metamorphosed but strongly cataclased diorite, quartz diorite, tonalite, sodic granodiorite, and subordinate basalt and dacite (700–680 Ma) (Cole and Hedge, 1986). The subterrane was overthrust by the Halaban Ophiolite at ~680 Ma (Al-Saleh et al., 1998). The Umm Qusur project is hosted within the Suwaj subterrane, close to the Halaban–Zarghat Fault Zone (Figure 5), which bounds the eastern edge of the Afif Terrane.

Named after the Khida Paragneiss, the Khida subterrane comprises gneiss and schist. The deformation fabric of the rocks predates any other fabrics in the region (Thieme, 1988). The rocks have Archean and Paleoproterozoic uranium (U)–Pb zircon ages, elevated initial Strontium (Sr) ratios, and strongly evolved Pb isotopic signatures, which indicate substantial input of older continentally derived, material (Agar et al., 1992). The rocks of the Khida subterrane represent components of an Archean continental microplate, which was extensively intruded by Neoproterozoic granites after its amalgamation. The microplate is preserved as fragmented outcrops and continental isotopic signatures inherited by the granites (Johnson and Kattan, 2001).



**Figure 5: Regional geological and structural setting of Umm Qusur (outlined in black), with the locations of mines and mineral deposits**

### 2.3.3 Local Geology

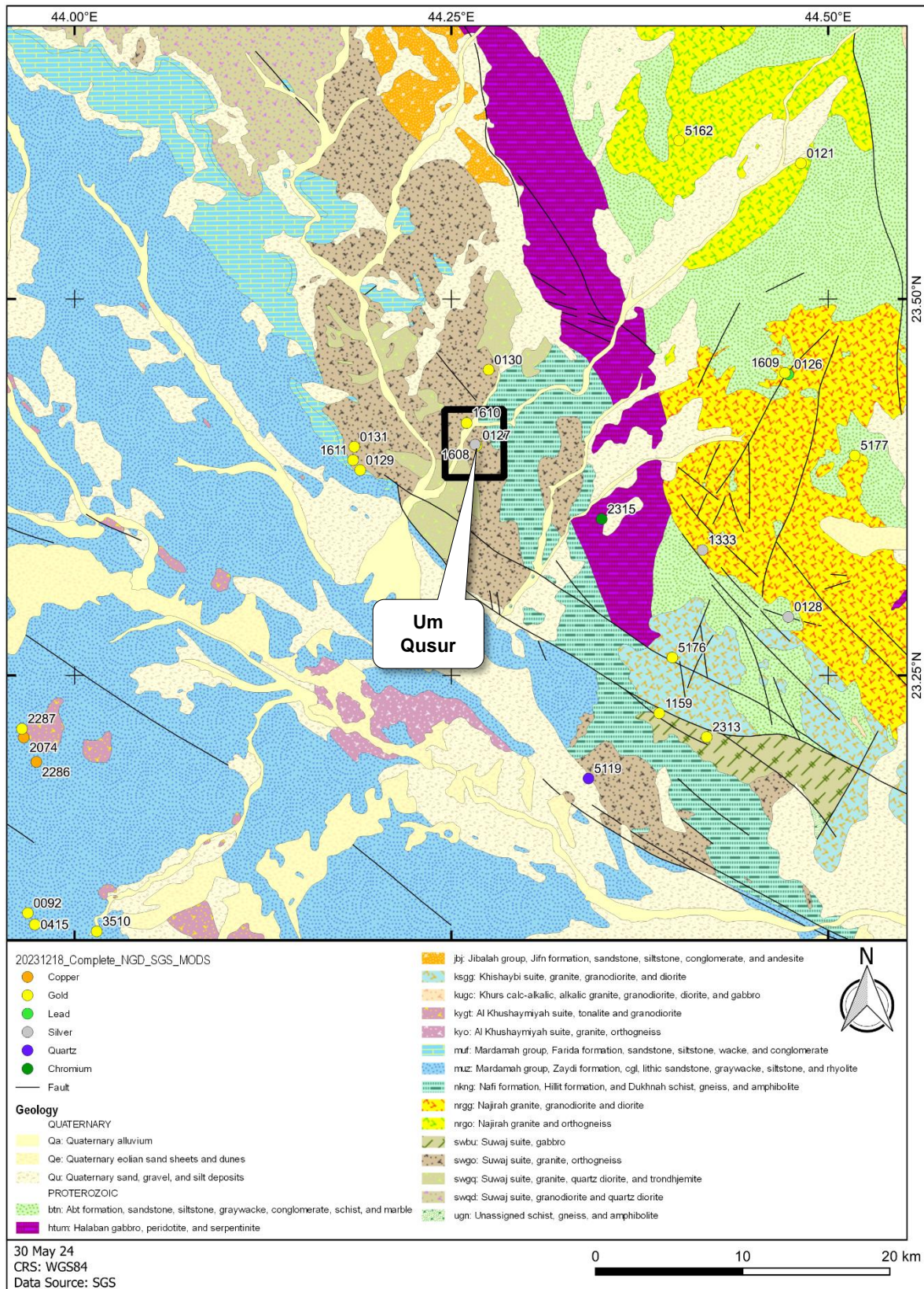
The Umm Qusur Project lies ~10 km west of the northwest trending Halaban–Zarghat Fault Zone, which marks the suture between the Afif and Ad Dawadimi terranes. The Project area is dominated by metamorphosed granitic rocks of the Suwaj Suite (Figure 6) that formed within the inferred Suwaj Arc, which is an intra-oceanic magmatic arc that is interpreted to have developed above a subduction zone during the Cryogenian (Delfour, 1979). The metamorphic rocks have been intruded by granitic rocks along dominant northwest–southeast structural boundaries between the main strand of the Halaban–Zarghat Fault Zone to the east of the Project area and an un-named sub-parallel fault to the west.

The Project area is predominantly underlain by older granitoids and orthogneiss that have been metamorphosed to greenschist or amphibolite facies. The known mineral occurrences (MODS 0127, 1608, 1610; Figure 6, Table 4) within these rocks are structurally controlled auriferous quartz veins and stockworks. Mineralization may have been localized by a northeast–southwest trending fault expressed as topographic lineaments that transect the Project between second or third order splay structures of the Halaban–Zarghat Fault Zone.

In the southwestern corner of the Project area, younger Suwaj suite intrusive rocks consist of pink granophyre, granite, granodiorite, and trondhjemite of the Hurrayfah Group, which have been metamorphosed to greenschist–amphibolite facies (Figure 6). The contacts between the Hurrayfah Group granitoids and the basement granitoids and orthogneiss that dominate the center of the Project area appear to be controlled by the same sets of northwest–southeast and northeast–southwest structures of the Halaban–Zarghat Fault Zone.

In the northeastern corner and along the eastern boundary of the Project area, the basement granitoids are in contact with biotite schist, gneiss, and amphibolite of the Ajal Group volcanic and sedimentary rocks, which have been metamorphosed to amphibolite facies (Figure 6) (Delfour, 1979).

The dominant northwest–southeast and northeast–southwest structural trends are clearly reflected in the geomorphology, drainage patterns, and geological contacts of the Project area. Mineral occurrences appear to be spatially related to lithological contacts. These contacts are likely structural in part and possibly superimposed on primary intrusive contacts.



**Figure 6: Umm Qusur Project geology and mineral occurrences. Source: NGD and Geological Map of the Halaban Quadrangle GM-078A 1:250,000 Sheet 1, KSA.**

## 2.3.4 Mineralization

At a regional scale, Umm Qusur is situated proximal to the Wadi Khiyam Gold Belt. The Project lies ~90 km from the northernmost Au occurrence (MODS 0103) attributed to the Wadi Khiyam Gold Belt, along the strike of the major northwest trending Halaban–Zarghat and Hufayrah fault zones (Figure 5).

The Wadi Khiyam Gold Belt stretches for 55 km and is marked by a system of north trending shear zones and cross-cutting discontinuities, which may represent a conjugate fracture system (Workman et al., 2016). Two main clusters of Au prospects occur within the belt, Wadi Khiyam (Figure 5) and the Wadi Khasabi area, at the northern and southern ends of the belt, respectively.

Within the Wadi Khiyam area, mineralization manifests as sulfide-bearing quartz veins hosted within amphibolite gneiss and diorite, southwest of a major transcurrent fault of the Njad system. Gold appears to be hosted within the veins; however, the relationship between the veins and plutonic rocks has not been investigated (Workman et al., 2016). The north trending faults within the belt appear to have controlled the locus of mineralization; however, late tectonic intrusions may have driven hydrothermal systems that introduced Au into favorable hosting lithologies (Workman et al., 2016).

## 2.3.5 Nearby Mineral Occurrences

Gold and base metal mineral occurrences (MODS) are distributed throughout the Afif Terrane within and surrounding the Project area, notably in proximity to the major faults and geological contacts (Table 4, Figure 5, Figure 6). There are three documented mineral occurrences in the Umm Qusur Project area: 0127 (Au), 1608 (Ag), and 1610 (Au).

**Table 4: Summary of mineral occurrences**

MODS	English name	Long DD	Lat DD	Main metals	Minor metals	Stratigraphic unit	Host rocks	Deposit class	Mineralization style
0126	QAHAB AL ARTAWA	23.450000	44.189472	Au	Ag	Najirah granite, granodiorite, diorite	Gneiss, granite, quartz	Auriferous quartz-vein	Disseminated; shear zone, veins
0127	HISHSHAT UMM QUSUR(W) (UMM QUSUR)	44.26683333	23.40281	Au	Ag; Pb; Cu	Undifferentiated	Metadiorite; quartz; rhyolitic tuff	Auriferous quartz-vein; Hydrothermal	Veins
0129	JABAL AL FARIDAH(S) (JABAL FARIDA SOUTH EAST)	44.18947222	23.38642	Au	Ag	Older Basement	Metadiorite	Auriferous quartz-vein; Hydrothermal	Veins
0130	BURQAN ABU HADID (ABU SALAM)	44.27472222	23.45306	Au	Pb; Zn; Ag	Older Basement	Diorite; quartz; tuff; volcanic breccia	Auriferous quartz-vein; Hydrothermal	Veins
0131	JABAL AL FARIDAH-SE (JABAL FARIDA)	44.18555556	23.40194	Au	Ag	Older Basement	Metadiorite; quartz	Auriferous quartz-vein; Hydrothermal	Veins
1159	DULAYAT AL UKAYTHAL	44.38797222	23.22492	Au	Cu; Pb; Zn; Ag	Ophiolite complex	Gabbroic plutonic rocks;	Hydrothermal	Veins

MODS	English name	Long DD	Lat DD	Main metals	Minor metals	Stratigraphic unit	Host rocks	Deposit class	Mineralization style
	(JABAL AL ATHL)						gneiss; granite; metasedimentary rock; quartz		
1608	HISHSHAT UMM QUSUR(E) (UMM QUSUR)	44.265777 78	23.4034 2	Ag	Pb; Au	Older Basement	Metadiorite; quartz	Auriferous quartz-vein; Hydrothermal	Stockwork veins
1609	QULBAN AL ARTAWI (AL ARTAWI)	44.47133	23.4510 8	Au	Zn; Pb; Ag	Abt formation	Gneiss; granite; quartz	Volcanic; Hydrothermal	Disseminated; veins
1610	HISHSHAT UMM LIDDAN (UMM QUSUR NW)	44.260166 67	23.4177 2	Au	Ag	Older Basement	Diorite; metadiorite; quartz	Auriferous quartz-vein	Disseminated; veins
1611	JABAL AZ ZAYDI AL ASFAL-N (JABAL FARIDA SOUTH)	44.184722 22	23.3930 6	Au	Ag	Older Basement	Metadiorite; quartz	Auriferous quartz-vein; Hydrothermal	Disseminated; veins
2315	SHAIB ABU JISS (HALABAN)	44.34972	23.3538 9	Chromium (Cr)	MgCO <sub>3</sub>	Ophiolitic complex	Mafic and ultramafic igneous rocks; serpentinite	Unclassified	Lenses; massive
5176	SINAF ABU SINUN-W	44.396638 89	23.2619 2	Au	Ag	Abt formation	Quartz	Hydrothermal	Veins

Source: National Geoscience Database NGD of the KSA

### 2.3.6 Project Mineralization

Mineral occurrences within and around the Umm Qusur area consist of auriferous quartz veins with variable base metal sulfide content. Hydrothermal veins, stockworks, and disseminated mineralization are structurally controlled and hosted within metamorphosed granitoids and orthogneiss. The main exception is the Shaib Abu Jiss chromite–magnesite occurrence (MODS 2315), which is hosted by the Urd Group Ophiolite Complex, 7 km southeast of Umm Qusur (Figure 6).

### 2.3.7 Nearby Mineral Deposits

#### Ar Ridanyah VMS belt

The Ar Ridanyah volcanogenic massive sulfide (VMS) belt, located ~100 km north of Umm Qusur (Figure 5), spans an area of ~208 km<sup>2</sup> and comprises ~695 Ma volcanic rocks of the Ar Ridanyah Formation of the Abt Group (Eijkelboom, 1966b). The belt is partially overlain by Phanerozoic and Quaternary cover sequences; therefore, it may be significantly more extensive than mapped. The Ar Ridanyah VMS belt is located ~30 km east-southeast of the town of Ad Dawadimi. The main polymetallic Ar Ridanyah deposit (MODS 2070) and related occurrences (MODS 2071, 2072, and 3205) are the most extensively explored Pb–Zn–Ag prospects within the broader VMS belt.

A summary of VMS deposits within the Ar Ridanyah VMS Belt was obtained from the Minerals Inventory and Potential Assessment Report (2016) and is presented in Table 5.



**Table 5: VMS deposits within the Ar Ridanyah Mineral Belt (Workman et al., 2016).**

MODS	Name (new)	Name (old)	Main Commodity	Longitude	Latitude	Nearest Town	Potential Ranking	Geometry
2072	Ar Ridanyah	Ar Ridanyah	Pb	44.6655	24.3865	Ad Duwadimi	Medium	Disseminated, stratiform
3205	Jibal Rik al Hamar	Jabal Rik Al Hamar	Pyrite	41.407111	25.368722	Al Hinakiyah	Low	Disseminated
806	Ar Ridanyah NE1	Ar Ridanyah NE1	Cu	44.695833	24.392222	Ad Duwadimi	Medium	Disseminated, stratiform
3649	Ar Ridanyah S2	Ar Ridanyah S2	Cu	44.661111	24.343889	Ad Duwadimi	Low	Undetermined
2070	Ar Ridanyah N1	Ar Ridanyah N1	Zn	44.654361	24.381306	Ad Duwadimi	Medium	Lenses, stratabound
2071	Shaib As Safani	Anomaly B	Pyrite	44.729444	24.402222	Ad Duwadimi	Medium	Disseminated, lenses, stratiform

The Ar Ridanyah area was mapped by the BRGM between 1967 and 1968. Areas of interest were subsequently mapped in higher resolution and investigated using ground geophysical survey and diamond drilling (Delfour, 1982).

Within the main Ar Ridanyah deposit (MODS 2070), stratabound and stratiform lenses of pyrrhotite–sphalerite–galena and pyrrhotite–sphalerite are hosted in a marble unit within biotite schist (Eijkelboom, 1966b; Elsass, 1981). These units strike north and dip to the east. Sulfide lenses occur in association with marble at amphibolite–mica schist contacts and directly overlie disseminated sulfides. Biotite–chlorite alteration is observed. The main gossan includes metamorphic pyrrhotite–sphalerite, with minor cassiterite–stannite mineralization in veinlets. RioFinex Ltd also identified tin (Sn) in prospects adjacent to the primary gossan zone. Two holes were drilled at the main Ar Ridanyah deposit by BRGM in 1967–1968 to explore down-dip from the gossan. These holes intersected several calcareous layers rich in pyrite, pyrrhotite, and sphalerite. The mineralized interval for hole 1 (AR1) totaled 15.5 m at 6.1% Zn; for hole 2 (AR2), the mineralized interval was 16 m at 4.5% Zn. Values of Pb, Cu, and Ag were low, and Au was not reported. Subsequent exploration by the BRGM in the 1970s yielded estimations of 1.5 Mt of mineralization, averaging 4.65% Zn and 20.0 g/t Ag to a depth of 130 m for the main gossan (Elsass, 1981).

The Ar Ridanyah East prospect (MODS 2072) crops out ~1 km northeast of the main prospect (MODS 2070). It is composed of gossanous calcareous tuff and characterized by amphibole–epidote–calcite–garnet assemblages with disseminated pyrite and sphalerite. Values of 1.32% Pb and 2.46% Zn were obtained over 3 m in the best drill section (Delfour, 1982).

Ar Ridanyah anomaly B (MODS 2071) is located ~9 km east-northeast of the main occurrence within the Abt Schist. Anomaly C (MODS 3205) is proximal to anomaly B, ~9 km northeast of the main occurrence and within the Ar Ridanyah Formation. Anomaly B was explored using ground-based geophysics, soil geochemistry, and trenching. Data from 14 percussion holes (2,022 m) indicated that the anomaly was related to pyrrhotite and graphite in a black shale unit (Delfour, 1982). Values of 14.0 g/t Ag were obtained over 15 m in the best drill section (Delfour, 1982).

## Wadi Khyam

Wadi Khyam lies ~100 km southeast of Umm Qusur (Figure 5) and is centered among occurrences of auriferous sulfide-bearing quartz veins hosted within amphibolite gneiss and diorite to the southwest of a major Najd fault. The relationship between veins and the plutonic host rocks is unclear (Workman et al., 2016). The Wadi Khyam Au occurrences also include ancient placer workings down-slope from hillside bedrock excavations. Direct sampling of the ancient workings has not identified anomalous Au, but the existence of placer workings indicates the possibility of Au-rich bedrock (Ministry of Petroleum and Mineral Resources, 1992b).

## Suwaj Porphyry Cu Prospect

The Suwaj Porphyry Cu Prospect lies ~50 km northwest of Umm Qusur (Figure 5) and is a relatively new prospect under exploration by the SGS near the eastern margin of the Arabian Shield. Similar to Umm Qusur, the structural setting of the Suwaj Prospect is influenced by the northwest trending Halaban–Zarghat Fault Zone. No MODS index has been allocated to the Suwaj Prospect *sensu stricto*, however, it is located near the center of a 23-km-long north-northwest trending belt with 14 Cu occurrences, all of which have variations of the names “Shaib Ad Dad” or “Shaib Umm Habiyah”. Table 6 is from the Minerals Inventory and Potential Assessment Report (2016) and summarizes the mineral occurrences.

**Table 6: Porphyry Cu occurrences in the Suwaj Prospect (Workman et al., 2016)**

MODS	New Name	Old Name	Main Commodity	Longitude	Latitude	Nearest Town	Ranking	Geometry
2298	Shaib Abu Hasak	Jabal Hentag-W	Cu	44.003333	23.912778	Halaban	Low	Disseminated, veins
2299	Shaib Umm Habiyah-W	Jabal Hentag-W	Cu	44.075278	23.896944	Halaban	Low	Disseminated, veins
2300	Shaib Ad Dob-NW	Jabal Hentag-W	Cu	44.092972	23.88675	Halaban	Low	Disseminated, veins
2301	Shaib Umm Habiyah-E	Jabal Hentag-W	Cu	44.101917	23.882556	Halaban	Low	Disseminated, veins
2302	Shaib Ad Dab-SE	Jabal Hentag-W	Cu	44.0925	23.8575	Halaban	Low	Disseminated, veins
2303	Shaib Ad Dab-SE 1	Jabal Hentag-W	Cu	44.101833	23.861056	Halaban	Low	Disseminated, veins
2304	Shaib Ad Dab-SE 3	Jabal Hentag-W	Cu	44.110167	23.859056	Halaban	Low	Disseminated, veins
2305	Shaib Ad Dab-SE 4	Jabal Hentag-W	Cu	44.117889	23.854417	Halaban	Low	Disseminated, veins
2306	Shaib Abu Salam-N	Jabal Hentag-W	Cu	44.1225	23.805083	Halaban	Low	Disseminated, veins
2307	As Sahamiyah	Jabal Hentag-W	Cu	44.098333	23.788222	Halaban	Low	Disseminated, veins
2308	Shaib Abu Salam-S	Jabal Hentag-W	Cu	44.135833	23.761111	Halaban	Low	Disseminated, veins
2309	Nufayyid Qaradan	Jabal Hentag-W	Cu	44.151556	23.733528	Halaban	Low	Disseminated, veins
2310	Rawdat Qararah Al Gharbiyah	Jabal Hentag-S	Cu	44.090556	23.730278	Halaban	Low	Disseminated, veins
2311	Jabal Al Ghuthayra	Jabal Hentag-W	Cu	44.043778	23.729083	Halaban	Low	Disseminated, veins

Occurrences of Cu in the Suwaj Prospect are within the area of the former Jabal Hentag prospects, which were discovered by the BRGM in 1969 during reconnaissance geological mapping (Bois, 1971). Hydrothermal Cu mineralization occurs along siliceous veins in fractures within diorite and granodiorite and within an ophiolite complex.

The main area of mineralization is within the Shaib Abu Hasak ancient workings (MODS 2298), where ultramafic rocks are intruded by microdiorite/andesite dikes and quartz veins. Mineralization includes visible pyrite and minor galena in siliceous fracture zones. Rocks are typically hematized and silicified. Maximum values of 2 g/t Au and 5 g/t Ag have been obtained (Bois, 1971). Surrounding prospects are hosted within various settings, including calc-alkaline granodiorite, andesite, diorite, conglomerate, metabasalt, and sandstone. Results from these prospects have not been reported.

In 2011, the SGS reported Cu mineralization over a 600 m x 600 m section of the Wadi Al Ghuthayra Project area. On average, these samples had 1,939 ppm Cu, with 14 samples exceeding 3,000 ppm Cu and 1 sample exceeding 1% Cu. Contents of Cu were typically weakly correlated to molybdenum (Mo), lithium (Li), scandium (Sc), thorium (Th), and some rare earth elements (REEs). Only trace amounts of Au (<0.02 ppm) were measured, and the average Ag value was 0.32 ppm, with a maximum of 5.9 ppm. The average Pb value was 12 ppm (range = 2–22 ppm), and the average Zn value was 42 ppm (range = 13–151 ppm). Contents of REEs were low. As of 2016, work by the SGS in the Suwaj Project area was ongoing (Workman et al., 2016).

### Samrah Epithermal Vein-type Ag Deposit

The Samrah Deposit lies ~100 km north of Umm Qusur (Figure 5) and comprises a series of widely scattered Ag occurrences and ancient mines (MODS 0145–0149, 0745, 0756, 0803, 0805, 0808, 0810, 0847, 0848, and 0854). The main deposit (MODS 0145) is situated at 44°23'E, 24°20'N. Most of the remaining occurrences are within 5 km of the central deposit, although there are 45 sites in total within 10 km of the Samrah Deposit. Sites within 5 km are summarized in the Minerals Inventory and Potential Assessment Report (2016) and Table 7.

**Table 7: Epithermal Ag prospects within 5 km of the Samrah Prospect (Workman et al., 2016)**

MODS	Name (new)	Name (old)	Main Commodity	Longitude	Latitude	Nearest Town	Potential Ranking	Geometry
145	Samrah	Samrah District	Ag	44.333194	24.357556	Dawadimi	Medium	Disseminated
3647	Hadabat Umm Ruqaybah-W	Jabal Umm Ar Ragabah	Ag	44.332083	24.352028	Dawadimi	Very low	Uncertain
797	Hadabat Umm Ruqaybah-E	Umm Ergabah	Ag	44.3395	24.352444	Dawadimi	Medium	Disseminated
747	Samrah-NW	Jabal Abiad	Ag	44.337111	24.3655	Dawadimi	Very low	Disseminated, veins
746	Samrah-SW	Samrah	Ag	44.343694	24.363222	Dawadimi	Very low	Disseminated
4148	Abal Abu Hufur-SE	Siliceous Zone-NW,	Ag	44.319444	24.363889	Dawadimi	Low	Veins
745	Hadabat Umm Ruqaybah-NE1	Samrah	Ag	44.348861	24.365306	Dawadimi	High	Veins
748	Abal Abu Hufur	Samrah	Ag	44.317333	24.365611	Dawadimi	Very low	Disseminated, veins
756	Samrah-E	Samrah	Ag	44.350806	24.365194	Dawadimi	Medium	Veins
4482	Hudaybat Ar Rajajil-W	Sahrah District	Ag	44.351111	24.345833	Dawadimi	Very low	Veins
851	Hadabat Al Uwayja-SE	Jabal Al Aouejah	Ag	44.335	24.336111	Dawadimi	Very low	Disseminated, veins
744	Hadabat Umm Ruqaybah-SE	Samrah	Ag	44.355361	24.351	Dawadimi	Medium	Disseminated, veins

MODS	Name (new)	Name (old)	Main Commodity	Longitude	Latitude	Nearest Town	Potential Ranking	Geometry
750	Hadabat Al Uwayja	Jabal Al Aouejah	Ag	44.321167	24.337056	Dawadimi	Medium	Disseminated
850	Hadabat Al Uwayja	Jabal Al Aouejah	Ag	44.336028	24.332861	Dawadimi	Very low	Disseminated
144	Hidab Rudayhat	Jabal Ar Radahat	Ag	44.318306	24.377722	Dawadimi	Medium	Disseminated, veins
810	Samrah-NE2	Samrah-E	Ag	44.361611	24.361889	Dawadimi	Medium	Disseminated
808	Samrah-SW	Samrah-SE-E	Ag	44.362806	24.361611	Dawadimi	Medium	Disseminated, veins
849	Samrah-NE3	Samrah	Ag	44.360556	24.371111	Dawadimi	Very low	Disseminated, veins
803	Samrah-NE6	Samierah	Ag	44.363778	24.373833	Dawadimi	Medium	Disseminated
805	Samrah-NE1	Samrah-E	Ag	44.36675	24.36925	Dawadimi	Medium	Disseminated
804	Samrah-NE4	Samrah	Ag	44.366028	24.373861	Dawadimi	Undefined	Disseminated
139	Al Gilani	Sidriyah	Ag	44.3175	24.394444	Dawadimi	Medium	Disseminated, veins
802	Samrah-NE7	Samrah	Ag	44.368139	24.37725	Dawadimi	Medium	Disseminated, veins
852	Hadabat Al Maslukhah-NE	Jabal Ar Radahat	Ag	44.297222	24.383333	Dawadimi	Very low	Disseminated, veins
148	Samrah-NE4	Samrah	Ag	44.377972	24.369944	Dawadimi	Medium	Disseminated, veins

The Samrah Deposit mainly overlies the Dawadimi–Najirah Batholithic Complex and layered volcano-sedimentary sequences. These layered sequences comprise albite–sericite–chlorite schist, slate, phyllite, conglomerate, and arenite. Mineralization is structurally controlled by northeast shearing and east–west tensile fractures within granite. Four generations of sphalerite, pyrite, galena, and chalcopyrite veining have been mapped in silicified breccia zones, where galena is typically in the centers of veins and sphalerite occurs at the margins. Additional minor minerals include hematite, magnetite, and arsenopyrite, with Ag-bearing minerals such as polybasite, freibergite, pyrargyrite, stromeyerite, and acanthite. In addition to their economic levels of Ag, these deposits are recognized for their substantial base metal values. Deposits are classified as epithermal polymetallic veins.

Thirty-two dump samples collected by the USGS between 1950 and 1965 averaged 229 g/t Ag. Resource figures from 18 cored holes across a strike of 400 m (average depth = 179 m) range from 230,000 to 301,000 tons. Grades of 5.0%–5.3% Zn, 0.9%–1.64% Pb, and 411–750 g/t Ag were returned (Kilsgaard, 1970). Reassessment of resources by the BRGM in 1976 resulted in an estimation of 278,000 tons, averaging 5.12% Zn, 1.64% Pb, and 651 g/t Ag.

## Al Amar Gold Mine

The Al Amar Gold Mine, which is ~90 km northeast of Umm Qusur (Figure 5), is an underground polymetallic Au–Cu–Zn mine located ~195 km southwest of Riyadh and situated within a north trending belt of felsic to mafic volcanic rocks. It is the most advanced exploration project in the Ar Rayn Terrane. Mineralization is concentrated in two parallel vein structures, the North and South veins. Each is 400–500 m long and up to 30 m wide, trending 110°–130° and dipping 70°–90° southwest. Most mineralization in Al Amar is epigenetic and vein-hosted; however, there are some instances of massive, bedded sulfide-barite mineralization interpreted as VMS-style (Pouit et al.,

1984). Surour and Bakhsh (2013) concluded that Al Amar was a Au-rich VMS deposit with a younger epithermal overprint deposited in a subaerial to shallow-water volcanic setting.

Estimated resources are 2.10 Mt at 2.42 g/t Au, 8.14 g/t Ag, and 2.81% Zn in the stockwork zone, and 1.077 Mt at 33.1 g/t Au, 33 g/t Ag, 7.79% Zn, and 0.87% Cu in the North Vein Zone (Lofts, 1984b). After a feasibility study in 2001, Ma'aden Gold began production in 2009. The Ma'aden Annual Report in 2018 estimated remaining total ore reserves of 2.77 Mt at 3.26 g/t Au and 3.96% Zn included within mineral resources of 5.20 Mt at 4.02 g/t Au and 3.79% Zn.

## Khnaiguiyah Zn–Cu Deposit

The Khnaiguiyah Deposit, which is ~120 km northeast of Umm Qusur (Figure 5), is located ~170 km southwest of the city of Riyadh and comprises four distinct Zn–Cu–Fe–Mn mineralized bodies within a 3 km x 3 km area. The Khnaiguiyah Deposit rocks belong to the Shalahib Formation of the Al Amar Group and are mainly volcanic and volcanoclastic. The Zn–Cu–Fe mineralization is contained in magnetite, hematite, pyrite, sphalerite, and chalcopyrite, and Mn is within complex carbonates and silicates, as well as skarn-type minerals. Mineralization is typically confined to hydrothermally altered shear zones that are several hundred meters in length and tens of meters thick.

Proven and probable reserves for the Khnaiguiyah Deposit are 26.08 Mt grading at 3.3% Zn and 0.24% Cu (Saudi Arabian Deputy Ministry for Mineral Resources, 2022). The Khnaiguiyah Deposit was included in the 2022 Kingdom of Saudi Arabia Exploration Licensing Round.

## 2.3.8 Exploration Data

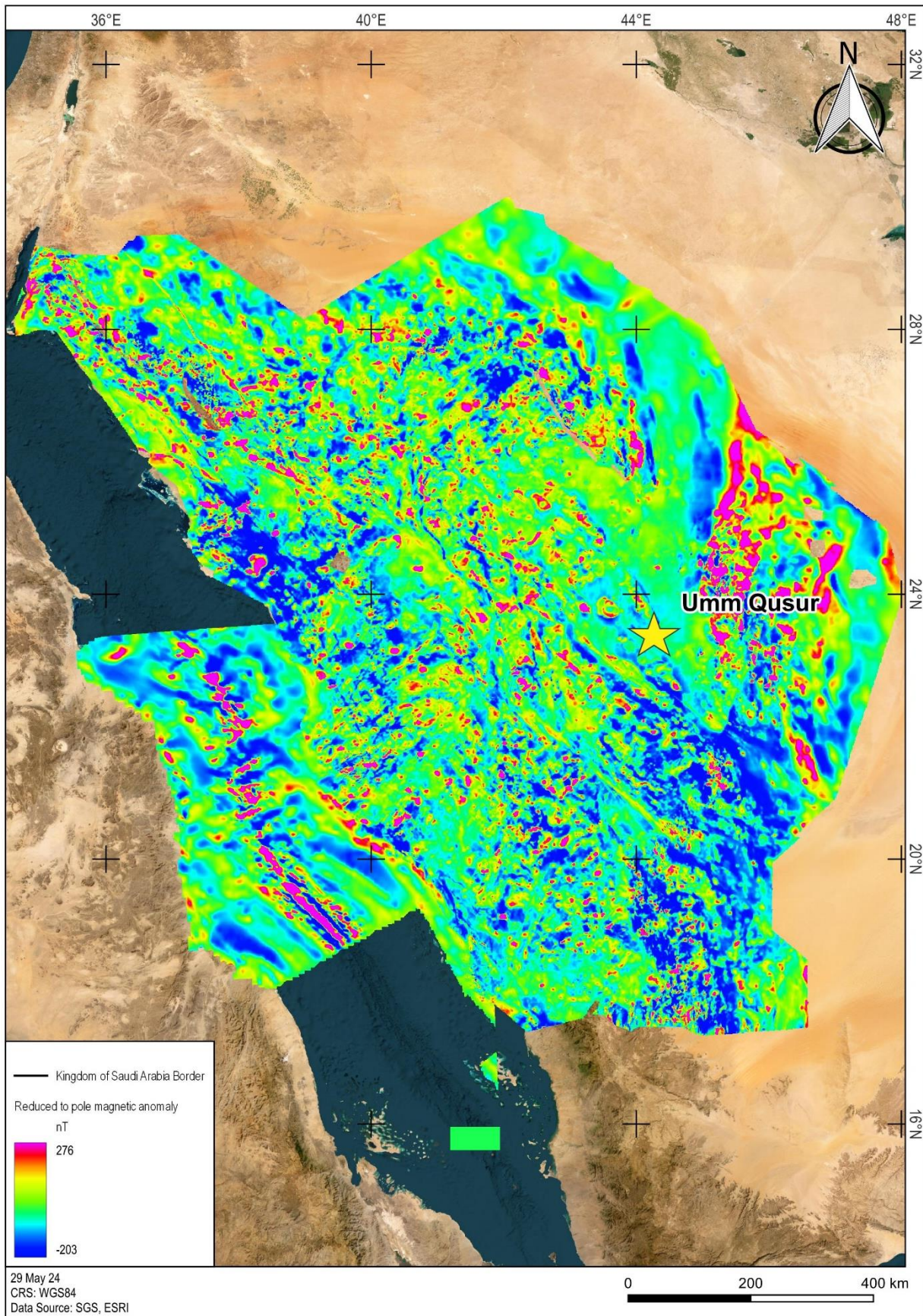
### 2.3.8.1 Regional Geophysical Data

Diverse geophysical data covering almost the entire Kingdom were available. Some of the data compilation included surveys flown by the USGS and are still used for interpretation today, although many areas have been re-surveyed since 2006. Table 8 summarizes the acquisition parameters of various airborne geophysical surveys. The compilations of geophysical data include surveys stitched together, and line spacings vary between 300 m and 2,500 m. Magnetic data (total magnetic intensity, TMI) are available as reduction to pole (RTP), first vertical derivative (1VD), analytical signal (AS), and tilt derivative enhancements (Figure 7).

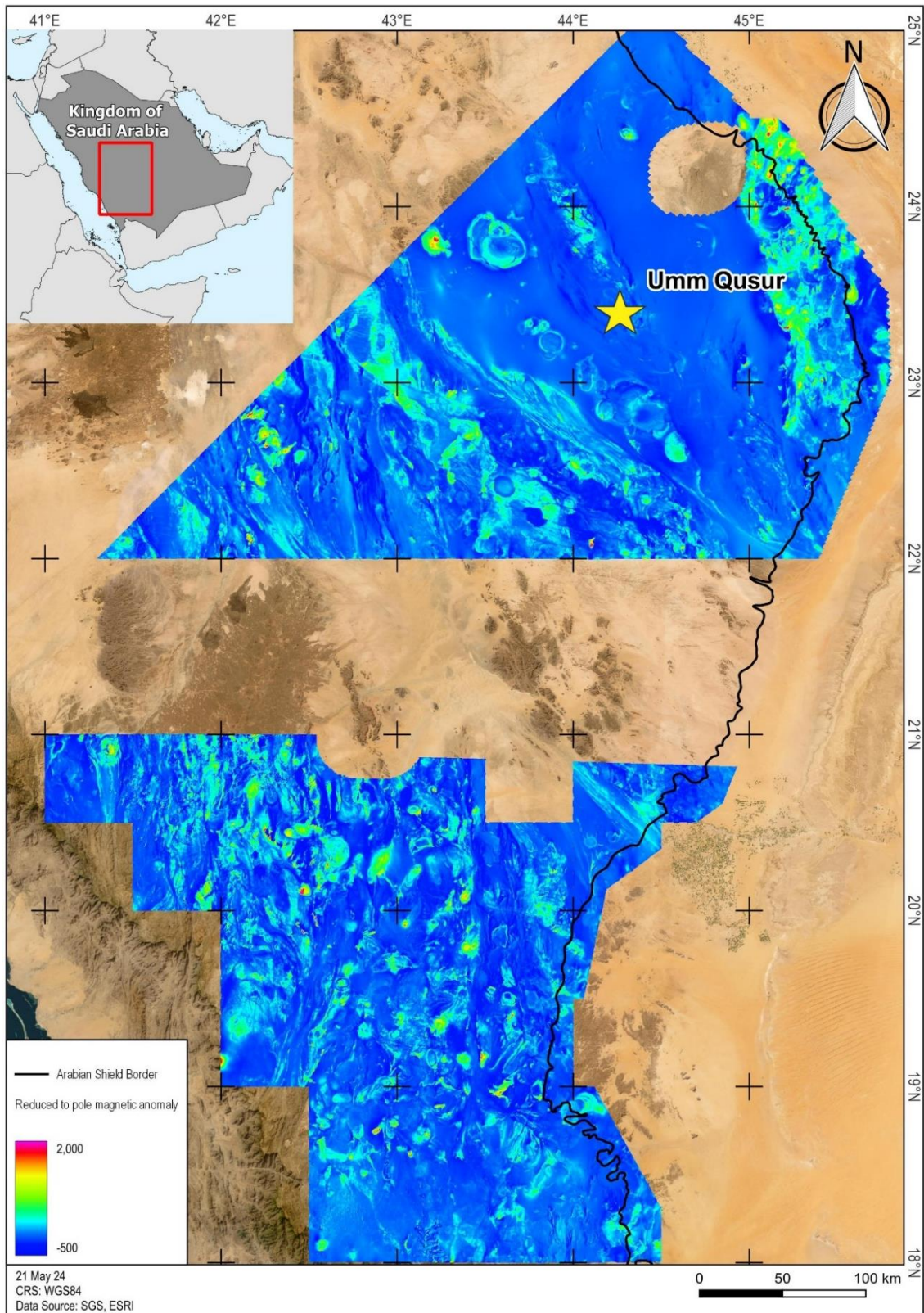
**Table 8: Overview of available geophysical data**

Survey Name	Method	Coverage (km <sup>2</sup> )	Line Spacing (m)	Grid size (m)
<b>Arabian Shield Magnetic Compilation</b>	Magnetic	Compilation	300–2,500	200
<b>Habla, Sukhaybarat, Najadi / Shabah and Najadi/Quartz Hill</b>	Magnetic, EM and Radiometric	952	200	50 (magnetic and radiometric)
<b>Al Hajar</b>	Magnetic, EM	748	250	No information available
<b>Wadi Bidah, Hamdah</b>	Magnetic, EM	4,236	250–300	50
<b>RGP (Area 1)</b>	Magnetic	~90,000 available of 219,193 planned	300	No information available
<b>RGP (Area 3)</b>	Magnetic	No information available	300	No information available

More recently acquired aeromagnetic data covering parts of the Arabian Shield are available as RTP through the SGS (Table 8 and Figure 8). These data were collected as a component of the Regional Geological Survey Program (RGP) that was launched by the SGS in October 2020 (Global Mining Review, 2020). The initial phase of the presently ongoing RGP focuses on undertaking mapping and surveying of an approximately 600,000 km<sup>2</sup> area of the Arabian Shield. The SGS contracted Sander Geophysics Limited to conduct airborne geophysical magnetic and radiometric surveys across the eastern part of the Arabian Shield (referred to as Area 1); and Xcalibur Multiphysics to conduct airborne geophysical magnetic and radiometric surveys across the southern part of the Arabian Shield (referred to as Area 3). At present, magnetic data comprising 73 map tiles covering the southeastern parts of areas 1 and 3 have been made available (Figure 8).



**Figure 7: Magnetic data compilation available across the Kingdom**



**Figure 8: Recently acquired magnetic data available as part of ongoing RGP geophysical surveys covering parts of the Arabian Shield within the Kingdom.**



## 2.3.8.2 Regional Geochemical Data

### Geochronological Data

A recent publication by Wu et al. (2023) contains a compilation of U–Pb geochronological data for 149 locations in the KSA. Metadata included isotopic data for  $^{206}\text{Pb}/^{238}\text{U}$ ,  $^{207}\text{Pb}/^{235}\text{U}$ ,  $^{207}\text{Pb}/^{206}\text{Pb}$ , and  $^{208}\text{Pb}/^{232}\text{Th}$ ;  $^{206}\text{Pb}/^{238}\text{U}$ ,  $^{207}\text{Pb}/^{235}\text{U}$ ,  $^{207}\text{Pb}/^{206}\text{Pb}$ , and  $^{208}\text{Pb}/^{232}\text{Th}$  ages; the instrument type used for analysis (thermal ionization mass spectrometry (TIMS), secondary ion mass spectrometry (SIMS), sensitive high-resolution ion microprobe (SHRIMP), or laser ablation–inductively coupled plasma–mass spectrometry (LA–ICP–MS)); sample lithologies; and sample locations (Figure 9).

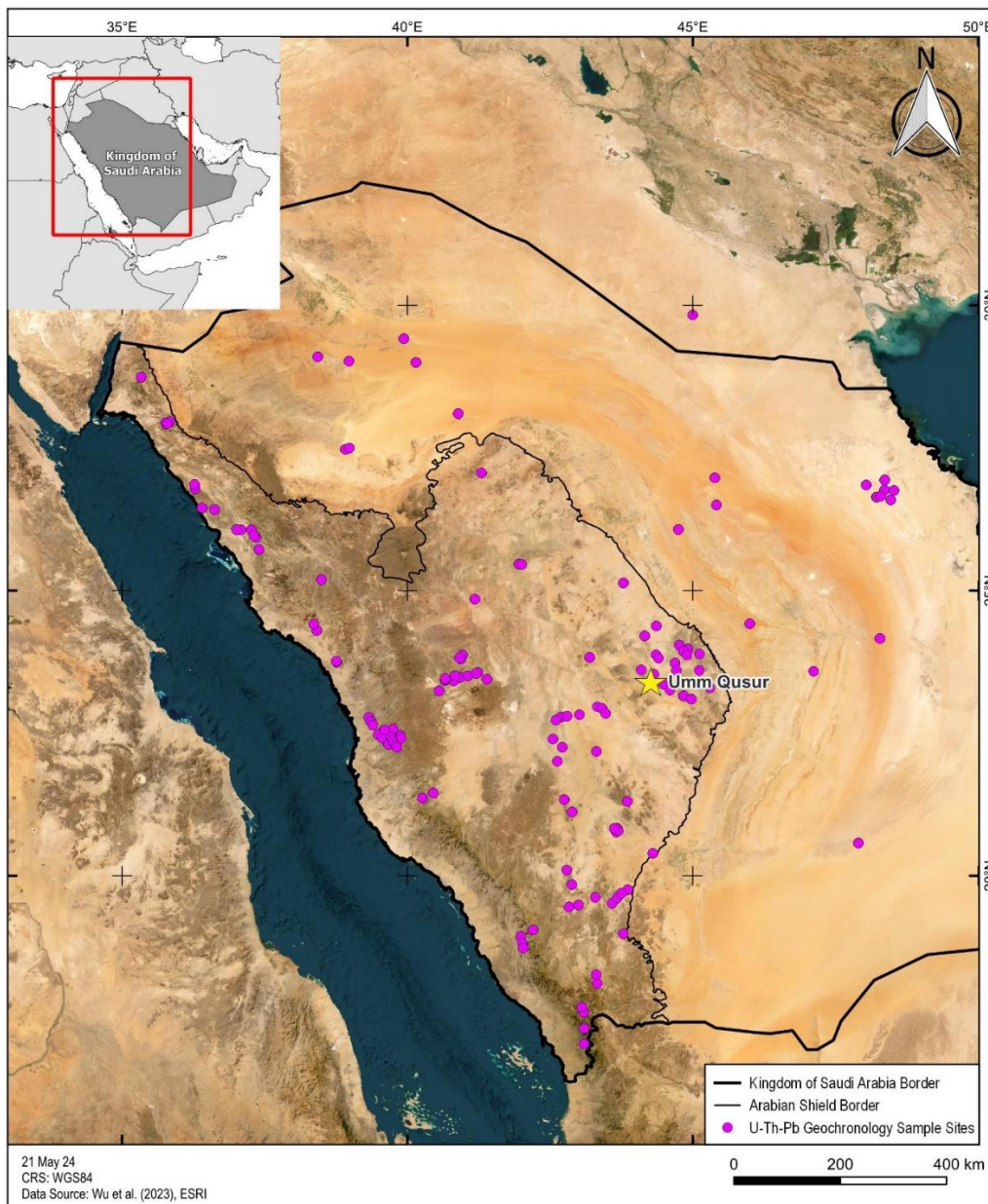


Figure 9: Locations of sampling sites for geochronological analysis in Wu et al. (2023)

### Stream-Sediment Sampling

Geochemical data are available from two stream-sediment sampling programs covering central and southwestern regions of KSA: the Geochemical Atlas of the Kingdom of Saudi Arabia Program by the SGS in 2001 (Saudi Geological Survey, 2021), and the presently ongoing High-Resolution Geochemical Survey of the Arabian Shield (GSAS) Project that commenced in 2021 (Saudi Geological Survey, 2024).

The SGS stream-sediment sample dataset includes 6,259 samples collected across southwestern KSA (Table 9, Figure 10). Following the Geochemical Atlas Protocol of the Kingdom of Saudi Arabia, sample preparation and chemical analysis were carried out at the SGS' Geological and Chemical Laboratories in Jeddah (Saudi Geological Survey, 2021).

**Table 9: Number of samples within individual datasets**

Dataset	Number of Stream-Sediment Samples
GA GAJHQ Jabal al Hasir Dataset	611
GA GAJIQ Jabal Ibrahim Dataset	666
GM-048C_GA-GAYQ Yanbu Dataset	640
GM-049C_GA-GAHQ Al Hamra Dataset	101
GM-052C_GA-GAMQ Al Madinah Dataset	626
GM-053C_GA-GAAQ Wadi al Ays Dataset	637
GM-070C_GA-GAQQ Al Qunfudhah Dataset	400
GM-84C_GA-GARQ Rabigh Dataset	495
GM-087C_GA-GAUQ Umm al Birak Dataset	602
GM-093C_GA-GATRQ Turabah Dataset	555
GM-095C_GA-GALQ Al Lith Dataset	211
GM-107C_GA-MQ Makkah Dataset	652

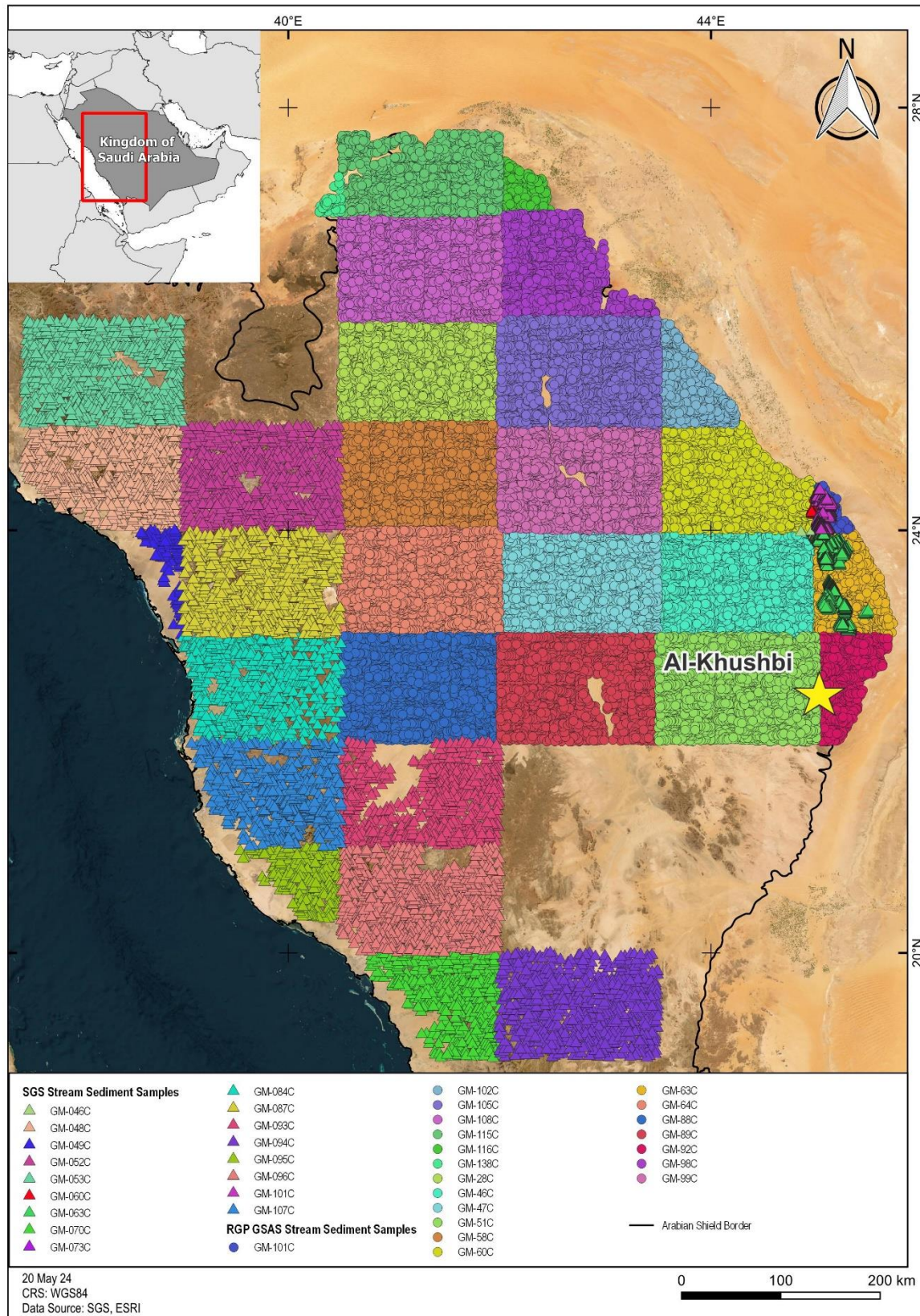
Multielement analysis used a 1-g aliquot, following HF/HClO<sub>4</sub>/HCl/HNO<sub>3</sub> digestion. Determination of the major element oxides O<sub>2</sub>, Al<sub>2</sub>O<sub>3</sub>, Fe<sub>2</sub>O<sub>3</sub>, MnO, MgO, CaO, Na<sub>2</sub>O, K<sub>2</sub>O, TiO<sub>2</sub>, P<sub>2</sub>O<sub>5</sub>, and SO<sub>3</sub><sup>2-</sup> (reported in weight percent [wt.%]) and the trace elements As, Ba, Be, Bi, Cd, Ce, Co, Cr, Cu, Dy, Er, Eu, Ga, Gd, Ge, Hf, Ho, La, Li, Lu, Mo, Nb, Nd, Ni, Pr, Sb, Sc, Sm, Sn, Sr, Ta, Tb, Th, Tm, U, V, W, Y, Yb, Zn, and Zr (reported in parts per million [ppm]) employed inductively-coupled plasma optical emission spectroscopy (ICP-OES). Determination of the trace elements Ag and Pb (in ppm) and Au (in ppb) was performed using atomic absorption spectrometry (AAS). Loss on ignition (LOI; wt.%) was determined as a proxy for estimating the organic matter content of the sample by heating the sample in a furnace at 500°C for one hour.

The presently ongoing GSAS Project commenced in 2021, and includes a total of 35,575 stream-sediment samples collected across central KSA (Figure 10; Saudi Geological Survey, 2024). Sample preparation adhered to the Stream Sediment Sample Preparation Manual (Yao et al., 2022b) of the GSAS Project. Field sample preparation was carried out at the Field Base of the GSAS Project, and laboratory sample preparation took place at the Chemical Laboratories of China Geological Survey (CGS), China. Stream-sediment samples were systematically collected at a density of one sample per 6.25 km<sup>2</sup>. Sampling sites comprised mainly lower-order streams to represent the largest possible drainage areas. Detailed descriptions of sampling procedures and rationale can be found in the GSAS metadata (Saudi Geological Survey, 2024). Multiple geochemical analytical procedures were employed for the analysis of 76 elements and LOI, all of which adhered to the Chemical Analysis Manual of the GSAS Project (Yao et al., 2022c). Specific methods applied for each element include X-ray fluorescence spectrometry (XRFS); inductively coupled plasma-mass spectrometry (ICP-MS), sometimes employed after fire assay (FA); inductively coupled plasma-atomic emission spectrometry (ICP-AES); atomic fluorescence spectrometry (AFS), sometimes involving cold mercury vapor

generation (CV); emission spectrometry (ES); ion-specific electrode (ISE); gas chromatography (GC); and gravimetric methods (GRAV). The analytical methods employed for each element are detailed in Table 10.

**Table 10: Applied instrument methods per element group in the GSAS Project (Saudi Geological Survey, 2024)**

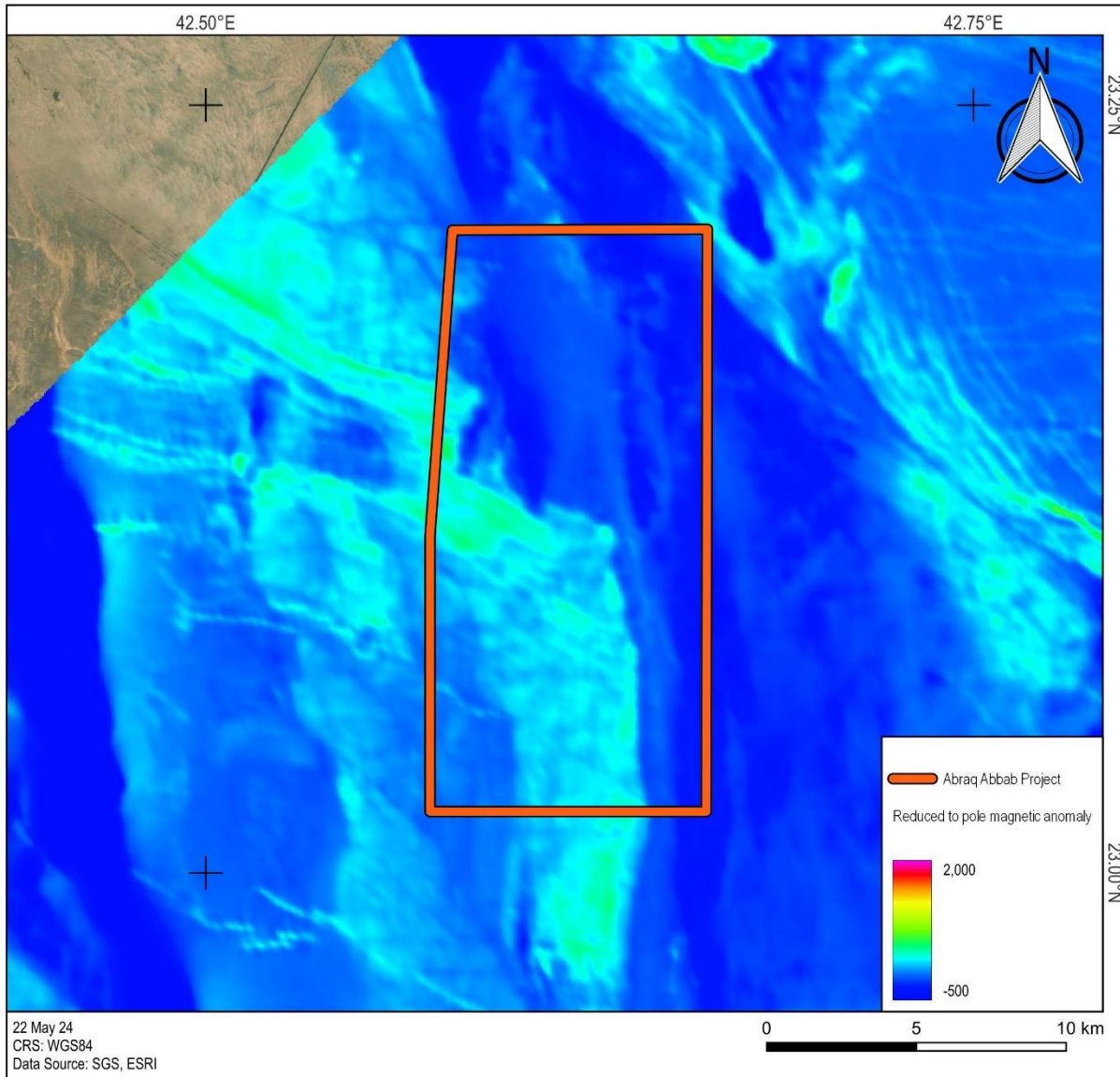
Analyte	Instrument Method
SiO <sub>2</sub> , Al <sub>2</sub> O <sub>3</sub> , TFe <sub>2</sub> O <sub>3</sub> , K <sub>2</sub> O, Ti, P, Cr, Cl, Br, Hf, Zr, Rb	XRFS
Be, Bi, Cd, Co, Cu, Cs, Ga, In, Li, Mo, Nb, Ni, Pb, Th, Tl, U, Te, La, Ce, Dy, Er, Eu, Gd, Ho, Lu, Nd, Pr, Sm, Tb, Tm, Yb, Y, Sc, Re, I, Ge, Ta, W	ICP-MS
Ir, Rh, Os, Ru, Pt, Pd, Au	FA/ICP-MS
MgO, CaO, Na <sub>2</sub> O, Ba, Mn, Sr, V, Zn	ICP-AES
As, Sb, Se	AFS
Hg	CV-AFS
Ag, B, Sn	ES
F	ISE
N	GS
TC, S	IRS
LOI	GRAV



**Figure 10: Map of stream-sediment sample locations from the Geochemical Atlas Program and the GSAS Project (Saudi Geological Survey, 2021, 2024)**

### 2.3.8.3 Project Geophysics

No ground-based geophysical surveys have been documented at Umm Qusur; however, as discussed in Section 2.3.8.1, airborne magnetic data covering the Project are accessible through the National Geological Database Portal. These recently acquired data are provided at 10 Hz, equivalent to one sample every ~7 m, and can be displayed at a scale as small as 1:100,000. The Umm Qusur Project falls within Area 1 of the geophysical surveys flown by Sander Geophysics Limited (Figure 11).

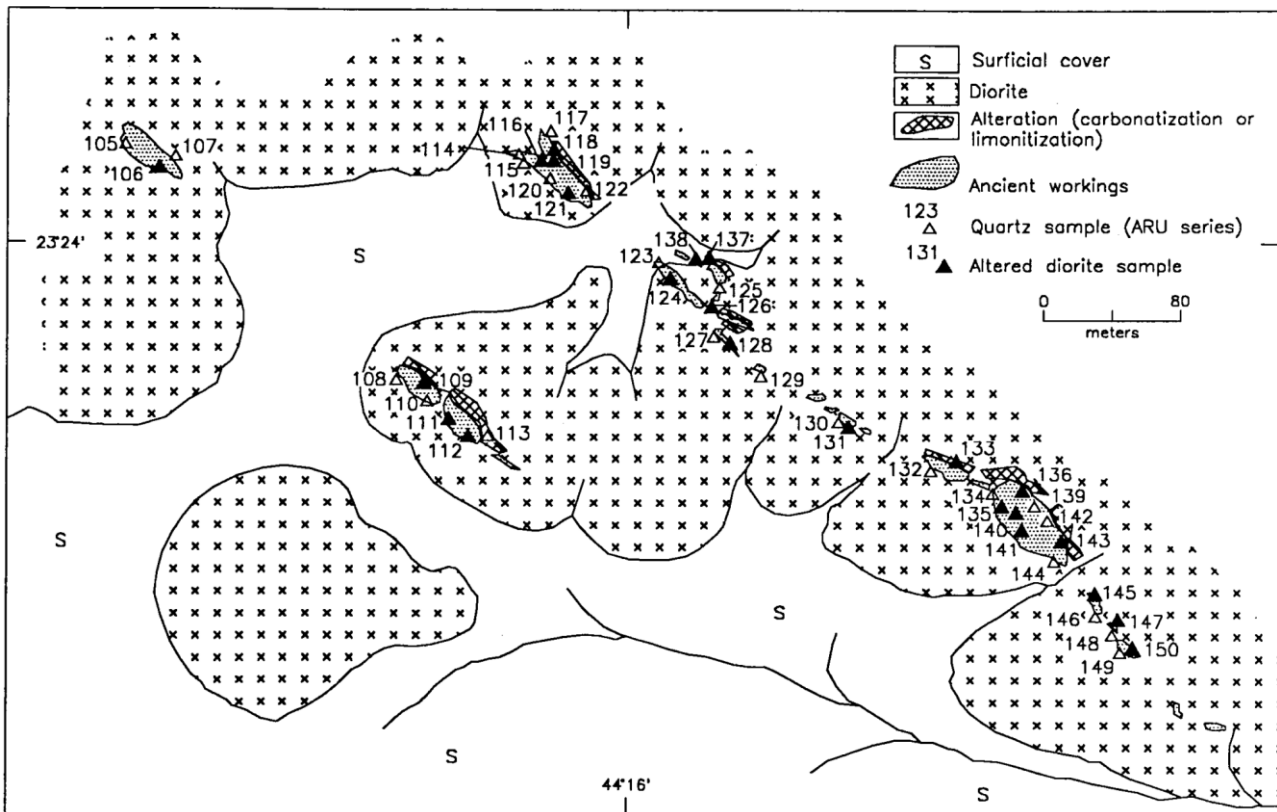


**Figure 11: Aeromagnetic data covering the Umm Qusur Project**

### 2.3.8.4 Surface Geochemistry

At Umm Qusur (MODS 1608 in Figure 5), the BRGM identified two parallel, northwest trending zones of sulfide-bearing quartz veins within sheared diorite (Figure 12) (Woldeabzghi and Vazquez-Lopez, 1984). These vein zones, reaching widths of 50 m, were mapped and sampled over a strike length of 800 m (Figure 5; Woldeabzghi and Vazquez-Lopez (1984)). A total of 46 panned grab samples of quartz veins and spoils were collected from ancient workings that targeted these vein systems. Geochemical results from analyses of these samples are presented in Table 11. Of note are three samples that returned Au values of >5 g/t. No significant Ag or base metal values have been reported. At Abu Salam, ~3 km north of Umm Qusur (MODS 0130 in Figure 6), ancient workings exposed quartz veins within an >800-m-long northwest trending shear zone. Panned grab samples of quartz veins and dump rocks returned up to 22.0 g/t Au, 31.4 g/t Ag, and anomalous Pb and Cu values (up to 0.13% Cu and 0.23% Pb; Woldeabzghi and Vazquez-Lopez, 1984).

A total of 4 stream sediment samples were collected within the Umm Qusur Project area during the GSAS Project (outlined in section 2.3.8.4).



**Figure 12: Geological map of the Umm Qusur Gold Project showing areas of ancient workings and sample locations (after Woldeabzghi and Vazquez-Lopez, 1984). Sample numbers correspond to analyses presented in Table 11**

**Table 11: Precious and base metal analyses of altered diorite grab samples and dump samples from ancient working at Umm Qusur (after Woldeabzghi and Vazquez-Lopez, 1984).**

Field No.	Au (g/t)	Ag (g/t)	Cu	Zn (ppm)	Pb
ARU-105	4.17	<1.00	17	5	31
ARU-106	0.41	<1.00	67	60	12
ARU-107	0.99	<1.00	7	3	5
ARU-108	5.31	<1.00	20	8	9
ARU-109	0.34	<1.00	39	56	13
ARU-110	0.90	<1.00	47	4	11
ARU-111	0.55	<1.00	57	51	61
ARU-112	0.19	<1.00	36	132	20
ARU-113	4.58	<1.00	8	72	69
ARU-114	0.28	<1.00	73	70	22
ARU-115	0.15	<1.00	7	5	7
ARU-116	0.16	<1.00	98	42	16
ARU-117	0.77	<1.00	7	5	14
ARU-118	1.65	<1.00	38	58	24
ARU-119	0.75	<1.00	53	29	18
ARU-120	0.55	<1.00	6	5	8
ARU-121	0.48	<1.00	37	51	18
ARU-122	0.45	<1.00	3	5	9
ARU-123	1.85	<1.00	7	8	9
ARU-124	0.25	<1.00	73	61	13
ARU-125	0.16	<1.00	15	11	11
ARU-126	<0.02	<1.00	68	68	21
ARU-127	0.39	<1.00	4	4	7
ARU-128	0.79	<1.00	69	66	39
ARU-129	0.29	<1.00	3	5	4
ARU-130	5.26	<1.00	62	15	10
ARU-131	0.47	<1.00	104	70	21
ARU-132	2.34	<1.00	11	4	10
ARU-133	0.36	<1.00	142	57	16
ARU-134	0.06	<1.00	7	5	6
ARU-135	0.06	<1.00	157	67	52
ARU-136	0.46	<1.00	123	126	67
ARU-137	3.55	<1.00	10	9	18
ARU-138	0.45	<1.00	41	61	13
ARU-139	0.26	<1.00	12	8	11
ARU-140	0.26	<1.00	100	109	30
ARU-141	0.02	<1.00	36	70	26
ARU-142	4.62	<1.00	19	12	6
ARU-143	0.10	<1.00	95	86	61
ARU-144	0.08	<1.00	21	6	4
ARU-145	0.18	<1.00	37	79	8
ARU-146	5.85	<1.00	71	63	238
ARU-147	0.20	<1.00	61	69	18
ARU-148	0.38	<1.00	33	27	54
ARU-149	0.38	<1.00	13	14	20
ARU-150	0.03	<1.00	56	49	12

### 2.3.8.5 Drilling

No known drilling activity is known to have been undertaken at Umm Qusur; however, percussion drilling at the nearby Abu Salam prospect demonstrates that noteworthy Au mineralization is present in a similar geological setting only 3 km along strike from Umm Qusur.

Eleven percussion holes were drilled for a total of 860 m at Abu Salam to test mapped auriferous-quartz veins down-dip. Hole ABS-P-4 returned 3.0 m @ 1.41 g/t Au and, although the results were generally <1.0 g/t Au (15 intersections in the 11 holes at 3.5 m @ 0.45 g/t Au), the drilling intersected the vein zone for up to 50 meters, demonstrating significant volume potential (Ministry of Petroleum and Mineral Resources, 1992a). Although these percussion drilling results are not from the Project itself, they may be considered representative of mineralization at Umm Qusur given the close proximity and similar geological setting.

Watts, Griffis, and McQuat Limited note that the percussion drilling program at Abu Salam was unlikely to have adequately tested the depth potential of a vein system, and that panned surface sample assays may not be representative of subsurface Au values. They concluded that a diamond drilling program would be more appropriate for evaluating the prospectivity of the system (Workman et al., 2016).



### 3. Data Room Overview

Technical and other data are hosted in the Data Room <https://taadeen.sa/en/mining-bids>.

#### TECHNICAL INFORMATION

The technical information folder in the Data Room includes the files described in Table 12 and will remain open to bidders until the award of the Exploration License.

**Table 12: Data Room file overview**

Key Reports	Entity	Location	Activities
BRGM-TR-05-14	BRGM 1985 A.D. 1405 A.H.	Regional	Aeromagnetic surveying.
GM-13	DGMR 1976 A.D. 1396 A.H.	Southern Najd Quadrangle and partial Southern Tuwayq Quadrangle	Total-intensity aeromagnetic mapping of the Southern Najd Quadrangle and part of the Southern Tuwayq Quadrangle.
RF-OF-01-9	RioFinex 1979 A.D. 1399 A.H.	South Ranyah Region	Geological reconnaissance and assessment of the South Ranyah Region.
GM-46A	BRGM 1979 A.D. 1399 A.H.	Halaban Quadrangle	Geological mapping and explanatory notes for the Halaban Quadrangle.
GM-46B	BRGM 1979 A.D. 1399 A.H.	Halaban Quadrangle	Geographical mapping of the Halaban Quadrangle.
RF-OF-01-8	RioFinex 1980 A.D. 1400 A.H.	Jabal Sayid District	Geological mapping of the Jabal Sayid District.
RF-OF-01-16	RioFinex 1980 A.D. 1400 A.H.	Regional	Reconnaissance exploration study and review of the Arabian Shield.
RF-OF-01-23	RioFinex 1981 A.D. 1401 A.H.	Regional	Summary of past work in the Hijaz, northeast Najd, southwest Najd, and Asir subregions.
USGS-OF-02-12	USGS 1982 A.D. 1402 A.H.	Halaban Quadrangle	Landsat image mapping of the Halaban Quadrangle.
GM-46G	BRGM 1984 A.D. 1404 A.H.	Halaban Quadrangle	Hydrochemical mapping and explanatory notes for the Halaban Quadrangle.
USGS-TR-04-9	USGS 1984 A.D. 1404 A.H.	Southern Najd Quadrangle	Landsat image mapping of the southern Najd Quadrangle.

## APPLICATION FORM

The Data Room includes the Application Form that must be completed by bidders as part of their Proposal. The Application Form includes the below sections as referenced in this Information Memorandum.

Section	Description
Section A	Proposal Cover Letter
Section B	Minimum Qualification Criteria
Section C	Technical Requirements
Section D	Resource Exploration and Discovery Activities
Section E	Innovation
Section F	Social Impact Management Plan
Section G	Environmental Impact Management Plan
Section H	Financial Information Requirements
Section I	Corporate and Legal Requirements
Appendix 1	Model Exploration License
Appendix 2	Form of Statement of Confirmation (to be used for Consortium submissions only)
Appendix 3	Form of Financial Pledge Letter – Parent Company
Appendix 4	Form of Financial Pledge Letter – New Company
Appendix 5	Undertaking to Incorporate Licensee in the Kingdom

## **PART B: PROPOSAL SUBMISSION RULES**

## 4. Minimum Qualification Criteria

Bidders must demonstrate that they meet the below minimum technical and financial criteria ("**Minimum Qualification Criteria**") in order for the Ministry to continue evaluating their respective Proposals. Bidders must provide responses relating to the Minimum Qualification Criteria in accordance with the form set out in Section B of the Application Form.

The below Minimum Qualification Criteria will be evaluated on a "Pass/Fail" basis. Bidders who do not pass **all** the Minimum Qualification Criteria or do not provide the supporting documents required by the Ministry in relation to any or all of such criteria will be disqualified from the Licensing Round and their Proposal will not be evaluated any further.

**As such, bidders are encouraged to consider the Minimum Qualification Criteria and exercise their own judgment in ensuring that they meet such criteria and are able to provide the supporting documents before they proceed with preparing their Proposal for the Project. The Ministry is not liable to any bidder who submits a Proposal and following evaluation by the Ministry, such bidder is deemed unqualified for the Project for any reason including not satisfying the Minimum Qualification Criteria and is therefore disqualified from the Licensing Round.**

For the avoidance of doubt, where the bidder is a Consortium (as defined in Section 5.13), the technical and financial criteria may be satisfied by separate (and not all) Consortium members. The identity of the relevant Consortium member satisfying the relevant requirement must be indicated clearly in the relevant section and response.

### PART A: TECHNICAL CAPABILITY

#### 1. Internal Capability

Bidders must demonstrate internal capabilities in mineral exploration, and are encouraged to demonstrate the following experience in relation to their personnel:

- access to and ability to appoint, as required, sufficient qualified and experienced geoscientists to carry out the exploration work program as agreed with the Ministry to be undertaken by the bidder, if successful, following the award of the Exploration License, the requirements for which are set out in Section C of the Application Form ("**Work Program**").
- relevant or similar commodity experience; and
- ability to develop (or manage the development of) assets through pre-feasibility and feasibility studies.

*Bidders must provide CVs of proposed staff for the Projects (including the exploration manager) and are encouraged to demonstrate the following experience in relation to its personnel:*

- *access to and ability to appoint, as required, sufficient qualified and experienced geoscientists to carry out the Work Program;*
- *relevant or similar commodity experience; and*
- *ability to develop (or manage the development of) assets through pre-feasibility and feasibility studies to construction and operation.*

#### 2. Track Record / Examples

Bidders must demonstrate the following in relation to their past relevant experience:

- a track record of at least one greenfield site and/or two brownfield sites;
- experience in relevant mineralization model or similar mineralization style;
- capability in projects involving similar or relevant commodities through the development cycle, from discovery to preliminary economic assessment, via feasibility studies; and
- capability in developing exploration projects beyond the discovery stage.

*Bidders must include the following in relation to each project:*

- *details of prospect being explored;*
- *any significant reliance upon third-party sub-contractors;*
- *details of any geophysical surveying conducted;*
- *details of any relevant technologies used; and*
- *details of any geological activity including mapping and drilling (diamond drilling and reverse drilling).*

## **PART B: FINANCIAL CAPACITY**

### **3. Exploration Expenditure**

Bidders must have undertaken a minimum expenditure of USD five hundred thousand (\$500,000) in exploration activities in the last twelve (12) months, and be able to provide suitable evidence of this.

### **4. Exploration Funding**

Bidders must demonstrate access to at least USD five hundred thousand (\$500,000) to fund the first three months of the Work Program to be undertaken in the Kingdom in connection with the Project.

## 5. Licensing Round Process and Proposal Requirements

### 5.1 Overview of Licensing Round

After the announcement of made by the Ministry in January 2024 in relation to the launch of the next series of the exploration licensing rounds, prospective bidders were invited to submit a nonbinding expressions of interest confirming their interest in participating in licensing rounds launched by the Ministry in the year 2024. Prospective bidders are now invited to participate in the subsequent stage of the Umm Qusur Licensing Round by submitting a Proposal in response to this Information Memorandum.

**Bidders are hereby invited to submit their best offer for the Exploration License as part of a valid and binding Proposal.**

It should be noted that all bidders must satisfy the Minimum Qualification Criteria set out in Section 4 of this Information Memorandum in order for the remainder of their Proposal to be considered and evaluated by the Ministry.

Bidders who do not satisfy all the Minimum Qualification Criteria or do not provide the supporting documents required by the Ministry will be disqualified from the Licensing Round and their Proposal will not be evaluated any further.

As such, bidders are encouraged to consider the Minimum Qualification Criteria and exercise their own judgment in ensuring that they meet such criteria and are able to provide the supporting documents before they proceed with preparing their Proposal for the Project. The Ministry is not liable to any bidder who submits a proposal and following evaluation by the Ministry, such bidder is deemed unqualified for the Project and will therefore disqualify from the Licensing Round.

The Proposal stage will identify a single Successful Bidder. The Ministry may then proceed to final discussions with the Successful Bidder, with an expectation that an Exploration License will be awarded to that bidder as quickly as possible.

### 5.2 Proposals

Bidders participating in the Licensing Round should submit a complete Proposal by the Proposal Submission Deadline. **The Proposal must be prepared using the Application Form included in the Data Room and in accordance with the guidelines set out below.**

Proposals will be assessed and scored based on a number of criteria, including technical and commercial terms and environmental and social impact management plans, including commitment to local communities development.

The bidder whose Proposal receives the highest score following evaluation will be declared as the Successful Bidder for the Site and will be awarded the Exploration License by the Ministry once the legal and regulatory requirements are satisfied.

If the Ministry selects a single Successful Bidder, they will proceed directly to the final stage of the Licensing Round. In this case, the relevant Successful Bidder will be invited by the Ministry to

proceed straight to conclusion of the final terms of its Proposal. The second highest scoring bidder in such circumstances shall be the "**Reserve Bidder**".

### **5.3 Model Exploration License**

Bidders will be required to confirm in as part of the Proposal Cover Letter (Section 1 of the Application Form) that they accept the terms and conditions of the model exploration license in the form set out as Appendix 1 of the Application Form ("**Model Exploration License**").

Bidders are advised that the terms of the Model Exploration License are non-negotiable, and this should be taken into account in the course of preparing their submissions.

### **5.4 Performance Financial Guarantee**

Bidders will be required to confirm in the Application Form and particularly in the Proposal Cover Letter (Section 1 of the Application Form) that, if they are announced as the Successful Bidder, they will provide a performance financial guarantee in favor of the Ministry to guarantee the Successful Bidder's due and punctual performance of the Work Program submitted as part of its Proposal ("**Performance Financial Guarantee**").

The Successful Bidder must submit a Performance Financial Guarantee within the timeline specified by the Ministry (not to be less than 30 days) from when it is announced as the Successful Bidder. The Performance Financial Guarantee must be for an amount equal to at least fifteen per cent. (15%) of the Successful Bidder's projected expenditure throughout the Work Program.

The Performance Financial Guarantee should take the form of an irrevocable on demand bank guarantee, in accordance with the forms approved by the Saudi Central Bank.

The Performance Financial Guarantee shall be provided by a bank licensed to operate in the Kingdom and made in favor of the Ministry and with a validity period of not less than thirty (30) months from the Exploration License issuance date, renewable automatically on a rolling basis for one (1) year periods throughout the term of the Exploration License.

The Performance Financial Guarantee may be called upon by the Ministry at any time during the term of the Exploration License in the event that the relevant Licensee fails to meet the agreed performance requirements and targets as set out in the Work Program.

### **5.5 Social Impact Management Plan**

Bidders must submit a social impact management plan ("**Social Impact Management Plan**"), identifying proposed contributions to the local community, and how the applicant will address the communities' needs and mitigate any negative impacts. The form of the Social Impact Management Plan to be submitted by bidders is set out in Section G of the Application Form.

### **5.6 Environmental Impact Management Plan**

Bidders must submit an environmental impact management plan ("**Environmental Impact Management Plan**") in accordance with the form set out in Section H of the Application Form.

## 5.7 Proposals Evaluation

The Proposal stage evaluates both the technical and financial aspects of each submission. This analysis will look at the bidder’s capabilities, as well as its plans and proposed investments with regards to the exploration and possible development of the Site including community engagement and employment and training opportunities for the Local Communities.

It should be noted that pursuant to the Implementation Regulations, Local Communities for the purposes of preparing Proposals means natural persons who permanently reside in communities within one hundred (100) kilometers from the Site. Please refer to the Mining Investment Law and its Implementing Regulations for the further clarify on the definition of Local Communities.

**When submitting any Proposal, bidders are to always adhere to the Proposal Submission Rules and this Information Memorandum. Proposals that are not compliant with the requirements to this Information Memorandum, or are incomplete, may be rejected by the Ministry. All Proposals must be received by the Ministry by the Proposal Submission Deadline.**

**The bidder whose Proposal receives the highest score will be announced as the Successful Bidder for the Site and will be awarded the Exploration License by the Ministry once the legal and regulatory requirements are satisfied.**

## 5.8 Scoring Methodology

Each Proposal shall be assessed by the Evaluation Committee<sup>1</sup> in accordance with the scoring method set out in the following table.

**Table 13: Scoring criteria weighting**

Section	Criteria	Weighting
Proposed Work Program and Exploration Spend	Proposals will be evaluated on the thoroughness and soundness of the bidder’s proposed Work Program for the entire area and the knowledge and understanding of the regional and license area geology, including stage planning, contingency planning and whether the bidder has the ability to attain the objectives in a timely manner. Bidders must address the requirements set out in Part 1.1 of Section C of the Application Form.	50%
Resource Exploration and Discovery Activities	Proposals will be evaluated on the bidder’s experience in relation to focused exploration activities, based on its responses to the information required in Section D of the Application Form.	20%
Innovation	Proposals will be evaluated based on the innovative solutions and technologies used by the bidder in mineral exploration activities and discovery of mineral potential in base metals,	10%

<sup>1</sup> The evaluation committee appointed by the Ministry to assess the Proposals, comprising of experts in mining, environmental, legal, and commercial matters



Section	Criteria	Weighting
	based on the responses provided by bidders to the information required in Section E of the Application Form.	
Financial Capability	Proposals will be evaluated on the bidder's financial resources, and its capability to fund its Work Program and other proposed expenditure, in accordance with the form and requirements set out in Section F of the Application Form. Each bidder should provide an outline of its potential financing plan for the first two license years to support such funding requirements.	Pass/ Fail
Social Impact Management Plan	Proposals will be evaluated on the basis of whether the bidder has the demonstrated ability to successfully implement social development in and around the Site, as well as their proposed local community expenditure based on its responses to the information required in Section G of the Application Form.	20%
Environmental Impact Management Plan	Proposals will be evaluated on the basis of whether the bidder has the demonstrated ability to ensure the protection of the environment based on its responses to the information received in the form set out in Section H of the Application Form.	Pass/ Fail
Corporate and Legal Requirements	Proposals will be evaluated on the basis of the bidder's corporate and legal information regarding the structure, activities and litigation history of the bidder and its group, as set out in Section I of the Application Form.	Pass/ Fail
Performance Financial Guarantee	Proposal will be evaluated on the bidder's commitment to provide a Performance Financial Guarantee if selected as a Successful Bidder.	Pass/ Fail
Model Exploration License	Proposals will be evaluated on the bidder's commitment to accept the terms of the Model Exploration License.	Pass/ Fail

## 5.9 Final Satisfaction of Legal and Regulatory Requirements Stage

The announcement of the Successful Bidder will be made promptly after the Evaluation Committee has concluded its evaluation of the Proposals. Following the announcement, the Ministry will invite the Successful Bidder into final discussions and conclusions on the details of any proposed Work Program, Environmental Impact Management Plan or Social Impact Management Plan, to the extent that the Ministry believes any such discussions are required.

## 5.10 Award of Exploration License

Once a Successful Bidder is selected, the Ministry may seek to clarify with the Successful Bidder certain final points on the Successful Bidder's Work Program, the Environmental Impact Management Plan and the Social Impact Management Plan.

If discussions are concluded successfully, and subject to the satisfaction of all legal and regulatory requirements (including issuance and delivery of the Performance Financial Guarantee) the Ministry shall award the Exploration License to that Successful Bidder.

In the event that the final discussions referred to above are not successfully concluded with the Successful Bidder, the Ministry shall have the right to approach the Reserve Bidder to enter into such discussions.

If, subject to the satisfaction of all legal and regulatory requirements (including issuance and delivery of the Performance Financial Guarantee) the Reserve Bidder becomes the Successful Bidder, the Ministry shall award the Exploration License to that Successful Bidder.

If no agreement is reached with either the Successful Bidder or the Reserve Bidder, the Ministry reserves the right to approach such other bidders who have submitted a valid and binding Proposal as it sees fit.

## 5.11 Bidders' Information Requests and Clarifications

Bidders may wish to raise clarifications or request further information concerning this Information Memorandum.

All clarification and information requests concerning this Information Memorandum must be written in Arabic or English and submitted via email to [miningbidding@mim.gov.sa](mailto:miningbidding@mim.gov.sa) no later than 29<sup>th</sup> August 2024 ("**Information Request Deadline**").

Bidders should not contact any person within, or associated with, the Ministry or the Government, or persons associated with their Project advisors, in connection with any requests for additional information or clarifications relating to this Information Memorandum, except via email as set out above.

To the extent possible, such information requests shall receive written responses by email communication as soon as practicable and where the question is of relevance to all bidders, the question and response will be distributed to all bidders may not respond to information requests submitted after the Information Request Deadline. The Ministry may, in its sole and absolute discretion, delete or remove any of the clarifications or request for further information if in the Ministry's view the clarification or request will result in any confusion in respect of the Information Memorandum or contains indications to certain items such as costs and prices.

## 5.12 Bidder Site Visits

In the event a bidder wishes to visit the Site in advance of submitting its Proposal, such bidder may liaise with the Ministry to arrange a site visit by sending a request via [miningbidding@mim.gov.sa](mailto:miningbidding@mim.gov.sa).

## 5.13 Consortium Proposals

Bidders may form a consortium (including as a joint venture, special purpose vehicle with multiple shareholders or other similar arrangements) ("**Consortium**") and the lead consortium member should be identified in the Proposal ("**Lead Consortium Member**"). Responses must enable the Ministry to assess the overall Consortium.

For the avoidance of doubt, the Consortium does not necessarily need to include a KSA national partner or KSA incorporated entities; however, Consortium members should note that, pursuant to

Article 17 of the Implementation Regulations, the members of the Consortium that are part of a successful bid for the Project are required to incorporate a legal entity in KSA, with the shareholdings of each member in that legal entity being equal to the members' interests in the Consortium. The Exploration License is then required to be issued to the KSA-incorporated legal entity, within the period prescribed by the Ministry.

Proposals submitted by Consortiums must include the following:

1. Details of the arrangement to establish the consortium (maximum 500 words).
2. Proposed percentage shareholding and governance rights of each member in the Consortium.
3. The elements of the Proposal and the wider Project for which will each Consortium member be responsible.
4. Confirmation statement signed by all proposed members of the consortium (in the form set out as Appendix 2 of the Application Form).

In responding to the Minimum Qualification Criteria on behalf of the Consortium, technical and financial requirements may be satisfied by separate (and not all) Consortium members. The identity of the relevant Consortium member satisfying the relevant requirement must be indicated clearly in the relevant response.

## **6. Other Terms of the Proposal Submission Rules**

### **6.1 Documents and Information**

This Information Memorandum is and shall remain the property of the Ministry and is provided to the bidders solely for the purpose of preparing and submitting their Proposal.

The provisions of this section shall also apply to Proposals and all other documents submitted by the bidders in relation to their Proposals, and the Ministry will not be under any obligation to return to the bidders any bid, document or any information provided along therewith.

### **6.2 Proposal Submission Rules**

Submissions must be received no later than the Proposal Submission Deadline and shall be deemed to be the bidder's binding offer with respect to the award of the Exploration License.

Bidders are required to prepare their Proposals in the English language and submit their Proposal electronically via email to [miningbidding@mim.gov.sa](mailto:miningbidding@mim.gov.sa).

The Ministry will provide written acknowledgement of receipt of each submission, indicating the time and date of such receipt, as soon as is reasonably practicable.

The Ministry may, in its sole discretion, extend the Proposal Submission Deadline, by issuing an amendment to the Proposal Submission Rules that is made available to all bidders.

### **6.3 Costs of Proposal**

The bidders shall be responsible for all costs and expenses associated with the preparation of their Proposal and their participation in the Licensing Round. The Ministry will not be responsible or in any way liable for such costs and/or expenses, regardless of the outcome of the Licensing Round.

### **6.4 Verification of information by the Bidders**

By submitting a Proposal, each bidder is deemed to have:

- (1) made a complete and careful examination of the Information Memorandum and unconditionally and irrevocably agreed and accepted the terms thereof;
- (2) reviewed all relevant information provided by the Ministry or SGS as may be relevant to the Proposal;
- (3) undertaken their own review of any information provided in the Data Room and which is publicly available, taken any professional advice they deem appropriate and accepted the risks of inadequacy, error or mistake of the information provided in this Information Memorandum or furnished by or on behalf of the Ministry relating to any of the matters related to the Licensing Round;
- (4) satisfied itself on all matters regarding the Licensing Round and the submission of the Proposal, in accordance with this Information Memorandum and the Mining Regime (including in relation to the performance of any obligations);

- (5) acknowledged and agreed that inadequacy, lack of completeness or incorrectness of information provided in this Information Memorandum shall not be a basis for any claim for compensation, damages, extension of time for performance of its obligations and loss of profits from the Ministry, or a ground for termination of the Exploration License by the Successful Bidder; and
- (6) agreed to be bound by and to comply with the terms of the undertakings provided by it.

The Ministry shall not be liable for any omission, mistake or error in respect of any of the information provided or on account of any matter or thing arising out of or concerning or relating to the Information Memorandum or the linked documents, including any error or mistake therein or in any information or data given by the Ministry.

## **6.5 Information Requests, Verification by the Ministry and Disqualification**

The Ministry reserves the right to verify all statements, information and documents submitted by the bidder in response to the Information Memorandum, and to request any further information it requires in order to make an informed assessment of any Proposal. The bidder shall, when so required by the Ministry, make available all such information, evidence and documents as may be reasonably requested by the Ministry. A bidder is encouraged to provide a written response to such request or clarification promptly and in all cases, within five (5) business days. Any such verification or lack of such verification by the Ministry shall not relieve the bidder of its obligations or liabilities hereunder or under the Mining Investment Law and its Implementing Regulations nor will it affect any rights of the Ministry thereunder.

The Ministry reserves the right to reject any Proposal in the event that any of the following occurs:

- a. at any time a misrepresentation is made by the relevant bidder or the Ministry becomes aware of any such misrepresentation;
- b. the bidder does not provide, within the time specified by the Ministry, any supplemental information requested by the Ministry to complete its evaluation of the Proposal; or
- c. any act or omission of the bidder which results in violation of or non-compliance with this Information Memorandum, or any other document referred to therein or issued pursuant thereto or the Mining Regime and any other applicable laws relevant for the award process.

Any rejection of a Proposal under the above terms may lead to a disqualification of the bidder for bidding in any stage of the Licensing Round or any other Licensing Round(s) conducted by the Ministry for a period of five (5) years commencing from the submission date of the Proposal or any other earlier date specified by the Ministry.

## **6.6 Non-Compliant Proposals**

Notwithstanding Section 6.5, bidders may submit non-compliant Proposals which depart from the terms set out in this Information Memorandum, including without limitation, the various requirements set out in Section 5. However bidders are advised that in evaluating Proposals, preference will be given to compliant Proposals and any non-compliant Proposals will only be

considered when there is demonstrable and substantial commercial or technical benefit to the Kingdom, such assessment to be made solely at the Ministry's discretion.

## **6.7 Amendments to this Information Memorandum**

At any time prior to the Proposal Submission Deadline, the Ministry may, for any reason, whether on its own initiative or in response to clarifications requested by a bidder, amend this Information Memorandum.

Any amendment to this Information Memorandum shall be made in writing and shall be made available to all bidders. Any such amendment shall be deemed as an integral part of this Information Memorandum.

In order to provide the bidders reasonable time to take into account any such amendment, or for any other reason, the Ministry may, in its sole discretion, extend the Proposal Submission Deadline.

## **6.8 Modifications/Substitutions/Withdrawal of Proposals**

A bidder may modify, substitute or withdraw its Proposal after submission, but prior to the Proposal Submission Deadline.

No Proposal shall be modified, substituted or withdrawn by the bidder on or after the Proposal Submission Deadline, unless the modification, substitution or withdrawal has been expressly requested by the Ministry.

## **6.9 Rejection of Proposals**

Notwithstanding anything contained in this Information Memorandum, the Ministry reserves the right to reject any Proposal and/ or to annul or elect not to proceed with the Licensing Round and reject all Proposals at any time without any liability or any obligation for such acceptance, rejection or annulment, and without assigning any reasons therefor.

Without prejudice to the generality of the foregoing, the Ministry reserves the right to reject any Proposal based on any conditions specified in this Information Memorandum, including without limitation, the following:

- a. the relevant Proposal has not been submitted with all the information and details listed as being required in this Information Memorandum; or
- b. the relevant Proposal is incompliant with the terms of this Information Memorandum.

## **6.10 Validity of the Proposals**

A Proposal must be and remain valid for a period of one hundred and eighty (180) days from the Proposal Submission Deadline.

If the Successful Bidder is not announced within of one hundred and eight (180) days from the Proposal Submission Deadline, the Licensing Round shall be annulled.

## 6.11 Changes affecting Bidders

Upon submission of the Proposal, any changes of information which have been submitted by the bidder must be immediately communicated to the Ministry.

## 6.12 Fraud and Corrupt Practices

Bidders and their respective officers, employees, agents and advisers shall observe the highest standard of ethics during the Licensing Round and subsequent to the grant of the Exploration License. Notwithstanding anything to the contrary contained herein, the Ministry may elect to reject a Proposal and/or revoke the Exploration License, without being liable in any manner whatsoever to the bidder, Reserve Bidder, or the Successful Bidder, as the case may be (each a "**Relevant Bidder**"), if the Ministry determines that the Relevant Bidder has, directly or indirectly or through an agent, engaged in Corrupt Practices, Fraudulent Practice, Coercive Practice, Undesirable Practice or Restrictive Practice as part of the Licensing Round.

Without prejudice to the rights of the Ministry hereinabove and the rights and remedies which the Ministry may have under the Exploration License, or otherwise if a Relevant Bidder is found by the Ministry to have directly or indirectly or through an agent, engaged or indulged in any Corrupt Practices, Fraudulent Practices, Coercive Practices, Undesirable Practices or Restrictive Practices during the award process, or after the grant of the Exploration License, such Relevant Bidder shall not be eligible to participate in any Licensing Round undertaken by the Ministry for a period of five (5) years from the date the Ministry becomes aware of the same.

For the purposes of this Information Memorandum, the following terms shall have the meaning hereinafter respectively assigned to them:

- Corrupt Practice** means the offering, giving, receiving, or soliciting, directly or indirectly, of anything of value to influence the actions of any person connected with the Licensing Round (for avoidance of doubt, offering of employment to or employing or engaging in any manner whatsoever, directly or indirectly, any official of the Ministry who is or has been associated in any manner, directly or indirectly, with the Licensing Round, or at any time prior to the expiry of 1 (one) year from the date such official resigns or retires from or otherwise ceases to be in the service of the Ministry, shall be deemed to constitute influencing the actions of a person connected with the award process);
- Fraudulent Practices** means a misrepresentation or omission of facts or suppression of facts or disclosure of incomplete facts, in order to influence the award process;
- Coercive Practices** means impairing or harming, or threatening to impair or harm, directly or indirectly, any person or property to influence any person's participation or action in the award process;

### **Undesirable Practice**

means

- i. establishing contact with any person connected with or employed or engaged by the Ministry with the objective of canvassing, lobbying or in any manner influencing or attempting to influence the award process; or
- ii. violating of the Mining Regime or any other applicable laws; and

### **Restrictive Practice**

means forming a cartel or arriving at any understanding or arrangement among other bidders with the objective of restricting or manipulating a full and fair competition in the award process.

## **6.13 Correspondence**

Unless otherwise provided in this Information Memorandum, all communications and correspondence from bidders to the Ministry in connection with the Licensing Round prior to the award of the Exploration License must be in English and submitted via email to [miningbidding@mim.gov.sa](mailto:miningbidding@mim.gov.sa).

For the avoidance of doubt, clarifications relating to the Information Memorandum should be sent by bidders to the Ministry in accordance with Section 5.11.

## **6.14 Governing law**

The Licensing Round shall be governed by, and construed in accordance with, the laws of the Kingdom.

## **6.15 Rights of the Ministry**

The Ministry, in its sole discretion and without incurring any obligation or liability, reserves the right, at any time, to:

- a. suspend and/ or cancel the Licensing Round and/or amend and/or supplement the award process or modify the dates or other terms and conditions relating thereto;
- b. consult with any bidder as it may deem fit in connection with the Licensing Round;
- c. seek clarification of any Proposal, to interview, or to hold discussions with any bidder at any time after the Proposal Submission Deadline;
- d. retain any information and/ or evidence submitted to the Ministry by, on behalf of, and/ or in relation to any bidder; and/or
- e. independently verify, disqualify, reject and/ or accept any and all submissions or other information and/ or evidence submitted by or on behalf of any bidder.
- f. establish the rules and procedures governing the bid preparation, submission, evaluation, and selection processes;



- g. cancel or modify the terms and conditions of Proposal Submission Rules and/or cancel the evaluation process at any stage;
- h. select the Successful Bidder and Reserve Bidder;
- i. appoint an Evaluation Committee;
- j. use the Transaction Advisory Team and/or any third-party consultants to assist with any aspect of the Proposal submission, evaluation, selection, and/or negotiation processes; or
- k. waive any deficiency, irregularity, or omission in any Proposal provided that such waiver does not materially affect the substance or validity of the tender process as outlined in this Information Memorandum.

By submitting a Proposal, a bidder agrees to release the Ministry, its employees, agents and advisers, irrevocably, unconditionally, fully and finally from any and all liability for claims, losses, damages, costs, expenses or liabilities in any way related to or arising from the exercise of any rights and/ or performance of any obligations hereunder, pursuant hereto and/ or in connection with the Licensing Round and waive, to the fullest extent permitted by applicable law, any and all rights and/or claims it may have in this respect, whether actual or contingent, whether present or in future.

## **6.16 Bidder Acknowledgements**

In addition to the acknowledgments set out in Section 6.4, by submitting a Proposal, each bidder acknowledges the following:

- a. neither the Ministry nor its representatives makes any express or implied representation or warranty as to the completeness, accuracy, currency, reliability or suitability of this Information Memorandum and none of such persons will have any liability to the bidder or its representatives relating to or arising from their use of any information or for any errors therein or omissions therefrom nor will they be obliged to update or correct any inaccuracy in the information or otherwise provide additional information;
- b. reliance upon or use of the information contained in this Information Memorandum is at the sole risk of the bidder and its representatives;
- c. the Ministry will not be under any legal obligation or have any liability to the bidder of any nature whatsoever by virtue of the instructions in this Information Memorandum;
- d. the Ministry will not be deemed to have accepted any offer, and no contract or agreement with respect to the Site would be deemed to be entered between the Ministry and any bidder, unless and until the Exploration License has been executed by the Ministry and awarded to the Successful Bidder; and
- e. the Ministry has the right at any time and in its absolute discretion to terminate, change or delay the award process and terms and the Ministry will not be obliged to accept any or the highest or best offer and may, at any time and in its absolute discretion, request that the bidder return or destroy any document or information provided to it in connection with this Information Memorandum.

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