



Ministry of Industry  
& Mineral Resources

# AN NIMAS 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. An Nimas project is an example of an enticing exploration project with the potential to contribute to the Kingdom's future copper 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 An Nimas project.

We look forward to showcasing An Nimas 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 An Nimas site ("**Licensing Round**" or the "**Project**") pursuant to which the Ministry will award the successful bidder ("**Successful Bidder**") an exploration license for An Nimas 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 Al Miyah (Shaib Burayk) site ("**An Nimas**" 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 1<sup>st</sup> May 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 Ministry's website <https://mim.gov.sa/en/initiatives/31907/> ("Data Room").**

### The Site

The Project covers an area of 222 km<sup>2</sup> within the western region of the Kingdom. It is located 22 km northeast of An Namas City and 250 km north of the port of Jazan and can be accessed along good-quality regional roads and partly bulldozed tracks. An Nimas is located on the Arabian Shield within the Asir Terrane—a region renowned for its high prospectivity in various mineralization styles, notably volcanogenic massive sulfide (**VMS**) deposits and shear zone type gold (**SZTG**) deposits.

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 summarised 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 VMS or similar style mineralisation 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.

## 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 programme 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 An Nimas Gold and Base Metal Project

The Project covers an area of 222 km<sup>2</sup> within the western region of the Kingdom. It is located 22 km northeast of An Namas City and 250 km north of the port of Jazan and can be accessed along good-quality regional roads and partly bulldozed tracks. An Nimas is located on the Arabian Shield within the Asir Terrane—a region renowned for its high prospectivity in various mineralization styles, notably VMS deposits and SZTG deposits.

Previous exploration suggests mineralization within the Project area can be characterized as epigenetic gold (Au)-copper (Cu)-zinc (Zn)-silver (Ag)-nickel (Ni) sulfide mineralization hosted within altered shear zones in schists and ultramafic rocks. Known Cu-Au mineralization at the surface is defined by oxidized Cu

sulfides and minor free Au, altered shear zones within ultramafic rocks and schists, and occasional pyritic haloes located along structural contacts.

Five prospects have been the focus of previous exploration within the Nimas Project area: An Nimas, Farshat Al Harban, Loralon, Loralon North, and Al Farshah. Exploration has included geological mapping, aeromagnetic surveying, sampling, and geochemical surveying. Notable geochemical sampling results include up to 0.58 g/t Au, 21.2 g/t Ag, 2.1% Cu, 115 ppm Pb, 155 ppm Zn, and 840 ppm Ni from six samples at An Nimas, 4.5 m at 1.8 g/t Au and 0.74% Cu at Loralon, and 1 m at 36 g/t Au at Loralon North.

The economic potential of An Nimas area is emphasized by its proximity to both the currently operating Al Masane Mine (190 km southeast) and the now-closed Al Hajar Au-Cu-Zn mine (90 km northwest). The potential is further demonstrated by historical mining at seven known Au and Cu occurrences spanning a 25 km strike length along the Tayyah Structural Belt.

Previous fieldwork has identified several prospective targets for future exploration using ground geophysical surveying and follow-up drilling. Early success in exploration could rapidly define prospective resources.

### *Prospectivity*

An Nimas is a highly prospective Au and base-metal exploration project. Based on the exploration conducted to date, the style of mineralization is interpreted as epigenetic Au-Cu(-Zn-Ag-Ni) sulfides in altered shear zones of schists and ultramafic rocks.

The known Cu-Au mineralization at the surface consists of oxidized Cu sulfides and limited free Au confined to narrow, altered shear zones in schists and ultramafic rocks and minor pyritic halos, which are located along structural contacts.

The strategic geological location of the Site between the currently operating Al Masane mine (190 km to the southeast) and the now-closed Al Hajar Au-Cu-Zn mine (~90 km to the northwest), near the northwestern contact of An Nimas batholith further demonstrates the prospectivity of the Project area.

There is evidence of historical mining activity at seven known Au and Cu occurrences along a significant 25 km strike of the Tayyah Structural Belt north of the Al Oja occurrence outside the Project area (Figure 2). These occurrences further demonstrate the potential for economic mineral deposits in the Project area, which encompasses five of the occurrences within 16 km of the structural-stratigraphic strike.

Previously completed fieldwork has identified several areas that would benefit from enhanced exploration by ground geophysical survey (IP-resistivity and/or electromagnetics) and follow-up drilling.

## **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 Licencing 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 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) 01 <sup>st</sup> May 2024	Proposal Submission Deadline
23 <sup>rd</sup> May 2024	Announcement of outcome of the Proposal Stage
23 <sup>rd</sup> May 2024	Announcement of the 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 Project covers an area of 222 km<sup>2</sup> and is located 22 km northeast of An Namas city and 250 km north of the Port of Jazan on the Red Sea, within the western region of the Kingdom (Figure 1). The Project area is accessible via good-quality regional roads to An Namas or Tanomah, then by rugged, partly bulldozed tracks to and within the Project. The area is mountainous with relief up to 500 m and dissected by north-south drainage systems, which make access in an east-west direction challenging.

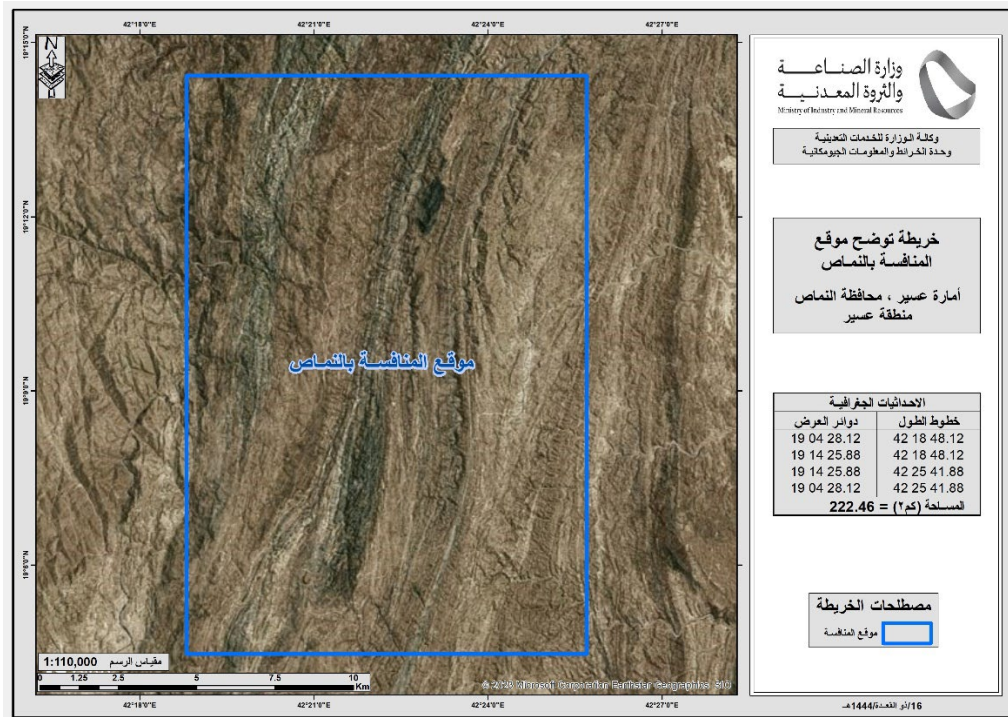


Figure 1: Project location.

Table 2: The Site Coordinates

Point	Latitude	Longitude
1	19° 04' 28.12	42° 18' 48.12
2	19° 14' 25.88	42° 18' 48.12
3	19° 14' 25.88	42° 25' 41.88
4	19° 04' 28.12	42° 25' 41.88

### 2.2 Exploration History

A summary of the exploration work completed in the Project area to date is presented in Table 3.

Mineral exploration activities at An Nimas were conducted from 1966 to 1992. Mytton and Ankary (MI-1) studied mineral deposits and collected wadi sediment samples during early mapping of the An Nimas

quadrangle. W.R. Greenwood and R.J. Roberts relocated the ancient mines, including Al Farah and Luqan (Loralon), in January–February 1973 (GM-37).

## USGS

The United States Geological Survey (USGS) documented the Au occurrences in 1972–1973 during mapping of the An Nimas Quadrangle (1:100,000 Sheet 19/42 C, GM-37), which is part of the Jabal Al Hasir/Asir quadrangle (1:250,000 Sheet GM-94 C).

## Riofinex

Riofinex undertook reconnaissance of the area for Au and base-metal mineralization in 1978–1979, including three mineral occurrences in the An Nimas Project area, i.e. Al Oja, Loralon, and Al Farsha (RF-OF-01-15, RF-OF-02-17). Al Oja is a Cu-bearing quartz reef, Al Farshah is a Cu and Au occurrence in a shear zone, and Loralon is a Cu and Au mineralized shear zone in altered ultramafic rocks. All occurrences were sampled, but only the Loralon prospect was considered for further work because of its size and grade.

Sampling by Riofinex at Al Farah and Loralon returned Au contents of <4 g/t Au in quartz veins and up to 3 m at 1.5 g/t Au in pyritic wall rock, but detailed sampling did not extend beyond the ancient workings. Only preliminary sampling was carried out at Al Oja and Al Farshah, and results as high as 17.5 g/t Au were returned at Al Farshah. The highest Au value of 2 m at 19.85 g/t Au at Loralon North was not adequately investigated because ancient stopes prevented complete sampling.

## BRGM

The BRGM flew aeromagnetic surveys during 1962–1967 using analog fluxgate magnetometers across 550,000 km<sup>2</sup> of the Arabian Shield and compiled 1:250,000 maps of total intensity residual and reduction to pole (RTP) magnetics for the Directorate General of Mineral Resources of Saudi Arabia (BRGM-TR-05-31).

No additional exploration is known to have occurred beyond this time.

**Table 3: Summary of past exploration (latest at the top).**

Key Reports	Entity	Location	Activities
BRGM-TR-05-31	BRGM 1985 AD 1405 AH	Regional	Aeromagnetic survey of the Arabian Shield covering 550,000 km <sup>2</sup> using analog fluxgate magnetometers.  Flown in 1962–1967 at heights of 150 m (flat terrain) and 300 m (rugged terrain), with a line spacing of 800 m.  Maps (1:250,000) of total intensity residual and RTP magnetics compiled.
GM-37	Directorate General of Mineral Resources 1979	An Nimas quadrangle 1:100,000 Sheet 19/42C	Geological mapping and rock and wadi-sediment sampling of the quadrangle.

Key Reports	Entity	Location	Activities
	AD 1399 AH		Mapping and sampling of mineral deposits and an aeromagnetic survey.
GM-94C	Deputy Minister for Mineral Resources 1986 AD 1406 AH	Jabal Al Hasir quadrangle, 1:250,000 sheet 19 F	Compilation and interpretation of the six 1:100,000 geological maps that constitute the quadrangle by the USGS between 1965 and 1974.  Petrological rock sampling of the quadrangle; review of mineral occurrences, both syn-orogenic and that associated with post-tectonic granitoids.
MI-1	Directorate-General of Mineral Resources  1966 AD 1399 AH	An Nimas quadrangle	Mineral investigation mapping (1:100,000) and geological and geochemical survey in 1964-65.  Wadi sediments and detrital magnetite sampled at 66 localities.  Scattered chalcopyrite, chalcocite, and hematite observed around an ancient mine south of Wadi El Oja.
PR-264	USGS 1979 AD 1399 AH	Jabal Ishmas-Wadi Tathlith Au belt	Project report, referenced in GM-94C
RF-OF-01-15	Riofinex 1981 AD 1401 AH	Ranyah-Muhadad-Al Farsha Belt	Assessment of Au and base-metal potential. Two areas of the belt mapped at 1:50,000; the southern, Muhadad-Al Farsha area includes An Nimas Project.  Rock-chip samples (41) taken from five mineral occurrences within An Nimas area assayed up to 13.6% Cu and 17.5 g/t Au
RF-OF-02-17	Riofinex 1982 AD 1402 AH	Loralon-Al Farah	Mapping (1:1,000), trenching, and reconnaissance at Loralon and Loralon North; 102 and 41 channel samples collected plus grab samples.
RF-OF-05-01	Riofinex 1984-85 AD 1404-05 AH	Regional	Review of the geology, mineralization, and mineral resource potential of the Kingdom.  Open file report, not available in the data room.
WGM-CR-11-13	Watts, Griffis, and McQuat Ltd. 1992 AD 1412 AH	Southern Arabian Shield	Review of the extent and adequacy of mineral exploration, including the epigenetic Au-Ag-Cu occurrences of the Al Farshah-Loralon-Al Oja-Al Farah area.

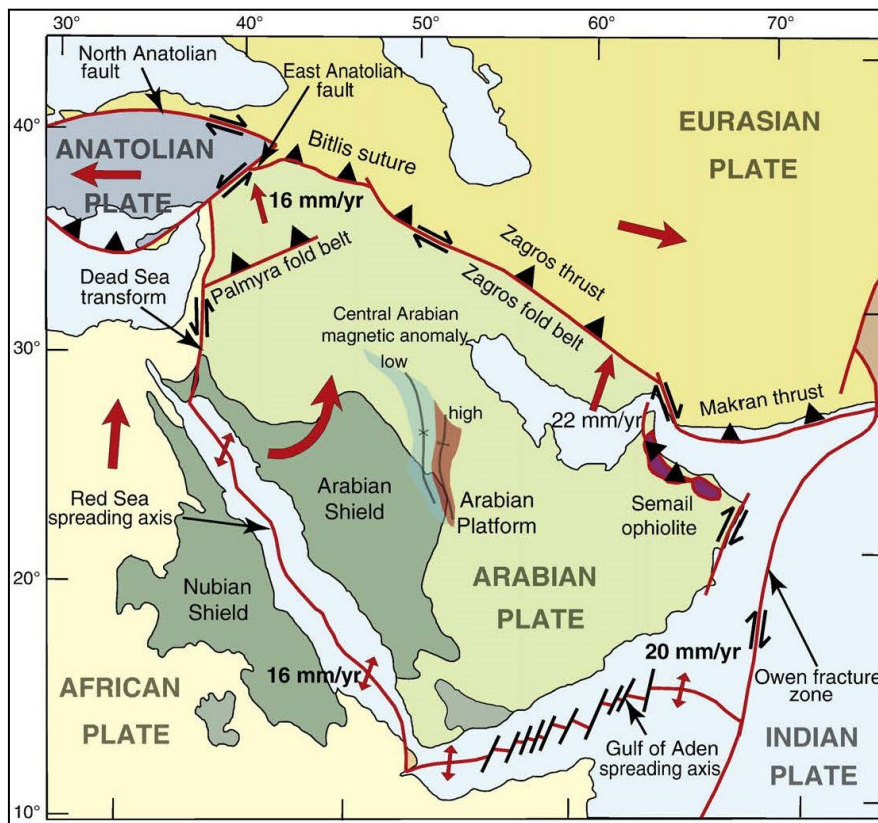
Key Reports	Entity	Location	Activities
WGM-CR-11-14	Watts, Griffis and McQuat Ltd. 1992 AD 1412 AH	Southern Arabian Shield	Recommendations for further exploration of the Loralon area include 1:1,000-scale geological mapping, detailed rock-chip sampling, and ground geophysics on a 100 m x 25 m grid extending at least 1 km at each of the five occurrences, and drilling of 2 x 100 m diamond holes at Loralon North, with further drilling based on the results of rock sampling and geophysics.

Source: National Geoscience Database of Saudi Arabia (NGD)

## 2.3 Geology and Mineralisation

### Tectonic Overview

The Project is located on the Arabian Shield within the Asir Terrane and is regionally highly prospective for several different mineralization styles, including shear zone type gold deposits (SZTGDs). The tectonic evolution of the Kingdom 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, showing plate boundaries, 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 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).



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 peneplaned 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).

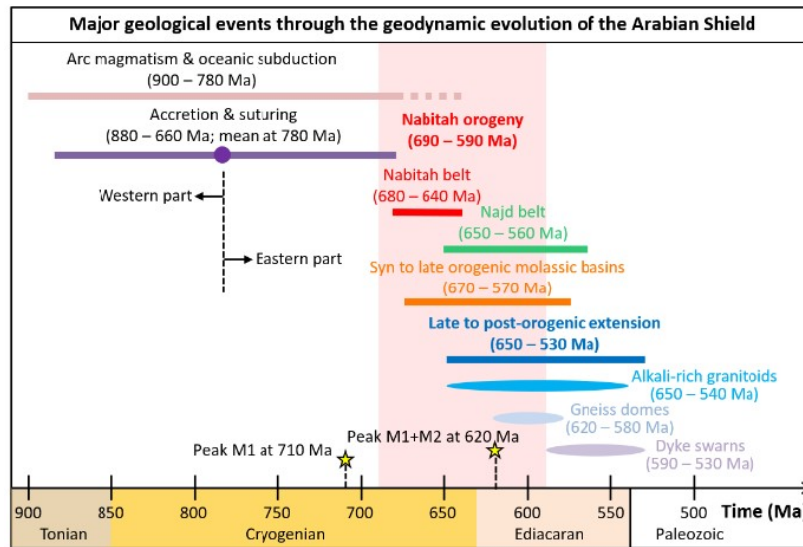
During the Late Ordovician, a glacial episode occurred while the Arabian Shield resided at a relatively high southern latitude. The plate started to drift northward into lower latitudes in the Early Devonian, reaching tropical environments by Permian times (Konert et al., 2001). The Late Silurian saw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

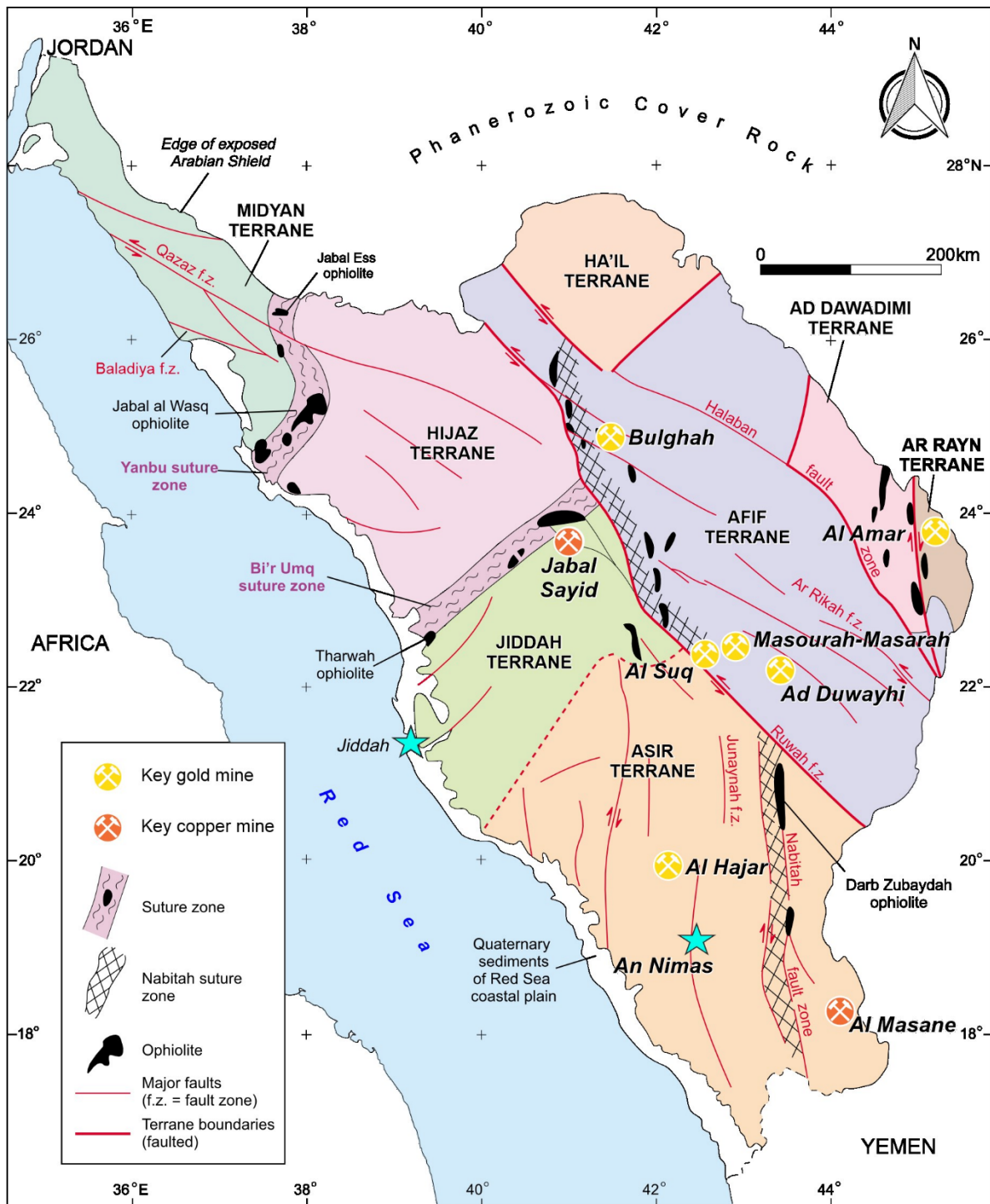
During the early Permian, another phase of major crustal extension weakened the crust enough to allow sediment load alone to drive subsidence and facilitate the accumulation of thick carbonate sediments in subtropical latitudes. In the Late Permian, further rifting and block faulting along the northeastern 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 during the Early Jurassic, affecting the northern part of the Arabian Shield. Jurassic rifting at the northwestern boundary of the plate led to the later development of a new passive margin and the creation of 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 toward Eurasia, resulting in the closure of the Tethys Ocean. The Arabian Shield separated from the African Shield 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 3: Chronology of major geological events through the geodynamic evolution of the Arabian Shield (Bonnetti et al., 2023).**



**Figure 4: Simplified geological map of the Arabian Shield, showing the locations of key mines within the Kingdom. Major tectonostratigraphic terranes are delineated by sutures and major fault zones. The Project is located within the Asir Terrane, toward the southeastern corner of the map. Modified after Nehlig et al. (2002).**

An Nimas is located in the southern Arabian Shield within the Shwas-Tayyah structural belt of the Asir Terrane (Figure 4). The structure controls on mineralization are related to the Wadi Shwas Gold Belt, which comprises a series of north-south trending deformation zones that separate the Bahah, Ablah, and Tayyah tectonic belts within the Asir Terrane (Johnson, 2000). The Asir Terrane hosts numerous Au and base-

metal mineral deposits with varying mineralization styles. The terrane also hosts several well-known Au and VMS mineral belts, including the Wadi Shwas Gold and VMS Belt.

The rocks of the Asir Terrane are highly deformed and have been affected by isoclinal north trending folds and ductile shear zones. Metamorphosed volcanic, sedimentary, and plutonic rocks developed owing to the assembly of oceanic-plateau, island-arc, and spreading-center deposits that crop out in two large north trending structural belts: the Tarib (>720 Ma) and An Nimas (840–810 Ma) arcs. The arc deposits were intruded by large volumes of arc-related calc-alkaline diorite, tonalite, granodiorite, and trondhjemite, as well as two phases of syn-tectonic orthogneiss. The younger orthogneiss phase has been dated at 680–640 Ma (Stoeser and Stacey, 1988). The assembly of the Asir Terrane is estimated to have occurred at 720–680 Ma, thereby post-dating the formation of the Tarib arc and the emplacement of the younger orthogneiss phase (Johnson and Kattan, 2001).

### 2.3.1 Local Geology

The Project area is located within the southern Ranyah–Muhadad–Al Farsha belt (or Shwas–Tayyah structural belt) between Muhadad and Al Farshah. The area is dominated by the Jiddah Group, which comprises mainly mafic to intermediate metavolcanic and minor metasedimentary rocks, all of which are intruded by a similar suite of igneous rocks (Greenwood et al., 1986). The Jiddah Group rocks have undergone polymetamorphism and multiple phases of deformation, which are recorded as greenschist to amphibolite facies metamorphism and extensive faulting throughout the Project area. A suite of ultramafic rocks has been emplaced along fault zones throughout the Jiddah Group.

Regional deformation is recorded as tight isoclinal folds throughout the area, as well as open concentric folds with the development of crenulation cleavage (Ransom, 1980). The schistosity of the rocks has a moderate to steep dip with a north-northeast strike (Greenwood et al., 1986).

There are five significant mineral occurrences within the southern region of the Shwas–Tayyah structural belt (Ransom, 1980):

- Farah, which comprises Au-quartz veins;
- Muhadad, which comprises stratabound base-metal deposits;
- Al Oja, which comprises a Cu-bearing quartz reef;
- Loralon, which comprises a Cu and Au mineralized shear zone in ultramafic rocks; and
- Al Farsha, which comprises a Cu and Au occurrence within a shear zone.

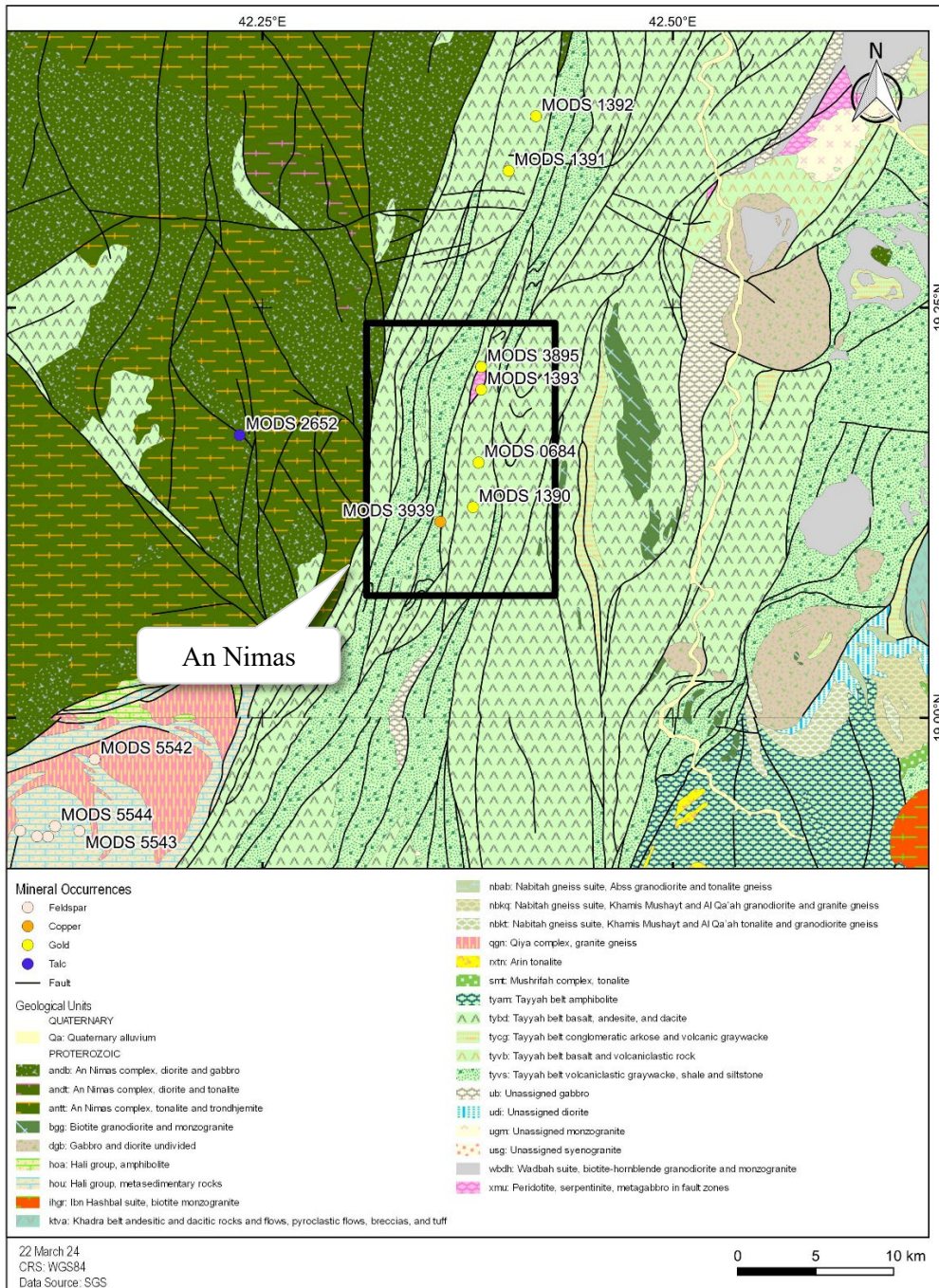


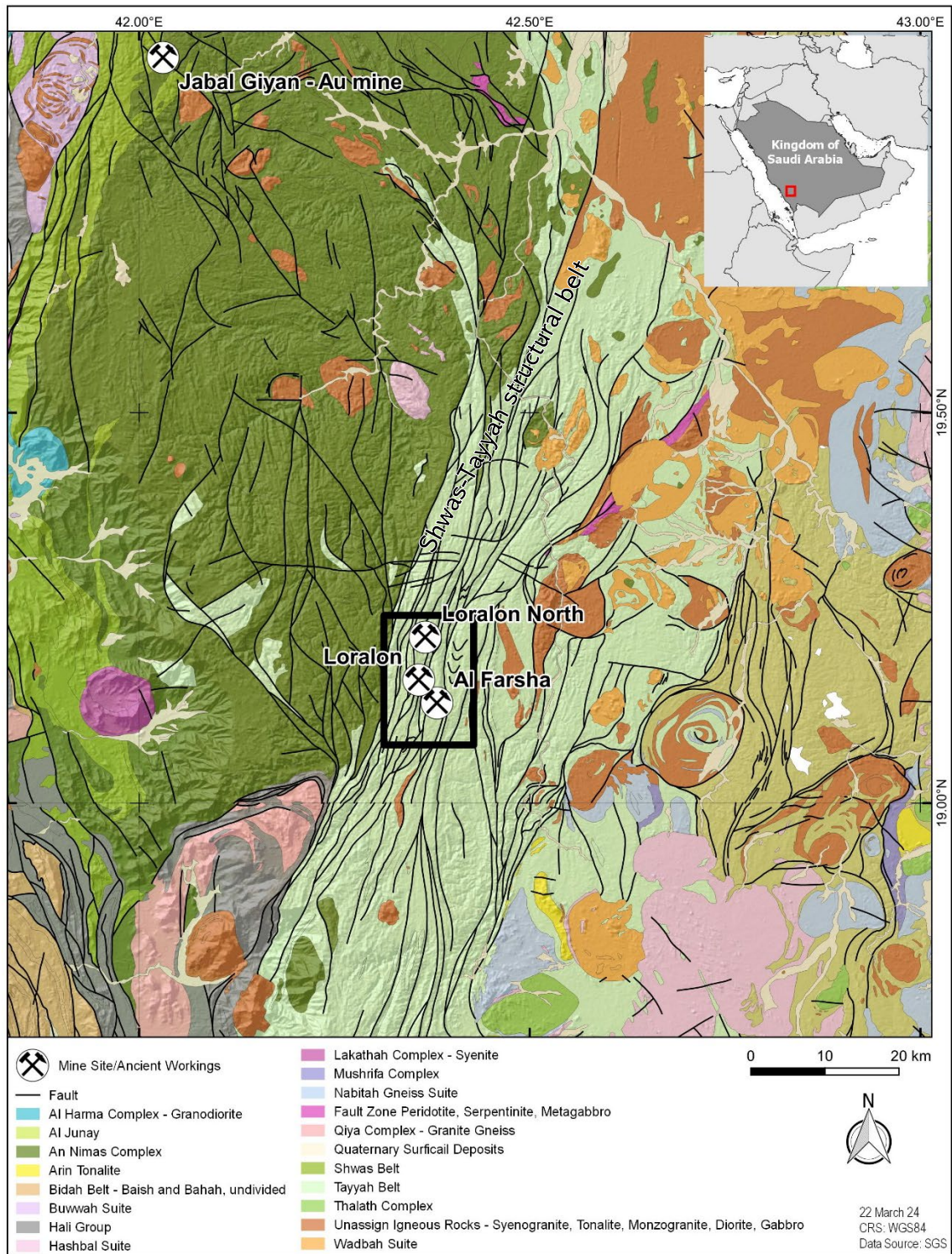
Figure 5: An Nimas Project geology and mineral occurrences. Source: NGD and Geological Map of the Najran GM-078A 1:250,000 Sheet 1, KSA.

### 2.3.2 Mineralisation

The Wadi Shwas Gold Belt is ~80 km in length and is marked by several parallel shear zones spaced 10–12 km apart and striking approximately north–south in the southern Arabian Shield, approximately 50–70 km west of Bishah. Workman et al. (2016) note the following for the Wadi Shwas Gold Belt:

*"The belt contains numerous base-metal occurrences that are typically associated with a VMS model. Orogenic Au occurrences are associated with the aforementioned shears (structural zone), which have been referred to as the Tabalah Shear Zone (Workman et al., 2016).*

*The northern end of the Au belt is not well populated with Au occurrences, and the structural zone passes below Harrat al Buqum in the vicinity of the town of Jarab. The most northerly prospect is Shaib al Khid (MODS 1105). The zone bifurcates at its southern terminus, with one prominent shear (fault) zone passing immediately west of the town of Al Bashayer and another structure striking to the southeast and passing through the Al Hajar mine site (not to be confused with the former Haj'r mine at Jibal al Hajar). Beyond Al Bashayer, the two structures extend as separate traces for more than 100 km. The western branch, which coincides with the Umm Farwah Shear Zone, passes over the escarpment margin at the edge of the Arabian Shield near Al Bashayer. South of Al Hajar, the eastern branch (deformation zone) deflects around the Nimas Batholith, first striking to the southeast and then to the south-southwest, probably merging with south-southwest trending structures that originated in the Bishah area, such as the Tarj Shear Zone. The southern part of this zone can be traced into the vicinity of Tanomah, where it also passes over the edge of the escarpment. This eastern branch of the Au belt contains seven Au occurrences, six of which are in a 26 km long section of the structure. These are shown in the lower part of the following table as Wadi Shwas South Belt, but the structure was probably a single deformation zone before emplacement of the Nimas Batholith". (Table 4)*



**Figure 6: Shwas-Tayyah structural belt encompassing the Wadi Shwas Gold Belt. Mineral occurrences of the Al Farah-Loralon area are in the center of the image, and the Jabal Giyan Au mine is in the northwest.**

### 2.3.3 Project Mineralization

The mineral occurrences within the Project area (Table 4), sampled by Riofinex at Al Farah and Loralon, returned up to **3 m at 1.5 g/t Au** in pyritic wall rock, but detailed sampling did not extend beyond the ancient workings (Ransom, 1981). Only preliminary sampling was carried out at Al Oja and Al Farshah, with results as high as **17.5 g/t Au** at Al Farshah; however, the highest Au value of 2 m at **19.85 g/t Au** at Loralon North was not adequately investigated because ancient stopes prevented complete sampling.

The workings at Loralon are along a sheared contact between andesite and peridotite, with malachite, chalcocite, limonite, and hematite occurring in weathered areas of the shear zone and visible Au in slag samples. Shear zone samples yielded **4.5 m @ 1.8 g/t Au**, and mine dump samples had grades of **9 g/t Au** in gossan and **2 g/t Au** in quartz veins (RF-OF-01-15).

At Loralon North, several small workings occur in shear zones within a lens of ultramafic rocks. Visible mineralization includes secondary Cu minerals in carbonate-altered shear zones, which contain as much as **1 m @ 36 g/t Au**, although dump samples assayed less than **6 g/t Au**. No stockwork mineralization potential was noted, and the estimated tonnage was considered small (RF-OF-02-17).

Riofinex noted that most ancient workings are Cu-stained, and Cu-free precious-metal occurrences may have been overlooked.

**Table 4: Summary of mineral occurrences (MODS) in An Nimas Project area**

MOD S	English name	Longitude DD	Latitude DD	Main Metal	Minor Metals	Historical workings	Stratigraphic Unit	Host rocks	Mineral Style
0684	An Nimas (Wadi al Awja)	19.15556	42.38168	Au	Ag; Cu	Open pit; slag	Jiddah Group	Carbonate; marble	Veins
1390	Farshat Al Harban (Al Awja-S)	19.12833	42.37833	Au	Cu; Ag	Open pit	Jiddah Group	Calc-schist; carbonate	Disseminated
1393	Loralon (Wadi Al Awja-N)	19.20000	42.38333	Au	Ag; Cu	Stope	Jiddah Group	Carbonate; chlorite schist; marble; serpentinite	Auriferous quartz veins
3895	Loralon North (Wadi Al Awja-N1)	19.21389	42.38333	Au	Cu	Pit; stope	undefined	Carbonate; mafic and ultramafic rock; schist; marble; peridotite; volcanic arenite	Stockworks; veins
3939	Al Farshah (Al Awja-SW)	19.11944	42.35833	Cu	Au	Trench	Bahah Group		Shear zone

Source: National Geoscience Database NGD of Saudi Arabia



The following mineral occurrence descriptions are summarized from GM-37, WGM-CR-11-13, and RF-OF-02-17.

#### **An Nimas (MODS 0684)**

The workings include two trenches (90 and 7 m long) in a sheared zone trending  $340^{\circ}$  in chlorite schist with local thin, quartz-rich beds of the Qirshah Andesite. An altered mafic sill in the northwest corner of the mine was stoped over an 8 m pit (see abandoned mine, section 1.11). Pyrite and chalcopyrite occur in shear zones trending  $340^{\circ}/75^{\circ}$  NE to vertical.

Six samples in the pit assayed up to 0.58 g/t Au, 21.2 g/t Ag, 2.075% Cu, 115 ppm Pb, 155 ppm Zn, and 840 ppm Ni.

#### **Farshat Al Harban (MODS 1390)**

Many shallow pits measuring 6–8 m in length lie along a 200 m zone of quartz veins in chlorite schist of the Jiddah Group. Foliation in the schist dips  $85^{\circ}$  east to vertical. Quartz veins are 1–12 cm wide with minor pyrite, chalcopyrite altered to Fe oxides, and native Au and controlled by shear zones oriented parallel to the foliation. Vertical cross-fractures are oriented  $290^{\circ}$ . The area is easily accessible, and additional trenching and sampling was recommended.

#### **Loralon (Luqan, Wadi Al Awja-N) (MODS 1393)**

The prospect area was mapped at 1:1,000 scale (RF-OF-02-17). The host rocks consist of andesitic to dacitic breccias overlain by an andesite flow, with a major shear zone along the contact, which is intruded by a peridotite lens, locally altered to serpentinite, and locally sheared to talc, chlorite, and carbonate schist (Figure 7). Pods of syenite intrude the schists and were thought to be related to potassic feldspar alteration of the host rocks to the east, and massive ankerite veins occur to the north of a large stope (110 m x 4 m x 7 m) worked at a gentle flexure on a sheared contact between the peridotite and the andesite flow, possibly a causative dilational zone (ibid). The main shear system was prospected for 500 m north and south of the main workings, and exploratory workings were encountered on narrow shears in the peridotite.

Malachite, chalcocite, asbolite (cobaltiferous wad), and Fe oxides are locally gossanous and constitute the mineralization, and are thought to replace chalcopyrite, pyrite, and pyrrhotite (ibid). A channel sample yielded 0.19 g/t Au, 35.2 g/t Ag, 0.3825% Cu, and 440 ppm Ni. The mineralized zone is surrounded by a pyritic halo up to three meters into the wall rocks (RF-OF-02-17).

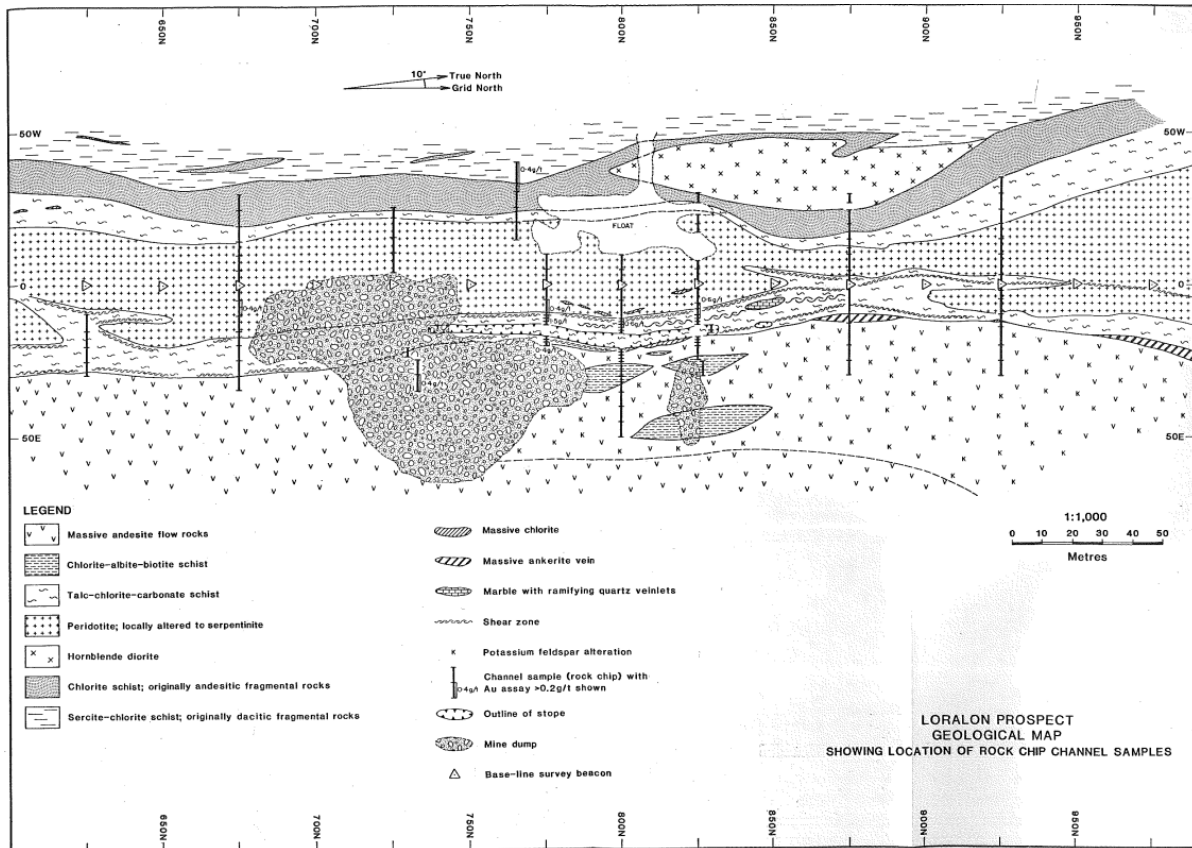


Figure 7: Geological map of the Loralon prospect (Source: RF-OF-02-17)

Alongside the geological mapping, a total of 102 channel samples of 0.5–5 m lengths were collected along eight traverses, covering 300 m of strike length of the mineralized structure (Figure 3). Low-grade Au mineralization was detected in the west (footwall) of the peridotite-talc-chlorite-carbonate schist contact, with results of up to 5 m @ 0.6 g/t Au distributed along 150 m of strike, although narrower channel intervals assayed up to 1.5 g/t Au (Figure 7). The pyritic halo assayed up to 3 m @ 1.5 g/t Au on one section but <1 g/t Au elsewhere.

Cu values up to 0.76% Cu were recorded in the first meter east of the stope, decreasing to <0.3% Cu in the following 2 m east.

These relatively low Au and Cu values are inconsistent with earlier Riofinex sampling of an unworked pillar in the stope, which returned a significant result of 4.5 m @ 1.8 g/t Au and 0.74% Cu (Ransom, 1981), which may indicate that Loralon remains prospective for a larger volume of potentially mineable widths of the higher-grade mineralization and lower-grade wall rock at depth and along strike from the current workings. That potential has not yet been tested by geophysics or drilling.

#### Loralon North (MODS 3895)

Riofinex located 12 minor workings with a 2 km x 0.5 km lens of ultramafic rock with faulted contacts that form broad shear zones subject to carbonate alteration (Figure 7) (RF-OF-02-17). The ultramafic rocks are locally serpentinized, which is associated with dense fracturing and sub-vertical, talc-carbonate shear

zones that are oriented northeast to north-northwest. Ancient workings are localized on these shears, which rarely exceed 100 m long or 2 m wide.

The “main stope” is on a 50 cm wide shear zone containing secondary Cu mineralization and ferruginous altered wall rocks in an ultramafic lens with carbonatized sheared contacts (RF-OF-02-17). Magnetite, barite, and gaspeite (Ni carbonate) occur in other workings (RF-OF-01-15).

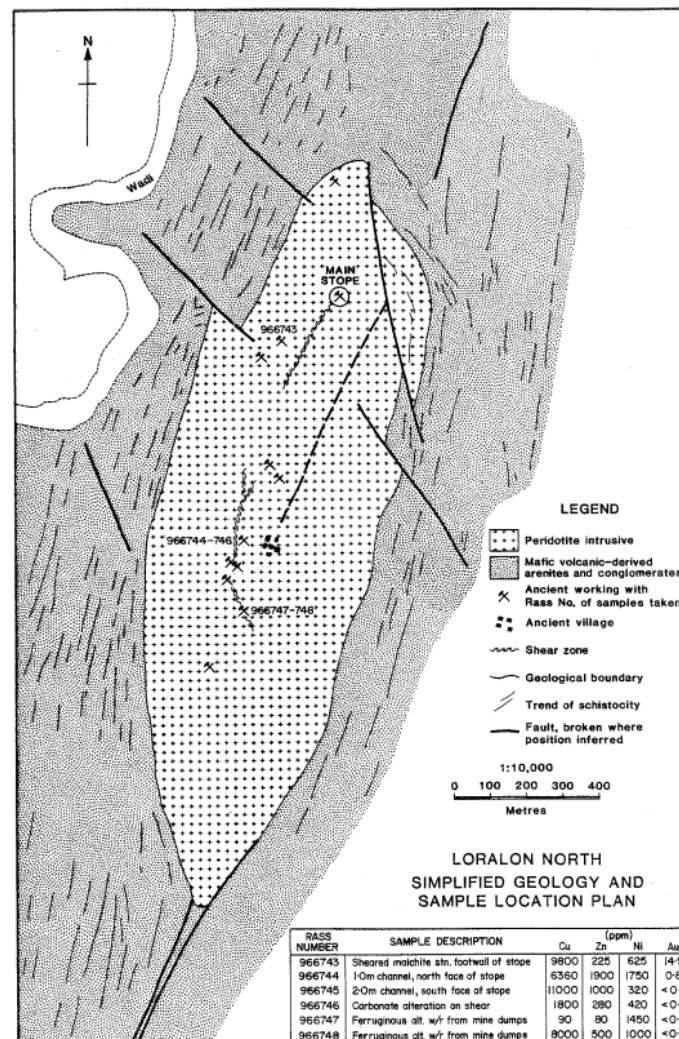


Figure 8: Simplified Geology and Sample Location Plan of Loralon North (Source: RF-OF-02-17).

The largest stope (the main stope) was mapped and sampled in detail. The main stope worked a vertical shear zone with <0.5 m of intensely bleached and carbonatized wall rock, although ferruginized fracture zones were noted up to 10 m away from the stope (ibid). Visible mineralization is confined to the shear zones and consists of secondary Cu minerals, and no pyrite halo nor any free Au were observed.

A total of 41 channel samples, each 0.5–3.0 m in length, were collected along five traverses across the main stope, and additional channel samples were taken across unworked pillars (Figure 8). Two grab samples were taken of waste dump material.

The best channel sample result was 1 m @ 36 g/t Au from a carbonate altered and serpentinized shear zone at the northern end of the workings (Figure 5). Two channel samples from the northern and southern walls of another stope in the center of the peridotite lens returned assay results of 1.0 m @ 0.8 g/t Au, 0.64% Cu, 0.19% Zn, and 0.18% Ni and 2.0m @ <0.1 g/t Au, 1.10% Cu, 0.10% Zn, and 0.03% Ni, respectively (Figure 4).

Two grab samples of waste dump rock returned assay results of 3.1 g/t Au and 5.9 g/t Au, and the highest copper value was 1.68% Cu from “the southern grab sample” (ibid).

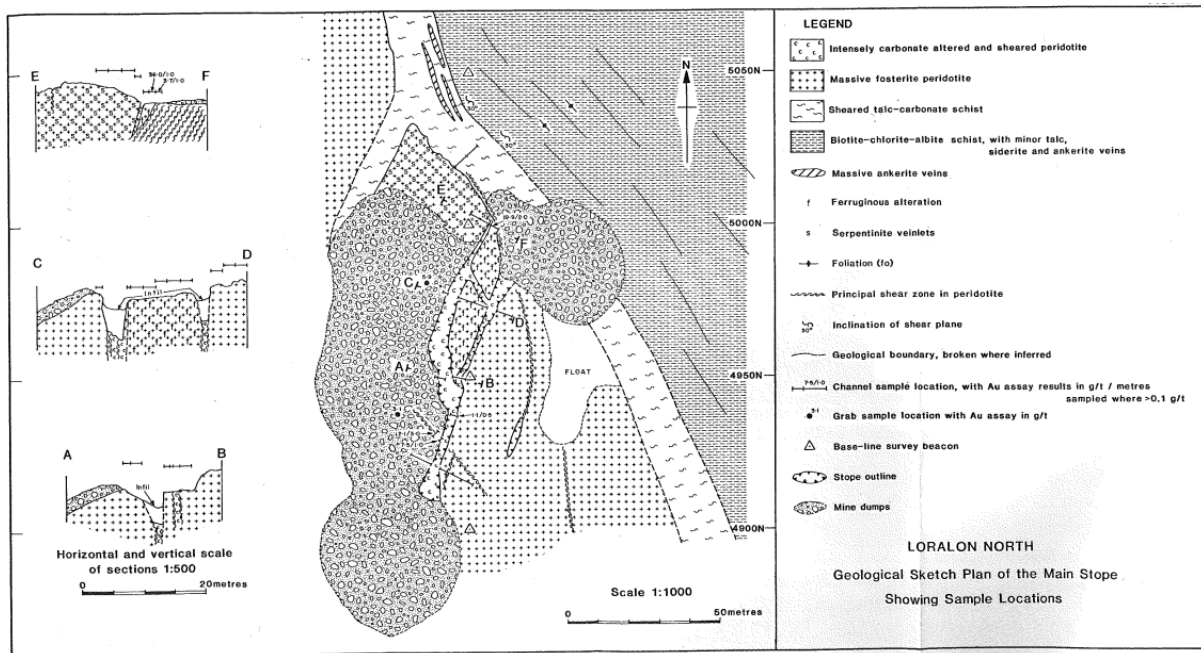


Figure 9: Geological sketch of the main stope at Loralon North (Source: RF-OF-02-17)

Although Riofinex concluded that the tonnage potential of the Loralon North workings is limited, given the localization of mineralization in narrow shear zones, it is worth noting that ancient workings extend for ~1,500 m north-south and that no ground geophysical surveys and/or scout drilling have been conducted to determine the true nature and extent of sulfide mineralization at depth.

### Al Farshah (MODS 3939)

Cu oxide-stained narrow shears and quartz-siderite zones are present in chlorite-sericite-siderite schists. Ancient workings are in zones up to 100 m long and 1 m wide (RF-OF-01-15).

### 2.3.4 Nearby Deposits

Shear Zone Type Gold Deposits (SZTGD) are a well-known style of gold mineralization. Significant examples of operating mines include the Archean Abitibi greenstone belt of Canada, the Norseman-Wiluna belt of Western Australia, and the Jiaodong Peninsula of China.

Based on the limited exploration to date, the mineralization at the known prospects in An Nimas exhibits some similarities to the Al Sukhayabarat gold mine, which was operated by the state mining company

Ma'aden from 1986 until 2004, and in which Au was present in en echelon quartz-sulfide veins hosted by shear zones associated with the Nabitah Suture.

#### Al Hajar Base-Metal Au Deposit

The Al Hajar Au-Ag-Cu-Zn deposit is located ~90 km northwest of the Project area. The deposit is hosted by steeply dipping, moderately folded volcanic rocks of the Qirshah Formation, including dacitic to rhyodacitic pyroclastic rocks and flows, rhyolite, and mafic flows and dikes. Disseminated, veinlet, and massive sulfide mineralization is hosted predominantly within chloritized (hydrothermally altered) rhyodacite.

The two Au deposits (Al Hajar North and Al Hajar South) comprise one of the most significant gold resources in the southern Arabian Shield. The mineralization is sub-horizontal and occurs in the near-surface (above 80 m) oxidized zone. The deposits are zoned laterally from an exterior bleached facies (including volcanic rocks) to a ferruginous facies and an innermost siliceous facies. There is vertical zonation from a 2–15 m thick layer of sulfates overlying the protore sulfide mineralization, a 35–45 m thick leached and residual oxidized zone, and a 0.5–10 m thick surface zone comprising ferricrete, silcrete, and calcrete. The Au is very fine-grained (5–45  $\mu\text{m}$ ) (BRGM, 1989).

The deposit is currently operated by Ma'aden and comprises an open-cut mine and the Al Hajar heap leach facility, which is currently re-processing previously stacked and leached material.

Other Au occurrences within the Wadi Shas Gold Belt are indicated in Table 5.

**Table 5: Names and locations of Au occurrences—Wadi Shas Gold Belt (Workman et al., 2016)**

MODS	New Name	Old name	Main Commodity	Latitude	Longitude	Nearest Town	Potential Ranking (MODS)	Geometry
1105	Shaib Al Khidr	Al Mukaisrah	Au	41.958194	20.3375	Al Aqiq	Medium	Structural
0020	Wadi Ranyah	Wadi Ranyah	Au	41.966222	20.247556	Al Aqiq	Low	Uncertain
1075	adi KutaynahNW	Assous	Au	41.958056	20.172222	Al Aqiq	Very Low	Shear zone
0027	Jabal Al Abila	Ablah Breccia Pipe	Au	41.917167	20.164778	Al Aqiq	Medium	Sub-massive
4825	Wadi Shirs-S	Wadi Sorgah	Au	42.061667	20.101667	Al Aqiq	Very Low	Structural
4663	Al Juhfah	Al Gohafa	Au	41.938056	20.083833	Al Aqiq	Medium	Shear zone
4824	Wadi Surum	Wadi Surum	Au	42.071667	20.055	Tabalah	Very Low	Structural
1100	Al Qadmah-SE	Sahlam	Au	41.983333	19.983333	Tabalah	Very Low	Uncertain
0649	Al Hajar	Al Hajar	Au	42.013611	19.981056	Tabalah	Very Low	Uncertain
2722	Wadi Tabalah	Wadi Tabalah	Au	42.116694	19.931167	Tabalah	Medium	Shear zone
<b>Wadi Shwas - Southern Extension</b>								
1392	Alawja-N2	Al Ojao	Au	42.416667	19.366667	An Namas	Very Low	Structural
1391	Wadi Dawsh	Ad Al Farah	Au	42.4	19.333333	An Namas	Medium	Structural

3895	Wadi Al Awja-N <sub>1</sub>	Lorelon-N	Au	42.383333	19.213889	An Namas	Very Low	Structural
1393	Wadi Al Awja-N	Lorelon	Au	42.383333	19.2	An Namas	Medium	Uncertain
0684	Wadi Al Awja	An Nimas	Au	42.381667	19.155556	An Namas	Medium	Uncertain
1390	Alawja-S	Farshat Al Harban	Au	42.378333	19.128333	An Namas	Very Low	Uncertain
1300	Al Hadan	Jabal Qal-NE	Au	42.177778	18.761111	An Namas	Very Low	Structural

### 2.3.5 Exploration Data

#### 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 still used for interpretation today; however, since 2006, many areas have been re-surveyed. Table 6 summarizes the acquisition parameters of various airborne geophysical surveys. Various data compilations were accessed primarily as processed grids to assess the quality of the data. The compilations are composed of surveys stitched together, rather than merged and blended, which reduces the overall quality of the data. Line spacings vary between 300 and 2,500 m, which is evident in the compilations despite gridding to a consistent cell size. All analyzed data were only available in basic corrected form (i.e. reduction to pole (RTP), first vertical derivative(1VD)) and as images (i.e. geotiffs). For enhancements and to filter the data to highlight attributes, original grid data are necessary.

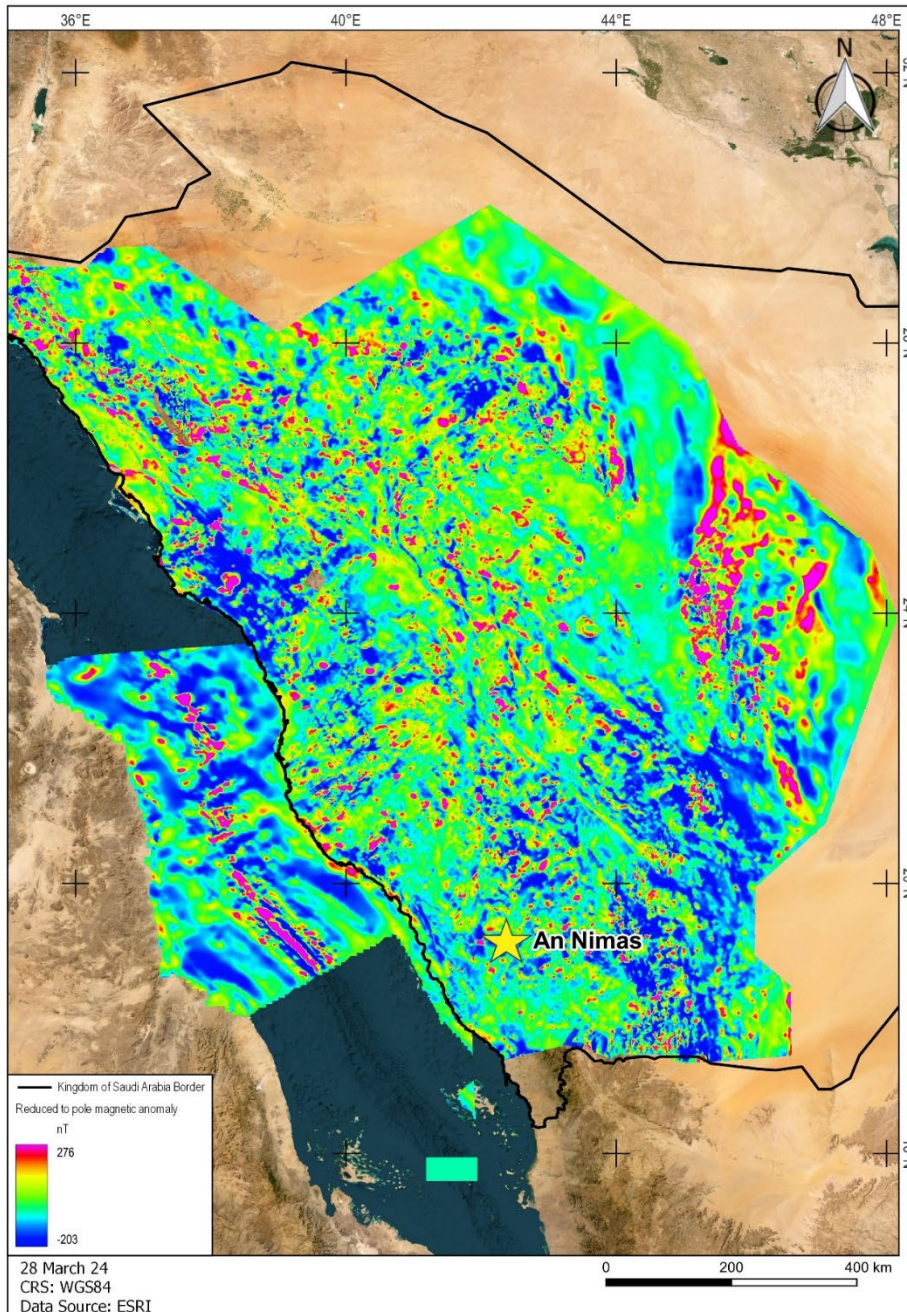
**Table 6: Overview of available geophysical data.**

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

#### Magnetic Data

The magnetic data (total magnetic intensity, TMI) were provided alongside RTP, 1VD, analytical signal (AS), and tilt derivative enhancements. The compilation grids have been stitched together rather than blended, so the individual surveys are delineated, which gives the appearance of a change in resolution (Figure 10). This does not necessarily hinder interpretation; however, a coherent blended grid would allow further enhancements of the dataset without creating edge artifacts within the data during processing. An RTP magnetic grid may not reflect the location of source bodies owing to the Kingdom's location relative

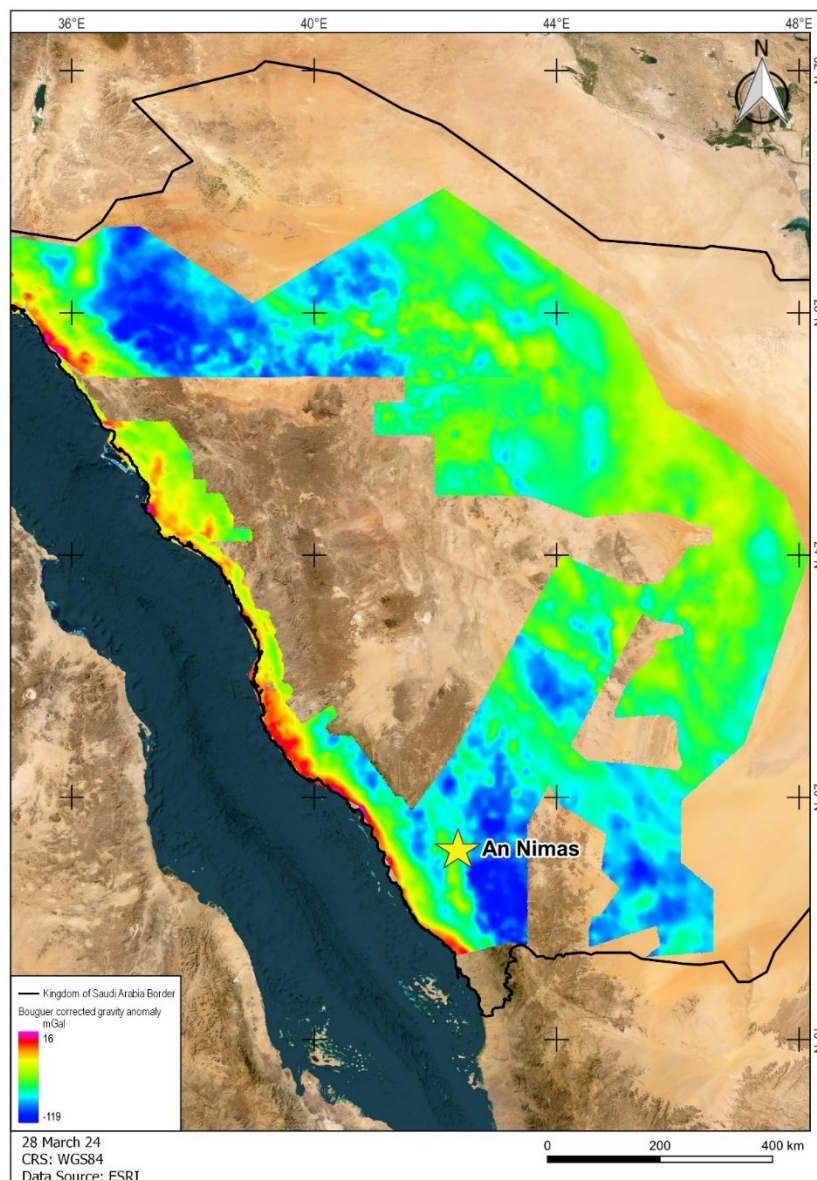
to the magnetic equator. There appears to be discord between the analytical signal and RTP grids, implying that a reduction to equator (RTE) may have provided better results for accurately locating source bodies.



**Figure 10: Magnetic data compilation available across the Kingdom.**

## Gravity Data

Gravity data coverage was limited to imaging swaths of the western KSA and a thin section of the eastern coast (Figure 11). The resolution of the data was low (1,000 m) compared with the resolution of targets expected to be generated in this report. No further corrections or enhancements of the data were available beyond a Bouguer correction and free-air correction. Although there are some small-scale trends in the data, including these data in a regional study is problematic because the coverage is limited and often perpendicular to the structural trends of the region. Although the Project area does not have direct coverage, gravity data in the surrounding area are of a resolution that is likely useful for highlighting the density contrasts between various lithologies that may extend through the target area.



**Figure 11: Gravity data coverage of the Kingdom.**



### 2.3.6 Project Geophysics

Two large total-intensity aeromagnetic surveys have been conducted in the Project area, one during 1965–1966 covering 300,000 km<sup>2</sup>, and another in 1966–1967 covering nearly 250,000 km<sup>2</sup> (Million, 1969; Andreasen and Petty, 1974). Total-intensity contour maps were compiled by the French Bureau de Recherches Géologiques et Minières at 1:50,000, 1:100,000, and 1:500,000 scale. Most of the area was flown at 300 m above the terrain; however, the northeast quadrant was flown at a flight altitude of 150 m. Northeast trending flight lines were spaced 800 m apart, and magnetic intensity was contoured at intervals of 100 gammas (Andreasen and Petty, 1974).

Overall, An Nimas quadrangle is considered a relatively quiet magnetic zone with one dominant anomaly in its southwestern quarter, which is considered to represent either a tilted residual field or inherently more magnetic rocks in the south (Andreasen and Petty, 1974; Andreasen in Greenwood, 1979). Small-wavelength anomalies and subtle lineations correlate with geological contacts and faults (Andreasen in Greenwood, 1979). North-northwest trending magnetic lineations along the western edge of the map (Figure 10) represent steeply dipping Tertiary dikes related to Red Sea rifting (Andreasen and Petty, 1974). Several anomaly pairs present in the map are produced by intrusive rocks such as the layered ilmentite-bearing intrusion, which is 10 km in diameter at a latitude of 19°N and longitude of 42°E (Andreasen and Petty, 1974).

### 2.3.7 Surface Geochemistry

Mytton and Ankary collected samples from wadi sediment and detrital magnetite at 66 localities within the Nimas quadrangle for geochemical reconnaissance in 1964–65. Geochemical analysis yielded average values of 40 ppm Cu, 550 ppm Zn, and <5 ppm molybdenum (Mo). Above-average values reported for Cu, Zn, and Mo in these surface samples were associated with the redistribution of metals in the parent rocks (Mytton and Ankary).

Semiquantitative spectrographic and atomic absorption detection data were collected for a geochemical survey of fresh and altered rocks that are representative of the major units in An Nimas quadrangle and have been presented by Greenwood (1979). Atomic absorption data indicate all rocks are low in zirconium but high in Au and Ag. An Nimas batholith rocks, related satellitic plutons, and orthoamphibiolite are low in Ni, strontium (Sr), titanium (Ti), and yttrium (Y); normal to low in calcium (Ca), Cu, Fe, magnesium (Mg), manganese (Mn), and scandium (Sc); low to slightly high in vanadium (V); and normal to high in cobalt (Co) and chromium (Cr). Granodiorite to quartz monzonite and quartz monzonite rocks are high in Ca, Mn, Ni, Sr, Ti, and Y; normal to low in Mg and Sc; normal to slightly high in Cr, Cu, Fe, and V; and high in Ag and Co. Trace element data indicate that the granitic magma could have been a source for hydrothermally deposited Cu and Ni. The granophyric quartz porphyry is the most metal-enriched, with Au contents approximately 300 times higher than the average content for plutons of intermediate composition (Greenwood, 1979).

#### Abandoned mine-pit geochemistry

Further geochemical study was conducted on rock-chip samples collected from the ancient An Nimas mine near 19°09' N, 42°22' E (Greenwood et al., 1979). The results are shown in Table 7.

**Table 7: Geochemical data for the ancient An Nimas mine**

Sample Number	Au ppm	Ag ppm	Cu ppm	Pb ppm	Zn ppm	Ni ppm
64671	0.41	2.50	4,800	75	38	350
64672	0.20	21.20	2,825	115	20	840
64673	0.58	18.0	20,000	95	155	750
64674	0.20	6.2	20,750	100	115	395
64675	N/A	4.8	10,350	65	88	285
64677	0.41	4.8	4,075	60	90	315

No geochemical data are available for the Al Farah mine, but as a former Ag mine, it yielded high contents of Ag and low contents of Au in veins and adjacent rocks.

### 3. Data Room Overview

Technical and other data is hosted in the Data Room (<https://mim.gov.sa/en/initiatives/31907/>) and can be accessed through the Ministry’s website or any other link provided by the Ministry.

#### TECHNICAL INFORMATION

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

**Table 8: File Overview**

Key Reports	Entity	Location	Activities
BRGM-TR-05-31	BRGM 1985 AD 1405 AH	Regional	Aeromagnetic survey of the Arabian Shield covering 550,000 km <sup>2</sup> using analog fluxgate magnetometers.  Flown in 1962–1967 at heights of 150 m (flat terrain) and 300 m (rugged terrain), with a line spacing of 800 m.  Maps (1:250,000) of total intensity residual and RTP magnetics compiled.
GM-37	Directorate General of Mineral Resources 1979 AD 1399 AH	An Nimas quadrangle 1:100,000 Sheet 19/42C	Geological mapping and rock and wadi-sediment sampling of the quadrangle.  Mapping and sampling of mineral deposits and an aeromagnetic survey.
GM-94C	Deputy Minister for Mineral Resources 1986 AD 1406 AH	Jabal Al Hasir quadrangle, 1:250,000 sheet 19 F	Compilation and interpretation of the six 1:100,000 geological maps that constitute the quadrangle by the USGS between 1965 and 1974.  Petrological rock sampling of the quadrangle; review of mineral occurrences, both syn-orogenic and that associated with post-tectonic granitoids.
MI-1	Directorate- General of Mineral Resources 1966 AD 1399 AH	An Nimas quadrangle,	Mineral investigation mapping (1:100,000) and geological and geochemical survey in 1964–65.  Wadi sediments and detrital magnetite sampled at 66 localities.  Scattered chalcopyrite, chalcocite, and hematite observed around an ancient mine south of Wadi El Oja.

Key Reports	Entity	Location	Activities
PR-264	USGS AD 1399 AH	1979 Jabal Ishmas- Wadi Tathlith Au belt	Project report, referenced in GM-94C
RF-OF-01-15	Riofinex 1981 AD 1401 AH	Ranyah- Muhadad-Al Farsha Belt	Assessment of Au and base-metal potential. Two areas of the belt mapped at 1:50,000; the southern, Muhadad-Al Farsha area includes the An Nimas Project.  Rock-chip samples (41) taken from five mineral occurrences within the An Nimas area assayed up to 13.6% Cu and 17.5 g/t Au
RF-OF-02-17	Riofinex 1982 AD 1402 AH	Loralon-Al Farah	Mapping (1:1,000), trenching, and reconnaissance at Loralon and Loralon North; 102 and 41 channel samples collected plus grab samples.
RF-OF-05-01	Riofinex 1984-85 AD 1404-05 AH	Regional	Review of the geology, mineralization, and mineral resource potential of the Kingdom.  Open file report, not available in the data room.
WGM-CR-11-13	Watts, Griffis, and McQuat Ltd. 1992 AD 1412 AH	Southern Arabian Shield	Review of the extent and adequacy of mineral exploration, including the epigenetic Au-Ag-Cu occurrences of the Al Farshah-Loralon-Al Oja-Al Farah area.
WGM-CR-11-14	Watts, Griffis and McQuat 1992 1412 AH	Ltd. AD Southern Arabian Shield	Recommendations for further exploration of the Loralon area include 1:1,000-scale geological mapping, detailed rock-chip sampling, and ground geophysics on a 100 m x 25 m grid extending at least 1 km at each of the five occurrences, and drilling of 2 x 100 m diamond holes at Loralon North, with further drilling based on the results of rock sampling and geophysics.

## 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)

## **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**").
- base metals and/ or precious metals 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;*
- *base metals 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 volcanogenic massive sulphide (VMS) or similar style mineralisation;
- capability in base metal/ precious metal projects 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 minerals 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 Al Miyah 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.**

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 favour 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 in accordance with the scoring method set out in the following table.

**Table 9: 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%

Section	Criteria	Weighting
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, based on the responses provided by bidders to the information required in Section E of the Application Form.	10%
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<sup>1</sup> 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,

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

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 21<sup>st</sup> April 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 non-compliant 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);

<b>Fraudulent Practices</b>	means a misrepresentation or omission of facts or suppression of facts or disclosure of incomplete facts, in order to influence the award process;
<b>Coercive Practices</b>	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;
<b>Undesirable Practice</b>	means <ul style="list-style-type: none"><li>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</li><li>ii. violating of the Mining Regime or any other applicable laws; and</li></ul>
<b>Restrictive Practice</b>	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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