

Ma'aden

- The Saudi Arabian Mining Company



The kind hospitality of our Ambassador, HE William Patey, allowed the RGBB to hold our September Special Briefing in the Lower Garden of the Residence on an exceptional basis while our usual Embassy venue was being refurbished. We were further blessed with kind weather and generous sponsorship from American Express. With the geological connection the obvious adjective to use in describing the presentation is “groundbreaking”! None of us were disappointed.

Dr Abdallah Dabbagh, President and Chief Executive Officer of Ma'aden - The Saudi Arabian Mining Company spoke captivantly for some 20 minutes. Clearly a great enthusiast and expert on his subject matter he referred only occasionally to his notes and guided his audience through the Ma'aden story on beautifully prepared hand-outs showing the geographical coverage of mining operations in the Kingdom.

Dr Abdallah's theme was the birth of a new industry in the Kingdom. As we all know, the two massive growth engines of oil, through Aramco, and petrochemicals, through SABIC underpin the economy in Saudi Arabia. This evening's key message was that in less than a decade we would start to see this balance shift, as the Kingdom becomes a world-scale source of minerals and mineral products. Projections indicate that future revenues from mining and minerals would equate to those generated by the petroleum and petrochemical sectors.

Mining has taken place in the Arabian Peninsula for over four millennia. By way of example the Mahd Ad Dahab gold mine, located in the Hejaz 360 kilometres north east of Jeddah, is at least 3,000 years old. It is believed by some to have been one of the original mines of King Solomon. Records show that 30 tonnes of gold were extracted from the mine during the first millennium BC and the first millennium AD. More recently in the 1940s, some 22 tonnes of

gold and 28 tonnes of silver have been extracted; mining activity continues today. With a wide renaissance of mining in the Kingdom, this is, however, but one example of a broad range of extraction taking place by Ma'aden today, and more is planned.

The Government's commitment to change the shape of the Saudi economy and reduce reliance on oil led to the Saudi Geological Survey being set up which in turn resulted in the establishment of Ma'aden in 1997. The enterprise was formed as a joint stock company with a capital of over US\$ 1 billion and assets of over US\$ 1.3 billion. Its mission statement is “To build a world class mineral enterprise”.

The bulk of Saudi Arabia's mineral wealth lies in the geological feature known as the Arabia shield as shown below



Ma'aden is headquartered in Riyadh and has offices in Al Khobar and Jeddah. It currently owns six gold mines, five of which are in operation with one under development. As well as gold, these mines produce silver, copper, zinc and lead.

The company has four key business units: gold, bauxite, phosphates and industrial minerals. The mega-projects that are currently being developed to

