


# Special Briefing

mine and extract bauxite and phosphates represent the largest industrial expansion in the region since the exploitation of the Kingdom's petrochemical capacity. The projects concerned total over US\$ 10 billion in terms of investment funding for the development of bauxite, phosphate, magnesite, and industrial minerals over the next three years. At the same time Ma'aden will create 5,000 direct jobs and 30,000 indirect jobs.

In response to a question from the audience, Dr Abdullah confirmed the strong educational support from the government for the development of the minerals industry. As a consequence of a well-resourced vocational training programme, skilled Saudi nationals are already working underground at the mineral face, and this aspect of the labour and skill mix is set to continue expanding.

On the logistics front the major new railway to bring both bauxite and phosphates to Ras Az Zawr is planned as follows:



**New railroad**  
 \$4.5 billion PIF funded project  
 major earthworks started  
 Civil and track works contracts awarded  
 5 mtpy phosphate rock  
 4 mtpy bauxite

In response to another audience question, Dr Abdallah confirmed that a full ecological and environmental survey had been conducted prior to the selection of Ras Az Zawr as the sea terminal for Ma'aden's mineral shipments. The site was selected on the basis of stringent criteria either meeting or exceeding recognised world standards and is being developed as illustrated below:



## Gold

As mentioned earlier, Ma'aden currently have five operational gold mines and one new one planned for 2009. All of the existing mines are profitable with total extraction costs being well below world market prices. Ma'aden has introduced a regenerative exploration program to sustain gold production at 300,000 ounces per annum. There are also several promising areas of future exploration.

## Phosphates

Ma'aden is engaged in a US\$ 3.5 billion joint venture with SABIC to develop the world's largest fully integrated fertiliser production operation. Mining and beneficiation is taking place at Al Jalamid in northern part of the Kingdom. The processing facilities, reached by the rail link described above, are located at Ras Az Zawr. Ma'aden's facilities will, consequently, be ideally located close to major export markets. When fully operational, output will account for 20-25% of globally traded diammonium phosphate fertilizer over the project's 20-year lifespan.

Projects such as this result in many export services opportunities. The following global players are supporting Ma'aden in this venture:

-   Project Management
-   Sulfuric Acid Plant
-   Phosphoric Acid Plant
-   Automation & Control
-   Diammonium Phosphate Plant
-   Granulation Technology
-   Phosphoric Acid Technology
-   Ammonia Plant

