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Saudi Arabia's mining *push*

Legal considerations for foreign
explorers and investors

2026



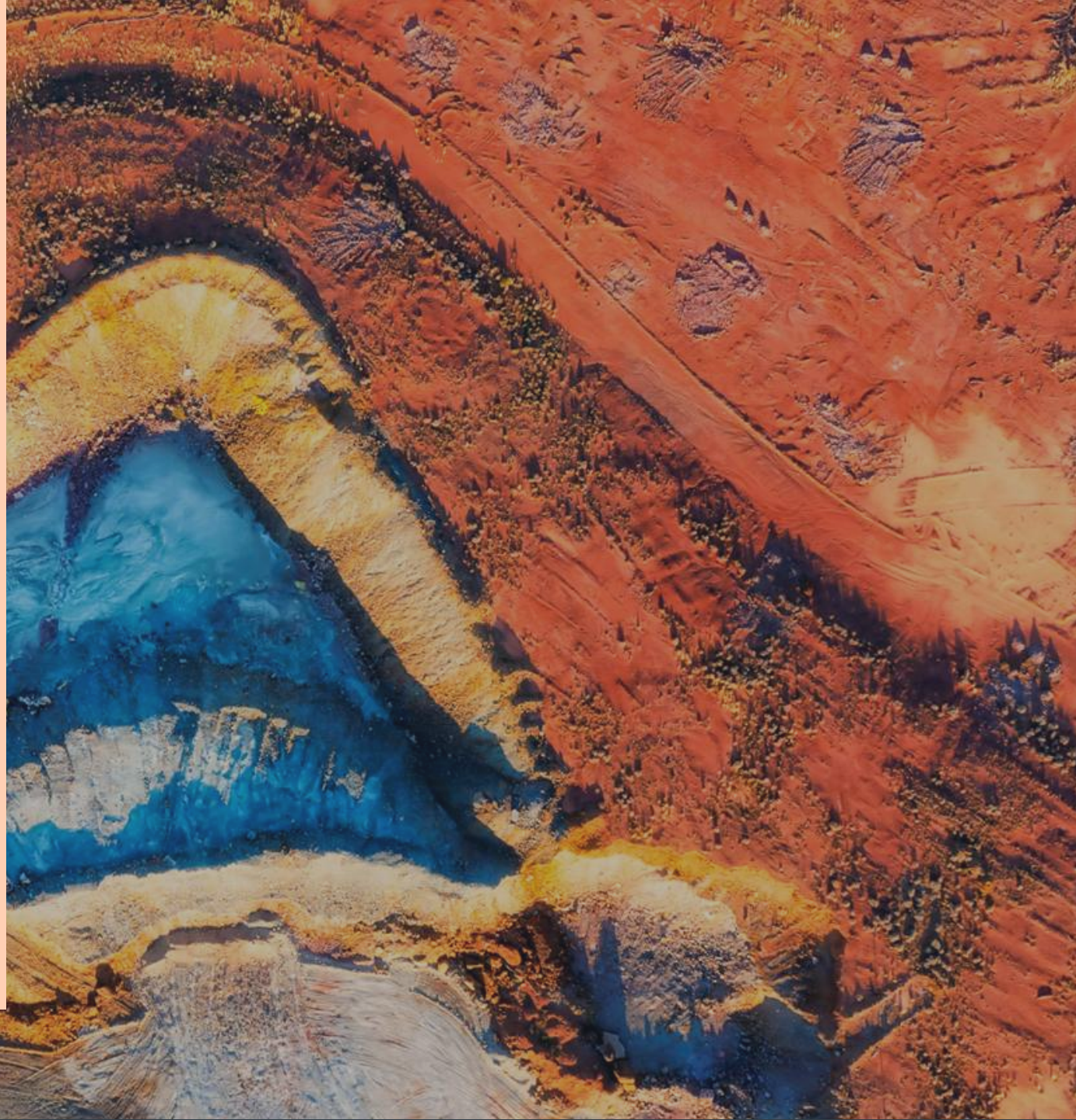
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Introduction

Saudi Arabia is moving mining from policy ambition into formal licensing, investment and project activity. For foreign explorers, junior mining companies, strategic investors and mining funds, entry into the sector requires early attention to Saudi licensing, corporate structuring, regulatory approvals and partner arrangements.

The lead regulator is the Ministry of Industry and Mineral Resources, which administers the Mining Investment Law and its Implementing Regulations. The Law, which came into force in January 2021, modernised the Saudi mining framework and gives the Ministry broad powers over licensing, mineral areas, competitive bidding, supervision, reporting and enforcement.

Saudi Arabia is now using that framework to bring specific mineral areas to market through formal competitive processes. The Ta'adeen Platform is the official digital gateway for Saudi mining licensing, bid opportunities and investor guidance. Recently published ministerial decisions have designated additional copper, lead, zinc and gold areas for competitive offering.



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Key considerations

1. Competitive licensing is becoming central

The Mining Investment Law allows the Ministry to designate land or maritime areas where licences may only be granted through bidding. Once the Ministry designates an area for competitive offering, an investor cannot simply apply for the licence through the ordinary application process. It must participate in the prescribed bidding process.

The PQQ, or pre-qualification questionnaire, is usually the first gate. It does not grant mining rights. Instead, it tests whether the applicant has the required legal standing, financial capacity, technical capability and eligibility to participate in the licensing round.

This means investors should review the tender documents, qualification criteria, consortium rules, bid undertakings, data room terms, confidentiality obligations and post-award licence conditions before committing to a bid or partner arrangement.

2. Saudi entry structure should be decided early

Saudi mining licences generally require an onshore Saudi applicant or licence holder. Where a foreign investor intends to hold, apply for, or control the relevant licence, it should decide at an early stage whether to proceed through a Saudi subsidiary, joint venture, consortium or project-specific bidding vehicle, or through a broader strategic partnership with an established Saudi mining, industrial or investment platform.

For exploration and mining licences, investors should expect to address Saudi company registration, permitted commercial activities, capital requirements, technical competence, financial capability, work programme commitments, environmental and social obligations, foreign investment registration, Ministry of Industry and Mineral Resources approvals, tax and zakat position, transfer restrictions and the investor's intended route to exploration, development, farm-out, financing or exit.

3. Consortium and partner arrangements need legal discipline

Foreign investors may combine technical expertise, funding capacity, Saudi market access, geological experience or local relationships through a consortium, joint venture or strategic partnership.

Relevant Saudi counterparties may include established mining companies, government-related mining platforms, industrial groups, local licence holders, specialist service providers or investors with mining or downstream processing interests. Saudi Arabian Mining Company, known as Ma'aden, has historically played a central role in major Saudi mining projects and remains an important potential partner for strategic minerals and large-scale development. The right partner will depend on the asset, mineral, development strategy and financing route.

Before entering a bid or consortium, the parties should document who leads the process, who funds the work programme, who owns technical data, who holds the licence if awarded, how post-award funding will be provided, how governance will work, and what restrictions or approvals may apply to transfers, exits, farm-outs, changes of control and offtake arrangements.

For listed companies, including ASX, LSE/AIM-listed explorers, Saudi licence discussions, bid participation, consortium arrangements and potential awards may need to be assessed under applicable market disclosure rules in the investor's home market.

4. Incentives may help, but eligibility must be checked

Saudi Arabia has introduced programme-based incentives to attract investment into mineral exploration, improve geological data and build local mining capability. The Exploration Enablement Program (EEP) is one example, offering support for eligible exploration expenditure, including drilling, laboratory testing and geoscientific studies, as well as salary support for qualifying employees working in Saudi Arabia.

These incentives are not automatically available for every mining project or every investor. Eligibility will depend on the specific programme rules, the type and status of the licence, whether the application is submitted within the relevant programme window, the nature of the proposed expenditure, Saudi employment or skills-transfer commitments, exploration data and reporting requirements, and approval under the applicable programme process.

Investors should review any incentive opportunity together with the underlying licence obligations and the applicable funding agreement. For example, EEP support is reimbursement-based and tied to data, reporting and audit requirements. Certain applications may also be subject to clawback under the programme terms, repayable from future mining production. These terms should be checked before the investor relies on the incentive in its funding model or enters into farm-out, offtake, financing or exit arrangements.

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Practical pre-bid legal checklist

Before submitting a PQQ or joining a Saudi mining consortium, foreign investors should consider the following:

Consortium and governance structure

Who will lead the bid, fund the work programme, own geological data, hold the licence if awarded, manage the project and control future transfers, farm-outs or exits?

Regulatory and operational obligations

What minimum exploration expenditure, environmental and social impact, reporting, local content, Saudi employment and exploration data submission obligations apply?

Funding, incentives and bankability

Are incentives available, are they conditional or reimbursement-based, and do the licence terms support the proposed financing, any permitted pledge/security over licence rights, farm-out, offtake or strategic investment structure?

Market disclosure

Do bid participation, consortium arrangements or potential licence awards trigger ASX, LSE/AIM or other listed-company disclosure obligations?

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How we can help

Bird & Bird's Riyadh team advises international clients on Saudi corporate, regulatory, investment and project-related matters.

We work closely with colleagues in our international Mining and Minerals capability, as well as our capital markets and finance teams, on Saudi market entry, mining licence bid readiness, consortium and joint venture arrangements, local partner documentation, foreign investment approvals, project structuring, offtake and financing arrangements, and listed-company disclosure and governance coordination.

The Future of Mining

[Read here](#)

Breaking Ground

Mining and Minerals Update

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