Definitions

JORC Code

The Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves 2012 edition (JORC Code), is an internationally recognised professional code of practice which sets minimum standards for the public reporting of Exploration Results, Mineral Resources and Ore Reserves. The key definitions from the JORC Code, which are used in this report, are given below.

The JORC Code provides a system for the classification and reporting of Mineral Resources and Ore reserves according to the levels of confidence in geological knowledge and technical and economic considerations as shown in the JORC Code 2012.

Competent Person

A Competent Person is a minerals industry professional who is a Member or Fellow of the Australasian Institute of Mining and Metallurgy, or of the Australian Institute of Geoscientists, or of a Recognized Professional Organization, as included in a list available on the JORC and Australian Securities Exchange websites. These organisations have enforceable disciplinary processes including the powers to suspend or expel a member. A Competent Person must have a minimum of five years relevant experience in the style of mineralisation or type of deposit under consideration and in the activity which that person is undertaking.

Exploration Results

Exploration Results include data and information generated by mineral exploration programmes which might be of use to investors, but which do not form part of a declaration of Minerals Resources or Ore Reserves. The reporting of such information is common in the early stages of exploration when the quantity of data available is generally not sufficient to allow any reasonable estimates of Mineral Resources.

Exploration Target

An Exploration Target is a statement or estimate of the exploration potential of a mineral deposit in a defined geological setting where the statement or estimate, quoted as a range of tonnes and a range of grade (or quality) relates to mineralisation for which there has been insufficient exploration to estimate a Mineral Resource. Any such information must be expressed so that it cannot be misrepresented or misconstrued as an estimate of a Mineral Resource or Ore Reserve. There has been insufficient exploration to estimate a Mineral Resource and that it is uncertain if further exploration will result in the estimation of a Mineral Resource.

Mineral Resource

A Mineral Resource is a concentration or occurrence of material of economic interest in or on the Earth's crust in such form, grade, quality and quantity that there are reasonable prospects for eventual economic extraction. The location, quantity, grade, continuity and other geological characteristics of a Mineral Resource are known, estimated or interpreted from specific geological evidence and knowledge, including sampling. Mineral Resources are sub-divided in order of increasing geological confidence into Inferred, Indicated and Measured categories.

Inferred Mineral Resource

An Inferred Mineral Resource is that part of a Mineral Resource for which quantity and grade or quality are estimated from limited geological evidence and sampling. Geological evidence is sufficient to imply, but not verify, geological and grade continuity. It is based on exploration, sampling and testing information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes. An Inferred Resource has a lower level of confidence than that applying to an Indicated Mineral Resource and must not be converted to an Ore Reserve. It is reasonably expected that most of an Inferred Mineral Resource could be upgraded to an Indicated Mineral Resource with continued exploration.

Indicated Mineral Resource

An Indicated Mineral Resource is that part of a Mineral Resource for which quantity, grade or quality, densities, shape and physical characteristics are estimated with sufficient confidence to allow the application of modifying factors in sufficient detail to support mine planning and evaluation of the economic viability of the deposit. Geological evidence is derived from adequately detailed and reliable exploration, sampling and testing gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes, and is sufficient to assume geological and grade/quality continuity between points where data and samples are gathered. An Indicated Mineral Resource has a lower level of confidence than that applying to a Measured Mineral Resource and may only be converted to a Probable Ore Reserve.

Measured Mineral Resource

A measured Mineral Resource is that part of a Mineral Resource for which quantity, grade or quality, densities, shape, and physical characteristics are estimated with confidence sufficient to allow the application of Modifying Factors to support detailed mine planning and final evaluation of the economic viability of the deposit. Geological evidence is derived from adequately detailed and reliable exploration, sampling and testing gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes, and is sufficient to confirm geological and grade/quality continuity between points where data and samples are gathered. A Measured Mineral Resource has a higher level of confidence than that applying to either an Indicated Mineral Resource or an Inferred Mineral Resource. It may be converted to a Proved Ore Reserve or under certain circumstances to a Probable Ore Reserve.

Modifying Factors

Modifying Factors are considerations used to convert Mineral Resources to Ore Reserves. These include, but are not restricted to mining, processing, metallurgical, infrastructure, economic, marketing, legal, environmental, social and governmental factors.

Ore Reserve

An Ore Reserve is the economically mineable part of a Measured or Indicated Mineral Resource. It includes diluting materials and allowances for losses, which may occur when the material is mined or extracted and is defined by studies at Pre-Feasibility or Feasibility level, which Include the application of Modifying Factors. Such studies demonstrate that, at the time of reporting, extraction could reasonably be justified. The key underlying assumptions and outcomes of the pre-feasibility study or feasibility study must be disclosed at the time of reporting of a new or materially changed Ore Reserve. Ore Reserves are sub-divided in order of increasing confidence into Probable and Proved classifications.

Probable Ore Reserve

A Probable Ore Reserve is the economically mineable part of an Indicated, and in some circumstances, a Measured Mineral Resource. The confidence in the modifying factors applying to a Probable Ore Reserve is lower than that applying to a Proved Ore Reserve. A Probable Ore Reserve has a lower level of confidence than a Proved Ore Reserve but is of sufficient quality to serve as the basis for a decision on the development of the deposit.

Proved Ore Reserve

A Proved Ore Reserve is the economically mineable part of a Measured Mineral Resource. A Proved Ore Reserve implies a high degree of confidence in the Modifying Factors. A Proved Ore Reserve represents the highest confidence category of an Ore Reserve estimate. The style of mineralisation or other factors could mean that Proved Ore Reserves are not achievable in some deposits.

Scoping Study

A Scoping Study is an order of magnitude technical and economic study of the potential viability of Mineral Resources. It includes appropriate assessment of realistically assumed Modifying Factors together with any other relevant operational factors that are necessary to demonstrate at the time of reporting that progress to a Pre-Feasibility Study can reasonably be justified.

Pre-Feasibility Study

A Pre-Feasibility Study is a comprehensive study of a range of options for the technical and economic viability of a mineral project, which has advanced to a stage where a preferred method, the case of underground mining, or the pit configuration, in the case of an open pit, is established and an effective method of processing is determined. It includes a financial analysis based on reasonable assumptions on the Modifying Factors and the evaluation of any other relevant factors, which are sufficient for a Competent Person, acting reasonably, to determine if all or part of the Mineral Resources may be converted to an Ore Reserve at the time of reporting. A Pre-Feasibility Study is at a lower confidence level that a Feasibility Study.

Feasibility Study

A Feasibility Study is a comprehensive technical and economic study of the selected development option for a mineral project, which includes appropriately detailed assessments of the applicable Modifying Factors together with any other relevant operational factors and detailed financial analysis which are necessary to demonstrate at the time of reporting that extraction is reasonably justified (economically mineable). The results of the study may reasonably serve as the basis for a final decision by a proponent or financial institution to proceed with, or finance, the development of the project. The confidence level of the study will be higher than that of a Pre-Feasibility Study.

Annual Change Waterfall Graphs

The definitions in the waterfall graphs showing the changes from December 2018 to December 2019 are listed below.

Reserve Life

Reserve life is the remaining years of mining and processing according to the life of mine plan in the Ore Reserve report.

Grade

Grade is the estimate of the quantity, percentage or quality of a metal or mineral contained within a mineral deposit.

Cutoff grade

Cutoff grade is the grade above or below which the Mineral Resource or Ore Reserve is economic.

Mining Depletion

Mining depletion is the reduction in the Ore Reserve or Mineral Resource due to annual mine production estimated from mine survey and production reconciliation.

New Data

New data are new data from drilling, sampling, chemical analysis, geotechnical, metallurgical or technical studies.

Cost Factors

Cost factors are the operating, capital, processing and transport costs used to estimate the economics of extraction of the Mineral Resource and economic mineability of the Ore Reserve.

Estimation methodology

Estimation methodology is method which is used by the Competent Person to estimate the tonnes, grade, quality or confidence level of the estimates to classify the Mineral Resource or Ore Reserve.

Life of Mine Plan

The Life of Mine Plan is the approved long term plan for the design, development, ore extraction and processing of a mine in an Ore Reserve report by a Competent Person.

Revenue Factors

Revenue factors are changes in the sale prices of the mineral commodity and foreign currency exchange rates used to convert the international market price to the local currency .

Stockpiles

Stockpile changes are annual changes in the tonnage and grade or classification of the Mineral Resource or Ore Reserve classification of ore in temporary storage after mining but before processing.

Ma'aden Phosphate Plant - Al Jalamid