GENERAL INFORMATION

Surface
710,850 sq Km

Population (2018)
35.5 million
(63% urban and 37% rural)

Main cities
Casablanca, Rabat (Capital city), Marrakech, Fes, Oujda, Agadir, Tangier, Lâyoune, Meknes, El-Jadida, Safi.

Languages
Official: Arabic, Amazigh, French (business), Spanish, English

Weight & Measure units
Metric system

Time
GMT +1

Climate
Continental – Mediterranean

Currency
Moroccan Dirham (MAD)
1 US Dollar = 9.39 MAD
1 Euro = 11.08 MAD-Average rate for 2018

Tourism
12.50 million visitors in 2018

INFRASTRUCTURE OF MOROCCO

Traffic 2018

Rail
Passengers: 35 million
Freight: 27 million tonnes

Air
Passengers: 22.5 million
Freight: 88,210 tonnes

Sea
Passengers: 5.27 million
Freight: 137.50 million tonnes
POLITICAL REGIME

The Kingdom of Morocco is a parliamentary constitutional monarchy. The King is the head of the State. The Chief of government is appointed by the King. Legislative power is vested in a bicameral system with two chambers: The Assembly of Representatives elected for a 5 year term, and the Assembly of Councillors serving a 9 year term with one-third of its seats up for election every 3 years.

GDP DISTRIBUTION

- Primary Sector (Agriculture, Forestry, Fishing): 12.26%
- Secondary Sector (Manufacturing, Mining, Building, Public Works): 25.92%
- Tertiary Sector (Trade, Transport, Telecommunications, Other services): 40.85%
- Taxes on net products subsidies: 11.81%
- Public Administration: 9.16%

GDP-2018

1.107 Trillion DH
+3% / 2017

Source: High Commission for planning - HCP

FOREIGN TRADE 2018

Imports CIF: 479 Billion DH
Exports FOB: 270 Billion DH
(Source: Exchange Office)
MINING PRODUCTION

Mining Production excluding the valorization (X1000 tonnes)

<table>
<thead>
<tr>
<th>Product</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Phosphate</td>
<td>27.390</td>
<td>26.264</td>
<td>26.900</td>
<td>32.800</td>
<td>34.315</td>
</tr>
<tr>
<td>Iron</td>
<td>22.910</td>
<td>17.86</td>
<td>15.3</td>
<td>100.3</td>
<td>51.44</td>
</tr>
<tr>
<td>Lead</td>
<td>39.07</td>
<td>45.65</td>
<td>40.69</td>
<td>53.99</td>
<td>43.095</td>
</tr>
<tr>
<td>Zinc</td>
<td>89.57</td>
<td>106.01</td>
<td>84.85</td>
<td>101.9</td>
<td>113.812</td>
</tr>
<tr>
<td>Copper</td>
<td>66.48</td>
<td>73.17</td>
<td>93.94</td>
<td>126.06</td>
<td>115.442</td>
</tr>
<tr>
<td>Fluorine</td>
<td>79.84</td>
<td>80.89</td>
<td>73.92</td>
<td>75.50</td>
<td>87.874</td>
</tr>
<tr>
<td>Baryte</td>
<td>1.0066</td>
<td>1.2123</td>
<td>668.5</td>
<td>818.01</td>
<td>899.365</td>
</tr>
<tr>
<td>Manganese</td>
<td>91.271</td>
<td>71.70</td>
<td>68.33</td>
<td>99</td>
<td>79.538</td>
</tr>
<tr>
<td>Salt</td>
<td>439.16</td>
<td>555.76</td>
<td>634.61</td>
<td>659.26</td>
<td>691.637</td>
</tr>
<tr>
<td>Cobalt</td>
<td>21.51</td>
<td>22.46</td>
<td>23.90</td>
<td>34.91</td>
<td>34.91</td>
</tr>
<tr>
<td>Clay</td>
<td>73.5</td>
<td>84.57</td>
<td>141.76</td>
<td>119.07</td>
<td>99.256</td>
</tr>
<tr>
<td>Talc</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Ghassoul</td>
<td>0.81</td>
<td>1.16</td>
<td>0.91</td>
<td>0.42</td>
<td>1.133</td>
</tr>
<tr>
<td>Bentonite</td>
<td>98.757</td>
<td>92.29</td>
<td>10.323</td>
<td>174.546</td>
<td>172.749</td>
</tr>
<tr>
<td>Pyrophyllite</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Others</td>
<td>0.53</td>
<td>0.54</td>
<td>71</td>
<td>153.45</td>
<td>124.127</td>
</tr>
<tr>
<td>Total</td>
<td>29.420</td>
<td>28.628</td>
<td>28.921</td>
<td>35.316</td>
<td>36.829</td>
</tr>
</tbody>
</table>

Processed Mining Products

<table>
<thead>
<tr>
<th>Product</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Phosphoric acid (Kt)</td>
<td>4.400</td>
<td>4.484</td>
<td>4.930</td>
<td>5.709</td>
<td>6.066</td>
</tr>
<tr>
<td>Purified acid (Kt)</td>
<td>101</td>
<td>117</td>
<td>-</td>
<td>119</td>
<td>127</td>
</tr>
<tr>
<td>Solid fertilizers (Kt)</td>
<td>4.800</td>
<td>5.210</td>
<td>6.960</td>
<td>8.619</td>
<td>8.817</td>
</tr>
<tr>
<td>Soft lead (Kt)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Silver (t)</td>
<td>185.77</td>
<td>207.74</td>
<td>851.59</td>
<td>238.53</td>
<td>153.59</td>
</tr>
<tr>
<td>Gold (t)</td>
<td>0.2124</td>
<td>0.2924</td>
<td>0.1738</td>
<td>0.2201</td>
<td>0.3855</td>
</tr>
<tr>
<td>Copper Mattes (Kt)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Cobalt Cathodes (t)</td>
<td>1.36147</td>
<td>1.72151</td>
<td>1.56824</td>
<td>1.924</td>
<td>1.807</td>
</tr>
<tr>
<td>Zinc oxide (Kt)</td>
<td>4.201</td>
<td>4.89</td>
<td>5.18</td>
<td>7.59</td>
<td>8.128</td>
</tr>
<tr>
<td>Copper sulphate (t)</td>
<td>64.99</td>
<td>164.86</td>
<td>86.62</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Sodium sulfate (t)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Nickel (t)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>196</td>
<td>126</td>
</tr>
<tr>
<td>Arsenic (Kt)</td>
<td>7.56650</td>
<td>6.122</td>
<td>6.879</td>
<td>5.578</td>
<td></td>
</tr>
</tbody>
</table>

KEY MINING INDICATORS (2018)

Production

Mining products: 36.80 million tonnes

Phosphate derivatives: P₂O₅: 6.1 million tonnes

Fertilizers: 8.8 million tonnes

Processed products: 15,793 tonnes

Exports: 57.4 billion DH

Jobs: 40,000
LEGAL FRAMEWORK

A new mining law was adopted by the Parliament and published in the Official Bulletin N° 6384 on August 6, 2015. This law n° 33-13 repeals the Mining Regulations dated April 16, 1951. Its 122 articles come to give new impetus to the Moroccan mining industry.

The new provisions of the law are as follows:
- Extension of the scope to all mineral substances for industrial use, excluding construction and civil engineering materials;
- Introduction of the exploration authorization to operate in large areas (100 to 600 km²) granted for a period of two years, renewable only once for a period of one year, with the right to obtain priority research permit within the scope of the authorization;
- Research permit applies to a square perimeter 4 X 4 km (16 km²), granted for a period of 3 years, renewable only once for a period of 4 year;
- Mining license covering an area that cannot exceed the surface area of the research permit from which it derives, and cannot be less than 1 km².

Granted for a period of ten years, renewable for successive ten-year periods until reserves are depleted.

- Introduction of new measures for environmental management;
- Geothermal deposits are considered mines;
- Establishment of the operating license of dumps and tailings, planned for the enrichment and/or recovery of waste and residues of mines products;
- Extended coverage by the mining legislation to offshore areas. The activities related to extraction, collection and marketing of mineral and fossil specimens and meteorites are subject to the mining law;
- Introduction of provisions relating to natural or artificial cavities for underground storage of natural gas, liquid hydrocarbons, liquefied or gaseous, or chemicals for industrial use.

The Law was implemented on 23 May 2016 after the publication of the implementation decree.

INCENTIVES

- Exemption from import duty and the value added tax applicable for imported equipment for investment equal or greater than 200 million MAD.

- Reduced tax rate of 17.5% for:
  - Exporting mining companies;
  - Mining companies which sell their products to companies which export them after valorization.

- A State contribution to infrastructure requirements (including roads, water supply and electricity) within the limit of 5% of the value of the investment (for projects whose investment exceeds 200 million MAD).

DISTRIBUTION OF MINING PERMITS BY OPERATOR 2018

<table>
<thead>
<tr>
<th>OPERATOR</th>
<th>NUMBER OF PERMITS</th>
</tr>
</thead>
<tbody>
<tr>
<td>ONHYM</td>
<td>1,167</td>
</tr>
<tr>
<td>Companies</td>
<td>4,723</td>
</tr>
<tr>
<td>Total</td>
<td>5,890</td>
</tr>
</tbody>
</table>

Mining Companies 80%  
ONHYM 20%
MINING EXPLORATION PROJECTS 2018

Morocco offers several interesting types of prospects:
- Precious Metals
- Polymetallic, including base metals
- Iron
- Uranium
- Rare Earth Elements

▲ Precious Metals

ONHYM Projects
1- Tlayha (U, Au)
2- Twihinate Centre (REE, Nb, U)
3- Chenna (Au, Cu)
4- Al Warma (Au, Cu)
5- Tizzaouine (Au, Ag, Cu)
6- Tanaït (Au, Ag, Zn, Pb, Cu)
7- Tidili (Au, Cu)
8- Saghro Sud (Ag, Cu, Au)

Projects in Partnership
9- Tichka Awest (Cu, Cu) [ONHYM-Metallex]
10- Zagourder (Ag) [ONHYM-Maya Gold & Silver]
11- Had Imawar (Au) [ONHYM-Management]
12- Tighmi (Au) [ONHYM-Abalagi(u)]

■ Base Metals

ONHYM Projects
13- Anti Atlas Occidental (Cu)
14- Taadant (Cu, Pb, Zn)
15- Tizoula (Cu)
16- Tiouli Ouest (Zn, Pb)
17- Merima (Cu, Pb, Zn)
18- Aït Tameil (Cu, Pb, Zn)
19- Bou Izagane (Cu, Ag, Au)
20- Rhouirat Nhas (Cu, Zn, Ag, Sn, U)
21- Awark (REE, U)

Projects in Partnership
22- Jebilet (Polym) [ONHYM-CMG]
23- Guemassa-Haouz (Polym) [ONHYM-CMG]
24- Tekna (Polym) [ONHYM-CMG]
25- Igrem Domain (Cu) [ONHYM-MANAGEMENT]
26- Boumadine (Zn, Pb, Au, Ag) [ONHYM-MAYA]
27- Tizouine (Mn) [ONHYM-Garrot Chaillic]

● Rocks & Industrial Minerals

ONHYM Projects
28- Jebel Kharrou (Clays)
29- Touil (Silica sands)
30- Dorsale calcaire (Dolomite)

Projects in Partnership
31- Bassins tertiaires (Bentonite) [ONHYM-TOLSA]
32- Khemisset (Potash) [ONHYM-OPC]
33- Boudjelug (Magnesite) [ONHYM-INVERSIONES MONTE OLIMO]
34- Qoub (Talc) [ONHYM-MECTP]

NB: The projects of general research (RG-MP-ZN, RG-MP-ZS, RG-SMB, RG-SRM and RG-Geochemistry), Geothermal, Strategic Campaigns and Integrated Projects concern many regions and are not plotted in the map.