

Glossary of Terms — Minerals Account

Term	Description
Mineral resources	<p>A concentration of naturally occurring metallic and non-metallic substances found deep under the earth's surface.</p> <p>Key factors in the measurement of mineral resources are the quantity and grade of the deposit. The quality grade has to assure reasonable prospects for economic extraction over a period of time.</p>
Physical Asset Account	Refers to the natural resources and environmental account of stocks in physical, and non-monetary units such as weight, area or number.
Monetary Account	<p>Like economic value, a monetary account values the stocks and flows of mineral resources through monetary terms using currency as the only unit of measure.</p> <p>The monetary account provides estimates that may be used in the determination of government taxation and royalty setting.</p>
Net Present Value (NPV)	The value of an asset determined by estimating the stream of income expected to be earned in the future and discounting the future income value to the current accounting period. NPV is used to analyze the value of the resource.
Resource Rent	Resource rent is the total revenue that can be generated from the extraction of a natural resource less the operational costs such as those of extraction.
Resource Functions	The capacity of natural resources that can be converted into goods and services, which in turn provide the dual benefit of economic trade and livelihood. Examples of such resources are timber from forests and fish from oceans. As for minerals, examples are electronic products for metallic minerals and construction materials from non-metallic minerals.
Mine Life (also known as Life of a Mine)	The estimated time frame during which mineral resources may be extracted from a specific site or location, using geological analysis.