

What if you could...

...exceed your 5 year plan to reach US\$1 billion benefits by 2020 by increasing throughput and recovery while improving your people's productivity to reduce costs?

With Proudfoot, you can.

The challenge of the CEO and his management team in an open-pit copper mining operation in South America centered on a **falling metal price and drastically increasing cost per ton**, jeopardizing annual results and the projected growth.

Improving productivity in all its processes and **reducing operating costs** became the priority of the company

After an assessment conducted by our Proudfoot Analytics Team, the client launched a joint effort project with the double objective to increase Productivity and reduce operating cost to enable the projected EBITDA.

"We have achieved the best production numbers in the last three months, without stoppages of machines, and zero incidents. These are the sustainable results we needed."

– Mine General Manager



Proudfoot PROOF POINTS

Open pit Copper mine
South Africa

A TRANSFORMATIONAL APPROACH

- 1** Scope – covered **mine operations, mine maintenance, reduction circuit (Crusher), lixiviation, reclaiming , contractors, labor and material** across **the mine site and the administrative city offices.**
- 2** Assessment– analyzed **processes, management operating tools and practices as well as people and supervisors' behaviors** across the mining chain – human and material resources utilization and **at the point of execution observations** with an integral view of the **root causes and the possible solutions.**
- 3** Findings – Supervisors needed to **shift to a proactive approach** rather than a passive view of the daily activities; long and short term plans, **short interval controls and Navigation charts** were required to drive weekly and daily production; enhance dispatch control and loading/hauling parameters to eliminate waste. **Best operative practices in the reclaiming area** needed to be installed.
- 4** Implementation – Once pay-load and truck speed, load methods, drilling pattern standards, and process operating standards were agreed and coordinated, the implementation focused on disciplined execution of the new parameters.
- 5** Leadership – management team and lower level supervisors were aligned around behaviors and trained in the utilization of new management tools.

REMARKABLE RESULTS

Truck fleet utilization increased, enabling maintenance to comply accurately with preventative work. Increased volume with a better labor resource utilization, improved explosive efficiency, and an enhanced ore granularity to process.

3.7%	Overall improvement in the load and haul process
18.5%	Reduction in unit cost (increased processed tons and increased copper with less reagents utilization)
18%	Cost reduction in the Reclaiming area by reducing number of trucks contracted
27%	Improvement in Recovery
250M	Overall annualized benefits

"I have seen the changes in the behavior of my people, and I can assure that the improvements achieved are sustainable over time"

– CEO Latam