



# WHITTLE CONSULTING

BUSINESS OPTIMISATION FOR THE MINING INDUSTRY

FAIRFAX – MORNING VIEW

## Whittle Consulting – “Money Mining” seminar - the power to revolutionise mining sector valuations

John Meyer, 5 December 2011

Whittle consulting held a seminar last week on “Money Mining”.

The seminar highlighted how the consultancy can add value to projects through optimisation, debottlenecking and accounting processes.

Efficiency in terms of mining does not mean steady production at constant grades and recoveries.

Maximising NPVs at mines means having a holistic management system which constantly de-bottlenecks across the whole process so that value is not lost in the system.

This often means looking for high grades in the beginning life of the mine and setting aside low grade ore – this goes against the grain of thinking in setting mine plans.

Traditional thinking of mine plans runs on the basis of running mines and looking at efficiency on a per tonne of ore mine or per tonne of end product – this does not always result in the best NPV for the mine.

This powerful tool for optimisation goes against the traditional thinking at the mine level and guidance and targets set by companies for the investment community.

With significant scope for NPV to be boosted – 5-35% (although in practice this has been up to 85% when adopted), the Whittle optimisation is being adopted by the clever people at Rio Tinto.