

# PRESS RELEASE

## Innovation is the key to growth in mining

*15 February 2016: The Mining and Minerals Processing Business Unit at Hatch Goba is a global Centre of Excellence in deep-level mining, shaft infrastructure and hoisting capability. The focus on continual innovation means it is well-placed to meet the challenges posed by the mining and economic environments in 2016.*

An ongoing trend is the perpetual quest to reduce operating costs and thereby retain the best mining assets possible. "Obviously there are different players in the mining industry. The senior level has a very different appetite for projects. We support all companies, from the juniors up," says **Kevin Seyfried**, director mining AEM, associate at Hatch Goba.

"It is also trying to see where you should, and should not, spend your money. If you are a big organisation, the structures and fixed costs are much different. Even for the lean-and-mean operations, we are able to provide a lot of support. While these often do not have the same in-house acumen as the larger mining houses, they have the drive and appetite to take smaller mines into the future. Therefore the smaller players also have a critical role to play."

Seyfried believes it is this flexibility that gives Hatch Goba a leading edge in the mining industry, not only in Africa but globally. "What sets us apart from other EPCM consultants operating on the continent is our ability to engage globally on any type of project. We work across various sectors, from infrastructure to metals and energy. Thus we are able to provide a client with whatever they might need, from an energy solution to accompany a mine and a railroad link to the nearest port, as well as the logistics in linking with their own customers.

### **'Gateway logistics'**

"It does not stop at mining and mineral processing. We call it 'gateway logistics'; we cover the entire spectrum. Whether you need public or commercial infrastructure, marine, environmental or mining, we can do anything. There is almost nothing we cannot do as a company. That gives us the competitive edge because it means our clients do not have to engage various sub-consultants. By tapping into the opportunity of using one centralised company, there is less interface and it makes project management that much smoother," Seyfried elaborates.

In addition to this approach, Hatch Goba is also able to drive ancillary synergies. "We can, as a company, deploy people across disciplines. You will not have multiple managers because you have a single point of contact, eliminating the number of communication channels. We manage ourselves. This is part-and-parcel of our ability to give our clients exactly what they need, which also extends to working with any business model or contract type, not only in the EPCM space.

"We are not prescriptive in how things should work. We sit with our clients to determine what their needs are. We provide them with opportunities to opt for the various structures we are able to offer. There is no project that is too small or too big either. We are disseminated worldwide, which means we can always find expertise in whatever is required."

### **Key driver**

This expertise is a key driver for both Hatch Goba in Africa and the global company itself. "We have a continuous global innovation drive. Hatch has a lot of patents, which means its technology never stagnates. We are always striving to get new technologies onto the table and our experts out into the field, because that is how you add value to the industry," Seyfried adds.

In a South African context, Seyfried says that many of Hatch Goba's mining clients are testing new technologies in tandem with OEMs. "The position we are sitting with now is that mining is getting deeper, together with the lower commodity prices and reduced profit margins as a result. We are continuously developing more cost-effective means of getting the ore out."

While mechanisation plays a major role in this regard, Seyfried says that current technologies are mostly suited to wider reefs. "It is when you get to the deep narrow reefs when it becomes a challenge, when a mineworker can have access per se but the equipment is too large to enter. There is a lot of development in the deeper, narrower-reef field, and we are staying on top of it."

The technologies relating to underground access and shaft sinking are also evolving at a rapid rate. "Hatch Goba is very close to these developments, and many clients rely on us as technical partners due to our extensive knowledge of the market. We also make use of our global offices, with their expertise outside of pure mining, to influence the way we mine and approach technology application in other sectors."

### **From lasers to solution mining**

Seyfried says that trends such as lasers and solution mining are all predicated on not exposing the workforce to any hazards or dangerous working conditions. "Mechanisation limits people exposure; it is not just about increasing production. Health and safety considerations are a major driver for mechanisation, as it removes mineworkers from the face, especially in deep-level mines, where there are rock bursts and seismic activity. Technologies that allow for remote control of mining equipment ultimately means more face time and increased efficiencies and outputs."

An example of Hatch Goba's innovation in action has been its involvement with the Mufulira and Mindola shaft projects for Mopani Copper Mines in Zambia. Seyfried explains that the project commenced originally with the Synclinorium shaft, whereupon the client opted for further development and two additional shafts.

"Our recommendation was to examine the commonalities between the two shaft systems in terms of depth and production rates, for example. We looked at what could be rendered common, and thus which only needed to be designed once. The other option was to adopt a base design to just tweak this where necessary for each shaft," Seyfried highlights.

### **Reducing total capex**

"It was standardisation as far as what was practically possible between the two shafts, including standard equipment specifications, which is an essential factor in terms of spares and critical maintenance. This approach not only assisted in reducing the total capex of the project, but will also contribute to a major saving in terms of opex going forward."

Seyfried explains that his role as Mining and Minerals Processing Business Unit Director is to direct the company's efforts regionally, from Europe to the Middle East and Africa. "The biggest focus up to this stage was Africa, obviously being work-dependent. We are expanding even further into Europe and the Middle East, as not all areas of Africa are conducive to business due to various constraints and challenges."

Hatch operates both locally and internationally, and in terms of any commodity and mining method. Due to the particular skills set in Hatch Goba in terms of deep-level mining in particular, the South African office has a Global Response arrangement with South America, Brazil, Canada and North America. While the project management itself generally takes place in the country of origin, Global Response integrates international expertise with the local teams.

"Global Response is not just out of this hub; it is also into this hub. When we know we have certain niche skills sets elsewhere, we will make use of these so that our clients can benefit from that

offering. It is not just that the South Africans are the heroes; we makes use of the heroes in other countries as well,” Seyfried concludes.

***Ends***

**Notes to the editor**

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**About Hatch Goba**

Hatch Goba supplies process and business consulting, information technology, engineering, procurement and project and construction management and operational services to the mining, metallurgical, energy and infrastructure industries.

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