

GEMCOM CUSTOMER CASE STUDY



Diversified mining company extracts benefits from Gemcom Surpac at its sites



Using Gemcom software, Straits Resources improves decision making and controls costs

Countries: Australia, Indonesia, Singapore

Objective:

Ensure efficient mine production by integrating geological, surveying and engineering functions through a common platform used by key mining professionals at Straits Resources.

Approach:

Selected Gemcom to provide all staff with the software tools, training and support services they need to perform their jobs as effectively as possible today, while allowing for future system extensibility and staff skills enhancement.

IT Improvements:

- ⇨ Staff training and local support
- ⇨ Data integration from multiple systems into a common operating platform
- ⇨ Effective, time-saving tool for managing complex iterations of multiple calculations
- ⇨ Instantaneous inclusion of information from other core data packages

Business Benefits:

- ⇨ Improved decision making
- ⇨ System ease of use addresses skills shortages by allowing staff to be trained faster
- ⇨ Monetary savings by refining staff requirements
- ⇨ Cost reduction in delivering commodities to market
- ⇨ Increased resource base at all operations

*“Surpac is an integral part of our business -
saving us time, money and human resources.”*

— Chris Ramsay, Geologist, Straits Resources Limited



Tritton Processing Plant.

Diverse producer – diverse project pipeline

Founded in 1992 and listed on the Australian Stock Exchange in July 1994, Straits Resources Limited focuses on acquiring and developing assets within the gold, copper and bulk commodities sectors. Straits (www.straits.com.au) is one of the few mining entities based in Western Australia with such a well diversified group of assets. The Perth-based producer controls and operates the Whim Creek and Tritton Copper Operations in Australia, the Mt. Muro Gold Mine in Indonesia and the Sebuku coal mine in Indonesia. In addition, Straits holds an outstanding portfolio of mining investments, development projects and exploration ground throughout Australia and Indonesia.

With open pit and underground projects, as well as bulk commodities, Straits required comprehensive technology to use at all of its sites. Three years ago, Straits spent significant time reviewing several mine planning systems to find an affordable, multidisciplinary approach and a local support network. Straits ultimately adopted Gemcom's Surpac software to support resource modelling and mine planning functions. Today, the company has 30 Surpac installations and utilises Gemcom's training and technical support services. As a result of its investment, Straits has gained more efficiency through decision making support capabilities, which enabled the company to reduce the cost of delivering commodities to the market.

"We have a wide range of projects, so we chose software that applies to all of our mining environments. That's the clear advantage in using Surpac software," says Chris Ramsay, Geologist for Straits, who has personally depended on the software since 1998. He also notes that Straits engaged with Gemcom to obtain responsive technical support.

Same software – different mining functions

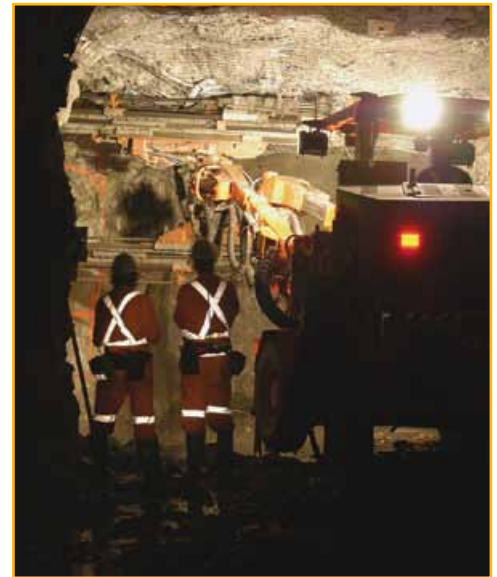
Surpac brings efficiencies, ease of use and flexibility to three mining disciplines at Straits: geology, surveying and engineering. For presenting data in mine and exploration geology, Surpac is the company's primary data manipulation, resource modelling and estimation, volume calculation and grade control system.

By employing Surpac, Straits has been able to manage an increasing resource base at all its operations: Straits surveyors use Surpac for volume calculation; the company's engineers count on Surpac to provide three-dimensional (3-D) designs and calculations and to manage grade control and resource inventories; and even non-mining professionals involved in Straits' financial activities benefit. The software conveys information to them in visual ways that enhance their understanding of mining operations.

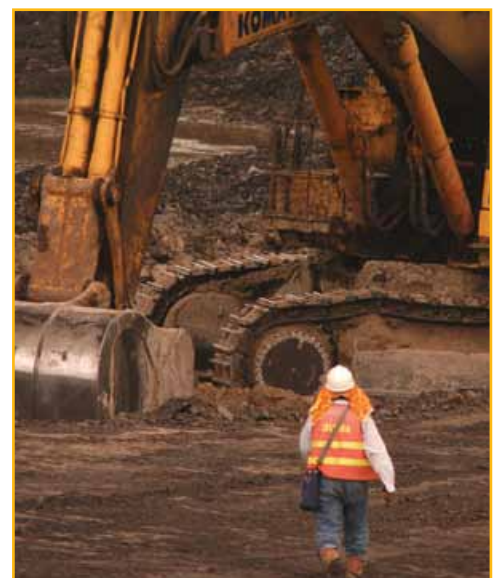
"Without Surpac, our work would take longer, and we would need significant numbers of extra people in my area alone," says Ramsay. "To a lesser extent, the engineering and surveying areas would also need vastly different human resources structures."

Better decision making

Although other competitive systems are available, Ramsay says that Surpac surpasses them all: "They are no substitutes for Surpac." For example, the 3-D visualization of ore body and block models is helpful to Straits geologists who create models to bring about multi-billion dollar results and assist in making wise decisions about Straits' mining operations.



Underground drilling (Tritton).



Stripping overburden (Sebuku).

“With skilled technical mining staff in short supply, and with varying experience with mining software in different geographies, we have chosen to standardise on Surpac across our operations and mining disciplines because of the system’s renowned reputation for ease of use.”

— *Chris Ramsay, Geologist, Straits Resources Limited*



Environmental assessment (Sebuku).

“We gather sparse information that is very expensive to come by,” he says, “and the representation of that information spatially is critical in correctly estimating what is in the ground. Surpac strengthens our level of comfort when we are making the right decisions to achieve high value results.”

A wealth of features

Surpac’s integration with the company’s 3 GIS and 3D mining applications is outstanding, and package translations are available “at the touch of a button.” When needed, the software’s six language options - English, French, Spanish, German, Chinese and Russian - are available to support users at Straits locations globally.

Alternative sources of data convert well into a Surpac readable file. In fact, Straits teams are able to view data from various IT systems with the software’s Data Plug-in modules and incorporate this information into their planning.

“In any of the packages that we have, we transfer geographic or 3-D information back and forth into Surpac very easily,” Ramsay says. “Surpac’s representation of geographic information in a text file is extremely simple. You can easily translate data into Surpac’s data structure.”

It is also a smooth process to program certain management processes using the software’s scripting/macro capabilities. “We gain a lot of power from the scripting/macro,” Ramsay says.

In addition, the Gemcom software instantly includes information from other core data systems. This feature helps Straits keep its stakeholders informed about key decisions related to production. Plus, the company can leverage the most current information to save operational costs. “In some of the mining operations we might spend from \$500 to \$500,000 a day, so instantaneous refining of information is critical to cost savings,” Ramsay notes.

Technology attuned to growth

Straits’ growth has prompted it to expand Surpac usage as its workforce increases for a particular project. Implementing another system into an active environment is as simple and quick as copying files onto the company’s work station.

If the company’s operations needs change, Ramsay believes that having a technical innovator like Gemcom behind Surpac – with vision, global reach, industry stature, plus development and professional resources – will further enhance the software’s functionality and extensibility going forward.



Gold pour (Mt. Muro).

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“With Gemcom as our partner, we see being able to expand our solution as our operations needs change in the organization. Gemcom provides a greater level of funding and programming support behind this product. Right now, we’re very happy with Surpac,” Ramsay says.

Training and attracting skilled professionals

In establishing Surpac software as its standard technical tool, Straits empowers its personnel to share data, skills and project knowledge across the company in a consistent way. “At our Perth headquarters, we have one format for dealing with any information that comes in centrally. This also enables us to manage training in a collective way,” says Ramsay.

Straits takes advantage of Gemcom’s strong base of skilled trainers, selected for their in-depth mining knowledge and industry experience. In addition, the company’s technical support services play an important role in Strait’s decision to continue with Surpac. “Gemcom’s training and technical support services are excellent,” says Ramsay.

As a shortage of skills continues to plague the resources industry, Straits commands a competitive edge in the labour market, stemming in part from its use of Surpac. “Because Surpac has a dominant share of the industry in this region, attracting skilled practitioners to Straits is somewhat easier,” Ramsay concludes.

Straits Resources Solutions at a Glance

Primary Applications:

- ⇨ 30 Gemcom Surpac resource modelling and mine planning systems
- ⇨ Approximately 3 GIS and three-dimensional (3D) mining applications

Gemcom Services:

- ⇨ On-site training
- ⇨ Technical support



Material hauling (Murrumbidgee, New South Wales).

For more information email info@gemcomsoftware.com or visit www.gemcomsoftware.com.

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