

# **Trouble to Treasure**

**GREAT EASTERN MINING INC.**

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# State of affairs

## Situation

Problem

Recommendation

Issues

Analysis

Implementation

Conclusion

- 50 countries
- Most continents
- **Successful projects highly profitable**
- Highly competitive market

Strength to build on

- Geology group identifies
- Our group evaluates & manages
- **Difficulty initiating projects recently**
- **Competition has been successful**

Problem surfacing

# We're having difficulty



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**PROBLEM:** We have been failing to initiate projects while our competition is thriving

**Current state of affairs is unsatisfactory** and we must develop a model for:

1. successful project negotiation
2. long-term competitiveness

**URGENT:** Executive Committee has serious concerns

# Let's build communities!



Situation Problem Recommendation Issues Analysis Implementation Conclusion

## Develop local communities

### Strategic Level

- Be part of the long-term local solution
- Invest in people who make us profitable

### Operational Level

- Give local rulers a reason to negotiate
- Give local workers a reason to care
- Drill wells, open schools & build homes



“they’re not employees, they're people...and...people are capital”

# Elements to consider

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## Projects are in developing countries

- **Local workforce**
  - absence
  - work ethic
- **Local rulers**
  - want rewards
  - higher living standard

## Projects last 25 years

## Strategic Initiatives

- **Sustainability**
  - Mining operations
  - Non-mining activities
- **Efficient extraction**

# Evaluating the options

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1

## Focus on developed countries

### Disadvantages/Risks

- Lose opportunities
- Less competitive

### Advantages/Opportunity

- Avoid local issues

### Finances

Inexpensive startup

### Implementation

Short & Easy

2

## Outsource extraction operations

### Disadvantages/Risks

- Lose control
- High uncertainty

### Advantages/Opportunity

- Outsource local issues
- Potentially profitable

### Finances

Higher operating cost

### Implementation

1-2 years

3

## Develop local communities

### Disadvantages/Risks

- Startup cost
- Strategic shift

### Advantages/Opportunity

- High profit potential
- Follow initiatives
- Sustainable model
- Benefits society

### Finances

Invest now, save later

### Implementation

Ongoing

# Modeling best practices

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3

## Develop local communities

### Disadvantages/Risks

Risks are minimal

### Advantages/Opportunity

Competitive, profitable, socially responsible & sustainable

### Solution

- ✓ Sustainable operations model
  - ✓ Sustainable non-mining activities
  - ✓ Long-term model fits project lifespan
  - ✓ Motivates workforce
  - ✓ Vested interest from local rulers
- Strategic priority
- Tackles root cause

Efficient  
Profitable  
Competitive

# Roadmap for success

Situation

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3

## Develop local communities

### Finances

\$ 3,000/  
well

\$ 8,000/  
school

\$ 4,000/  
home

### Plan

Project  
Negotiation

Drill wells

Leadership  
assessment

Build  
schools

Build local  
homes

### Timeline

years

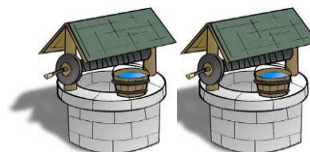
1

6 months

4

11

25



2 years



# Let me say that again

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- **Now is the time to:**
  - Invest in people
  - Develop local communities



## Because this will:

1. **Solve** the local problem
2. Follow **strategic** initiatives
3. Increase **competitiveness**
4. Ensure lasting **success**

# Discussion Time

