

Mine-to-Mill: A Proven Method For Increasing Plant Efficiency

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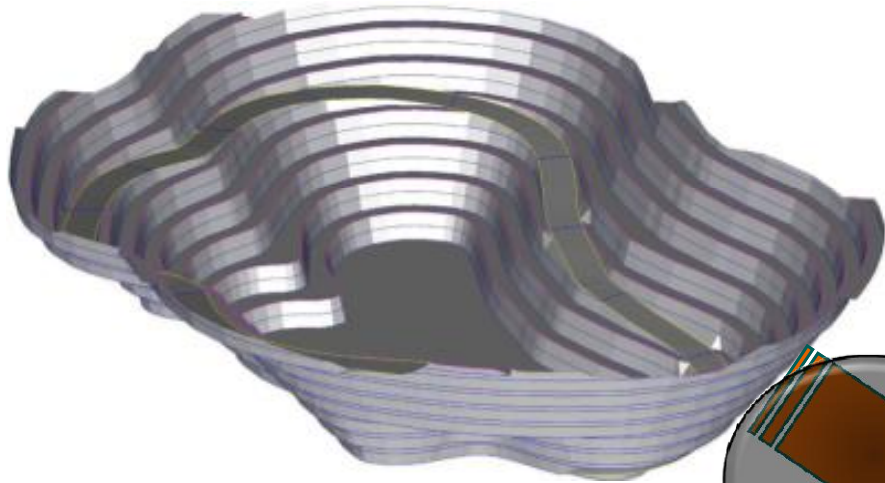
11th November 2010



What is “Mine-to-Mill”?

- **Consider ALL steps of ore handling/processing towards achieving a common goal**
 - *“metal manufacturing”*
- **Inherently as material becomes higher quality (more valuable), cost to process (\$/t) increases**
 - *able to make changes in ‘cheaper’ upstream stages that positively affect downstream process?*
 - *quite often changes may involve cost increases that are recovered in same stage*
- **Work cooperatively and not in geographical ‘silos’**

Current Situation...

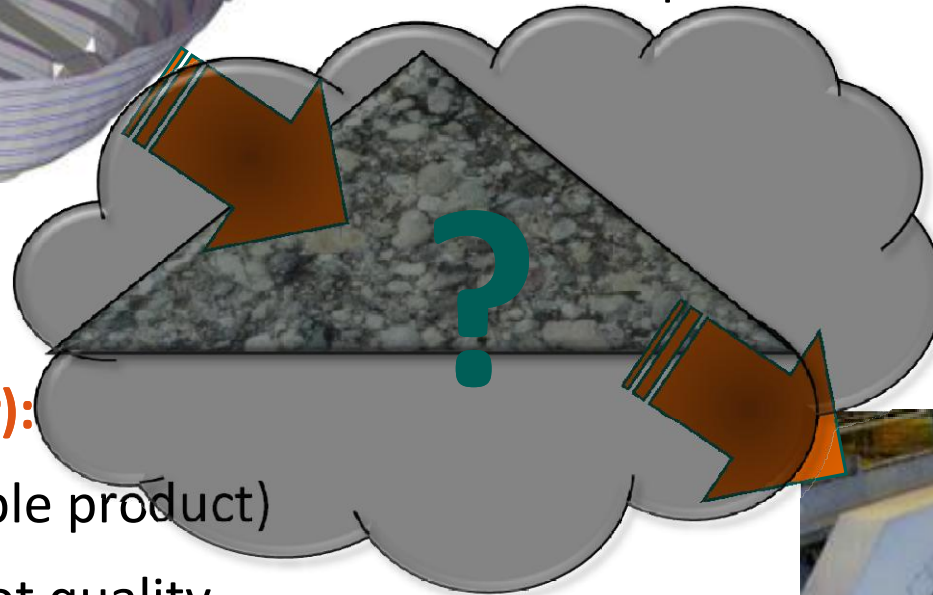


Mill features (customer):

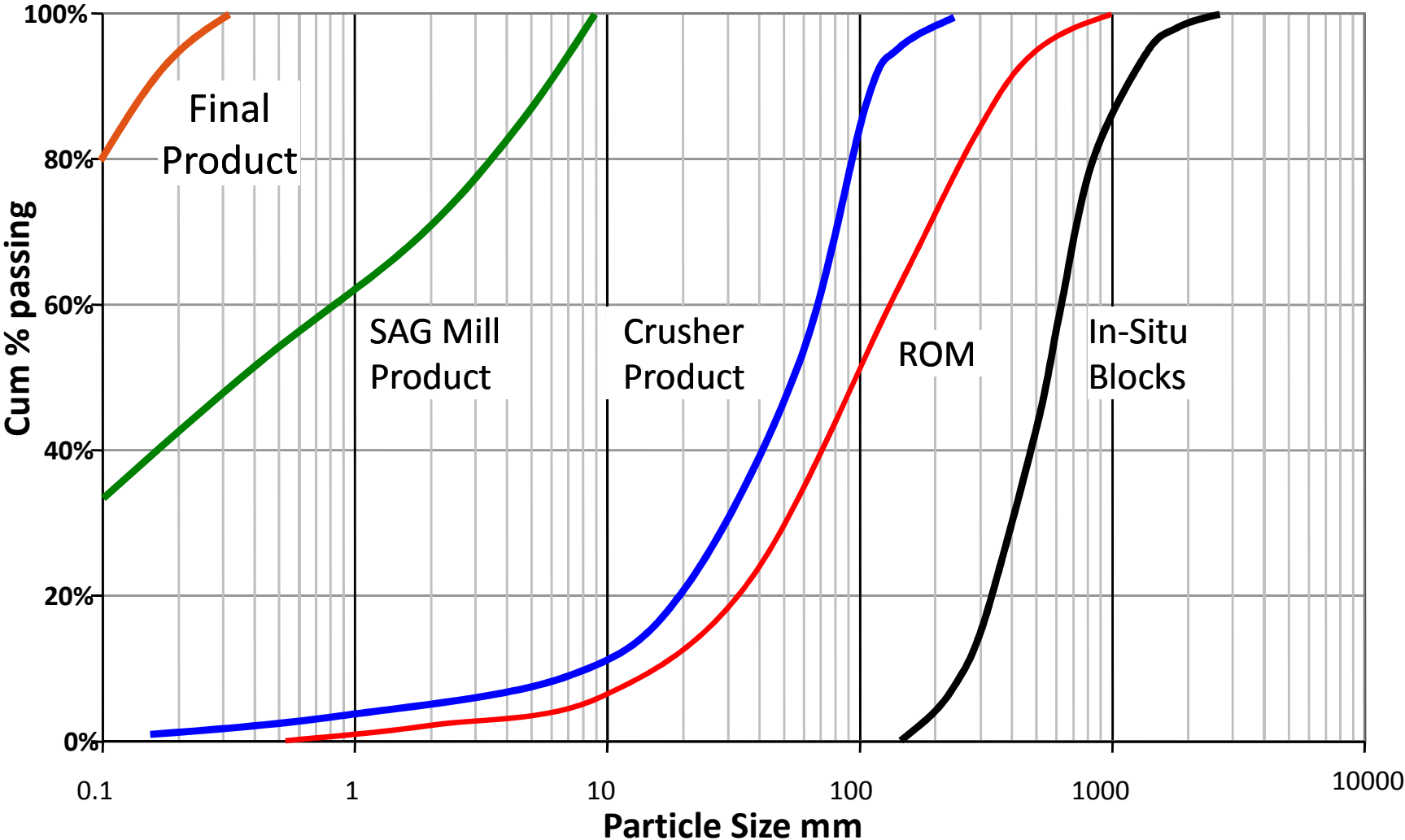
- appreciates balance sheet
- unsure of feed quality requirements
- expects uncertainty

Mine features (supplier):

- cost-centric (no saleable product)
- focus on quantity & not quality
- unpredictability

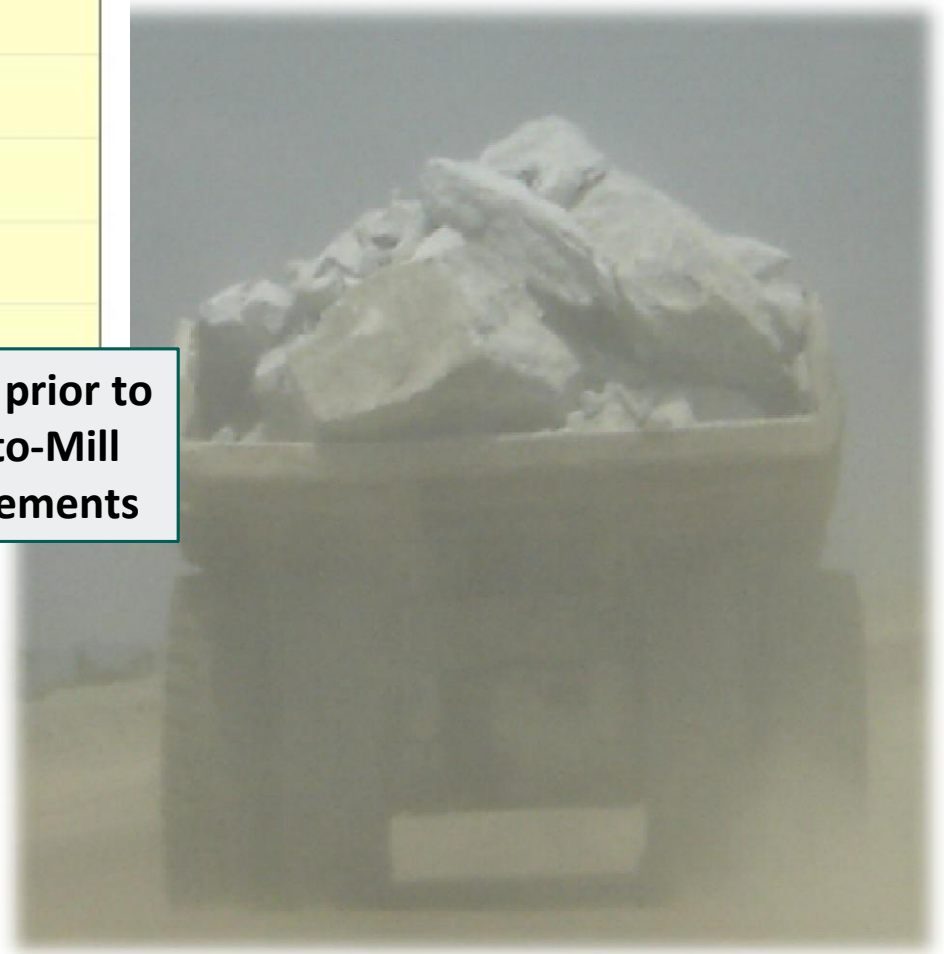
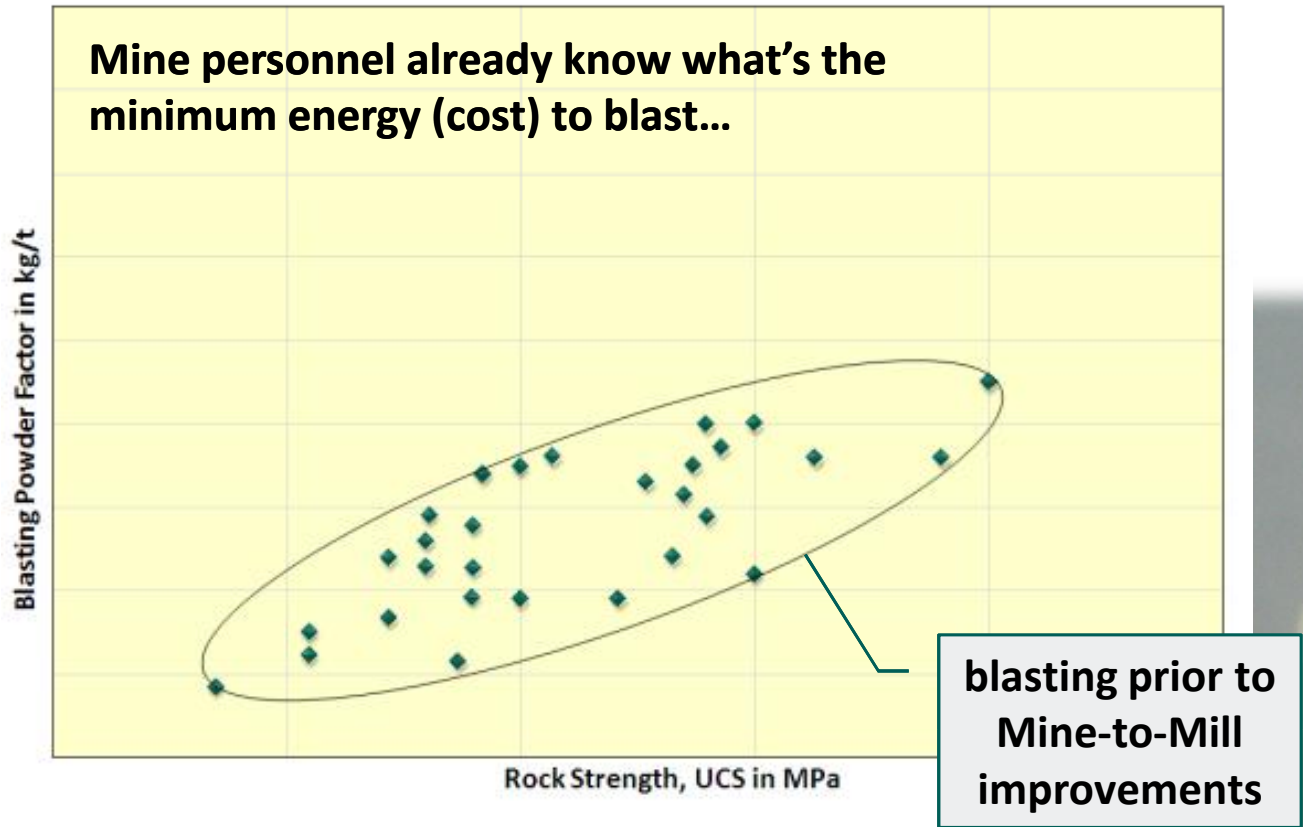


Size Reduction Starts in the Mine...



Pure Cost Minimisation...

Leads to inefficiency



Economic Justification

Mine

Mill

- **Drill & Blast costs**
 - \$0.15/tonne
- **Grinding costs**
 - \$6.00/tonne
- **Cost increase to improve feed**
 - 100% or \$0.30/tonne
- **Performance improvement**
 - 10% higher tonnage
- **Net increase**
 - \$0.15/tonne
- **Net decrease**
 - \$0.55/tonne

Leverage:

every \$1 spent to improve feed in mine gains \$4 in mill
(for 20% higher tonnage, factor is 7x)

Note: typically, mine gains in productivity pay for increased D&B costs

Different Sources & Different Requirements

Matching mine deliverables to mill circuit strengths

- **Underground**

- *finer fragmentation*
- *blending of sources*

- **Open pit**

- *variable fragmentation*
- *less blending of sources*

- **Block/sub level caving**

- *unknown/uncontrolled fragmentation*
- *changes in sources due to blockages*

- **Multi-stage crushing + milling**

- *prepared feed & steady tonnage (predictable)*
- *does not handle variability*

- **Primary crushing + SAG milling**

- *handles variability but passes along to next stage (unpredictable)*
- *still benefits from quality feed*

- **Multi-stage crushing + HPGR**

- *prepared feed to HPGR to exploit efficiency*

Metso PTI Methodology

“Process Integration & Optimisation” (PIO)

- **Site-based data collection**

- *multi-phase project over a few months*
- *benchmarking of current practices*
- *ore characterisation*

- **Development of interactive models**

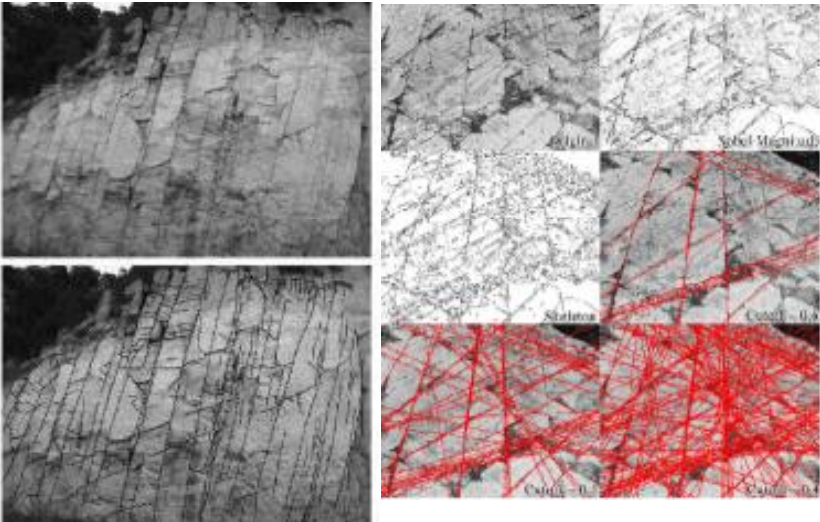
- *blasting, crushing, grinding, flotation...*
- *recommendations of operating/equipment changes*

- **Implementation/validation**

- *site-based trials*
- *long term maintenance*

Ore Characteristics

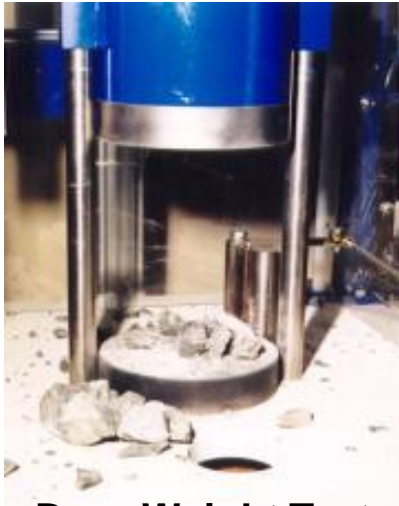
Structure



Hardness

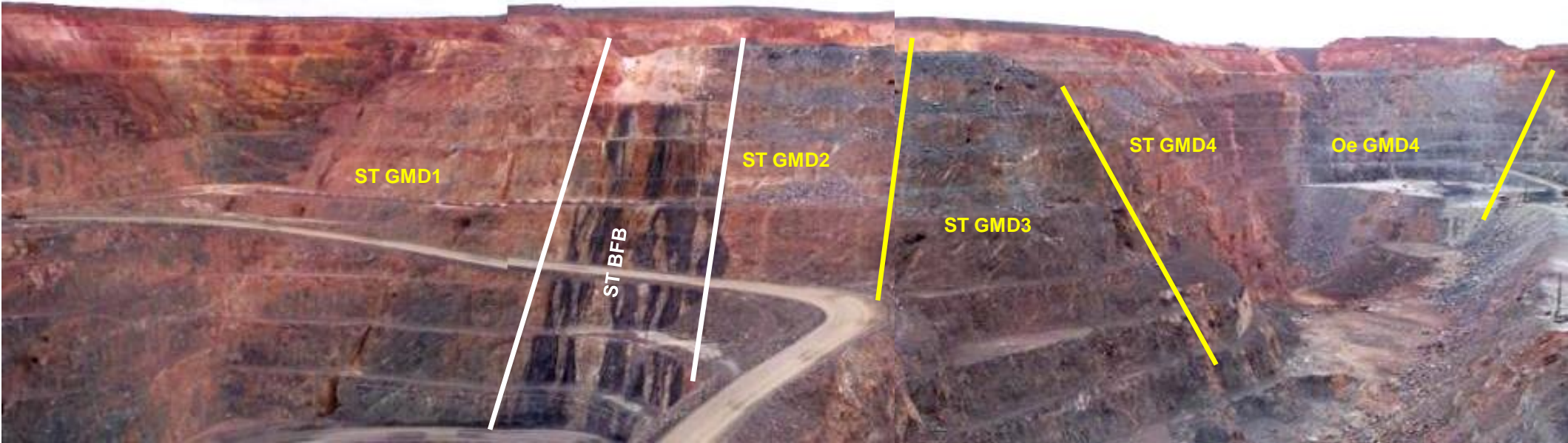


Point Load Test



Drop Weight Test

Domain Definition



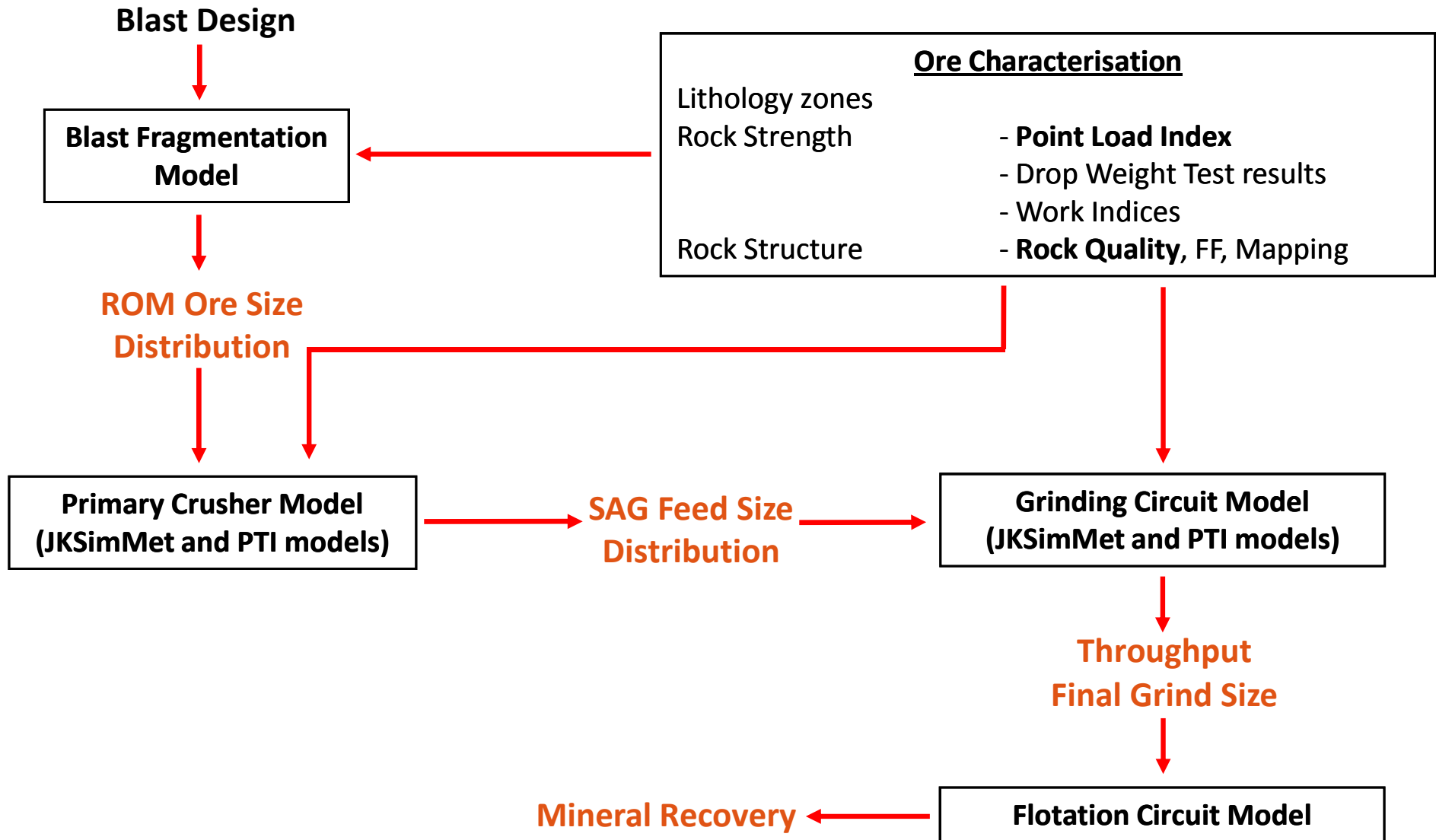
Process Audits

Mine and Mill

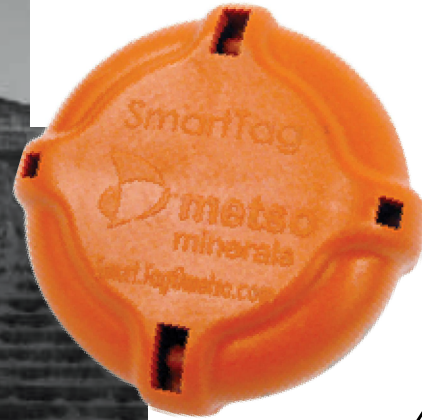


Modelling & Simulation

Mine and Mill



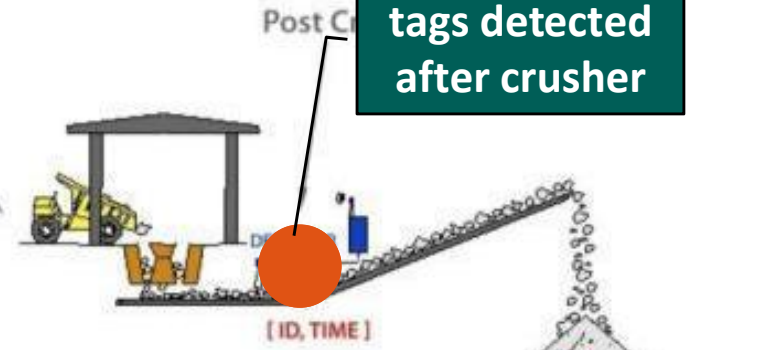
SmartTag™ Ore Tracking



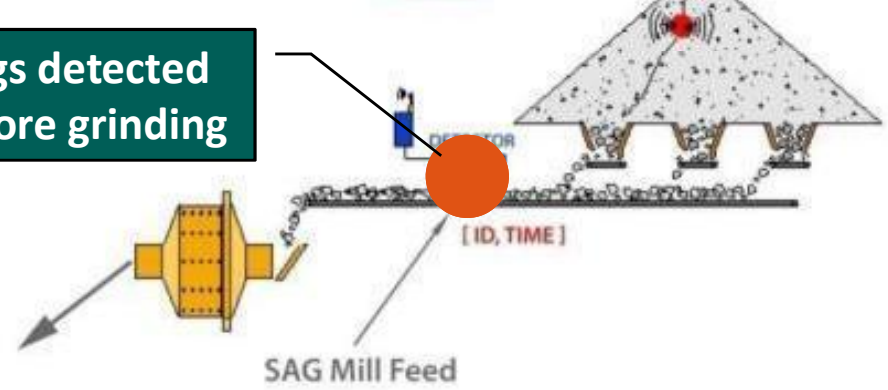
tags placed in
blastholes or on
muckpile



tags detected
after crusher



tags detected
before grinding



Issues?



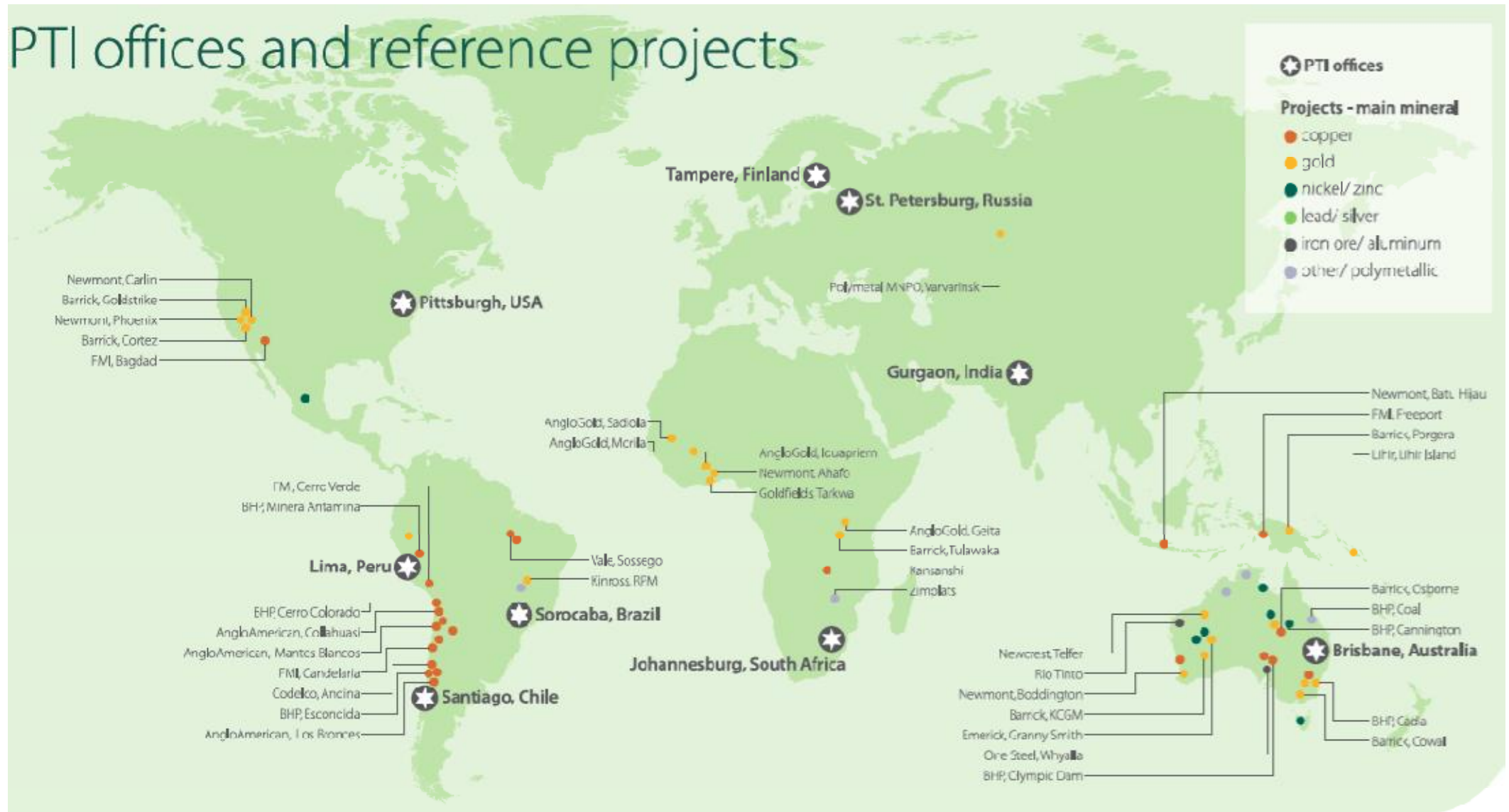


Case Studies

**Examples of how
Mine-to-Mill works**

PTI Methodology Applied Worldwide...

PTI offices and reference projects



Case Study 1: Large Cu & Pb/Zn Mine

Increased throughput on hard ore types

- Objective:

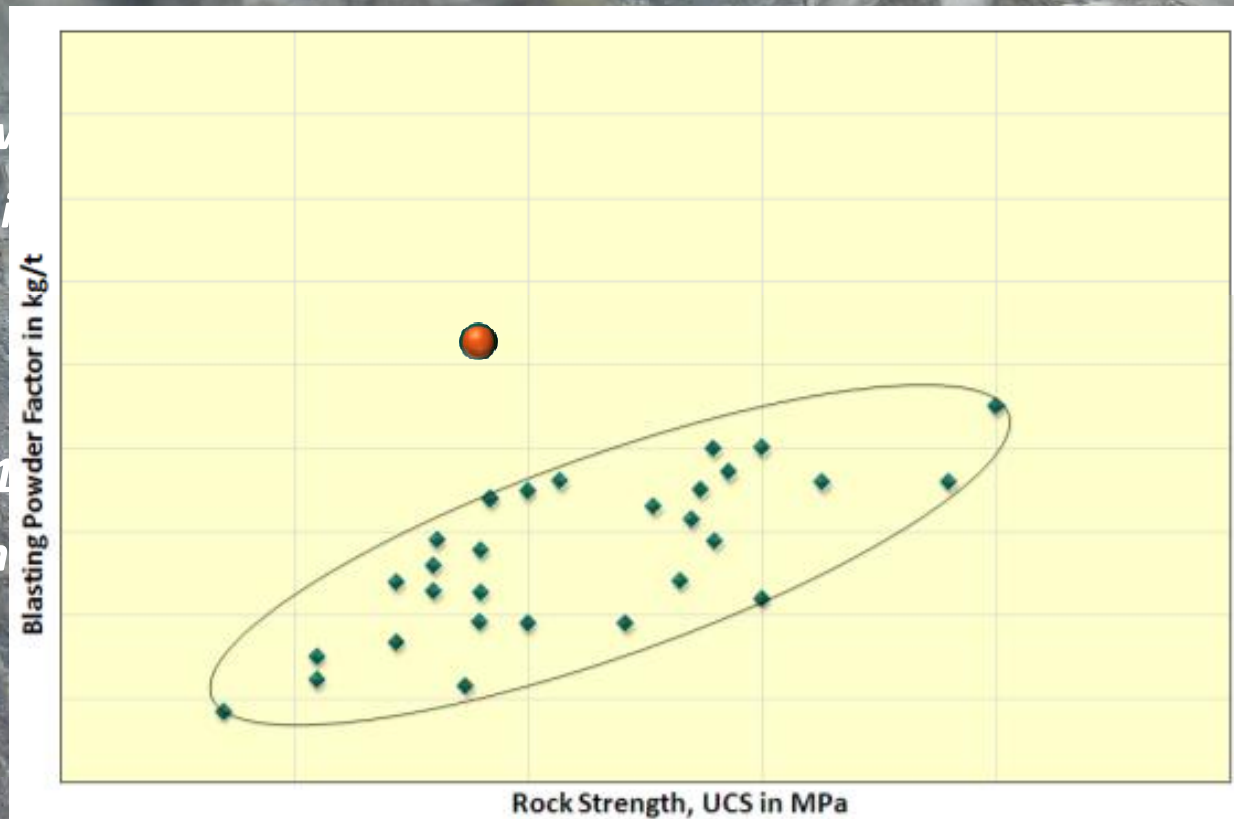
- *audit drill & blast, crushing & grinding practices on harder ore types*
- *identify opportunities for higher throughput*

- Recommendations:

- *blast design changes in tw*
- *crushing & grinding circuit*

- Outcomes:

- *throughput increases of 1*
- *reduction in mill operatin*



Case Study 2: Large Cu/Au Mine

Throughput forecasting

- Objective:

- *review of blasting, crushing and grinding practices*
- *development of blast domains based on rock properties*
- *improvement to existing throughput forecasting model*

- Recommendations:

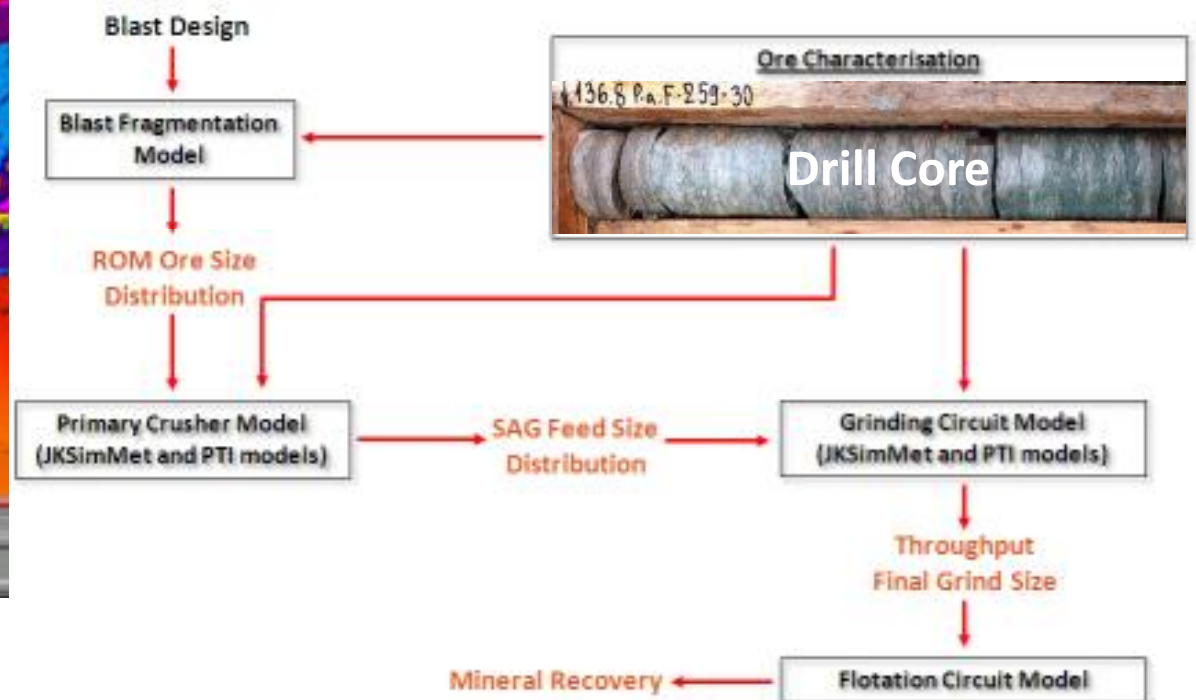
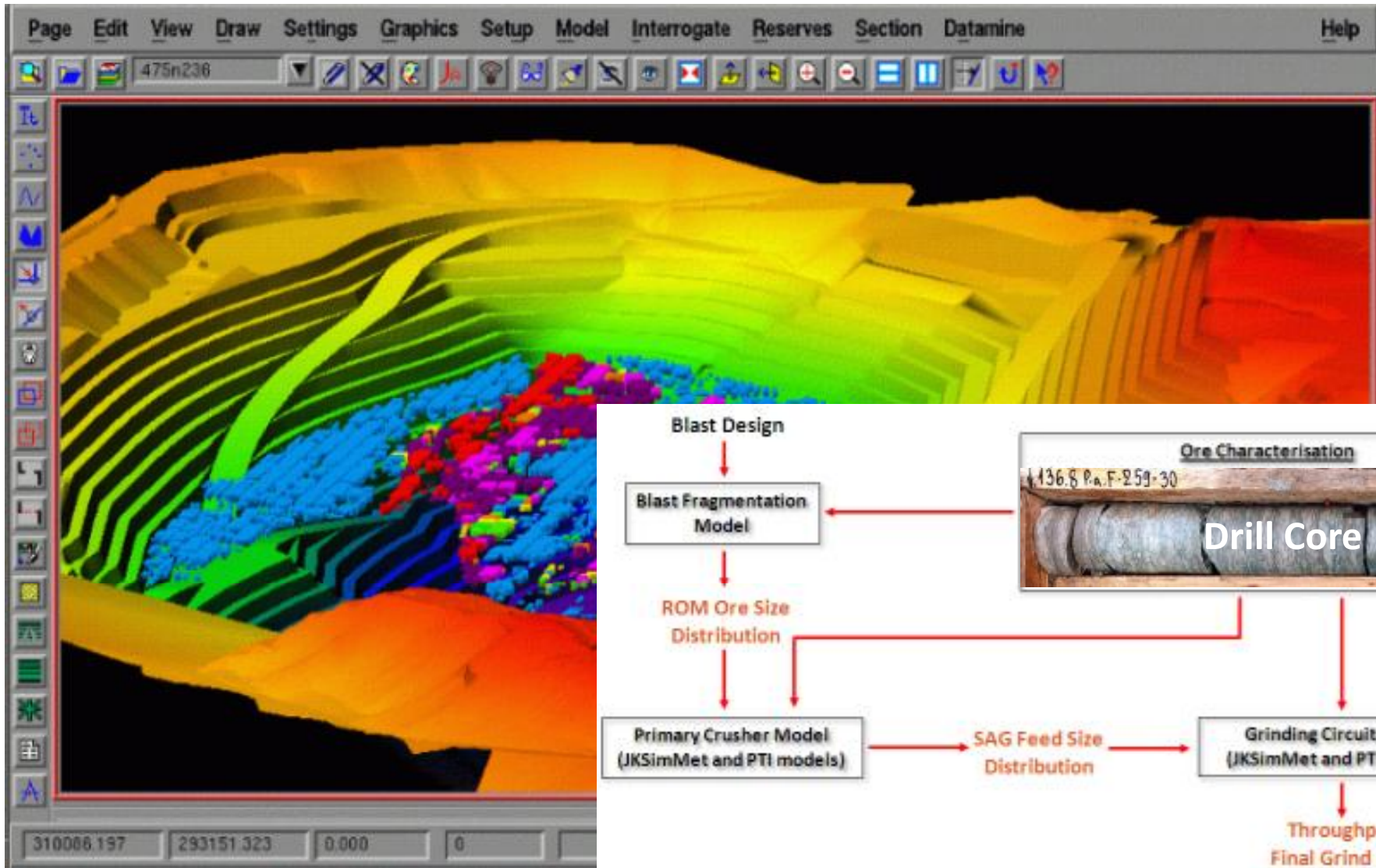
- *standardise on blast patterns that vary with rock properties*
- *use mill throughput estimates in mine planning (block model)*

- Outcomes:

- *10 to 20% increase in mill throughput for harder domains*
- *more consistent mill feed size*
- *use of throughput forecasting tool in daily planning*

Geometallurgical Modelling

Mill performance associated with ore blocks



Case Study 3: Au Mine

Circuit issues for greenfield project

- **Objective:**

- *review suitability of circuit design & capacity based on drillcore*
- *how can blasting/circuit changes change over mine life?*

- **Recommendations:**

- *ore properties expected to worsen over mine life of 35 years*
- *circuit will work initially but not meet capacity later on*
- *can maintain throughput on harder ores with blasting changes*
- *over time, circuit capacity (installed power) will need to increase*

- **Outcomes:**

- *predicted circuit shortfall very early in project*
- *identified options for sustaining throughput with finer feed from blasting*
- *delayed capital investment until later in project*

Summary

- **PTI have developed a proven Mine-to-Mill methodology**
 - *applied at many large open pit operations around the world*
 - *involves rock characterisation, benchmarking and process modelling*
- **Mine-to-Mill has much wider applications**
 - *“Mine-to-Float”, “Mine-to-Leach”, “Mine-to-Smelt”*
 - *aggregate & cement industries*
- **Issues facing success are not technical ones**
 - *cultural change, sustained implementation*
 - *challenges also faced by Business Improvement, Lean and Six Sigma initiatives*