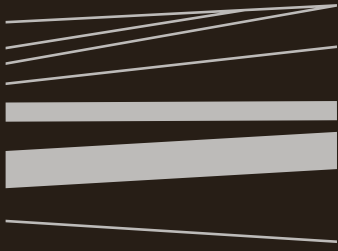


STRATUM™



MINING · A HUMAN ENDEAVOUR

# NEW GM LEADS MINE TURNAROUND IN CANADA

CASE STUDY

# SITUATION APPRAISAL

Despite a several-hundred-million dollar acquisition a couple of years ago, our client had yet to achieve expected production at the mine. Various General Managers (GM) had tried and failed to drive the mine's turnaround. So in Q1 2021, on the back of multiple previous assignments for this client, Stratum was engaged.

The new incumbent needed to rapidly lead the site through a transformational process and head towards operational excellence in its next phase of growth, optimising the extraction and processing rates of the mine.

The mine had legacy issues related to the unionised workforce and urgently required an 'organisational turnaround' to improve productivity by 45% within a year to achieve the results necessary to retain operational continuity. The client believed this was possible through a faster pace and more pressurised working environment and the right leader at the helm.

The incumbent's mandate was to reimagine the organisation by eliminating prominent silos and poor communication and changing the suboptimal performance culture. Failure would have almost certainly resulted in mine closure.

## Key objectives:

- Improve the overall safety and performance culture.
- Ramp up ore mined volumes from the current average of 35k/month to 60k/month by Q2 2021.
- Stabilise production once 60k/month is reached and continue towards an annual production of 800k ore mined/milled run rate.
- Achieve Free Cash Flow by the end of 2021.

# 02

## WHY WAS THIS CHALLENGING

The candidate needed a successful track record managing an underground operation with over 500 staff within a unionised environment.

The candidate would have the credibility to quickly gain the respect of the current management team and the corporate owners in Europe, plus the political nous and EQ to build connections between teams across borders to seed new relationships and come up to speed with all the issues.

The GM would also be walking into a massive transformation project with optimistic production targets and tight deadlines. There were numerous legacy issues associated with the mine and a high management turnover in the past.

Fly-in and out was not an option. The GM had to change the culture at the mine and part of that involved living in the community.

# 03

## HOW WE SOLVED IT

Stratum's elite research team first mapped the market of GMs with experience managing a similar size underground operation in Canada. As speed to delivery was an essential client requirement, we also considered professionals with the right to work in Canada from across the world.

Because of Stratum's experience and reach within the region, we rapidly built a highly targeted list of potential candidates. After deploying our standard but accelerated screening process, we referenced all shortlisted candidates before completing scientific/behavioural profiling.

# 04

## THE RESULTS

Stratum's research identified 52 promising candidate profiles.

Of this longlist, seven candidates were profiled as "ideal" and targeted for approach. We then conducted in-depth discussions and formal interviews, a key component of our vetting process, before settling on our final five shortlisted candidates.

We presented these candidates to the client with our recommendations.

The result: a seasoned Canadian national from a Major based in Vancouver was hired. In addition to a strong culture fit and technical qualifications, the candidate's last ten years had been focused on general management roles with success in operational turnarounds and transformations across Canada. His strong focus on system improvements and people management was exactly what the site needed.

### TRANSFORMATION SUCCESS

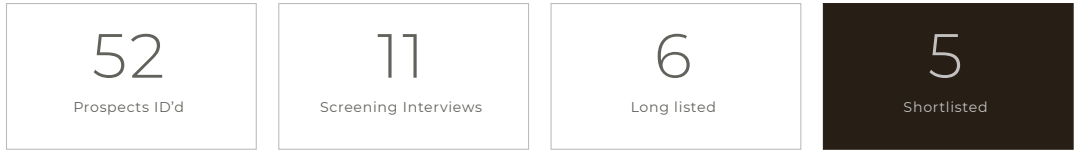
- The incumbent increased production by 60% within six months, achieving the highest quarterly production and EBITDA in 15 years.
- He spearheaded the stabilisation of the management team and the installation of operating standards and practices.
- He developed capital and an operating plan to achieve an additional 20% production target within 12 months.
- He re-established safety systems and cleared overdue ministry safety orders to improve site safety performance and restore trust with regulators.
- He also successfully led negotiations to settle an expired (2020) union agreement.
- And lastly, he advanced negotiations with the indigenous nation to establish IBA and extend a lease on the port facility within the indigenous reserve.

Subsequently, we were asked to strengthen his team further by recruiting a Mine Superintendent, a Technical Services Manager, and a Mobile Maintenance Superintendent.

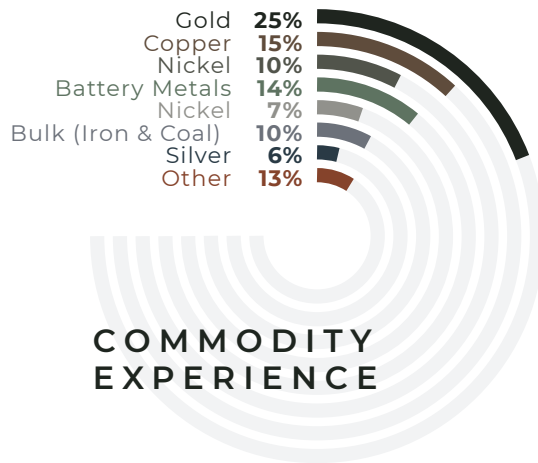
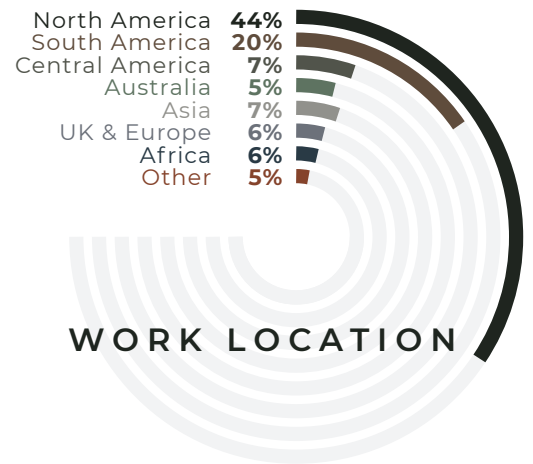
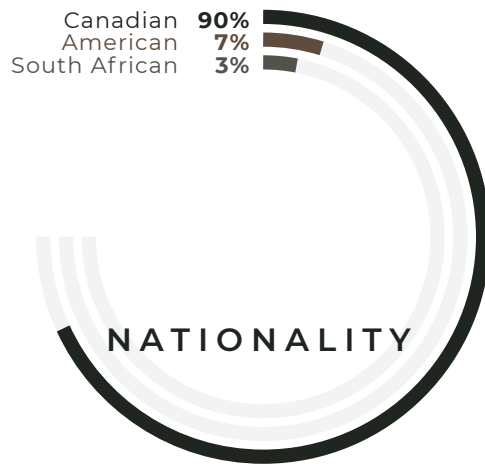
# 04

# THE RESULTS

## PROJECT SUMMARY



## DATA/ DEMOGRAPHICS



# 05

## CASE STUDIES

GENERAL MANAGER MANDATES MANAGED IN MORE THAN 15 COUNTRIES

### PERSEUS MINING

“When you're running a number of complex operations in Africa, it's critical you have an onsite leadership team you can depend on. When we faced a leadership gap, Stratum International was able to provide an excellent short-term solution in the form of an interim EGM, while they identified a shortlist of candidates who could perform the role permanently.

I was very impressed by how rapidly Stratum was able to give me a shortlist of candidates, and based on the quality of those candidates, we have used them for several executive operational and project positions since [Stratum is still the preferred recruitment partner to Perseus, eight years on – Case Study available]. I do not doubt that the recruitment of excellent people into key operational and projects positions has been a major factor in the turn-around of our operation at Edikan, and the completion of our Sissingue project, on time and under budget.”

*Perseus CEO, Jeff Quartermaine*

### EQUINOX GOLD

“I was first introduced to Jane Banks, and subsequently Stratum, in 2011 when I was CFO at Endeavour Mining. At the time, Jane got to know Endeavour after successfully completing mandates for the MD of a company we acquired. One of their placements later became Endeavour Mining's COO.

During this time, we were in a rapid growth phase, and several key hires were made via Stratum, including a VP Operations, two General Managers, a Process Plant Manager and a Mine Manager.

We relied on Jane's knowledge of the region, as well as Stratum's market and salary data provided to our HR team. When I was appointed CEO of TrueGold, we engaged Stratum to fill a site management role at Karma.

Currently, as the CEO of Equinox Gold, we once again retained Stratum to recruit two leadership hires in Brazil, a General Manager and Project Manager.

Overall, we have been pleased with Stratum's assistance.”

*Christian Milau – CEO, Equinox Gold*

# 06

## FIT TO LEAD

### THE PROBLEM

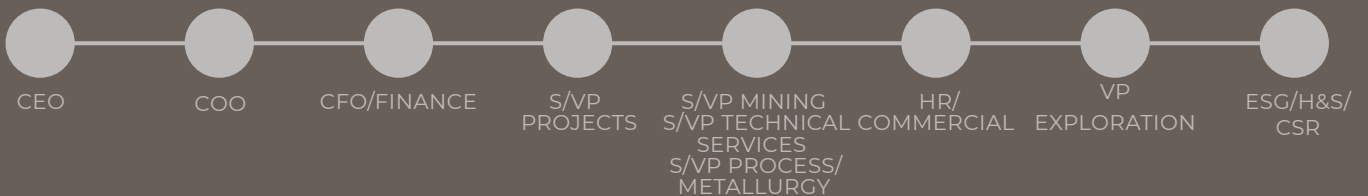
Some 80% of professionals are hired based on their skills, career experience, and a CV alone. Yet 80% leave their jobs because of culture fit issues. It's why the traditional recruitment model is fundamentally flawed. Little attention is given to achieving the right fit, which is critical for retention and positive ROI.

### HOW ARE WE SOLVING IT?

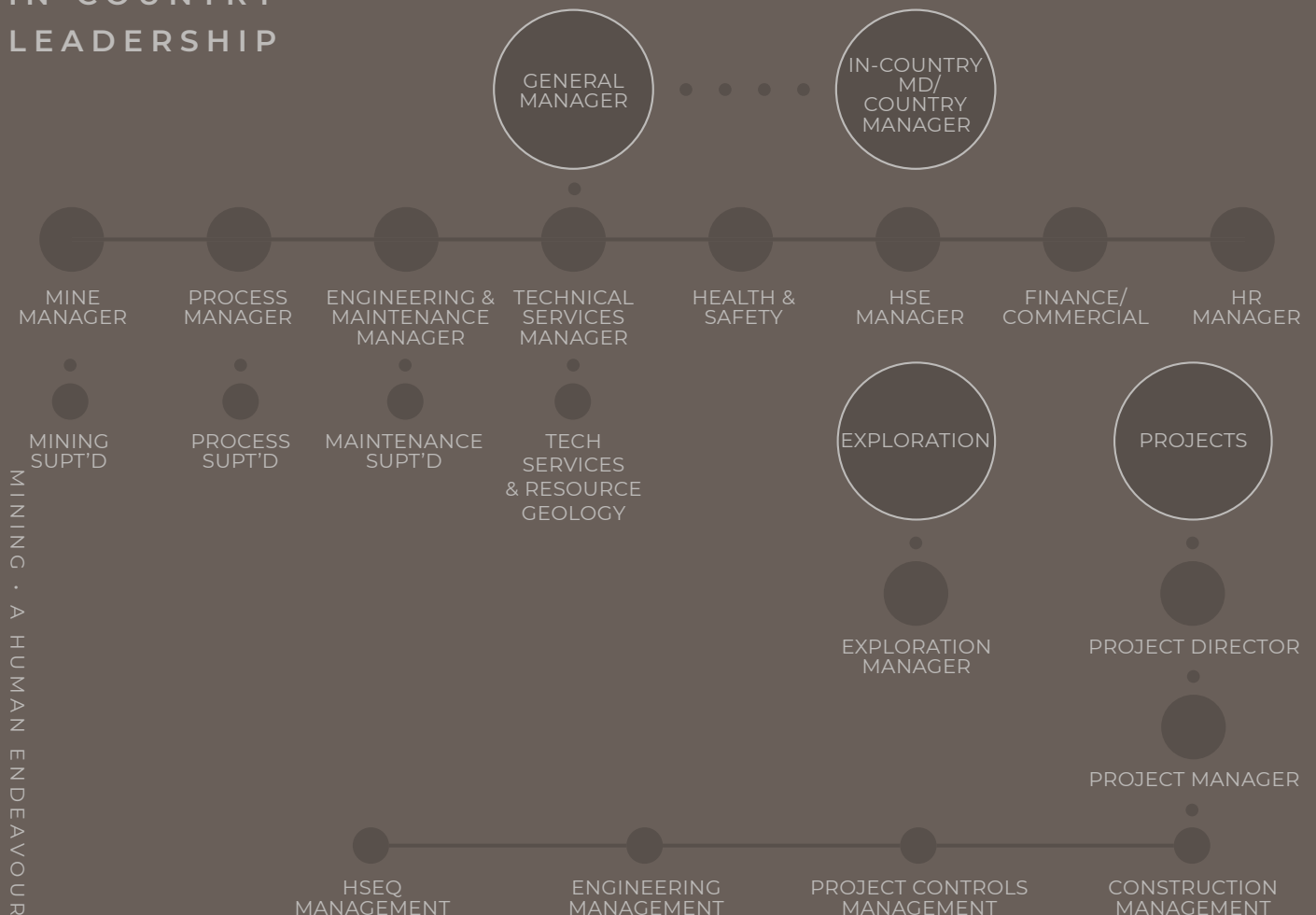
At Stratum, finding the right fit candidate for your business is a lot like mining. Unlike most firms that source talent reactively, we've been proactively cultivating talent for nearly a decade. In fact, through our candidate management model, augmented by scientific profiling, we've interviewed and assessed more than 7,000 professionals in our niche, irrespective of market demand. And we did it without ever advertising online.

Because at Stratum, we farm; we don't fish.

### HQ



### SITE/ IN-COUNTRY LEADERSHIP



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# 07

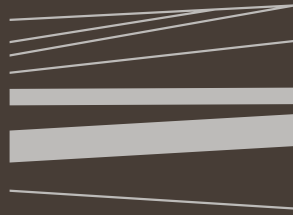
## ABOUT STRATUM

Stratum specialises in the human aspect of mining.

We are a premium executive search, recruitment and management consulting firm providing bespoke human capital solutions to the mining industry.

For ambitious companies looking for high performing leaders across corporate and technical disciplines at site and head office, Stratum's proactive, innovative approach provides access to the best professionals from around the globe.

STRATUM™



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+44 (0) 203 627 3271  
20 Eastbourne Terrace, London, W2 6L A, UK  
stratum-international.com

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Market Mapping/Research/Succession Planning · Due Diligence/Referencing*