

Mining niches

Marketing experts developed the concept of niche marketing as a counterpoint to mass marketing, urging companies to drill down into their niches to find riches. Not so fast and not so easy.

When it comes to Ukwazi Mining, drilling down into its niches reveals that their greatest strength is having employed and grown a dynamic team that covers the critical mining methods, disciplines and commodities a client would expect.

Ukwazi Mining is the epitome of multi-disciplinary mining advisory company. It's a massive benefit to have teams, skills and resources that can handle customised client needs or requests through an integrated offering. After all, that's how you grow a business; adding ever-greater value to each client... and value is something Ukwazi's Director of Business Development, Spencer Eckstein is expertly versed in.

"The most important lesson I have learned, and which we constantly apply, is that working with us and our teams should be a pleasant experience: be technically excellent, do it at the required business clock speed and ensure clear, transparent and reliable outputs that our clients, their investors and funders trust," says Eckstein. "However, beyond these factors, our daily mission is to strive to ensure that we deliver technical insights that are relevant to our clients and propel their projects forward."

He stops to think for a second, before adding: "If we don't achieve that then we are not adding value."

Eckstein describes in great detail what differentiates Ukwazi Mining from their competitors... and it is that niche X-factor, that is particularly valuable in mining... and as rare as many of the precious metals or minerals the industry seeks to bring to the surface.

"Ukwazi's great strength is our ability to work across technical disciplines and mining methods. What that means is that we can provide services to companies that have open pits or underground operations, and that we can work on different commodities, whether it's copper, cobalt, manganese, iron ore or diamonds, we have the skill sets to do that. Furthermore, our technical focus is from mine to market," he smiles, knowingly, as being able

to work with, and service clients "from mine to market and pit to port" opens up a massive market for an industry that is continually challenged by high infrastructure investment and operational costs."

"Mining has a very specific value chain associated with it. Working with a client who adopts a value chain approach is beneficial for us, as it enables us to comprehend both their unique value chain and the broader industry value chains, both of which are commodity specific.

The company is very proud of the fact that Ukwazi started from very humble beginnings but has survived, sustained and finally thrived through 20 years of operation. The company has navigated a wide range of challenging industry events over the years, such as the global financial crisis, a range of commodity cycle troughs and COVID-19. As a testament to this, in 2023 they were honoured with an international award for the best mining advisory business in Africa.

"Mining is a global industry, and our view is that we go where our clients go. This has taken us into different countries and continents, but from our perspective we have to do that. The golden thread for us is that we try and work in countries that share a common time zone. Managing work across time zones with more

than a four-hour difference becomes extremely difficult," says Eckstein.

An additional advantage is that mining projects across varied geographies will often follow the same mining code. This ensures that Ukwazi's specialist mining engineers and key operators can serve as experts in other parts of the world.

"We obviously cross-pollinate ideas and practices based on what is successful in one country or one project to another, but we have to be careful as each project is unique. You have to understand the commodity, the style of mineralisation, the process technology, the maturity and strategy of your client, and the source of potential investors or funders in each case," adds Eckstein.

A major drive for Ukwazi is to rebuild its African footprint in Central, West and East Africa. Saudi Arabia is also proving to be a jurisdiction of interest, as the Saudi Government has been investigating in how to diversify their economy away from oil and gas, which is why they are starting to build a mining industry.

There is also a bit of a renaissance in the US mining market. We are currently looking at one or two projects in the US, as the country focuses on its own metals and minerals, given



the quest for electric cars and battery solutions," adds Eckstein.

Operating as a successful company in South Africa as well as globally naturally requires not just superior operational standards, but high quality in innovation and product development. Ukwazi has a unique approach to this challenge, and it's something they call their Super Teams!

"We have a particular view of innovation, as part of what we do and how we innovate is based on how we are organised as a company. Our Super Teams basically comprise individuals who have what we call T-skills—having a breadth of knowledge across the top and then in-depth knowledge down the vertical. Team members should also possess expertise in the modelling software utilised throughout Ukwazi.

In essence, our innovation strategy is built upon incremental gains and diverse points of organisational learning. Here, innovation is centred around a holistic approach to cohesive project design. This allows us to focus on continuous improvements in products and services. We are also innovating in our mine contracting business, exploring the introduction of new mining methods and machinery for rehabilitation and mine closure," explains Eckstein.

"From a financial perspective, there are just two key levers—revenue or costs: you either manage revenue upward, or manage costs downward... or you do both. In our case, we are very clear about understanding our cost structure. This is why in terms of quality, we probably lean towards the Japanese Kaizen principles of quality management. As a result, all our products and services are refined and extensively reviewed before being rolled out to clients."

Ukwazi's core businesses are their multi-disciplinary advisory services consisting of mining and mining infrastructure, engineering, technical studies, onsite technical support services, sustainable mining and transaction advisory services. Their specialist technical studies focus on feasibility studies for project advancement, approval, funding and execution, while they conceptualise, design, schedule and estimate the full mining value chain from mine to market. This extends through everything from the mine and associated infrastructure itself, to bulk material handling systems, surface water management systems, surface infrastructure and the supply of bulk services.

Their onsite technical support services involve co-locating the company's mine planners

to offer implementation assistance directly to clients, aiding in the delivery of the mine plans and designs provided by Ukwazi. As for sustainable mining, the focus is on Environmental, Social, and Governance (ESG) factors, which encompass authorisations, water management, and other specialised studies relevant to mines and mining projects."

"We have a specific emphasis on effective mine rehabilitation and a niched approach to mine closure," adds Eckstein.

Finally, their transaction advisory service focuses on mine valuations, due diligence, and public reporting, typically required by funders, investors and stock exchanges.

"Although mining advisory services span a range of different types of services, we pride ourselves on being a trusted advisor to our clients. We deliver multi-disciplinary solutions to mining clients, wherever they may be, whatever the commodity may be, and wherever the geography might be," says Eckstein. "And we accomplish that through superior knowledge and experience, sound financial management and leadership and, of course, our super people and our Super Teams." ▲