

Stantec targets growth in mining

Stantec's Jon Treen talks to Ailbhe Goodbody about the role of consultancy within the mining industry as the new decade begins

Jon Treen, senior vice president, mining business line at Stantec, thinks that the most significant market trends or themes in mining in 2019 included managing risks associated with tailings, water and the environment, social licence and community acceptance of mining projects, along with innovation and technology as tools to unlock value.

He notes that compared to 2018, tailings and risks posed by tailings structures continued to be top of mind in 2019. He says: "The year started off with great difficulty with the tailings incident in Brazil, and I think that really positioned risk as one of the key themes for 2019 overall. Looking at organisations and looking at their operations – not just at tailings storage facilities but all major risks – was another big trend we saw [in 2019]. As corporate social responsibility adds more governance requirements, we are seeing growth

in the demand for technical support services to minimise those risks."

Competition for talent also ranked high last year; Treen sees a huge supply gap in the current recruitment environment for geologists, engineers and metallurgists.

"Demand for geologists, engineers and metallurgists is increasing, yet the supply of people with these qualifications is at best staying stable, and in most cases going down," he notes. "The market to recruit these specialties is extremely competitive."

Treen says current growth drivers in the industry include the demand for batteries for electric vehicles, as well as telecommunication specialty metals. "The battery movement is going to continue to grow and develop," he predicts. "I think lithium, vanadium and other rare earth metals used in technology will be some of the biggest market drivers. Yet it's unlikely these will overshadow copper and gold demands."

CONSULTING

Stantec is a consulting firm that serves several industries, including mining. The company has more than 30 offices dedicated to mining across Canada and the US. In Australia, its mining dedicated offices include Perth, Adelaide and Brisbane, while in Latin America its mining dedicated offices include Santiago, Chile, Lima and Arequipa, Peru and Buenos Aires, Argentina. In 2020, the company will open an additional mining-focused office in Indonesia.

Stantec has more than 22,000 employees; it currently has more than 800 employees in the mining sector, compared to 644 at the end of 2018. Treen says: "In 2020, we expect to grow at a similar clip."

As a result of the Stantec acquisition of Norwest in May 2018, Stantec's resource, reserve and feasibility report/study work nearly doubled. In 2019, the company

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completed over 40 resource, reserve and feasibility reports/studies.

For 2020, Stantec is targeting 10% growth. "This will come from organic growth and acquisitions," states Treen. "We see a strong growth trajectory in Latin America and Australia and, as a result, an opportunity to grow our market share there. Latin America is set up very well overall with the resources it has in the ground, and I think in the future years it's going to really ramp up in terms of production."

"Given the industry's preference for reliable geographies with few risks, I see the industry continuing to grow in North America, and Stantec is focused on growing our services in that market."

Treen thinks the need for consultancies within the mining industry is increasing. "The demands on mining companies are growing. Consider the increase in government regulations, social requirements and additional approval processes – consultancies are being brought in to help with this work."

He adds that companies such as Stantec see what is going on around the world and can share their expertise or best practices with their mining company clients.

"I think Stantec is uniquely positioned," says Treen. "We've got 30 offices and around 800 people [in mining], in addition we've got a very large environmental services group, water and power generation group within Stantec. Our clients benefit from the diverse services we offer and the deep experience

we have in countries around the world."

Stantec has been working with some clients for years on some of the largest tailings dams in the world. "Our continued work on these projects is definitely a high-light for me professionally and personally," says Treen.

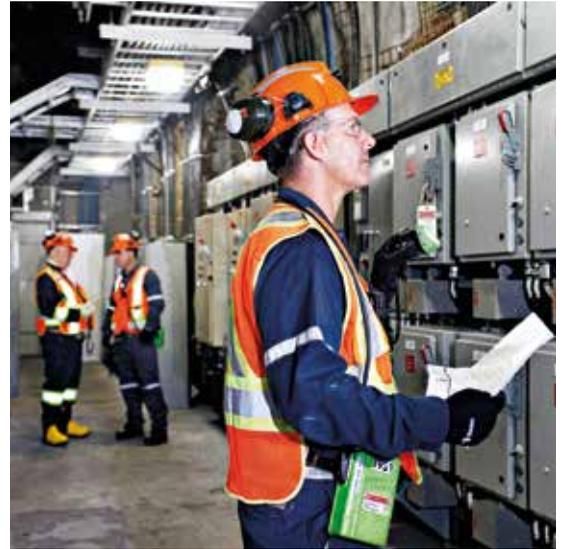
As a rule, Stantec tries to get involved in projects very early. "As experts within the industry, we truly believe the biggest impact we can have is in the early study and design phases," comments Treen. "We are very focused on adding value early as this is key for projects as they continue into pre-feasibility, feasibility and construction. As a company we focus on constructing projects that we've designed."

"Our work in 2020 will continue to focus on tailings facilities, hoisting facilities, large mine studies and environmental work."

"Another area of focus for Stantec and the industry is reclamation and closure. We're very focused on adding value through beneficial reuse of mine land, post mining. We're helping mines understand the potential of pump storage schemes that will allow the mine to store and generate power on different cycles and help reduce the load. We are interested in not just closing out mines but figuring out how they can be repurposed to add value to communities post mining."

THE FUTURE

For 2020 and beyond, Treen believes that the demand side of metals is



Jon Treen, senior vice president, mining business line at Stantec

going to increase dramatically. With this, projects will ramp up. The need for the power and infrastructure will also grow.

He says it is crucial that the mining industry refocus its efforts, "not as much on producing the ore better, but rather on everything associated with the circular economy," he suggests.

"How do we actually look at the material we're taking out of the ground and get the ore out? How do we minimise the amount of waste material we're taking out?"

"One of the biggest trends for me, which gets back to corporate social responsibility, is around sustainably producing products. If we look at mine sites or new projects, how do companies lessen their footprint and environmental impact?"

"I really think there's an opportunity to make mines more sustainable by looking at energy use and power production. How do we reduce what we're using so we can reduce the greenhouse gases associated with our operations?"

"The two will go hand in hand – if we can reduce the amount of waste, and the amount of time we manage and handle waste, the power use will go down as well. I think that's going to be a key area of the focus, not just in 2020 but for the next several years going forward."

"That's one of the biggest things that I'm excited about and geared up for – moving away from producing 99% waste and only 1% value. I'm equally excited for the change in mindset that will come with this!" ♥

Tailings management is one of Stantec's core service offerings

