

MASTERING THE MINING SUPERCYCLE

Strategies for Success and Sustainability

1 UNDERSTANDING THE MINING SUPERCYCLE 

The mining industry is cyclical, with supercycles driven by global economic conditions and technological advancements. For example, the price of iron ore surged nearly 800% from 2002 to 2012 due to China's industrialization. Companies must understand these cycles to maximize profits and ensure long-term growth.

TMG | SOLUTION 

TMG Mining Projects Management helps companies navigate supercycles by providing expert insights and strategies to capitalize on both boom and bust periods.

2 CAPITALIZING ON SLOW PERIODS 

During downturns, costs like labor and equipment can drop by up to 15%. These periods offer an opportunity to invest in exploration and development, positioning companies to benefit when prices rise again.

TMG | SOLUTION 

TMG advises companies to initiate projects during slow periods, securing better deals and ensuring readiness for the next upswing.

3 LOWER INPUT COSTS & REDUCED COMPETITION 

During downturns, mining projects' costs decrease, and competition for resources lessens, making it an ideal time to invest. Between 2012 and 2015, exploration budgets dropped by over 50%, providing opportunities for strategic investments.

TMG | SOLUTION 

TMG helps clients capitalize on reduced costs and lower competition to enhance project viability and future profitability.

4 REGULATORY & COMMUNITY ENGAGEMENT 

Engaging with regulators and communities during lulls can avoid bottlenecks during market rebounds. Approval times for significant projects can extend by up to 50% during boom periods.

TMG | SOLUTION 

TMG facilitates smoother regulatory and community engagement, ensuring projects gain necessary approvals without delays.

5 ENSURING READINESS FOR THE NEXT UPSWING 

Companies with projects ready at the start of a price recovery can see profit margins increase by up to 40%. Planning during slow periods is crucial to maximizing returns in the upswing.

TMG | SOLUTION

TMG ensures that clients' projects are ready to capitalize on rising commodity prices, securing a larger market share during peaks.



6 AVOIDING COMMON EXECUTIVE MISTAKES 

60% of mining projects face delays and cost overruns due to misaligned KPIs, focusing on short-term targets rather than long-term success.

TMG | SOLUTION 

TMG aligns KPIs with strategic objectives, ensuring project goals are met without compromising long-term success.

7 LACK OF CONSULTANT OVERSIGHT 

Inadequate oversight of consultants can lead to cost overruns of up to 20%, prolonging project phases and increasing risks.

TMG | SOLUTION 

TMG provides robust consultant management, setting clear expectations and maintaining progress to keep projects on track.

8 GOLD PLATING 

Up to 30% of mining projects suffer budget overruns due to unnecessary spending on non-essential elements.

TMG | SOLUTION 

TMG focuses on core project elements, ensuring that any enhancements provide a clear return on investment.

9 RUSHED EXECUTION 

Rushed projects often lead to safety incidents and inefficiencies, a common issue during high commodity prices.

TMG | SOLUTION 

TMG prioritizes careful planning and execution, minimizing the risks of rushed decisions and ensuring project quality.

10 SCOPE CREEP 

Scope creep, driven by poorly defined project parameters, accounts for over 50% of cost overruns in mining projects.

TMG | SOLUTION 

TMG helps define explicit project scopes and enforces them rigorously to prevent costly overruns and delays.

11 POOR DOCUMENT MANAGEMENT 

40% of project delays in the mining industry are due to inadequate document management, leading to miscommunication and legal challenges.

TMG | SOLUTION 

TMG implements effective document management systems, reducing delays and ensuring compliance throughout the project lifecycle.

