



COSOL CASE STUDY

Oyu Tolgoi – Contract
Management Services
December 2012

Our Client

Mongolia's Oyu Tolgoi copper and gold mine, in the South Gobi Desert, is the biggest economic undertaking in the country's history. Average annual production of 450,000 tonnes of copper and 330,000 ounces of gold are forecast. With 1.4 billion tonnes of reserves and a resource of 3.1 billion tonnes the mine will last for more than 50 years. Turquoise Hill Resources (formerly Ivanhoe Mines), whose majority owner is Rio Tinto, holds a 66% share of Oyu Tolgoi and the Mongolian government own the remaining 34%.

Our Project

COSOL has been a long standing service provider to various Rio Tinto Assets over many years and was requested to assist, on various components, of the underground project.

The establishment of a central way for engaging contractor's was required, including business process improvement and the creation of a team that could effectively liaise and achieve outcomes spanning multiple functional areas including operations, health, safety, environment, training, procurement, and contractor engagement.

Our Delivery

COSOL consultants worked from Oyu Tolgoi's head office in Ulaanbatar Mongolia, in one of the most remote mining locations in the world. With a largely non-English speaking workforce, COSOL brought to bear its significant experience and was able to ensure a successful delivery to Oyu Tolgoi and the Mongolian and International supplier community.

COSOL delivered phase one of the Central Contractor Engagement Service at Oyu Tolgoi, providing foundational capability to engage contractors. Our consultants and the Central Contractor Engagement Service at Oyu Tolgoi were able to road test the improved process with real sourcing events and existing contractors, which provided for a robust set of processes and a team that was well trained and prepared for go-live.

By applying the improved processes, Oyu Tolgoi can now effectively and efficiently commence engaging the 4000 contractors that are currently on site. This single approach to engaging contractors will increase safety performance of current and future contractors and improve commercial outcomes.

By increasing safety performance indicators and information transparency, Oyu Tolgoi will be able to confidently engage local Mongolian Contractors.

Contact Us

For further details email enquiries@cosol.com.au, visit www.cosol.com or call your nearest COSOL office.