CORE VALUES
In addition to the SRK Group’s reasons for reforming the way North America was doing business in the 1990s, the internal North American corporate dynamics required attention. What was a top-down model had to be transformed into a partnership model, where a broader range of senior staff participated in decisions. But that desire to better reflect the values of the group and put power into the hands of those who made it work could triumph only as an evolution and not a revolution. Allowing time for the change to happen organically rather than imposing it was critical. As a result, the SRK Group in the final years of the 20th century and the first few years of the 21st spent significant time making sure it got the transition to an international consultancy right.
In January 1996, Andy Barrett proposed that a new position, based in Vancouver, be created to co-ordinate the globalisation changes. His appointment to fill that role also gave him a chance to directly address the issues within the North American unit.

“We thought at the time that Andy was a good ambassador for the SRK way of doing things and its values,” Paul Schmidt says. “He had grown up in the South African entity and played a major role here. He and Brian Middleton had been very successful in their managerial roles. It made sense for them to lead us forward into this new global mode.”

Barrett arrived in Vancouver in August 1996 as the chief executive officer of the Global unit with the intention of devoting a quarter of his energies to North America. He faced a daunting task. Keith Robinson and Rob Dorey, two of the key players, were both Type A personalities who liked to get their own way, and the culture in the North American offices reflected that.

Soon after arriving, Barrett organised a two-day meeting of the NA board to talk about the business and the culture. Dave Bentel, Keith Robinson, Rob Dorey, Neal Rigby, Joe McGinley and Chris Page were among the important participants. The talks weren’t about profits or whether the unit was performing; they were about what made SRK, SRK.

“What do we want, how do we want to manage ourselves, those were the questions,” Barrett says. “The meeting was about empowerment, changing the North American model to something similar to what worked so well in South Africa — rather than a small number of bosses, we needed to create a situation where a much broader group of people were able to influence decisions. We essentially said that to be a great organisation, we must have great consultants. The fact that we need to manage the business should be a secondary issue for the practice. They should be focused on clients.”

Over the following months, Barrett proposed a leadership group, in the same vein as the SA partners group, initially known as the Principals Group. “We created a recognition system that valued technical leadership and gave those who achieved consulting success a say in the running of the company,” he says. “Leadership was no longer limited to managerial appointments. So, somebody whose aspiration was to be a world-class consultant wasn’t always going to be consigned to reporting to some organisational hierarchy. That person could become the highest paid and the most recognised person in the organisation by primarily concentrating on his or her practice. It was a completely different philosophy, and it was a very different cultural aspiration.”

The philosophy was introduced at an inaugural NA principals meeting in Vancouver in February 1997. Jeff Parshley left impressed.

“These people were the ones who made the business work,” he says of those around the table. “They had built up their consulting practices within SRK and collectively they were the future of SRK. The concept of one person, one vote, and expanding that group to be ultimately the strategic and policy-making group within the organisation — that was a major
change in the management in the company. It changed everything. There were some clichés passed around at the time. ‘Empowerment’ was one of them, but there actually was empowerment going on at that time. Suddenly you felt like you had a say in what was happening and you could contribute at the level you were capable of, rather than being restricted by ‘hierarchy.’

Everyone recognised that such a structure required buy-in to succeed — people had to have a particular kind of psyche, they had to be entrepreneurs and simultaneously recognise the value of collaborating with colleagues. This was a change of emphasis from a culture that was based on a more traditional command-and-control model. The new approach reflected a desire to let people decide where and how they could contribute, rather than telling them how they would contribute.

Rules were developed, but there was a conscious decision to keep things simple and to avoid bureaucracy. “It was a radical change for NA, and it took probably five years to implement,” Barrett says. “A culture doesn’t change overnight, and it couldn’t be any one single individual who drove it. It wasn’t that kind of process. It appealed to the values and the beliefs of a broader group. We were evolving the consensus model that had worked well for us elsewhere in SRK.”

Resistance

In earlier years, Robinson had run SRK with a more centralised approach. The changes triggered by the larger SRK Global group were about how the company wanted to grow. For Robinson, the company wanted to go in a different direction than he did.

The truth was that the original North American and new SRK Global cultures were incompatible. Robinson recognised that quickly. In his decade with the firm, he came to know SRK and its people intimately. He got along well with them when they were in their part of the world and he was in his. It wasn’t that he disagreed with the new organisational structure or what the majority within SRK wanted to do with the group. He accepted and supported the changes; they made sense for SRK. But they weren’t for him.

“The SRK model was a flat structure with things done a certain way,” Robinson says.

As the cultural shift started emerging, and the mining emphasis came to the fore, others in the North American offices confronted the same question as Robinson: Is SRK still the company I joined, and do I want to stay with it given the significant change? The office in Columbia, South Carolina, did little mining work and no longer made sense within the group in the light of a mining-focused strategy. It was sold. In Reno, Joe McGinley, of the environmental remediation team, questioned his fit and decided to split off. That happened elsewhere in SRK too — those who didn’t embrace the values and direction left on good terms to pursue their own aspirations.

Robinson, too, recognised that mining wasn’t where he wanted to be. When Harm Gross, who ran the environmental side of SRK-Robinson, said he was leaving to specialise in contaminated-site investigation and remediation, Robinson decided it was time for him to depart, too.

“I thought SRK was a great firm, but I was feeling disenfranchised,” he says.

Barrett and Robinson decided to divest the SRK-Robinson Burnaby-based operations. The environmental part was sold to Gross; the civil geotechnical business unit was sold to Jacques Whitford (JW). Robinson joined JW in September 1998, specialising in soil investigations and civil work.
Renewal and Rejuvenation

The new structure was more focused than the old. It was timely, more transparent and better suited to the group’s needs and to those who believed in its core values.

Peter Healey had transferred from SRK-Robinson in the early 1990s to focus on mining projects with Andy Robertson, whose recognised expertise in acid rock drainage had helped bring in projects such as Mt. Washington, Vangorda and Sa Dena Hes. Healey worked with Robertson and Cam Scott on Vangorda and Sa Dena Hes, designing tailings and water-management facilities.

In the early 1990s, Daryl Hockley and John Chapman also joined SRK, and the combined experience of the team led to the creation of a geo-environmental group. Its initial focus was on supporting the mining industry with specialty civil/geotechnical team services relating to mine operations and closure.

Kelly Sexsmith returned to SRK in 1997 after completing her master’s degree, and was followed less than four months later by Stephen Day. With these additions, the group — known as the Vancouver GeoEnvironmental (GE) Group — achieved a critical mass in geochemistry. It was able to take on projects with increasingly complex geochemical issues, such as the Red Dog Mine in Alaska, the Pascua Lama project in Argentina and the Cigar Lake Mine in Saskatchewan.

In the late 1990s, projects such as Crandon, Jericho and Wismut kept the GE Group busy. Then, in 2000, Hockley won the contract for closing the Giant Mine in Yellowknife. This was a challenging project involving the reclamation of 237,000 tonnes of arsenic trioxide dust stored underground.

“Giant is a good example of a challenge that no other company could have taken on,” Hockley says. “It had chemistry problems, physical problems and social problems. We did really well coming in as a technical advisor who, right from the get-go, said we would not be part of the final implementation. We knew that would allow us to give the client unbiased advice. We went in expecting to be there for three to five years and were rewarded with longer-term involvement.”

In 2001, the GE Group took on the Britannia Mine project together with Vancouver’s mining group. The same year, Dylan MacGregor joined the geochemistry team and commenced an extensive field investigation at the Faro Mine.

After that, the number of geochemists in Vancouver quickly grew to 12, and in 2002, SRK Vancouver hosted the first SRK Global geochemistry workshop. This drew participants from as far as Reno, Cardiff and South Africa.

The civil/geotechnical team also expanded in late 2001 when Maritz Rykaart joined and undertook the management of projects such as Hope Bay.
Although the GE Group had always offered water services to SRK’s clients, these services had been provided on an ancillary basis. In 2010, Hockley championed an initiative to develop a dedicated water services team, and in early 2011, he hired John Duncan and Tom Sharp to build that part of the business. The water services team grew quickly to include about 10 staff providing integrated water management solutions to the mining industry.

SRK had been providing hydrogeological services since the late 1990s, through Michael Royle. The award of the Giant contract acted as a catalyst for the expansion of the hydrogeological team. Dan Mackie was hired in 2003, and the hydrogeology specialists developed a closer relationship with the geochemistry and mining teams.

The integrated team was able to tackle a wider range of challenging projects such as mine-water management, the permitting of new coal mines in B.C., engineering studies for uranium projects in Saskatchewan and work with other commodities around the world.

Like the geo-environmental consultants, Jarek Jakubec of the mining team welcomed SRK’s restructuring in the late 1990s.

A geological engineer who fled Czechoslovakia in 1987, Jakubec had made his way to Canada, where he

In 1998, Daryl Hockley successfully recruited him to join SRK’s geo-environmental group. Since then, Day has specialised in developing innovative approaches to waste management, and assessing existing waste-disposal facilities to identify ways of minimising contaminated drainage.

Over the years, Day says, the biggest change he has witnessed is a shift in the primary focus of mining firms from resource extraction to the equal, if not greater, concern about what happens when the resource is exhausted and the mine closes. “When I first joined SRK, I joked that my environmental report would be Appendix Z and didn’t play any real role in a project’s outcome,” Day recalls. “Now the work we do in our group can be critical to a project’s success.”

Stephen Day was born in the U.K. but did his bachelor of science degree in geology at the University of British Columbia, Canada. He stayed on in Vancouver and did a master’s in geochemistry before moving into the environmental side of mining in the late 1980s.

In 1993, while working for Dames & Moore, Day began noticing SRK consultants competing with his company or working on other projects.

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Day has worked on the Red Chris copper/gold project for several years now.
found a job in northern B.C., working on the Cassiar mine. It was there that he met Dennis Laubscher, a world-recognised cave-mining guru and an SRK associate at the time. This kicked off his professional journey. “Cassiar was a very difficult mine, and Laubscher always said that I got my second engineering degree there. He was damned right.”

After the Cassiar mine closed, Jakubec was hired by the De Beers diamond company in South Africa and seconded to Botswana to lead the geotechnical section of their diamond mines for five years. During this time, he became an SRK client and met Steffen, Peter Terbrugge, and other South African SRK luminaries. When SRK offered him a job in 1997, he asked to work in Vancouver. His consulting debut in North America coincided with the rebirth of the business unit.

“I was 37 years old, and at that age I was very arrogant, especially after working for a South African diamond mining company that supported me with anything and everything I wanted,” Jakubec says. “I had my own gardener, a house and a car of my choice. I came with a suitcase to downtown Vancouver and all I got from SRK was a week in a shabby hotel on the North Shore. Had I been a weak person, I would have cried.”

He also disliked the SRK mining staff’s situation at the time, understandable though it was. The office was in transition, with some people weighing their future and few paying any attention to a new recruit. Jakubec started searching for another job within a week and decided to approach a friend who worked with Golder. Fortunately for SRK, the friend was out of town and before he returned the management situation had been resolved. Jakubec got to know Page, who had assumed oversight of the diminished mining team. That allowed Jakubec to rediscover the SRK culture he had admired in South Africa and that had originally attracted him to the company.

Given Page’s long history with SRK, including his beginnings in Johannesburg and his help with getting the South American and Australian practices going, Jakubec saw him as a touchstone from the days when SRK was purely a company of adventurers. Page epitomised how a technical wizard could be recognised within the organisation without becoming active in administration or management.

“I ended up working closely with Chris,” says Jakubec, “and it turned everything around for me. We both had strong personalities with chips on our shoulders, so on occasion we’d clash and collide. But our disputes were constructive ones about professional points of view, rather than counterproductive arguments caused by differing personalities. We had a very good working relationship.”

Although the market soured in 1997, over the next few years Jakubec was in the right place at the right time. When the first Canadian diamond discoveries were made, few people had Jakubec’s diamond mining expertise and deep-block- and sub-level-caving knowledge. The High Arctic location of many of the projects added environmental and social challenges that made the work even more attractive to Jakubec; he loves exploring different parts of the world, getting the flavour of the people and the land.
Project: Giant Mine Closure and Remediation
Yellowknife, Northwest Territories, Canada

CLIENT: Aboriginal Affairs and Northern Development Canada

SCOPE: Between 1948 and 1999, Giant Mine produced gold by roasting arsenopyrite ore. This process produced 237,000 tonnes of arsenic trioxide dust that was stored underground in mined-out stopes and purpose-built chambers. The dust is over 60 percent arsenic and its solubility represents a significant risk to groundwater and to nearby Yellowknife Bay.

In 1999, SRK won an international competition to become the lead technical advisor for remediation of the arsenic trioxide dust. In 2004, SRK’s role was expanded to include development of an overall site-closure plan.

SRK’s team identified a total of 56 possible methods for remediation of the arsenic trioxide dust and led a diverse group of consultants through investigation and scoping level design of four options representing the broad remediation categories. SRK also assisted with an extensive program of stakeholder consultation, including three multi-day workshops where community groups evaluated the design options. The ultimate decision was to freeze the rock around the dust-storage areas to restore the original permafrost and trap the arsenic.

SRK designed the freezing process. Combinations of active and passive freezing systems were analysed and then tested at full scale. The active systems, similar to those of indoor ice rinks, circulate cooled liquid through a series of underground pipes.

The passive systems employ pipes filled with carbon dioxide; the carbon dioxide vaporises within the pipe wherever it contacts warm ground and condenses in a radiator exposed to the cold air. Gaseous carbon dioxide traveling up the pipe and liquid carbon dioxide flowing down create a fully passive heat pump that requires no external source of power.

During the project’s lengthy period of approvals and environmental assessment, SRK assisted with a number of stabilisation projects: repairing the underground workings, upgrading the water-treatment systems and re-routing several hundred metres of a creek that flows through the mine site.

SRK also prepared a comprehensive plan for closure and reclamation of the site. Environmental assessment was completed in 2013, and the project is now in the next stage of licensing.

OUTCOME: SRK continues to act as senior technical advisor to the client’s project team, reviewing detailed designs for what has become one of the largest mine closures in Canada.
“Our consultancy’s success in building a diamond practice is evidenced by our involvement in nearly every diamond project in Canada,” he says, “in many cases for a decade.” The most significant projects include the Ekati, Victor and Snap Lake mines.

In 2002, Page decided to leave SRK, but to remain an associate. Although Jakubec regretted the loss of his colleague as a day-to-day presence, the change did present new opportunities.

“After Page left, only Chris Lee and myself were left in the Vancouver mining and geology business unit,” says Jakubec. “Andy Barrett asked me if I would be interested in developing and leading the unit, and I agreed.”

New additions to the mining and geology team included Ryan Campbell, Bruce Murphy, Chris Elliott and Marek Nowak. Working with Campbell and Murphy, Jakubec recruited a dozen bright young associates with exploration backgrounds to provide high-quality, integrated geotechnical field services. The industry welcomed a reliable data collection service, and it generated healthy profits for SRK.

The mining team also broadened its cave-mining services. Page had been active in this area for decades, and by the end of the 1990s the mining industry had recognised its potential for developing and exploiting low-grade, massive ore bodies. Cave-mining experts were in high demand. Jakubec used his connections with Laubscher and Itasca to arrange mutually beneficial collaborations on caving projects around the world. These included Northparkes and Ridgeway in Australia, Pebble and Resolution in the U.S., and Premier and Finsch in South Africa.

Gord Doerksen joined the mining team in 2005, just prior to the market boom for mining studies and operational support. In order to take on a range of large, integrated projects, a number of multidisciplinary teams were created to provide mining, structural geology, rock mechanics, hydrogeology and geo-environmental services. The mining team was able to weather the 2008 financial crisis through its involvement in these studies as well as due diligence reviews for merger and acquisition transactions.

By 2011, the mining and geology team had grown to include more than three dozen people working on five continents, with key staff additions including Wayne Barnett, Martin Telford and Tim Coleman. The team has been involved in numerous high-profile projects around the world, including Oyu Tolgoi in Mongolia, Voisey’s Bay in Canada, Kumtor in Kyrgyzstan, Chuquicamata and El Teniente in Chile, Sabodala in Senegal, Kamao in the DRC, Silangan in the Philippines, and Venetia, Cullinan and Finsch in South Africa.
Project: Pogo Regional Interpretation
Structural Geology Interpretation of the Claim Blocks, Central Alaska, USA

**CLIENT:** Sumitomo Metal Mining Pogo LLC

**SCOPE:** The Pogo mine was established in 2006 and is Alaska’s largest producing gold mine. In 2010, the client commissioned SRK to conduct a regional structural geology interpretation of the Pogo district. The objective was to increase the understanding of gold mineralisation and to aid exploration targeting.

**OUTCOME:** This project resulted in the important discovery of a new zone that significantly increased the Pogo deposit’s resource inventory.

SRK had performed staged site visits to collaborate with the Sumitomo exploration team and to examine the deposit’s structural geology. Integrating these results, it prepared a regional structural geology interpretation, which Sumitomo used to define and evaluate potential exploration target areas.

Pogo’s gold mineralisation occurs within a structurally controlled, stacked system of laminated veins. At the time of SRK’s site visits, the system was being mined to the south of its point of truncation by a post-mineralisation diorite. SRK recognised that the system probably extended to the north of the diorite’s margins and Sumitomo confirmed this hypothesis with targeted exploratory drilling, resulting in the discovery of the new East Deep zone.

inset map: Location of the East Deep zone identified by SRK’s structural geology interpretation.
PROJECT: Ekati Diamond Mine Open Benching
Northwest Territories, Canada

CLIENT: BHP Billiton Diamonds Inc.

SCOPE: In 1998, Canada opened its first diamond mine, Ekati, which is operated and 80 percent owned by BHP Billiton. Having successfully commissioned an open-pit mine, BHP invited SRK to help select and design an appropriate method for underground mining.

SRK’s team, including Jarek Jakubec and Chris Page, recommended the use of open benching — a new mining method previously not commissioned in North America. Although the method had been successfully used at several De Beers diamond operations in South Africa, it had never before been tested in an Arctic environment.

Open benching involves accessing a deposit from a ramp, developed down from the surface. At Ekati, access to the production levels was provided via routes branching off the ramp at regular intervals to reach the kimberlite pipes. These level-access drifts for stope production were also used for exploratory diamond drilling and mining infrastructure — including sumps, refuge bays and electrical installations. Production cross-cuts were built into and across the kimberlite pipes for slot access, stope drilling and production mucking. Due to kimberlite’s geomechanical and weathering characteristics, development and production blast-hole drilling had to be completed dry.

OUTCOME: When Ekati’s underground operation was commissioned in 2002, Canada became the third country — after South Africa and Russia — to open an underground diamond mine.

When the pit (right) reached its maximum depth, continued recovery of high value ore was achieved using underground methods.

At Ekati the pit ramp continued underground — corkscrewing downward — and branched off at regular intervals to access the kimberlite pipe.
Change in Denver

As Barrett was moving to Vancouver in 1996, Neal Rigby, who assumed the chairmanship of SRK Global, was transferring from Cardiff to Denver to build a practice in the U.S. He wanted to establish a mining-finance team, similar to the one he had helped put together in the U.K., to handle due diligence and cutting-edge financing work in North America.

“One of the other reasons that I came across was that I got sick and tired of bumping into people on my travels around the world and hearing them say, ‘SRK in the U.S. only does geotechnical, tailings, acid-rock drainage, water and environment. You’re not noted for doing any mining or mining finance at all.’”

Rigby successfully put together 8 to 10 mining and geological experts, in spite of the collapse of the commodities markets during which many mining companies left Denver, merged or relocated.

In terms of the organisational issues in the U.S. practice, Robinson and Barrett had been looking for potential partners. One option was Mike Henderson, who had worked for SRK earlier and was now running Westec, originally founded by John Welsh and headquartered in Reno.

With the reorganisation of the Canadian office underway, Barrett negotiated the takeover of Westec with the idea of getting Henderson into SRK’s stable as a potential agent of change. Westec was in rough shape with the collapse of the Nevada gold market and copper at its lowest in nearly a century if you adjusted for inflation. When Barrett began talking with the company in April 1998, it had some 75 professional staff, down from a peak of nearly 150 but still bigger than SRK in the U.S. By the time SRK finalised the deal four months later, there were fewer than 40 staff left to move over with Henderson.

“We picked up the Tucson office, the Reno office and the Elko practice,” says Terry Braun.

In the wake of the deal, Braun left Denver to anchor Tucson. Henderson relocated to Denver to lead the engineering group and was also appointed chairman of SRK North America. The acquisition slowly produced benefits, and the office gradually won jobs across the Americas as well as Asia. At almost the same time, Rigby landed a large gold-mining project that led to SRK playing a central role in the financial restructuring of South African gold mining.

In 1998, Rigby got a call saying Gencor Limited wanted SRK to provide technical support for a merger with Gold Fields of South Africa to form Gold Fields Limited, which would be listed on the New York Stock Exchange and the Johannesburg Stock Exchange.

“They asked us to think about it, so I was quiet for a few seconds,” Rigby said. “Of course, I said ‘Yes!’”

Moments after he hung up the hotel phone, it rang again. This time it was the CFO of Anglo American, saying he wanted SRK to stickhandle a large transaction for them — they were putting all their gold assets into a single vehicle, Anglo Gold.

Rigby says, “I was absolutely mortified … moments ago I committed about 70 percent of our resources to another major merger transaction. It would have been irresponsible of me to say that we could take it on; we couldn’t. We just didn’t have the resources.”

Rigby turned to his wife: “I need a drink. I can’t believe I turned down Anglo American on something so big.”
His mobile phone rang. It was Anglo again.

“Neal, just how long are you going to be committed on this other major mandate?”

“Six weeks,” a surprised Rigby responded.

“Okay, we’ll wait.”

Rigby was on a plane headed for Johannesburg the next day. He pulled together several technical teams from South Africa, Australia and the U.K. Some 50 to 60 consultants were required. A month and a half later, they finished the final competent person’s report on a Saturday, delivered it, and on Monday morning, the teams started on the Anglo Gold deal.

One contract followed another from 1997 through 2001. After Anglo Gold, Anglo American engaged the SRK team in North America and South America for similar financial work. SRK was also brought in by the Zambian government to help negotiate the exit of Anglo from Zambia.

Back in the U.S., Henderson’s network of contacts generated opportunities, as hoped, and SRK became involved with more large-scale geotechnical design work. This reinvigorated group almost immediately landed the Barrick Pascua Lama project and the feasibility study for INCO at the Goro project, working with many of the SRK global offices. Rob Dorey had a counterpart of similar calibre in the office who could also sell work. Together they raised the profile of the SRK geotechnical group in Denver and periodically supported SRK in Latin America and Australia.

SRK became involved in a Rio Tinto project in Turkey that led to the creation of an office in that country staffed initially by Cevat Er, an environmental consultant of Turkish descent from the Denver office. Eventually the Ankara office grew into a full-fledged SRK unit, and the experience of slowly moving into that nation reinforced the lessons of South America — that expansion into a new, non-English developing market required cultural connectivity as well as a learning curve. Understanding couldn't be rushed.

In Denver, though, regardless of the successes SRK enjoyed in the market downturn that began in late 1997, organisational conflict bled into the new millennium. The hoped-for rainmaker, Henderson, was recruited in August 2001 to move into a COO role for a regional civil engineering firm.

Although the North American practice was generally running smoothly, the situation in Denver after Henderson’s departure was difficult. In 2003, the company found itself enmeshed in a gold project with the government of the Dominican Republic that stretched it financially and operationally. Under the deal that Dorey orchestrated, SRK acted as an advisor to the Dominican government. Payments were extremely slow — financing charges as well as the demands on the firm’s cash flow inflated tensions among some of the principals.

Dorey’s roots in SRK were as deep as anyone’s. He had helped build and sustain the firm in the U.S. When angry colleagues confronted him over a growing liability — with metals still on the down cycle — he took it badly. As a partner and a long-term investor in the firm, he thought his judgment deserved more respect. He had acted in what seemed like the best entrepreneurial spirit of the organisation and become involved in a very innovative deal. He thought it was an ambitious and far-sighted vision. In the end, though, the client defaulted on a large sum.

Dorey’s departure came in late 2003. He finally decided he’d rather run his own show and pursue his own dreams. The Dominican project had become a fatal final straw in his relationship with his colleagues and partners.

In mid-2003, Braun returned from Tucson, where the office was thriving thanks to mine-closure work. “In
For the first time since perhaps those early band-of-brothers days of united, hither-and-yon, gung-ho enthusiasm, the group felt like it was united.

December 2003, we had shrunk back down to essentially four guys in the mining team and about six people who had worked with Rob,” Braun says. “I laid off a few folks as we just didn’t have the backlog. Neal had returned to the U.K. in the fall. At the end of 2003, Denver was as small as we’ve been at my time with SRK. Morale was at an all-time low and we had nowhere to go but up.”

Fortunately, in 2004, things started to turn around and the market recovered. In spite of the loss of geotechnical capacity, Denver still had a mine-engineering and geology practice. As part of rebuilding, the geotechnical team focused more on rock mechanics and mine dewatering. Rigby returned in the middle of 2005 to help reignite the mining team. Over the next decade, the office grew to over 50 people. Key staff included Bret Swanson, Fernando Rodrigues and Leah Mach on the geology/mining side and Roger Howell, Terry Mandziak, Vladimir Ugorets and Paul Williams on the geo-environmental side.

This senior talent in Denver meant SRK could offer a broad range of services — from mine-water management, exploration, mine engineering and resource estimation to financial analysis.

For example, Mexico’s second-largest gold miner and the world’s largest silver producer, Fresnillo, turned to SRK for support on the technical due diligence for its incorporation in the U.K. and listing on the London Stock Exchange. Formerly a wholly owned operating division of Industrias Peñoles, the company was spun off in a May 2008 IPO with a secondary listing on the Mexican Stock Exchange the same day. The money financed its expansion into Peru and Chile.

It was a complicated, high-profile transaction that threw SRK’s North American services into the limelight. It opened doors for the firm in Mexico and throughout Latin America. For SRK North America, the new century finally dawned brightly. For the first time since perhaps those early band-of-brothers days of united, hither-and-yon, gung-ho enthusiasm, the group felt like it was united. There was a growing sense of a renewed shared vision, an agreed-upon way of doing things and, with the turnaround in the markets, a sense of unbridled optimism.
PROJECTS: Mining Industry Restructuring, South Africa


SCOPE: Restructuring of the South African mining industry commenced in 1995 due to a combination of low commodity prices and the focus on rationalisation and consolidation. Given the scale of the mineral assets and the number of individually listed companies, regulatory approvals from multiple international stock exchanges and competition commissions were required. This necessitated formation of various advisor consortia of technical, financial and legal specialists. The resulting merger and acquisition activity led to the publication of an unprecedented number of prospectuses, circulars and other approval documents, with a technical focus on competent persons’ reports. The collective value of the transactions and companies involved exceeded US$10 billion for the gold market alone and accounted for a significant proportion of the global gold production and supporting ore reserves.

From 1995 onwards, SRK was commissioned by numerous mining companies operating in diverse commodities and with assets in South Africa, Australia, and North and South America. The scope and scale of the mandates, as well as the geographical location of the mineral assets, necessitated the mobilisation of many consultants from a wide range of disciplines within the SRK Group.

OUTCOME: This led to formalisation of the due diligence process and culminated in the formation of AngloGold Ashanti Ltd. and Gold Fields Ltd., which at the time were among the top five global gold mining companies. Overseas acquisitions and continued restructuring within South Africa fueled an ongoing demand for due diligence consulting services.

Mine waste dumps such as this one have loomed for decades on the Johannesburg horizon. Today many are being slowly removed to recover latent gold content from those tailings.
Reno and Elko

Dave Bentel’s background in the South African practice and his experience in working with SRK’s founders were invaluable to the Reno office during its early years. He brought with him not only the SRK culture and vision, but also seasoned management experience that helped him build a solid and professional business unit.

Bentel spent the early 1990s helping members of the Reno office to hone their technical expertise and experience. With the downturn in gold and copper markets later in the decade, SRK Reno became well versed in temporary closure as well as care and maintenance plan preparation. As a result, Reno — and Jeff Parshley in particular — became a recognised leader in mine closure.

“It’s probably the most multidisciplinary consulting that we do,” Parshley says. “It suits me. You have to think big picture. You have to learn a lot, about a lot of things, and you have to know when to call in the specialists and which people to call. When gold and copper prices dropped and companies closed their mines, much of the work was awarded to Reno because we’d been involved in more closure projects than any of the other consultancies.”

The closure work helped build strong relationships with mining firms, and when the market turned, those companies came back to SRK for help with expansion.

“Initially these opportunities arose primarily from the environmental and closure people on due diligence teams, mostly from the Denver mining group but also from Cardiff and Santiago,” Parshley says. “Later, clients asked us to do straight-up environmental due diligence reviews as well.”

By 1995, SRK was attracting significant talent and cross-office co-operation was on the rise. Rob Bowell of SRK’s Cardiff office joined forces with Reno to develop a geochemistry sub-practice for Nevada and the rest of the southwest U.S. Both Bowell’s and SRK’s reputations grew exponentially through their work on projects such as the Getchell and Robinson mines in Nevada and Copper Flat in New Mexico.

With SRK’s acquisition of Westec in 1998, the Reno office

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**Gord Doerksen**
Joins in 2005 with global mining operations, engineering & management experience

**Fresnillo**
Retains SRK for due diligence for incorporation in the U.K. and listing on the London Stock Exchange

**Gold Projects**
Elko works on major Nevada gold projects including Carlin Trend, Twin Creeks, Bald Mountain and Cortez

**Halliburton Energy**
Elko assists Halliburton with permitting existing and brownfields barite exploration and mine projects

**Ken Reipas**
Recruited by Michaud in August 2001 and slowly builds the Toronto office
office acquired some new engineers and environmental scientists. Mark Willow also transferred to the office from Denver in 1999 to provide support to the environmental group under Parshley’s tutelage. Over the next 15 years, Willow would become an expert in mine permitting and environmental due diligence, affording Parshley the opportunity to expand his services beyond the southwest U.S. and become an international corporate consultant in mine closure and closure costing.

Meanwhile, the Elko office was also thriving, under the capable leadership of Val Sawyer. Sawyer was the backbone of the Elko office. She had founded the Westec office with a folding-table, a chair and a telephone in the early 1990s. The Nevada mining centre provided a steady supply of work, primarily in gold. Newmont Mining Corporation was a major client, as was Santa Fe Pacific Gold’s Twin Creeks open-pit gold mine in the northern part of the state. Sawyer piloted Elko through the rough seas of the late 1990s downturn to become a formidable presence in the northern Nevada mining arena. When business started improving again, the group hired resource geologist Jay Pennington and civil engineer Steve Boyce.

Members of the Elko team worked on all of Nevada’s biggest mines, especially in the regions of Winnamucca and the Carlin Trend. Some of the biggest gold projects in which they were involved included the Carlin Trend for Newmont Mining Corporation, the Twin Creeks mine for Santa Fe Pacific Gold, the Bald Mountain Mines for Barrick, and the Cortez Gold Mine for Placer Dome and its successor Barrick. More recently, Elko’s consultants have worked extensively for Halliburton Energy Services on their barite mines, for Graymont Western US Inc.’s limestone quarries in Nevada and Utah, and for General Moly on the Mount Hope Molybdenum Project.

Jean-François Couture
Joins Toronto in 2001; over the next decade helps establish Sudbury office & build combined entity to 35

Mark Liskowich
After 5 years’ interaction with SRK at Government of Canada, joins in 2006; opens SRK’s Saskatoon office

SRK Anchorage
Bill Jeffress opens Anchorage office in 2008 and recruits old employer as new client
Toronto

Michael Michaud, a geologist who joined the mining team in Vancouver in 1996, offered to open a Toronto office at the turn of the millennium. He worked with David Wahl, a veteran geologist who had previously run his own geology contracting firm and was well connected in the Toronto market. SRK took over Wahl’s office space and furniture, and the new office opened in mid-2000.

Michaud hired two mining engineers named Ken Reipas and Andrew Bradfield. Prior to joining SRK in early 2001, Reipas worked for Kvaerner Engineering in Toronto for 3 years after spending nearly 18 years in operations including Westmin, Hemlow and Westar. Jean-François Couture joined the office in July 2001. A Montrealer by birth, Couture had earned a geology degree before completing a masters and PhD at the Université du Québec (Chicoutimi). He initially worked with the provincial geological survey, spending most of his career in Val-d’Or, Quebec, before quitting in 1996 to join an exploration company. Five years later he was out of work. A friend with SRK in Perth urged him to apply in Toronto.

Within a year, Michaud and Bradfield had accepted a lucrative offer from a client, a diamond mining company in China, leaving Couture and Reipas as the only Toronto-based employees. Over the next decade, they established a second office in Sudbury and built up the combined entity to 35 people.

“We established long-term relationships primarily through friendly personal contacts with people,” Couture says. “Most of our clients have stayed with us.”

The office handled smaller projects typically lasting a few months rather than the years-long projects that Vancouver attracted.

“Our typical client is a small to medium-sized mining company,” Couture says. “They operate one or a few mines for different commodities, but primarily gold. Some are located here in Canada, but many of our clients are operating in West Africa. We accompany them on targeted assignments that may last for a few weeks or a couple months, but it’s recurrent. We know that next year they will have new work for us to undertake and that we will be asked to update the work from the previous year — that would be our typical assignment on resource geology, resource evaluation or mine design.”

Over the years the office’s credibility has grown significantly, attracting larger and higher-profile geology, mining and due diligence assignments from clients worldwide. Key employees during this time included Glen Cole, Brian Connolly and James Siddorn.

Saskatoon

In 2006, after five years of interacting with SRK as the representative of the Government of Canada at the Giant Mine, Mark Liskowich joined the company and opened an office in Saskatoon. Reared on the Prairies, Liskowich graduated from the University of Regina with a geology degree. He ended up working for the provincial government in Saskatchewan in the environmental management practices of the uranium-mining industry. After roughly a decade, he moved to the Northwest Territories to become manager of technical services for the Giant Mine closure. He inherited SRK and the demanding contract that had Daryl Hockley as the point professional.

Liskowich formed a strong working relationship with that team.
“After my first week-long project meeting in the Vancouver office, I came back and I told my wife that SRK was a super company, that I could see myself really enjoying working for them if we got tired of Yellowknife,” he says.

“She said, ‘Maybe after Yellowknife, you can go work for SRK.’ I looked at her and replied, ‘Don’t be silly. The secretaries have more degrees than I have.’”

When he contemplated leaving his government job six years later, Hockley and Barrett heard about it and persuaded him to join SRK.

Up until then, SRK Vancouver had been doing a lot of work in Saskatchewan for Cameco — the firm formed in 1988 by the merger of two Crown corporations, the Saskatchewan Mining Development Corp. and Eldorado Nuclear Ltd. It controlled about 14 percent of the world’s uranium production. SRK was also working for Areva Resources Canada Inc. and other uranium producers in the province. A Saskatoon office allowed the company to expand its client base and introduce existing clients to a broader range of services. The largest potash-producing companies in the world are also based in Saskatchewan.

“We expected to lose money for approximately two years,” Liskowich says. “I think it took us about 11 months before we started to turn a profit. Since then some years have been better than others, but always profitable. We work primarily for Saskatchewan clients, but now operate in Ontario and Manitoba as well.”

By the mid-1990s, Vancouver had a growing profile in the Alaska market. In 2008, SRK opened an office in Anchorage — the first hire was Bill Jeffress, a former Alaska-based client. Jeffress set up shop right across the sidewalk from his previous mining company, which immediately became an SRK client. After the first year, Jeffress was joined by Steve Teller, a geologist with a track record in permitting and cold regions hydrogeology. Later on, Dan Neuffer transferred from the SRK Elko office and became the firm’s first resident professional engineer in Alaska.

The cultural changes started in the late 1990s had borne fruit by the mid-2000s. The period after 2004 saw strong growth and performance in the North American practice, with good co-operation between the offices. ◆