

Major Global Iron Ore Producer Implements XERAS Enterprise for Financial Excellence

"XERAS Enterprise has resulted in a mind and role shift for our people. It allows better service to our business from 80% builders and 20% analysts to 80% analysts and 20% builders."

**Senior Analyst,
Tier One Iron Ore Miner**

Overview

As one of the world's top iron ore producers, this company has gone from strength to strength. With a proven track record in development and operations, the top tier iron ore miner was seeking to secure a competitive advantage in the wake of challenging operating conditions.

As a result, the company's management established an initiative focused on reducing risk and increasing profitability. This involved a move away from spreadsheets to a standardised budgeting process that integrated all aspects of the business.

Challenge

The commercial department was looking for ways to increase efficiency and lower operating costs from a corporate site level. To achieve this, a technology solution would be required that could enable mine planners to turn over forecasts accurately and rapidly, enabling the analysis of multiple scenarios. The aim was not to find the cheapest option, but the best.

Case Study

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| Company | Tier One Iron Ore Miner |
| Commodity | Iron Ore |
| Solution | XERAS Enterprise |
| Country | Australia |
| Location | Pilbara |



In the lead up to the end of quarter, mine plans were created using Excel spreadsheets as complicated workbooks with no financial inputs. They were arduous, cumbersome, manual and 'best guess'. There were 3 passes:

1. 1st mine plan (no financial input);
2. 2nd pass close to final; and
3. Final pass (two weeks out to end of quarter) with mine planners. The use of Excel meant it would take up to 6 weeks to produce a mine plan without financial input. This was identified as a risk to the business and something that needed to be addressed moving forward.

It was apparent that the commercial division needed an enterprise-wide financial solution that would enable planners to turn over forecasts rapidly and run multiple scenarios within the one cycle to find the best outcome for the business.

Solutions

RPMGlobal's XERAS Enterprise was identified as the ideal solution to enhance transparency and trust in financial reporting while concurrently increasing standardisation in the budgeting process. With XERAS Enterprise implemented, the company's commercial department now have full confidence in financial outcomes and can rapidly respond to changing market conditions. Specifically, XERAS Enterprise underpinned the following major competitive advantages:

- The ability to run multiple scenarios for individual 'passes' within minutes.
- Conduct high-level analysis of financial positioning within minutes as opposed to days.
- Streamlining of cost production processes & significant reduction in time to produce mobile maintenance budget resulting in significant savings through predictive analysis.
- Significant reduction in Excel spreadsheets.



Creation of a fully integrated mine plan with financials in just 3 hours as opposed to 6 weeks.

Impact

XERAS Enterprise has had a direct impact on sustainable value creation by contributing to and delivering:

- In-depth analysis of the business resulting in significant cuts in production costs.
- Strengthened balance sheet achieved through operational excellence with new systems and processes.
- Substantial increase in cash flow. XERAS Enterprise has positively impacted the iron ore miner's financial decision-making abilities with consistent, accurate and constant financial data flowing from multiple sites.
- Reduction in operating costs thanks to XERAS' ability to optimise financial modelling.

