

The Whittle Story

A Live Book

A family business develops into something more

By Gerald Whittle, July 2019

It was almost by accident that I became involved in the family business. In August 1998, I was newly returned to Australia after almost a decade working in Europe for DHL International. With my wife, Barbara and young daughters, Katy and Charlotte, we had relocated back to Australia to start a new life in Melbourne.

At the time I was working remotely for DHL, out of a spare office in the Whittle Programming offices in Box Hill. At that time, I didn't really know much about the details of what Jeff and Ruth were doing. I knew that Jeff had been developing mining software – but I would have struggled to explain what they were doing in much more detail.

However, just by being around the office I started to pick up on what the team were up to – and it dawned on me that they were doing something pretty impressive. One day, Jeff casually mentioned to me that Whittle software had been used by a client mining company and as a result their Net Present Value (NPV) had increased by several hundred million dollars! A startling amount even today – but even more so, 20 years ago.

It soon became apparent that this result wasn't a "one-off" and that Jeff's software had an amazing capacity to improve the economics of mining projects and operations. However, at the time Whittle Programming was selling the software to mining companies at a cost in the region of \$25,000. As a finance person, it was clear to me that the results being generated for clients

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by Jeff's incredible IP weren't commensurate with the financial rewards currently being generated for Whittle Programming by the sale of the software.

There were also other challenges. As the Whittle software was being licensed to mining companies for internal use, it was commonplace for it to be improperly used or to be used for alternative objectives. Often the results were not optimal, from an economic point of view, with nice steady schedules that did not exploit the possibilities of the ore body. It was clear to me that there was also a reputational risk, with the Whittle software being inappropriately used by our purchasers.

As often happens in the Whittle family, a relaxed chat over a glass of red wine was the start of something big. One day, I casually mentioned to Jeff that he should consider consulting with the Whittle software - rather than just selling it. However, at almost 70 years of age, Jeff was quick to say that he really wasn't interested in starting a new venture. Besides, with the software selling well overseas there would be a great deal of international travel required. For better or worse, I then said I would do it - and put my hand up for the undertaking.

And so, 20 years ago in February 1999, Whittle Consulting was established. The development of Z3 was the first software that we took "on the road." The first trips took me to BHP Iron Ore and Minara Resources in Western Australia, but it was slow, hard work to get many other takers.

With the development of the first of the Prober software in 2003, we realised we were really onto something. Through the incredible support of Bruce McFadzean and Peter Johnston at Minara Resources, we applied Prober-A. This exposure was invaluable, as it provided us with the opportunity to further develop and refine our software. Simultaneously, we worked at Mount Isa Mines and then with Xstrata and Glencore, plus a handful of others. This allowed us the incredible advantage of first-hand exposure to the application of our software in a live setting.

Fast forward to 2009 and we were using Prober-B. In quick succession, we'd witnessed billion-dollar NPV uplifts on 2 separate projects. It was pretty obvious we had something special and we needed to think about what to do next. Our conundrum was one that all inventors face. Do we keep our concepts secret or do we go "open market"? We decided to go open market and share our methods, but not our software, with the international mining industry.

Even at this early stage we faced the issue of how to communicate a concept that is complex, counter-intuitive and controversial. I knew we needed more help with this task. I called my friend, Mark Jones who was previously with PwC, and asked if we could have a chat. Mark was quick to identify that a concept as complex as the Whittle software needed the support of the whole client leadership team, if it was to be appropriately adopted. After working with mining operations for a number of years, I already knew that mines operated under an organisational silo mentality – so I guess you could say that we knew where our challenge lay!

Mark and I agreed that education and communication were going to be instrumental to our success. As a true friend, Mark convinced me that that we needed to develop, promote and run a Whittle Consulting seminar and that my presentation skills needed to be refined (i.e. improved!).

The Whittle Story
A Live Book

At Mark's insistence, I attended a 2-day World Class Presenter course run by the well-known trainer, Matt Church. This was a truly inspiring experience. From the course I realised that I needed to be individual, creative and challenging with both our seminar format and presentation. And so, the "Money Mining" seminar was born.

Over several months, our team developed a seminar that challenged many sacred cows within the mining industry. Once the seminar was developed, I blithely thought that it would take 2 years to communicate these concepts to the international mining community! Little did I know that this seminar and the communication of our concepts would literally become my life for the next decade and possibly more!! In tandem with some great consulting work with wonderful mining clients, communicating the concepts behind the Whittle software became my new religion. Over the past 20 years, I have learnt an amazing amount as I have travelled the world conducting over 150 seminars to more than 3,400 participants (and counting!). I have had innumerable invaluable and illuminative discussions with professionals at all levels of the mining industry. These discussions have been incredibly informative and have further added to the knowledge that we share to all participants through our seminars.

Around 2015, I decided that our message needed to be further refined. To be honest, we'd hit a bit of roadblock and we were struggling to get the message across. At this time, we contracted some sales management advice. This proved to be invaluable in helping us to better understand the psychology of our sales process. Importantly, we learnt that when you are selling a concept that is unique and untried that there are only ever a few individuals who have the psychological makeup to embrace these new concepts. Called "Early Adopters," in the context of Whittle Consulting, these people also need to be of a senior-enough status within their organisations to have the clout to approve and implement new ideas.

Due to this advice, it was apparent that our diversified sales function with several talented and dedicated Regional Managers in various overseas locations, was probably not the best way to utilise their skills. With this realisation, we reorganised our sales structure, cleaned up our message, updated our brand and refined and reworked our sales and marketing literature. With a new look, sense of purpose and direction, I took to the road with an increased sense of zeal.

Fortunately, in 2017, I met a man with a similar outlook and a complementary skill set. Raziel Zisman is a Canadian lawyer, who is well-known and respected within the international mining community. Raziel understands and is enthusiastic about Whittle software. Most importantly, he is able to open the doors to the type and calibre of executives who need to hear about Whittle Consulting. With Raziel opening the doors, I am now able to have conversations with the sort of people that we have been trying to gain access to for almost 20 years. This approach is proving to be a watershed moment for Whittle Consulting.

Over the past 20 years, we have learnt that it takes a long time to be an "overnight success." This success has been due in no small part to the incredible team that has supported Whittle Programming and Whittle Consulting over the past 3 decades. Whilst naming individuals can be

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tricky – there are some people who must be mentioned in the telling of our story. Of course, the man behind everything is my father, Jeff Whittle. Jeff has truly been a man before his time. His amazing capacity to conceive, construct, develop and refine the Whittle software has been a labour of love. One of the amazing things is that Jeff only started programming Whittle software in his 50's! The role of my mother, Ruth Whittle, should also be acknowledged. Ruth started working with Jeff when she was also in her 50's and together they have created a business that has a reputation which is unsurpassed in the mining industry.

There are also 2 other individuals that I would like to acknowledge for their role in the Whittle Consulting story. The first is Norm Hanson. Norm has worked with both Whittle Programming and Whittle Consulting since 1990. As a geologist and mining engineer, his knowledge and experience of the mining industry has been a true asset to our clients. Norm is the most experienced user of Whittle software. He has trained over 100 organisations in 55 countries for almost 30 years on the benefits of Whittle Integrated Strategic Planning. I personally thank Norm for all he has contributed to our company over this time.

The second individual I would like to acknowledge is Lewis Tota, our Technical Services Manager. Lewis joined Whittle Consulting in 2004 as an Enterprise Optimisation Specialist. Initially working alongside Jeff Whittle, Lewis has been integral to the ongoing development of the Whittle Consulting software. We have been truly fortunate to have Lewis' broad IT skills, engineering expertise and high-level numeric literacy. His programming has an elegance and robustness which is unsurpassed in the mining software industry today.

Also, the story wouldn't be complete without reference to our two long time consultants John Baillie and Rich Peevers. They have played an integral role in the development and execution of Whittle Enterprise Optimisation techniques. Their involvement and support have been a great asset to our business.

Due to the 20 years of hard work that has preceded it, Whittle Consulting is now in a position to consolidate and harness the excellent reputation that we have cultivated within the international mining industry. As we enter our third decade of operation, it appears that we have an almost perfect opportunity to harness our reputation with the growing market awareness of the advantages of using Whittle Consulting software. It is gratifying to see that the mining industry is beginning to understand the opportunity for NPV uplift that our software can create. I am excited and grateful for this moment in time and look forward to the future with a great deal of optimism.

To read Gerald's bio please scroll down..

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STRATEGUS

S T R A T E G I C M I N E P L A N N I N G

Quarterly Newsletter from WHITTLE PROGRAMMING

Edition No. 23, August 1999

Whittle Consulting

A New Service to the Mining Industry

in this issue

Latest Product News 2-3

Express Road Routing
Opti-Cut Single Element Version
Four-X Proteus Environment™ - Beta Release
The Importance of Regular Review
Additional Arcs

Company News 5

RDI - Multi-conditionally Simulated Models
Opti-Cut for Mine-Plant Optimization
NCL - Old Workings & New Projects

Staff News 5

Profiles on Two Staff Members

Strategus Challenge 6

#1 Cut-off Grades

Mining companies are hurting more than ever, and are being forced to take a fresh look at their strategies.

The Whittle group has decided to roll its sleeves up and get involved at the front line, by combining optimization and strategic planning techniques to get straight to the heart of the corporate agenda.

risks, sensitivities, and options, as well as non-financial factors. The board wants alternatives, and needs a good understanding of all the consequences involved. Optimization techniques can help paint this picture, if approached with a corporate mindset rather than a purely technical focus.

"Secondly, it takes a year or two to

The mining industry must take full advantage of what optimization can offer

The new venture, called Whittle Consulting - Strategic Mine Planning Specialists, is led by Managing Director Gerald Whittle (yes, another Whittle) who has extensive international experience in Finance and Management at a corporate level.

develop a supportable software product of the quality you are used to seeing from Whittle Programming. We don't think the industry can wait that long for some of the developments that are currently in the pipeline. Whittle Consulting can deliver the benefits in the meantime using



TO UNDERSTAND RISK, YOU MUST BE ABLE TO EVALUATE MANY ALTERNATIVE FUTURES

But, you say, there are many mining consultants offering optimization services, so what makes Whittle Consulting different? Gerald Whittle explains: "Firstly, we are about corporate strategy and how to realise it through operational plans. We will identify the links between operational plans and the full range of corporate objectives that the board has to juggle. This means a lot more focus on

our in-house software versions, which are raw engines with underdeveloped user interfaces, until the finished product is available."

Whittle Consulting expects to work closely with mining management, staff and mining consultants to get the answers resource corporations need urgently. You will hear more in the near future about Whittle Consulting, so watch this space. |



Whittle Programming Pty Ltd

See inside: EXPRESS - OPTIMAL HAUL ROAD GENERATOR Page 2

The Whittle Story
A Live Book



Gerald Whittle
CEO, Whittle Consulting

Since 1999, Gerald has been the CEO of Whittle Consulting. In this role, Gerald undertakes optimisation studies and model design, business analysis, management reporting and client presentations. He conducts Strategic Assessments and Enterprise Optimisation studies for a range of major, midcap and junior mining companies. These studies have spanned almost all commodities, including pits and/or underground mining, complex minerals processing streams and marketing channels.

As a recognised thought leader on mining optimisation, Gerald travels the world delivering Whittle Consulting Integrated Strategic Planning seminars. These seminars challenge conventional thinking and bridge organisational silos, revealing substantial opportunities for value enhancement for current or planned mining and minerals processing operations. A skilled communicator, Gerald brings together important lessons learnt in other industries including; Activity Based Costing, Theory of Constraints and sustainability considerations. His knowledge sheds new light on the unique challenges of business planning and optimisation for the minerals industry.

Gerald is also a qualified accountant with over 35 years of international business experience in business planning, analysis and change management.

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