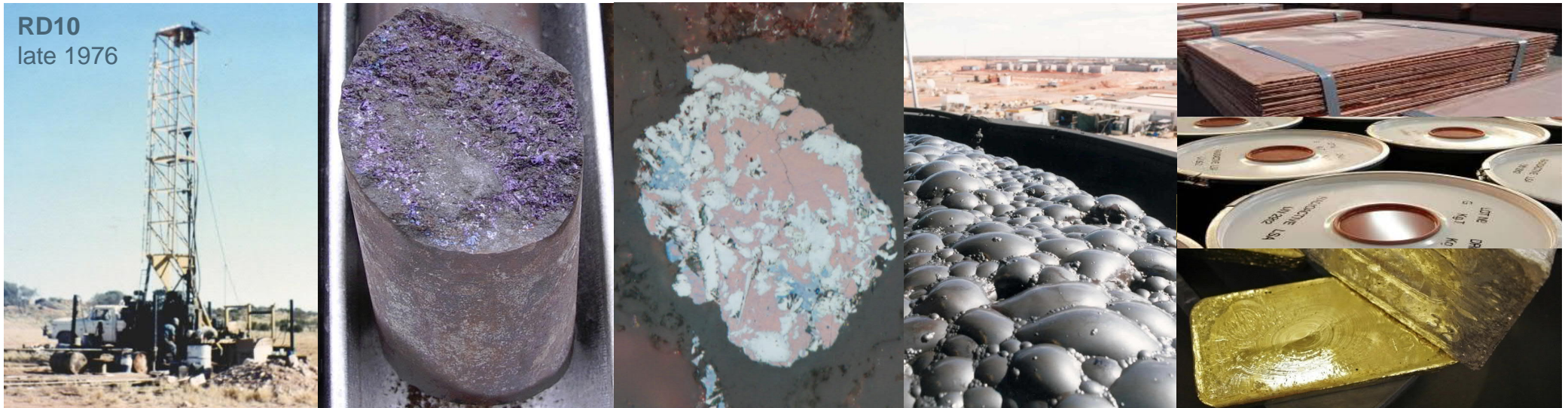


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Olympic Dam – is it really complex?

Kathy Ehrig, Vanessa Liebezeit, Michelle Smith, Benjamath Pewkliang, Yan Li, Edeltraud Macmillan
14 February 2019: AusIMM Adelaide Branch Technical Meeting



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Forward-looking statements

This presentation contains forward looking statements, which may include statements regarding plans, strategies and objectives of management, future performance and future opportunities. These forward looking statements are not guarantees or predictions of future performance, and involve known and unknown risks, uncertainties and other factors, many of which are beyond our control, and which may cause actual results to differ materially from those expressed in the statements contained in this presentation. BHP's Annual Report on Form 20-F filed with the US Securities and Exchange Commission identifies, under the heading Risk Factors, specific factors that may cause actual results to differ from the forward-looking statements in this presentation. BHP does not undertake any obligation to update or review any forward-looking statements.

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Our Safety Values and Standards have changed



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Acknowledgements

BHP Olympic Dam

- +120 geoscientists who have worked at Olympic Dam

University of Tasmania



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- Jocelyn McPhie
- Maya Kamenetsky
- Olga Apukhtina- *completed PhD 2016*
- Qiuyue Huang- *completed PhD 2016*
- Alexander Cherry – *completed PhD 2018*
- PhD Students: Matthew Ferguson, Nathan Chapman
- CODES Laser Ablation Facilities

University of Melbourne- Roland Maas

CSIRO Land and Water, Adelaide- Mark Raven

Geological Survey South Australia- Alan Mauger

ARC Linkage LP130100438 - The supergiant Olympic Dam uranium-copper-gold rare earth element ore deposit: towards a new genetic model

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University of Adelaide



- Nigel Cook
- Cristiana Ciobanu
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- Adelaide Microscopy

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- Trace elements in iron oxides project (FOX project)
- Copper Uranium Hub project (joint ARC project IH130200033)



Australian Government
Australian Research Council



Government of
South Australia

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Complex Orebodies

What does this really mean?

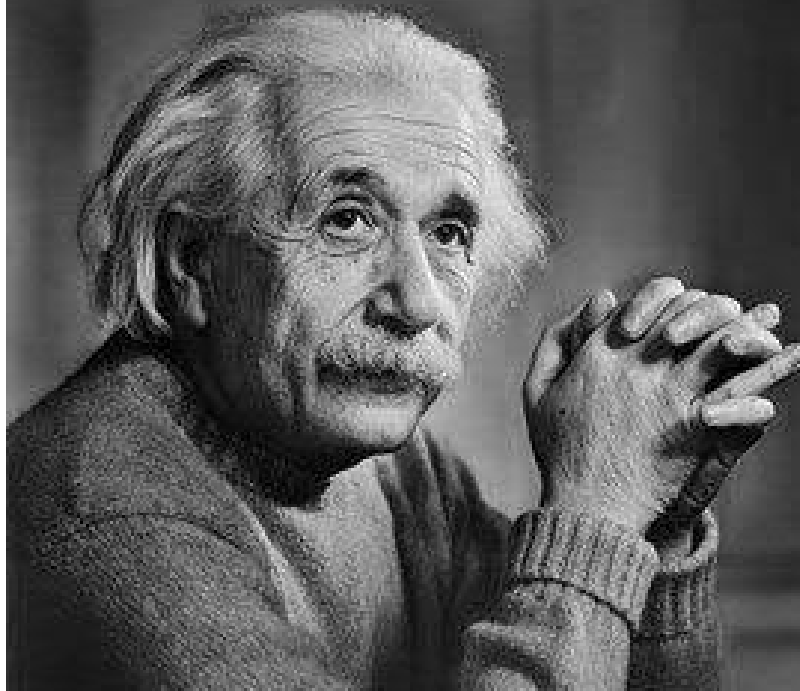


“... complex...” often used as an excuse for poor performance

image: <https://www.shutterstock.com/image-vector/funny-tongue-emoji-face-disguist-unique-518839492>

If you can't explain it **simply**, you don't understand it well enough.

– Albert Einstein



<https://www.pinterest.com.au/pin/387520742918934705>

“Simplifying Complexity”

Eric Berlow – TEDGlobal 2010



https://www.ted.com/talks/eric_berlow_how_complexity_leads_to_simplicity

- complexity does not necessarily = complicated
- when faced with complex / complicated problems, the more you step back, the clearer the problem becomes

“Toward a Science of Simplicity”

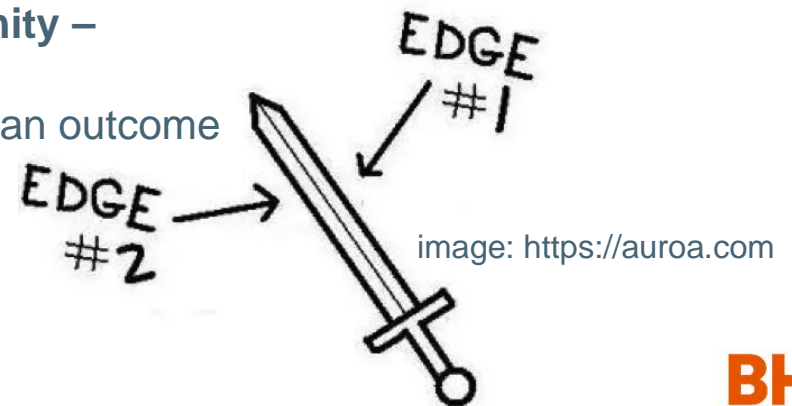
George Whitesides – TED 2010



https://www.ted.com/talks/george_whitesides_toward_a_science_of_simplicity?language=en

- simple = reliable, predictable, repeatable
- complex = multiple components, interact with each other, usually do unexpected (emergent) things
- “... academics like complexity and emergence...” because “... not responsible for outcome...”

Significant Opportunity –
not constrained,
yet there needs to be an outcome



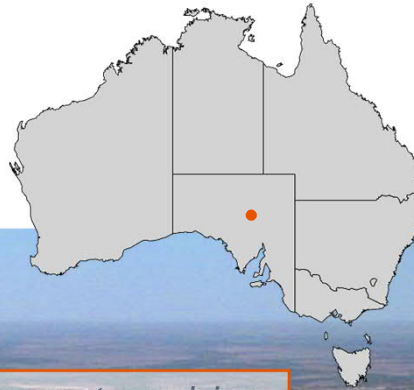
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Characteristics of Simple-Complicated-Complex Systems*

Simple or Complicated Systems	Complex Systems
Homogeneous: identical / indistinguishable structural elements	Heterogeneous: large number of structural variations
Linear: a relationship with constant proportions	Nonlinear: cause does not produce a proportional effect
Deterministic: same result always occurs for a given set of circumstances; predictable	Stochastic: an element of randomness leads to a degree of uncertainty about the outcome
Static: nothing changes over time	Dynamic: changes over time; past has an impact on the future
Independent: subsystems are not influenced or controlled by other parts of the system	Interdependent: subsystems are interconnected or interwoven not just interacting
No feedback: open chain of cause and effect	Feedback: a closed chain of causal connections
No adaption or self-organization	Adaptation and self-organization: ability of a system to structure itself, to create new structure, to learn, or diversify
No connection between levels or subsystems	Emergence: collective behaviour that cannot be simply inferred from the behaviour of components

* Source: Finegood, D.T., Johnston, L.M., Steinberg, M., Matteson, C.M., Deck, P.B. Complex Systems and Behavior Change. In: Health Behavior Change in Populations. Kahan, S., Green, L.W., Gielen, A., Fagen, P. (eds). Johns Hopkins University Press, 435-458, 2014.

Olympic Dam Operations



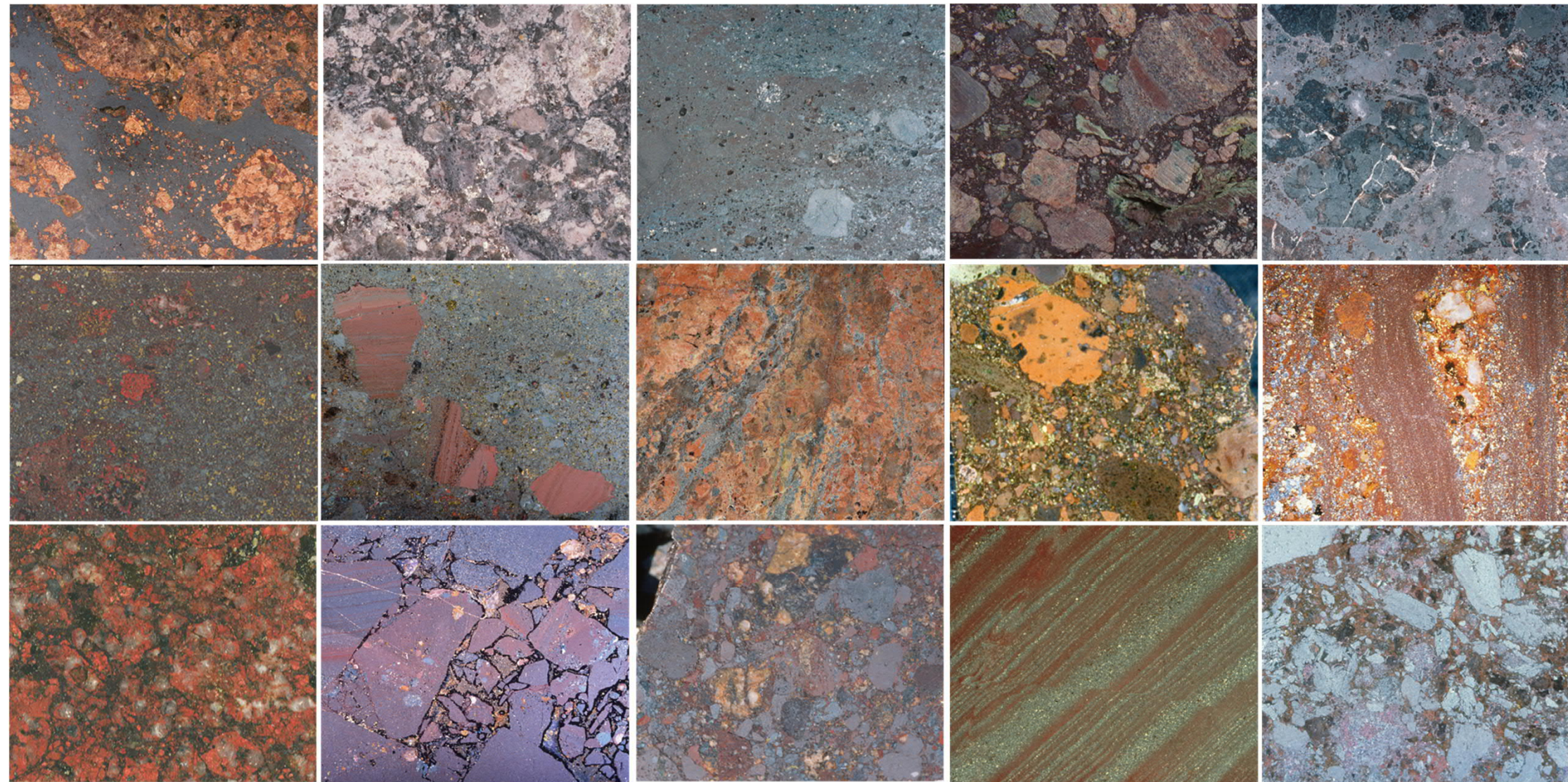
History

- Deposit discovered by WMC in July 1975
- Turned out to be a NEW deposit type

Current operation

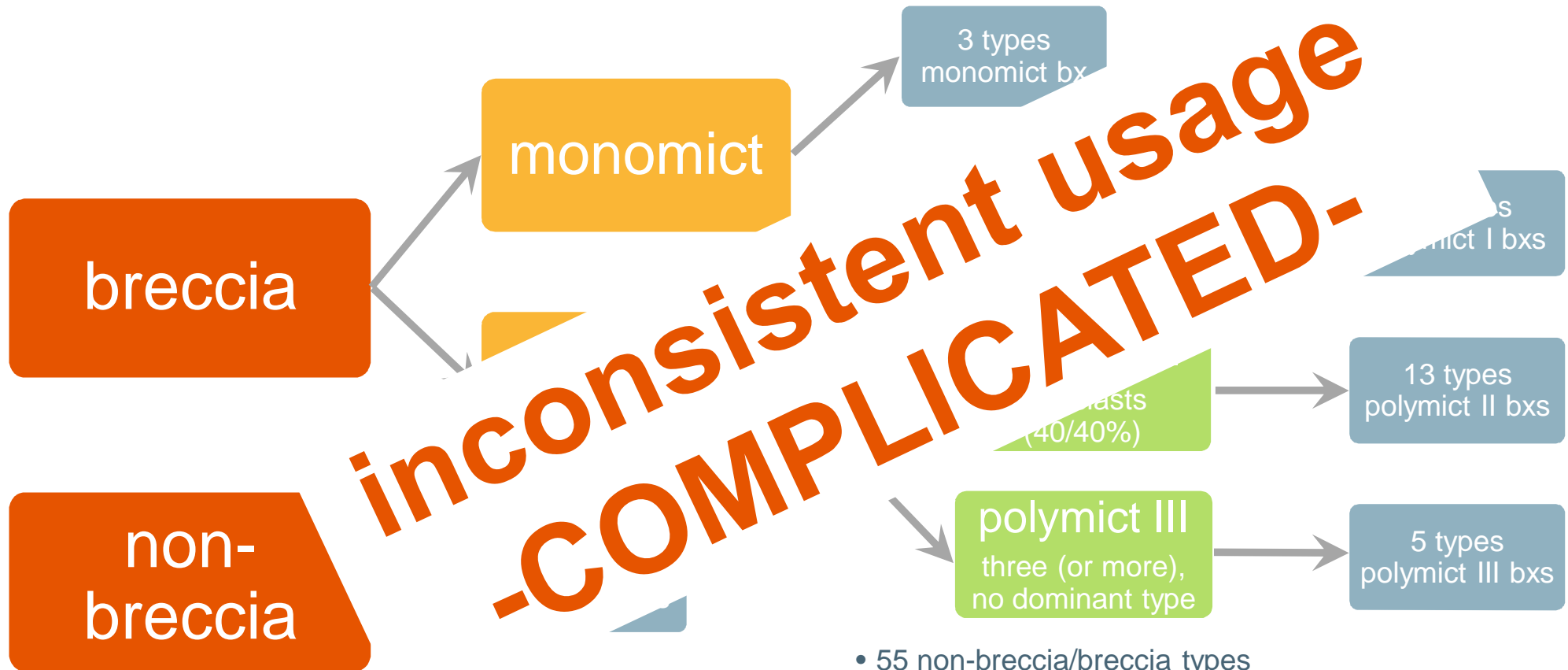
- Mechanised sublevel open stope mining
- Grinding and sulphide concentrator
- Hydrometallurgical circuit- **U** extraction
- Single stage flash smelter
- Acid plant production
- ER-EW Cu refineries ⇒ **Cu cathode**
- Precious metals refinery (**Au, Ag bullion**)

Simple, Complicated or Complex?



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Early Geological Legend (focus on clast type)



- 55 non-breccia/breccia types
- many qualifiers
 - matrix type – gangue minerals (10)
 - alteration type (4)
 - sulfide + Cu⁰/Au⁰ mineralisation (9)

Breccias obscuring view



13

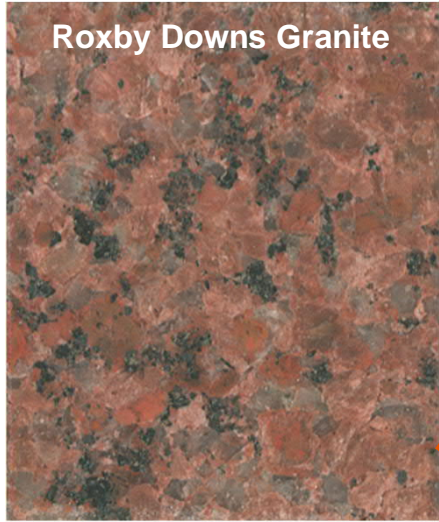
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Image credits

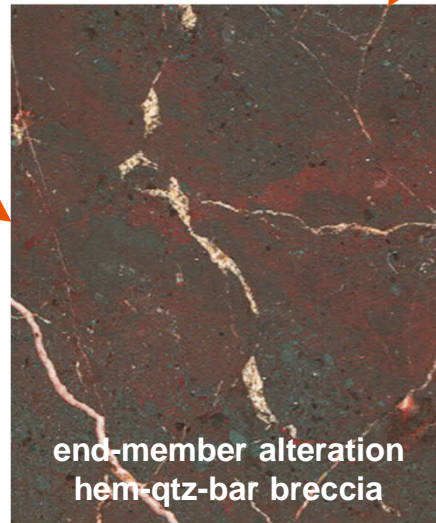
Credit: Paul Kinsella via CartoonStock -
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catref=pknn521](http://www.cartoonstock.com/cartoonview.asp?catref=pknn521)

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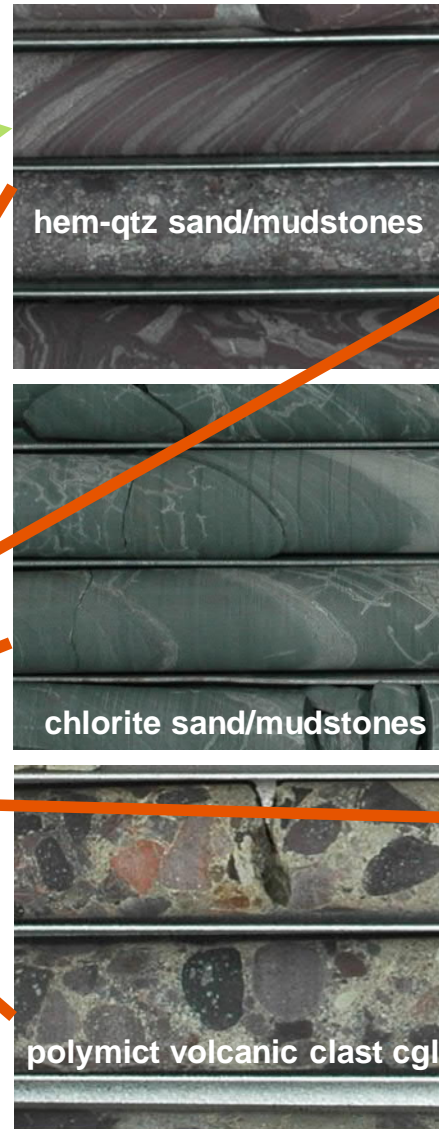
'Lithologies'



Roxby Downs Granite



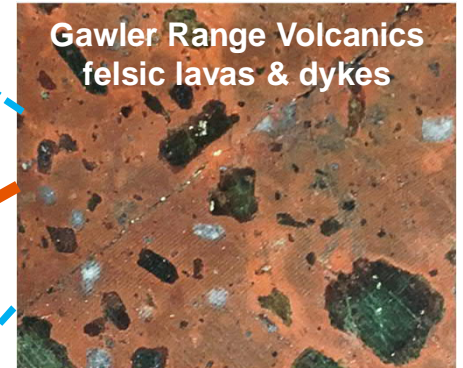
end-member alteration
hem-qtz-bar breccia



hem-qtz sand/mudstones

chlorite sand/mudstones

polymict volcanic clast cgl



Gawler Range Volcanics
felsic lavas & dykes



Gawler Range Volcanics
Mafic/UM lavas & dykes

Granite to hematite-rich breccias

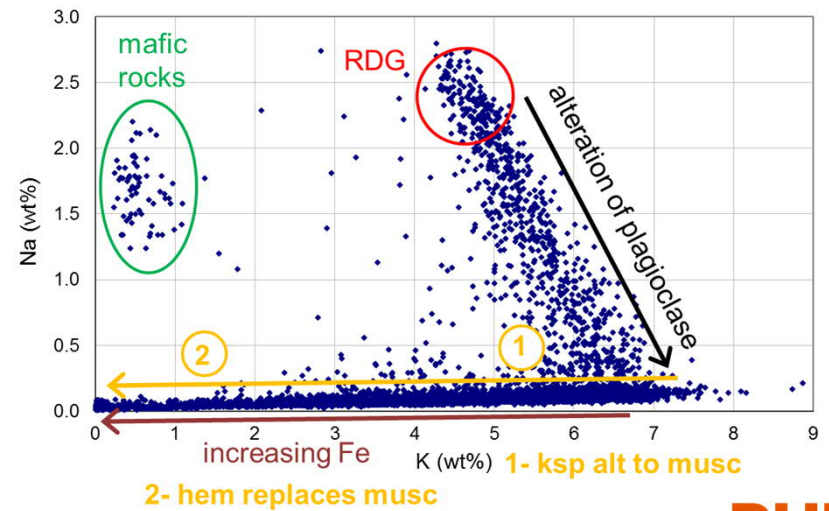
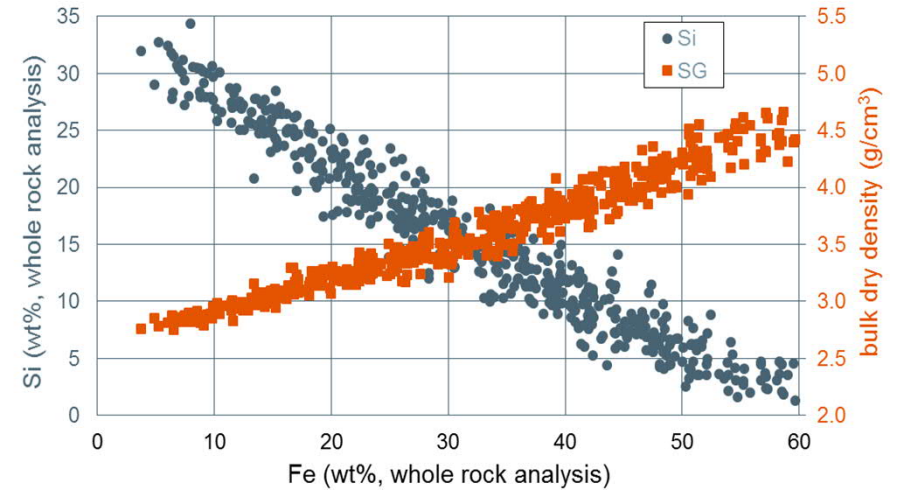


repeated brecciation and continual iron metasomatism

- Intense brecciation and texturally destructive hematite-alteration of RDG and other lithologies
- Chemical basis for sub-classification of RDG/other lithologies- to hem-rich bxs

*****COMPLICATED BRECCIA TEXTURES***
BUT
SIMPLE CHEMICAL COMPOSITIONS**

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Systems from a thermodynamic perspective*

Phases are “... homogeneous bodies of matter, generally having distinct boundaries with adjacent phases, and ... physically separable from them...”

Components are “... the smallest number of formulae required to describe all phases within the system ...”



* Anderson, G.M. and Crerar, D.A., 1993, Thermodynamics in Geochemistry: Oxford University Press, New York

Olympic Dam Mineralogy (>100 minerals)

15 minerals account for > 99.5% of the ores

pyrite, chalcopyrite, bornite, chalcocite	hematite , magnetite
molybdenite, sphalerite, galena	Cr-spinels, manganosite
tennantite-tetrahedrite, covellite	quartz, muscovite, orthoclase
idaite, carrollite, cobaltite, arsenopyrite	chlorite , biotite, amphibole
electrum, native/alloys Au, Ag, Cu, Pd, As, Bi, Te	barite , anhydrite, celestite, gypsum
Au-Ag-Pb-Bi-Hg-Ni-tellurides	plagioclase, albite, schorl, sphene
Pb-Cu-selenides	corundum, diaspore, kaolinite, topaz
cuprite, tenorite, stibnite, enargite	siderite , ankerite, dolomite, calcite
scheelite-powellite, wolframite, cassiterite	ilmenite, rutile, ilmenorutile
uraninite, coffinite, brannerite	fluorite , sellaite
thorite, uranothorite, thorianite	zircon, xenotime, crandallite-group, fluorapatite
bastnäsite, florencite, synchysite	olivine, pyroxene, etc

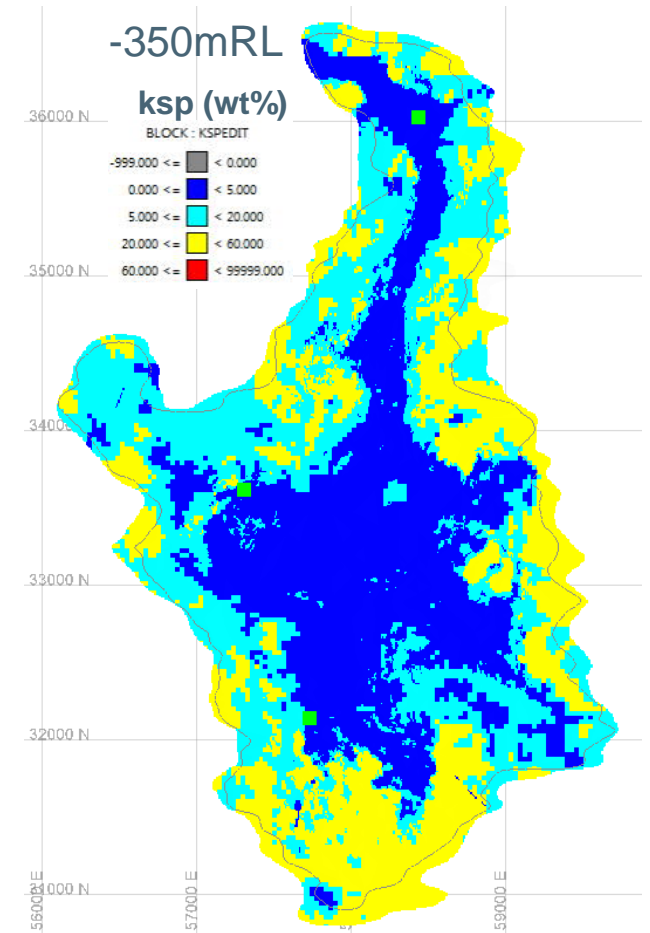
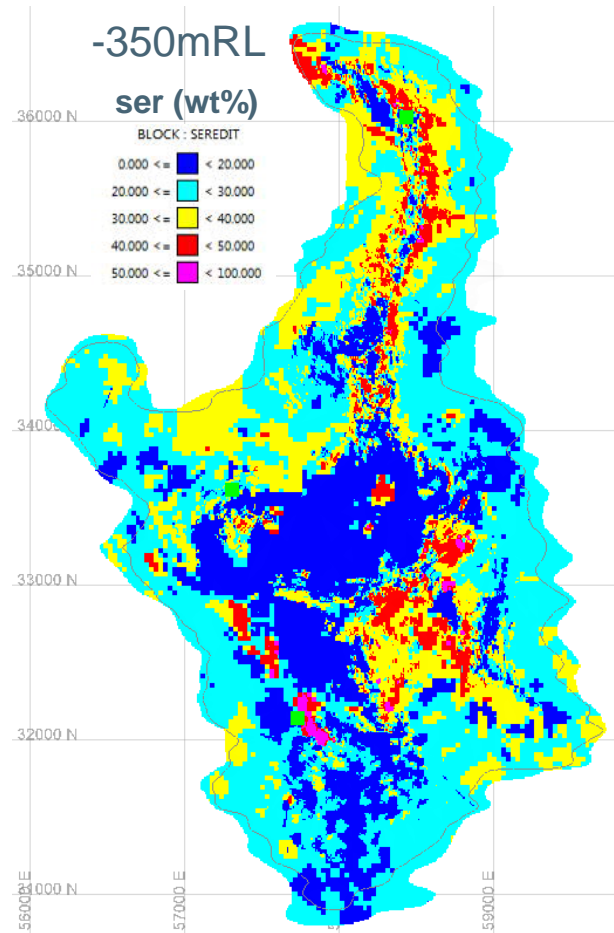
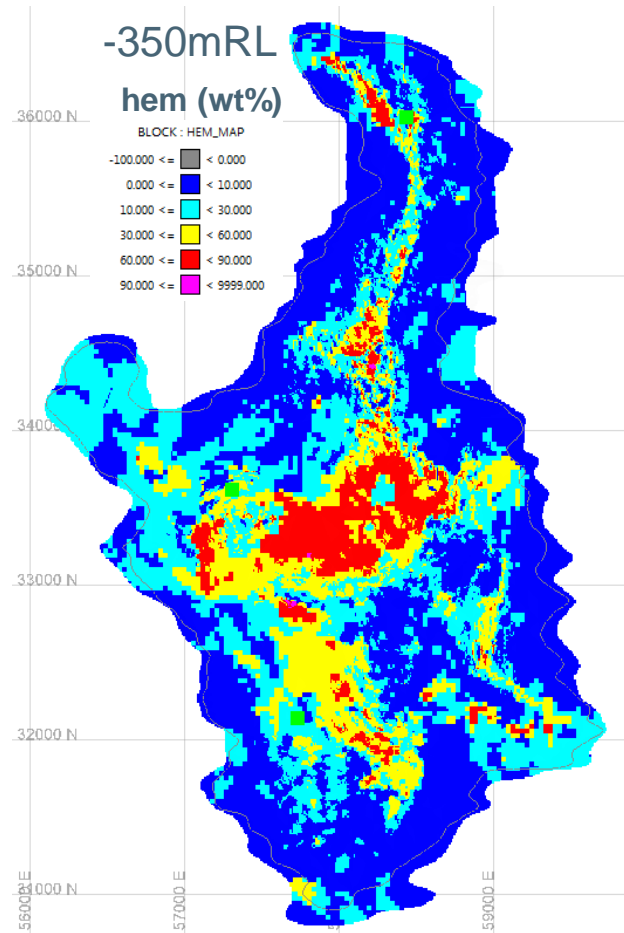
Simplicity: mineral (wt%) = $f(\text{sample composition})$

TRANSFORMATIONAL, once we were able to fully implement, took a decade...

- **Quantify** geological observations on the sample scale
- **Populate** the mineralogy into the Resource Block Model
- **Include** mineralogy in the Mine Plan.

Business value can only be truly realised once observations/data are in the mine plan.

Simplicity: mineral (wt%) = $f(\text{sample composition})$



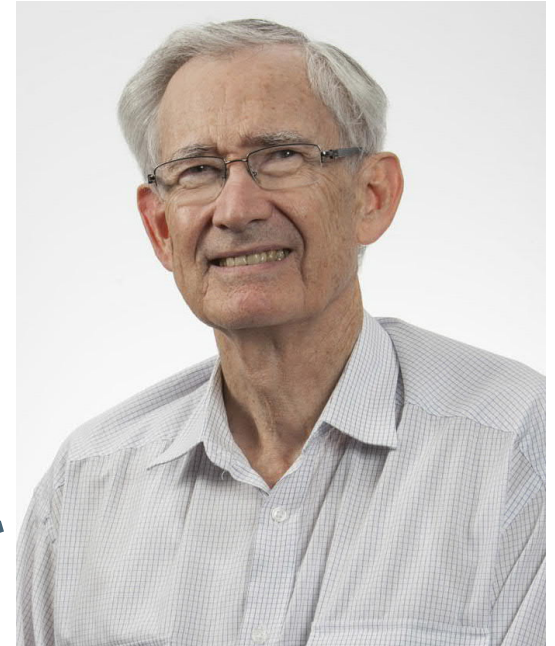
Metallurgy 101 for Geologists, and Mining Engineers ...



Peter Munro
Mineralis Consultants Pty Ltd

**Rock type controls
throughput,
mineralogy controls
metallurgy.**

**Simple,
yet profound and useful !**



NW 'Bill' Johnson
Mineralis Consultants Pty Ltd

image sources: from Peter Munro and NW 'Bill' Johnson (Mineralis Consultants Pty Ltd, Brisbane)

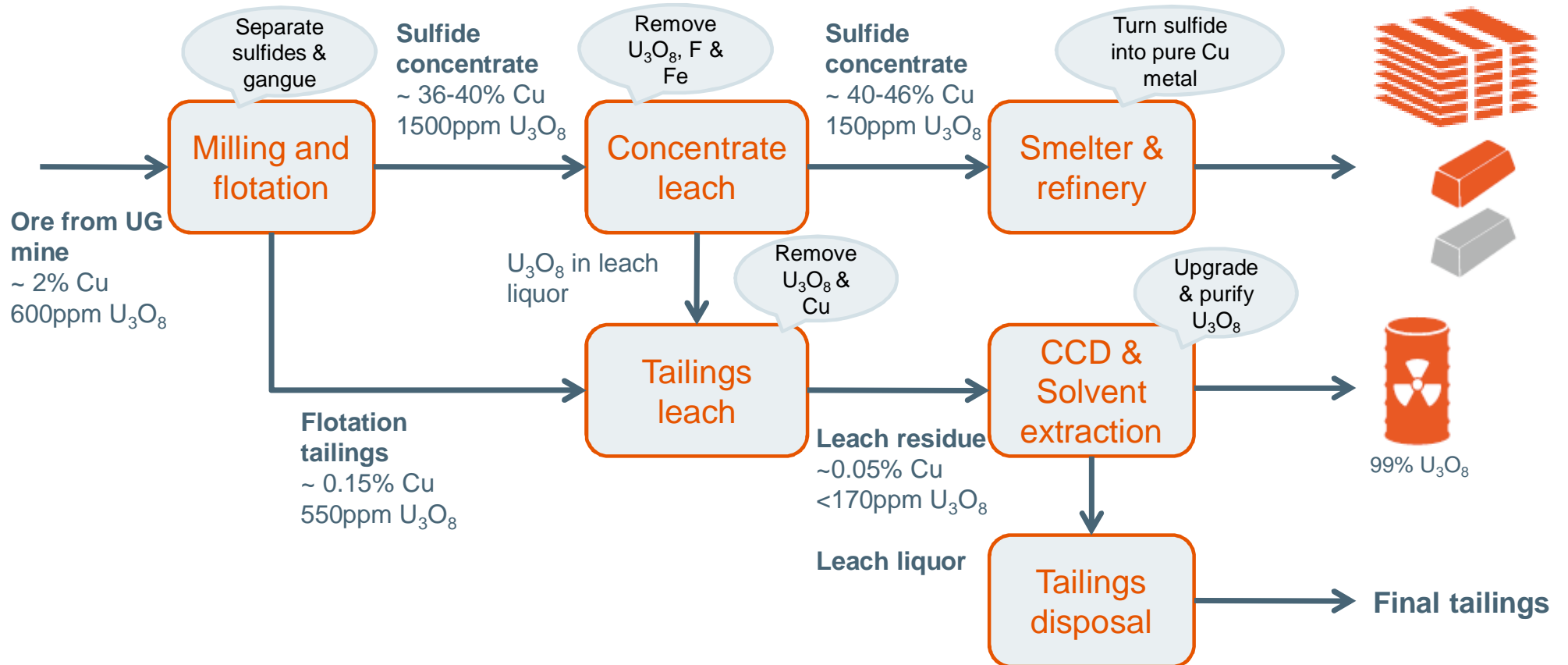
Simplicity: Geology – Metallurgy Link

Mineral (wt%) = $f(\text{sample composition})$

‘Met Performance’ = $f(\text{mineralogy, ore texture, process conditions})^*$

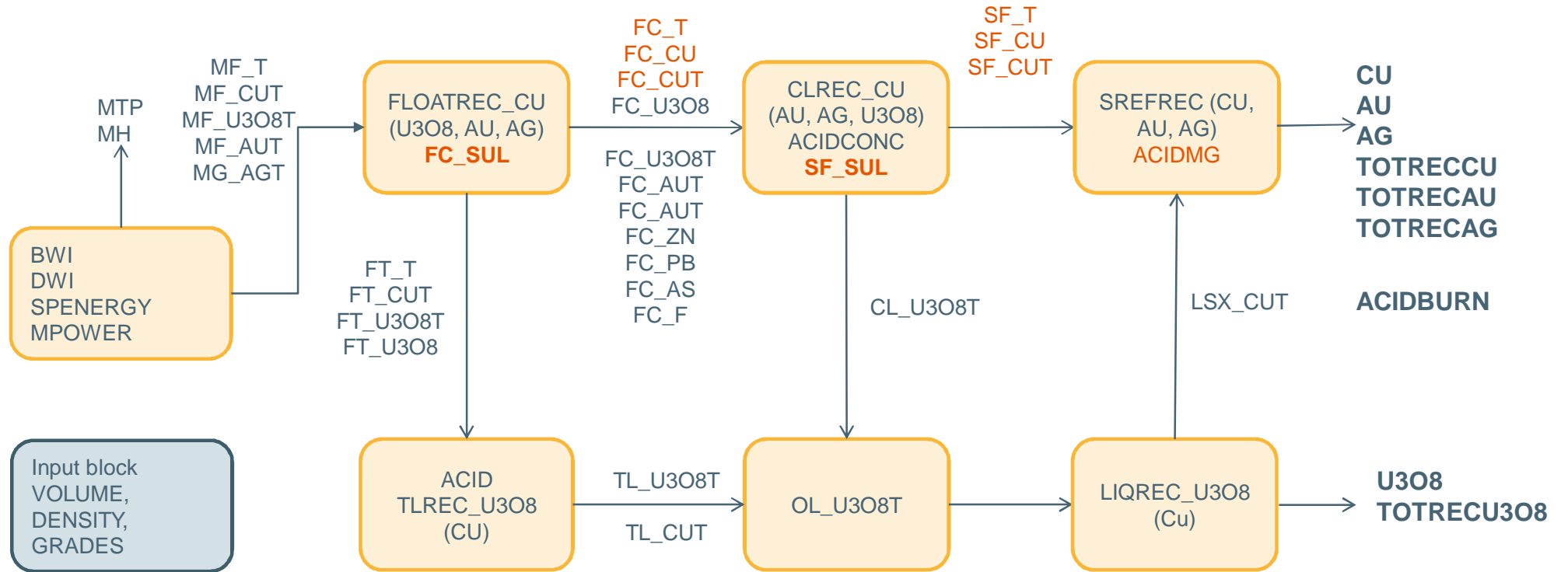
** modified from Bojcevski (2004)*

Even Further Simplified Olympic Dam process flow

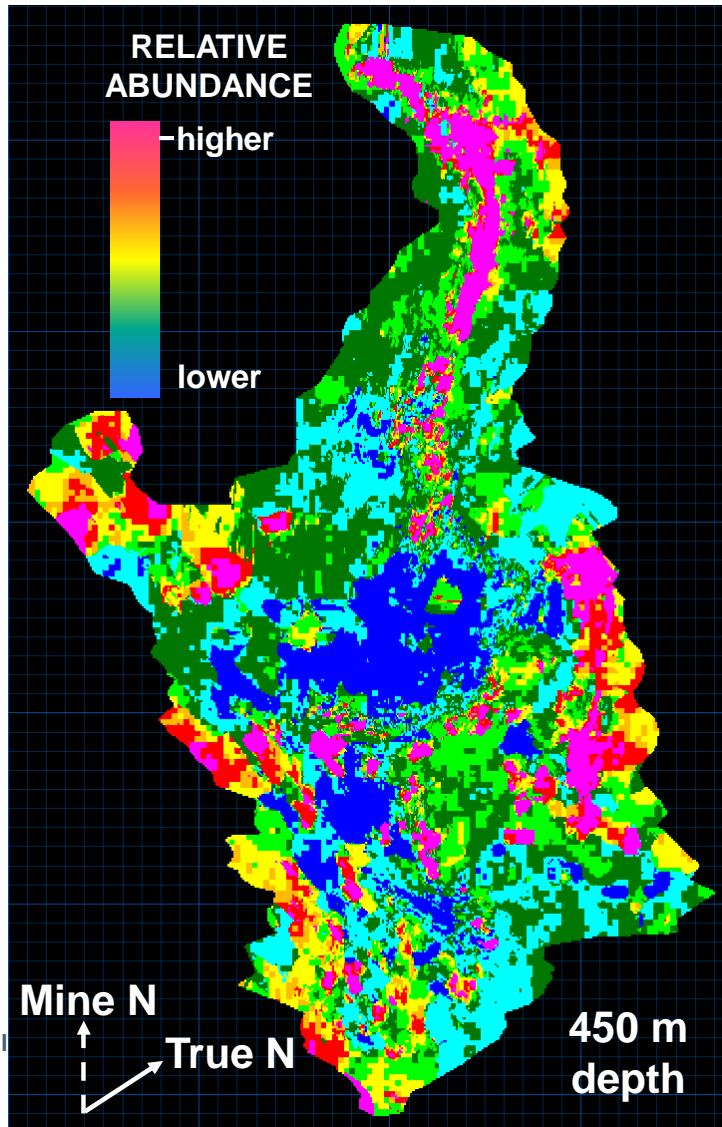


+50 geomet variables

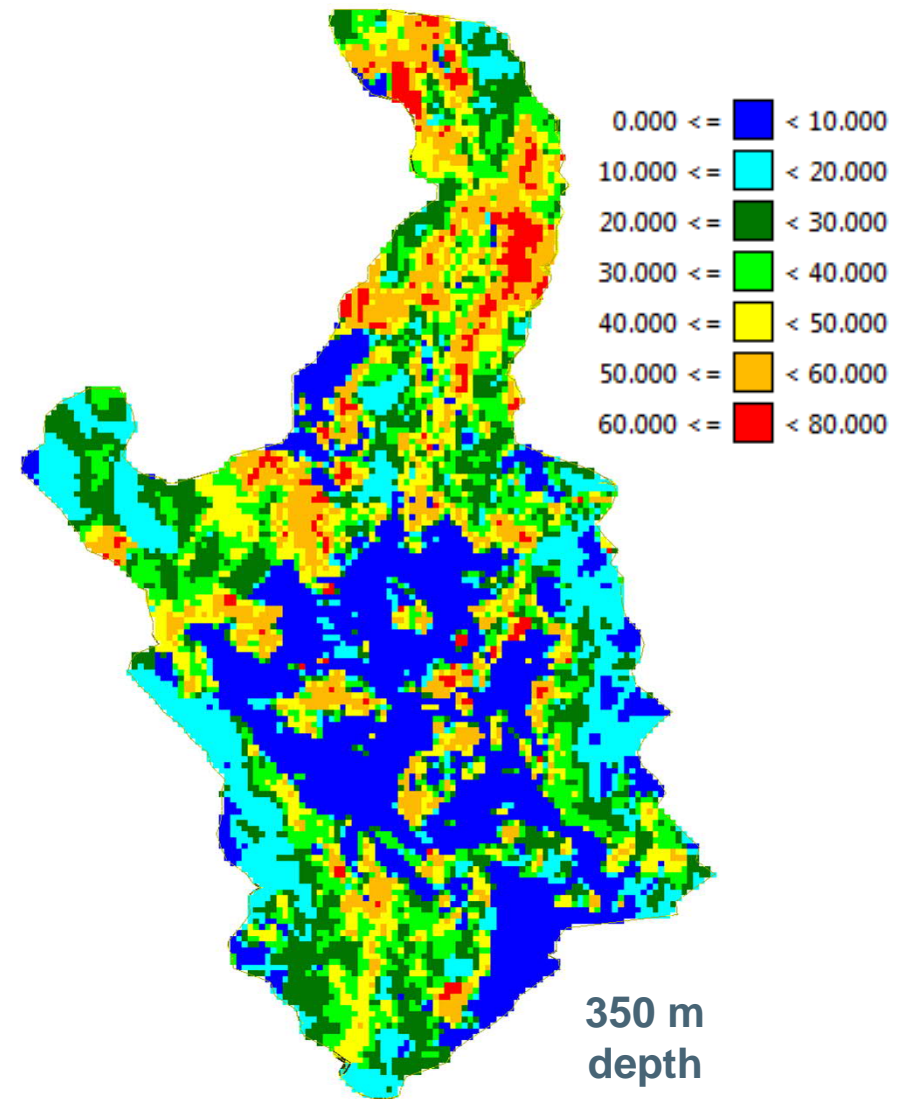
required to evaluate VALUE on each block in the resource model



Acid Consumption (ACID)



Concentrate Grade (FC_CU)



Words of caution:

Over-fitting data \Rightarrow reduced effectiveness of your predictor

Classic example from a mining operation (not OD)

- flotation recovery equation, %rec:

$$\%rec = \{90.94 - 259 * \sinh[0.000668 * (48/x - 1)]\} - [11.88 * (4.2/x) + 1.46], \text{ where } x = \text{feed grade\%}$$

- within the range of feed grades, $\sinh(n) = n$ within 4 decimal places, so the sinh function is redundant.
- after that, the equation collapses down to: **%rec = 89.65 - 58.22/x**

Now isn't that simpler, and ultimately more useful?

OD Geomet: all variables need to either make geological, mineralogical or metallurgical sense.

Complicating simplicity- requires vigilance to prevent it

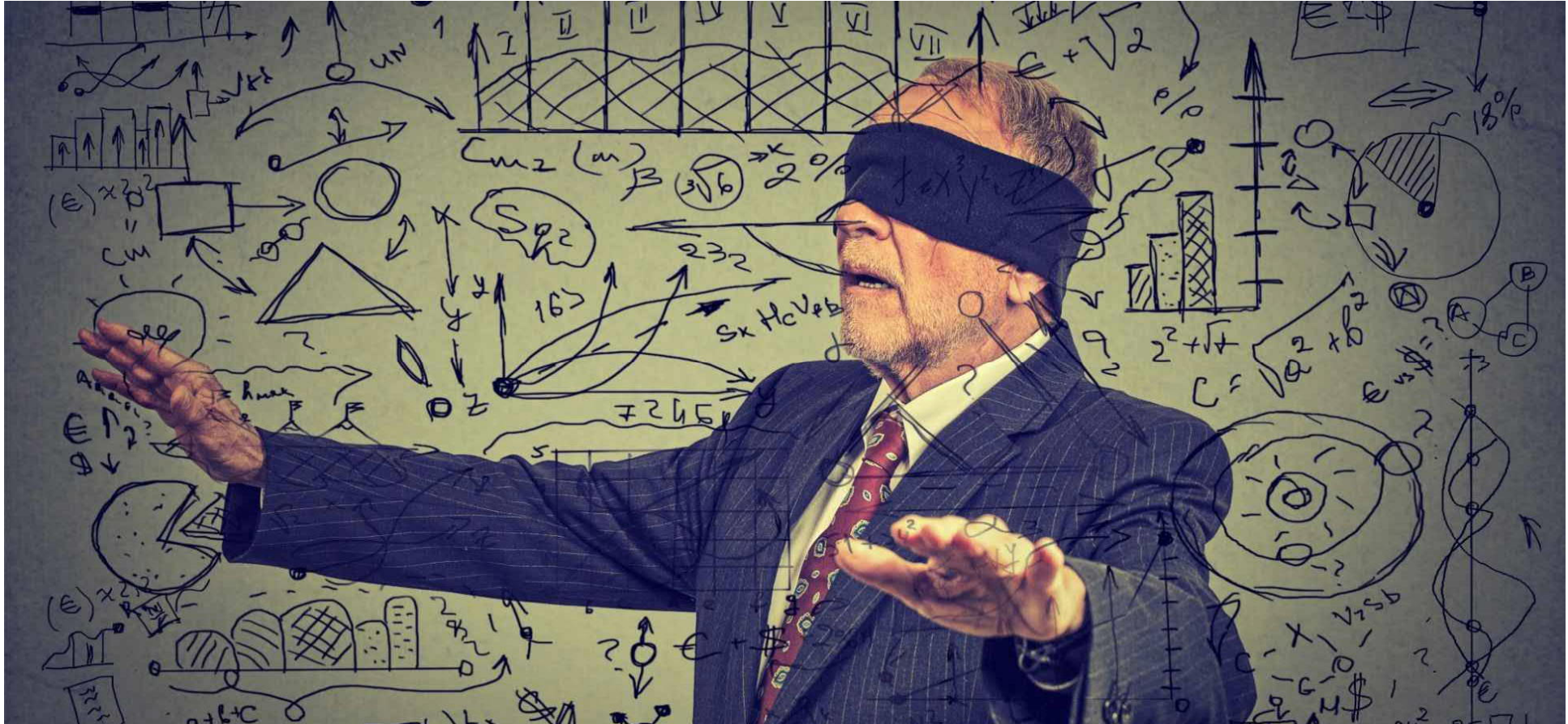


image: <https://www.inc.com/gordon-tredgold/simplicity-is-the-key-to-success-here-are-26-inspiring-quotes-to-help-you-on-tha.html>

We need to be clear with our messaging



<https://theactuarmagazine.org/simplifying-the-complex/>

Conclusions

Olympic Dam – is it really complex?

- Ore deposit genesis and breccia textures – Not complex, but certainly complicated.
- Mineralogy – No, it is simple. We perceived the mineralogy to be complicated for a very long time.
- Processing – No, most parts are simple. However, recycle streams make the processes complicated.

***As scientists and engineers, our roles are to reduce complexity,
and transform complicated systems into simple systems !***



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