**PRESS RELEASE**

EPCM firm managing US$35-billion worth of projects

*19 February, 2013:**Despite the world’s economy continuing to walk the recovery tightrope, consulting engineering and project implementation firm Hatch’s clients are forging ahead with investments that had been postponed or cancelled during the slowdown that began in 2008.*

Hatch Chairman **Kurt Strobele** says that this is evident in the fact that the company is currently managing over US$35-billion worth of projects around the world.

Hatch believes that the rapid acceleration of industrialisation, particularly in highly populated parts of the world like China, India and Brazil, will continue to a drive growth in the demand for its clients’ products.

“As the industrialisation evolution of these countries continues to gather steam, we see increased demand for both conventional and alternative energy sources to power the next stage of growth. At the same time, countries and corporations will be investing in improved infrastructure – roads, ports, railways and the like – to better connect within and outside their borders, and to get their products into the global marketplace more efficiently and profitably,” explains Strobele.

Considering this, Hatch has an ever-growing opportunity to support its clients across the mining and metals, energy and infrastructure sectors as they seek to meet the demands of a global market.

**Global project footprint**

Hatch has delivered Engineering, Procurement and Construction Management (EPCM) services to every one of the top 20 metals companies by market capitalisation on projects that reach into the tens of billions of dollars in capital expenditure. In addition, Hatch has been working with many of its energy clients for decades. Hatch’s infrastructure business – which traces its roots to Hatch’s very first project, Toronto’s University Avenue subway – works with governments and private sector clients around the world.

During 2012, Hatch Africa’s mining and metals sector witnessed many of the mining houses pushing ahead with project-related studies. Hatch Mining and Mineral’s Processing Director **Lister Sinclair** says that Hatch Africa is currently working on a large number of studies related to coal, copper and iron ore – many of which the company hopes to eventually lead into execution.

“Despite the overall number of Front-End Loaded (FEL) 4 projects coming from the mining houses having dropped and the number of studies increasing, Hatch Africa’s mining and metals sector has been involved in a number of prestigious projects, including the Kumba Iron Ore’s Kolomela Mine in South Africa’s Northern Cape and Mosaic’s Esterhazy operation in Saskatchewan, Canada,” explains Sinclair.

Hatch Africa’s role as lead EPCM consultant to Kumba Iron Ore’s newly-developed 9 Mtpa open-pit Kolomela Mine saw the company complete the project both under budget and on time; while its role in Mosaic’s Esterhazy operation saw the company achieve a number of ‘firsts’.

Mosaic, one of the world’s largest producers of potash, is in the midst of a significant production expansion. The company’s Esterhazy operation in Saskatchewan, which is the world’s largest potash production facility and underground mine complex, forms part of this expansion programme.

Both Hatch Africa and Hatch Canada have been involved in the K2 expansion project through the provision of EPCM services for a Blair Multi-Rope (BMR) winder, a Koepe winder and the associated headgear and shaft. Sinclair points out that Hatch has achieved a number of ‘firsts’ on the K2 project, one of which includes harnessing the heat generated by the winder’s motors to preheat the head frame in order to keep the conditions ambient at approximately 25 degrees Celcius – this considering that in Saskatchewan, temperatures can range from anything between 35 degrees Celcius to minus 60 degrees Celcius.

In late 2011, Hatch successfully completed Phase 4 of its EPCM services for the K2 expansion project ahead of schedule and significantly under budget. Hatch is also the EPCM provider for the K3 Greenfield mine project, which will see construction of one of the tallest head frames in the world. Preparation is now under way for the shaft sinking activities. The new K3 mining complex delivers an additional 1-million tonnes per annum of production to the Esterhazy operations.

Hatch Africa Global Managing Director **Rory Kirk** says that in addition to Hatch’s project successes in the mining and metals, energy and infrastructure sectors during 2012, the company also announced its affiliation with mining giant Anglo American.

“Hatch has always prided itself on taking the long-term view when it comes to client relationships – this is no more evident than in Hatch’s recent partnership with mining major Anglo American through its Supply Chain transformation programme. The transformation programme aims to leverage Anglo’s massive scale across business units to improve, reduce delivery lead times and reduce the overall cost of projects, amongst other objectives,” explains Kirk.

After a rigorous selection process, Hatch was selected as the only company to qualify globally as a Tier-1 EPCM provider for Anglo American. The affiliation means that Hatch will over the next seven years provide EPCM services to more than twenty of Anglo American’s major projects, totalling approximately US$17-billion in capital expenditure.

What’s more, Hatch announced its intention to merge with consulting engineering, project management and implantation firm Goba. The proposed new entity, which is still subject to approval by the Competitions Commission of South Africa, will form part of the global Hatch group and will be a multi-disciplinary and multi-sectoral engineering consultancy.

Kirk says that the tight conditions evident at the end of 2012 are expected to continue through to 2013 in South Africa. “The rest of Africa is likely to be buoyant while the search to secure future resources for the rapidly growing economies continues. EPCM in South Africa has become very competitive due to the weakness of the Rand and companies executing projects in other major resource rich countries could do well to procure their EPCM services here,” concludes Kirk.

***Ends.***

**Notes to the Editor**
There are numerous photographs specific to this press release. Please visit <http://media.ngage.co.za> and click on the Hatch link.

**About Hatch**
Hatch supplies process and business consulting, information technology, engineering, and project and construction management to the mining, metallurgical, energy and infrastructure industries.

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