**PRESS RELEASE**

Green shoots in mining industry threatened by global shortage of large equipment

**MHS Plant & Equipment offers a unique global disposal and procurement service for major mining houses**

**01 September 2021:** Disruptions in global supply chains due to the ongoing Covid-19 pandemic has resulted in a shortage of large mining equipment being produced by major Original Equipment Manufacturers (OEMs). “For example, the lead time on 100 t rigid dump trucks and larger has now been pushed to 2022,” comments **Conrad Smith**, owner and found of disposal and procurement expert [MHS Plant & Equipment](http://www.mhsequipment.com). This means that major mining houses are faced with a potential procurement crunch as the commodity cycle picks up again, placing a potential constraint on any expansion or new project plans at a time when the industry needs it the least.

Another concern is that many mining houses are sitting with redundant or surplus fleet that they are struggling to get rid of in the current economic environment. The traditional route of approaching auction houses or going out to tender is not the ideal solution in this regard, highlights Smith. “We offer a complete turnkey solution whereby we can come in and evaluate any redundant equipment, albeit scrapped or still running, and resell it through our global network of contacts.”

Alternatively, if a mining house is on the lookout for a particular machine and is being thwarted by a long lead time, it can approach MHS Plant & Equipment as well for a specific solution in this regard. With an international network established over 25 years, Smith and his team can source machines from anywhere in the world at the most competitive rates. The company’s ‘one-stop shop’ value proposition includes dismantling and rigging, shipping and transportation and reassembly at the required destination.

“Our key differentiator in this niche market is our capability to be able to offer immediate short-term solutions to these problems confronting the global mining industry right now,” points out Smith. “As opposed to waiting a year for new rigids, for example, rather approach us and we can source it for you anywhere in the world at a cost-competitive rate. This limits any potential downtime for a mining operation, which stands to lose millions due to any disruption in productivity as a result of equipment shortages.”

Smith warns that the shortage is being compounded by local OEMs also reducing their stock and parts inventory due to the impact of Covid-19 on the global economy. However, with the mining industry at last starting to show some green shoots, miners need to put their procurement plans in place as early as possible in order to be in a position to take advantage of the upturn. This is critical, especially due to an estimated 30% to 50% reduction in the output from yellow metal equipment manufacturers globally, with limited numbers of new units especially in the larger size ranges.

An example of the complete solutions approach offered by MHS Plant & Equipment is a package deal it is putting together at present for Barrick Gold Corporation in Zambia. This includes 100 t rigids, 120 t excavators and loading tools, 16H graders and Cat D10T dozers. “We handle the sale, export, transport, insurance and assembly on-site with commissioning of all the equipment upon delivery,” concludes Smith.

***Ends***

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**Notes to the Editor**To download hi-res images for this release, please visit <http://media.ngage.co.za> and click the MHS Plant & Equipment link to view the company’s press office.

**About MHS Plant & Equipment**

Based in Midrand, Johannesburg, MHS Plant & Equipment specialises in the import and export of mining and construction equipment. We buy and sell construction and mining equipment throughout Africa, Australia and the Americas. We provide solutions to liquidate assets for mining and financial institutions on a global scale. We have experience in servicing our international clients for over 20 years, be it mining houses, contractors or civil contractors. We supply both new and quality used equipment to the mining sector. We also assist banks in both the valuation and disposal of any repossessed equipment, specialising in construction company/mine closures with turnkey solutions.

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