

CONDITIONAL SIMULATION CASE STUDIES

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With a competitive environment both internally and externally for capital and resources, the need to be able to understand and present the risks associated with projects has become crucial. Management requires tools that will allow a better understanding and ranking of the risks associated with a diverse range of projects that are competing for capital and resources.

Newmont sees conditional simulation as a tool that lends itself to assist in quantifying the risk associated resource estimation and determination of reserves. Two case histories, one a project undergoing a feasibility study, the second an operating underground mine, are presented to demonstrate how conditional simulation has been used to quantify risk associated with each project.