

EXPLOR ATION RA DIO

Episode 1

**WHAT MAKES A
SUCCESSFUL EXPLORER**

with

Mark Bennett (Part 1)



EXPLORATION RADIO is a podcast focusing on the past, present and future of exploration. Hosted by Ahmad Saleem and Steve Beresford, the show is impartial with the content produced, intending to unearth fresh perspectives on issues and challenges faced by the global resources industry. This podcast is free from vested interests, is self-funded with limited sponsorship, and is freely available on iTunes, Apple Podcasts, Stitcher Radio, Google Play, Spotify, or through our website:

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MARK BENNETT is the Managing Director and CEO of S2 Resources, an ASX-listed exploration company.

Mark is a two-time recipient of the Association of Mining and Exploration Companies “Prospector Award”; first in 2002 for the discoveries of the Thunderbox gold and the Waterloo nickel deposits, and recently in 2013 for the discovery of the world class Nova-Bollinger nickel-copper deposit (all of which are in Western Australia).

Having been successful multiple times, Mark has developed his own views on what makes a successful exploration culture.

Hi, I’m Ahmad.

And Hi, I’m Steve.

Ahmad: And welcome to the inaugural episode of Exploration Radio.

As a mineral explorer the ultimate ambition that most people have is really to make a mineral discovery. Or at least to be part of a team that makes one. But the truth is, mineral discoveries are so rare that most people working as mineral explorers will never really taste success.

So the question is, what does it take to be a successful explorer? Is it technical knowledge? Is it having the right strategy? Is it having lots of money so you can explore for a long time? Or is it just luck, being at the right place at the right time? Considering the amount of money that actually goes into mineral exploration, finding the ingredients that lead to success is actually quite important.

But what if the most important ingredient to success in a mineral exploration group was culture? What if it doesn’t matter how many PhDs you have, how much money you have, and whether you have the right strategy or not? Maybe all that matters is whether you have the right culture and whether you can sustain it for long enough.

If you think that the importance of culture to success seems a little nebulous, think about this: people that are successful as mineral explorers once, often end up having repeated successes over their career. Now, are they just lucky again and again? Or is it, as Gary Player once said, “The harder I practice, the luckier I get”.

Steve: What does it take to be a successful explorer? In this episode, we look at the building of an explorer culture, a discovery culture. What does that mean? We’re going to pull apart this concept of culture by interviewing Mark Bennett, a successful mineral explorer who has evolved his own views and his own successful culture.

Ahmad: For those of you that don’t know Mark, well he’s been involved in exploration for the better part of two decades and has been involved in the discovery of no less than four deposits - the most recent of which was the Nova-Bollinger deposit in Western Australia. Recently he’s written a number of articles and given a few talks on the importance of culture to mineral exploration and how it is one of the most important aspects of a successful mineral

exploration group.

Originally, we had intended this topic to be just one episode. But to be honest the interview went so well that we decided to split it up into two episodes. So this week on Exploration Radio, Part 1 of What Makes A Successful Mineral Explorer with Mark Bennett.

Steve: Thanks for your time obviously.

That's okay.

Steve: I know a little bit about your background. What actually interests me is the repeated success rather than the last one. You have talked about that but there's more to you than that. I am sure you will agree...

Yeah Nova was sort of a symptom of the rest I think.

Steve: Everyone's influenced by the culture they've been in. But you have your own culture now too.

Totally, which is sort of the product of everything that's gone before. Lessons learned and things kept, and things jettisoned along the way.

Steve: I think some people know some of them but I think what will be interesting to hear them. So you're a successful explorer. You've found multiple ore bodies and the last one is the famous one. But you've found them in different organizations. What do you think makes a successful explorer?

Well there's no short answer to that one. If you're an explorer, you're generally a geologist and you've got a geological training. There are a lot of good geologists and a lot of good exploration geologists. The real differentiator is turning that into actually realizing something and that's where everything else comes in.

So I sort of call an explorationist something very different from a geologist. An explorationist is a geologist, a psychologist, a financier, a pragmatist and all sorts of other things thrown in as well. And I'm not quite sure where I begin on what was most important really.

Steve: Maybe we start right at the beginning with geology. And then, move from geology into the other elements because that's probably what we're more in-

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“...doing a mining geology degree in the UK, in a system that was sort of setup for an old colonial era... meant that graduating as a geologist in the UK, you either go into academia or oil, or you end up running a supermarket... I always had an expectation that I needed to try and infiltrate myself into another country to actually get a job doing what I liked.”

interested in. You’re trained as a geologist, that’s your background. How important was that in getting towards becoming an explorationist?

Oh I mean, fundamentally important. I wouldn’t be one without that. And it’s not something I just fell into. I was interested in geology from an early age and went to a school that taught geology so that sort of gave me a bit of a kickstart. Got into a university that did applied geology. So my formal geological education was geology plus mining, which was good because that kept the science within a sort of real world commercial context as well - which often on a pure science course you won’t have. So obviously doing that was pretty important.

I always wanted to be involved in mineral exploration and mining from the start and sort of always tried to move towards that. But doing a mining geology degree in the UK, in a system that was sort of setup for an old colonial era – a setup where all the geologists get out of the UK and work in South Africa, and Canada, and Australia, and so on – that was no longer relevant, meant that graduating as a geologist in the UK, you either go into academia or oil, or you end up running a supermarket. So I always had an expectation that I needed to try and infiltrate myself into another country to actually get a job doing what I liked. And that took a long time. I actually had probably a four-year period in which I just did little contracts with North Sea Oil and Irish Sea Gas; even sort of industrial minerals gypsum, vermiculite...

Steve: Was this post-PhD, pre-PhD?

This was post-PhD primarily.

Steve: So you went straight through?

No during my first degree, the university encouraged us to have a sabbatical year before we finished our first degree. So, we went out for 12 months and got a job with industry. And my particular job was with North Broken Hill, working for Ian Plimer of all people...

Steve: For real?

Yeah.

Steve: Was that influential...positively, negatively?

I mean he was more of a typical exploration manager

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“I took out a bank loan, got on a plane to Australia and knocked on the door of WMC in Adelaide.”

back then rather than a celebrity. He was a pretty smart exploration manager and I learned a lot on that. But it was a finite thing. It was a 12-month job before going back to uni. Went back to uni, finished the degree. By the time I finished the degree, the industry was in one of its cyclic busts. So there were no jobs. Simply to keep my hand in, because I didn't feel a particularly strong aptitude for doing a PhD, I did a PhD on manganese mineralization for three and a half years. During which time there was another boom. By the end of which there was another bust.

Steve: Timing of doing your PhD...

So no jobs again and that's when I sort of picked up these little contracts just hand-to-mouth type things to do that. And they eventually fizzled out. I ended up working in radioactive waste disposal – which was not exactly one of the things you would pick. Those contracts ran out and I ended up on the dole in the UK in my mid to late 20s with no future. So I basically started writing letters to companies in Australia. No jobs. One company from South Africa approached me, which was Genmin during the apartheid era and that was the last place I wanted to be. But I was getting so desperate that I was on the brink of actually going for that job which would have been in Welkom in Orange Free State, Africana heartland in the middle of apartheid, which wouldn't have been a nice thing.

I believe in fate in a strange sort of way in what we do, but literally after 12 months of thinking “what the hell am I going to do next”, in the same mail came a letter from Western Mining saying, “We haven't got a job. But if you're ever passing, we'll talk to you.” In Melbourne. And here am I in Sheffield, UK. And a permanent residency visa for Australia that I had applied for 18 months earlier and forgotten about because demand was so great. So I thought, okay these two things coming in the same mail. I'm going to do this.

So I basically wrote two letters. One to the South African company saying, “See you next week,” out of desperation. And the other saying, “You won't see me next week.” Left those with my mum. I took out a bank loan, got on a plane to Australia and knocked on the door of WMC in Adelaide. And again, as luck would have it, there were no jobs for that very day but one of the geologists in Kalgoorlie had resigned. So, they said “Oh yeah, we will take him.”

Steve: That is incredible.

“You know, life is sort of full of these instances where things can turn out very differently just on the toss of the coin one way or another.”

Yeah. You know, life is sort of full of these instances where things can turn out very differently just on the toss of the coin one way or another.

Steve: I’ve got a formal question here that says talk about WMC and how you got started in WMC and thinking about, you know, someone coming and visiting you in the classical recruitment way. But you’ve got a far more interesting way of having gotten into the company...that’s surreal.

Ahmad: Coming up after the break, we talked to Mark about WMC. What made the company so good? What changed while he was there? And why did he leave it in the end?

Now normally in a podcast during an ad break you would hear from the sponsors of that podcast. Since we’re just starting, we don’t really have any sponsors. So we thought we will try something different. Some of our listeners out there might actually know who Steve and I are. Maybe we’ve had the pleasure working together. But there’s probably a lot of people out there that don’t know anything about us. With that in mind, this next segment will probably do very little in helping you. But let’s try it anyways. Let’s find out a little bit more about Steve Beresford.

So, Steve, we’re going to ask you a few questions. They are just going to have short answers. But before we do, is there anything that’s off bounds?

Steve: I have no idea. I don’t even have a clue about what you’re going to ask.

Ahmad: That’s perfect. Let’s go for it. First question. If you weren’t a geologist, what would you be doing instead?

Steve: Some form of scientist? Yeah, maybe neuroscientist or psychology, something like that. But that’s my current interests.

Ahmad: Most difficult country you’ve worked in or been to?

Steve: Côte d’Ivoire, just because it scarred me. It’s hurt and removed years of my life.

Ahmad: Let’s try something more positive. Best place you’ve worked in or a place you would want to live in?

Steve: Best place I've worked in, probably Greenland. Stunning geology, stunning country. Best place I would want to live, somewhere like Cape Town or Vancouver would probably be top of the list. Other than home, New Zealand.

Ahmad: So the mountains are a common theme in all those places.

Steve: The mountains are compulsory which is why I live in Perth.

Ahmad: Perfect. And what's a skill or talent that you have that not many people know about?

Steve: Skill or talent...that not many people know about? Jeez, that's tough.

Ahmad: The answer will be provided in the next episode of Exploration Radio.

Steve; I'm not sure if I have any skills.

Ahmad: You haven't mentioned the one skill most people know you for: which is the fact that you can do the haka.

Steve: I do. I've done it in some very embarrassing places.

Ahmad: That could be described as a skill/talent.

Steve: Yeah. I was once described at a joint venture meeting in Jinchuan as the pasty white man doing the dance. I don't think it's quite got the same power that it's supposed to.

Ahmad: I think that's a pretty good note to end on.

Steve: I want to talk about WMC because we all spend time now looking back, and we realize that it was a hell of an utopian explorer. But we also look back and see so many things that we learned from that organization. So what do you think made WMC good and what went wrong in WMC as well from your perspective? What did you learn?

“10 years at WMC basically set me up for life...”

Pretty well most of what I know I learnt in my 10 years at WMC – apart from the formal geological bit I think. 10

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years at WMC basically set me up for life. In that, there was in the geological guild across the various exploration groups and the operations, it was probably a couple of hundred geologists. And a lot of really good ones and a lot of communication between them. And I think Roy Woodall’s biggest single achievement was basically enabling that. He wasn’t necessarily hands-on involved in it but he enabled that to happen. And if you look at the people that went through WMC and if you look at the rest of the industry now, it’s basically been the spawning ground for much of the rest of the industry since. So I spent the best part of 10 years doing a whole variety of things looking at exploration and mining. Different commodities: nickel, gold mainly; and in different places: Western Australia, Victoria, overseas, West Africa, for example. So, the people I worked with and what I learned from those people was really pivotal in sort of getting me to the next stage.

But there was a point, I guess, where there were a lot of older guys who’d been in WMC a long time and weren’t going to make way for youngsters very quickly. And so there was a bit of a log jam in terms of career progression, and that’s the wall that a number of people I think hit and decided to seek alternative opportunities because of that. So that was part of one of the negative reasons I think. Also although board rooms are pretty remote from what you do on the ground as a geologist, I think we did see the effect of differences of opinion at the board level between Roy Woodall and the other directors about how things were to be run. The net result was it demotivated or disincentivised a lot of the good people and they started leaving. They were replaced by a whole new wave of people who didn’t have the same level of learning.

Ahmad: Did you see that change during your time at WMC?

Yeah, my period was sort of the end of the golden age and the start of the decline so I actually saw it change quite a lot. And there were little symptoms of that. For example, initially when I was working at Victory gold mine as an underground production geologist, as a geologist, your performance was judged by other geologists irrespective of what part of the company you were in. And so, you know, if you performed well you got a good review and then that sort of influenced things. That got changed so that you were reviewed by the local resident manager, who was a surveyor or mine engineer or something like that. And so the review people got was purely based on the performance of that operation – irrespective

of what your contribution or effort was and irrespective of whether what you were doing could influence those outcomes. That's just a little example, but it made a huge difference basically. People started leaving because they felt that they weren't valued anymore. And what they did, wouldn't have a direct influence on the outcome for them.

Steve: So can you think that, if you try to unpack that, what is WMC culture good at? I mean, one of them was science-driven, geology-driven exploration. That's the one that most people I think are aware of. There is lots of people that are trying to recreate this, and not many of them have been very successful at trying to recreate WMC. What do you think it was?

Ahmad: Or what part of the WMC culture would you replicate?

I think having a group of geoscientists of that critical mass and the mobility to move amongst different parts of the company when there was a lot of interaction for a start. And from my perception of the bigger companies these days, and from my personal knowledge of people being recruited from graduate programs and things like that, it seems that people's experiences are quite different to that. They end up being in a department and don't really get exposed to the things around them and can stay there for a long time, so they don't broaden their knowledge.

Steve: So, I think people are getting recruited for a job rather a career. If you want a job, go to the Pilbara, take the cash. If you want a career, you're going to be wanting to do this. This is going to be part of who you are.

“...one of the unfortunate things about the boom is that the demand for geologists jacked up salaries and its attracted a lot of people into the industry who don't necessarily have a passion for it...”

Absolutely. And in the days at WMC, geologists weren't paid particularly well. And so, there was a bit of a natural selection process that happened in the guys that ended up working there – because that's what they really wanted to do, not because of the paycheck at the end of the day. And one of the unfortunate things about the boom is that the demand for geologists jacked up salaries and its attracted a lot of people into the industry who don't necessarily have a passion for it, don't want to be in the dirt and the dust, and don't have the right aptitude necessarily. So that's a key difference from the WMC of then and its equivalents now as well I think.

Steve: So can I read into that, less and less willingness to get dirty? Is that where WMC went before the end?

“...they recruited a lot of highly qualified, very intelligent people. And somewhere along the way, those people lost sight of what they were there for. And they spent more time and energy competing against one another, rather than all trying to achieve the one objective.”

“...when working in industry is blurred with the boundaries of academia with highly qualified people, academia almost by its very nature comes with a certain sense of an intellectual pride and an adversarial approach in terms of having to be right and prove the other person wrong...”

“Don’t let your ego get in the way of your wallet.”

One of the things that disturbed me a bit about WMC, they recruited a lot of people with PhDs - myself included. But I was trying to deny I have got one because it’s actually a disadvantage in what I do. But that’s another story. But they recruited a lot of highly qualified, very intelligent people. And somewhere along the way, those people lost sight of what they were there for. And they spent more time and energy competing against one another, rather than all trying to achieve the one objective.

Steve: So, this is something I’ve seen now in a few companies, where you get this. It’s very much a higher education symptom, where intelligent, educated people end up creating confrontational culture, as opposed to the collaborative culture and start forgetting they work on the same team. But are worried about how good they are, as opposed to how good we are. It appears to be a characteristic of highly educated individuals.

Absolutely. There are probably a number of people we probably both know. And I guess when working in industry is blurred with the boundaries of academia with highly qualified people, academia almost by its very nature comes with a certain sense of an intellectual pride and an adversarial approach in terms of having to be right and prove the other person wrong. And I think that can rear its head sometime. We actually have a saying here, and that is, “Don’t let your ego get in the way of your wallet.”

Steve: One of the things I realized why I wanted to leave academia is that I hated the adversarial nature. What I subsequently realized is that adversarial nature does exist inside industry as well - it is actually one of the main limiters for progress. So you use the word technocrat, and I am a technocrat, and you sort of talk negatively about technocrats. I assume you’re talking about specific people or culture. You want to talk about what bothers you.

Nothing bothers me about technocrats per se. What I’ve found is, you know, as geologists in industry we spend a lot of time consoling ourselves about how difficult it can be and how we are treated by management, that we’ll get dumped and end up as taxi drivers and things like that. That we have very little say in what happens. And also for example on a mine, it’s generally a mining engineer in-charge, telling geologists what to do and regarding them as glorified samplers more than anything else. But I think part of the problem is because we as geologists tend to stay in our little geological world. Whilst there’s nothing

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wrong with being a very technically focused geologist, because we’re that way inclined we’re basically just treated as a commodity by the commercial guys – who just see us as things they can hire and fire and that they often don’t actually value people’s skills.

And the only way we as geologists can actually take control of our own destiny in terms of our positions within a particular company personally or as geologists within mining companies or within industry as a whole, is actually wrestle that power from those who have it right now. And the only way to do it is to basically beat those people at their own game and become more commercial and hard-nosed, because that way we will get more credibility with those guys. The more we’re perceived to be boffins, the less seriously we tend to be taken. And I sort of had a sense of awareness of that in some of my past companies. But it was only when I started running my own companies and speaking to the finance guys in the outside world, that I really realized how prevalent that sort of attitude is.

Steve: I really like that answer because as a person who is more of a technocrat and is well aware of his own weaknesses and has attempted to go down the path that you’ve gone down, the reality is there is very limited value in continuing to become more of boffin-y without developing the other skills.

Coming up after the break, we talked to Mark about why he ultimately left WMC, and what he does not like about working for big companies.

If you liked this episode, please tune in next week for the second part of this interview. And please keep tuning in weekly for new episodes of Exploration Radio. Now, let’s get back to the interview.

Ahmad: So, Mark, after WMC, how did you get into Li-onOre?

It’s the opposite of what you might expect in terms of deliberate planning and so on. So I was in Western Mining, I had reached the point in my own mind where despite the great time I had there and the good education, sort of the hands-on education I had, I got a bit sick of the

“It was the hypocrisy that got to me.”

bureaucracy that was proliferating within the company. And some of the sort of ill-directed sort of ego-driven in-fighting that was going on. I thought I fancied a change. And at that point, I just phoned Forrestania Gold as it was then. I was actually on the way from Melbourne to West Africa on a fly in – fly out thing with Western Mining. And I stopped into Perth, “So you’ve got a job?” he said “Yep, ok”. And I resigned from WMC on the spot. And my biggest fear at that time was, what the hell am I doing, going from a big company with a secure job into this little company with God knows what. But I did it anyway. And probably, six months later, that’s when all the redundancies came through WMC. Everybody who’d stayed behind got the chop and I was the only one left at the job.

Steve: So, the question I’ve always wanted to ask you about WMC is what happened in West Africa with the cerebral malaria and whether that affected you in any way? Not like mentally, I can see it has... but no as in whether that whole experience has changed you. I’ve been sick myself in Côte d’Ivoire and it’s definitely changed me. It’s had an impact on what I will do for the rest of my life and how I see certain companies etc. What happened to you?

“...it was another example of what I tend to view as big companies saying all the right words but not necessarily doing all the right things.”

That was one of the straws that broke the camel’s back. Back in Melbourne, the company was very vocal about safety and this and that and the other. And at that time, for example, the board wouldn’t fly Cathay Pacific because they deemed that too dangerous. Yet they were happy to have other people on the other side of the world in situations that were far more dangerous. It was the hypocrisy that got to me. And you know when you get cerebral malaria and you realise that you could be dead in 24 hours, you sort of re-evaluate things. There were other times in West Africa when I had an AK47 held to my head and you question whether it’s really worth you being there when that happens. I was in a plane that nearly crashed and you question whether you want to end your days in a metal tube plummeting into the Sahara Desert for nothing. And so, in two entirely different ways I guess, that influenced me.

I don’t want to ever work in high risk places. There’s plenty of things to do in more sensible places. I wouldn’t expect to put other people in harm’s way like that if I’m not to. So we don’t even contemplate things like that. But also, in this big company small company culture way, it was another example of what I tend to view as big companies saying all the right words but not necessarily doing all the

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right things. Whereas in a small company, you can't hide that sort of stuff and that was one of those sort of things I thought should be jettisoned.

Steve: That is exactly why I asked you the question because I figured that was the case but I have never ever asked you before. But I've sort thought about it recently when I got ill myself, I am like this hypocrisy is turning me away from these companies. Simply because you know we're not living the words.

Well to actually sort of expand on that a bit in terms of talking about hypocrisy; after the event there was a safety meeting and the main item on the agenda was petitioning the local council in Melbourne to install a pedestrian crossing so that the accountants could get to work safely. And my near-death experience was deemed not worthy of actually discussing because it was deemed a disease and not a safety incident.

As mentioned at the start of this episode, this is Part 1 of our interview with Mark Bennett. The coming episode will be part two of this interview. Here's a preview of that episode.

Steve: The beginning of Sirius, one of the things that I think that you did that was remarkable is that you did the deal with Mark Creasy.

Mark: We didn't have an XRF gun to check anything but Creasy did. So first thing the next morning, I went around to his place with the samples and we started zapping them; and that's when you know we were getting readings of 4-8% nickel and 2-5% copper, bag after bag. There were probably about four of us I think there on that occasion and three of us had big smiles on our face. And Creasy was just sitting in the corner looking miserable. I said "This is pretty good. Cheer up." He says "The last time I was happy was in 1976."

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Until next time...let's keep exploring.