

Santiago, Chile, December 2013

To whom it may concern,

Enaex, a company belonging to the group SIGDO KOPPERS SA , is a production, marketer and distributor company of a complete range of explosives and blasting agents .

From June to December 2013 we developed with the support of the London Consulting Group the Project "RIO LOA 2.0" which aimed to increase productivity in the areas of manufacturing, and planning. Our work flows were redesigned and implemented to improve the quality of our processes, achieving the following benefits:

PRODUCCION:

- Implementation of field supervision models, daily production control tools.
- An increase in the production standards was achieved, generating and increasing the productivity of KG/Man-Hour in the following product families:
 - APD / Pentolita: Increase of 23% KG/Man-Hour.
 - Dynamite/Master Mix: increase of 11% KG/Man-Hour.
 - Detonators: Increase of 24% in monthly unit production.
- Design and Implementation of Balance Scorecards.

PLANNING:

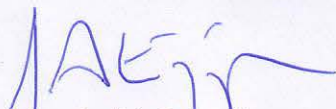
- Optimization of the integration process between the planning areas: Demand, Material, Production Planning and Production Programming.
- A "Safety Stock" tool was implemented in order to reduce reprogramming in 5%.
- A "Boston Matrix" study was implemented to increase the price of the products portfolio in up to 5%.
- Increase of 6% in Service Plant's forecast.
- Increase of 30% in COMEX forecast.
- An inventory control system was implemented, increasing stock reliability in 42%.
- Design and Implementation of Balance Scorecards.

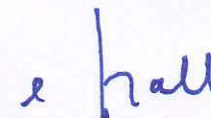
MANAGEMENT AND OPERATION ABILITIES:

- Management skill seminars for the plant Managers, and Supervisors, to present and reinforce developed tools focused on achieving results with team work.
- Operational skill seminars for operators, seeking to adapt to the processes of change and commitment to the accomplishments and goals of the company.
- A Project Fair was held, in which improvements and optimization proposals were presented by the production areas.

At the 27 week mark of the successful completion of the project, a **1.6:1 return on investment was executed**, with a projected 12-month **ROI of 8:1**. In addition to the economic benefits, a cultural change was achieved in our operators and support staff, which leaves us with a solid foundation to meet medium and long term productivity and service goals.

Therefore, I recommend **London Consulting Group** as a professional company with a high level of commitment on the results.


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