

Shaft Sinkers creates an even spread

As the mining world continues to plough forward as best it can in a depreciating commodity environment, shaft sinking and associated underground infrastructure major, Shaft Sinkers, says that it is well positioned to weather the storm. Laura Cornish spoke to MD, Rob Schroder (above), about the company's diversification strategy and long-term order book which will ensure that the company's bottom line is well protected.

"Our strategy to diversify into more non-metal mining related projects, as well as build on our international brand, through greater foreign exposure, has paid off in today's financial markets," says Schroder.

Its diversification strategy for non-metal mining related projects is only about 20%, Schroder adds.

Shaft Sinkers, recognised globally for its massive and deep shaft-sinking capabilities, has been looking to diversify its skills into hydro-electrical, non-metal and nuclear storage projects, both locally and outside of SA.

The company has already acquired two colossal international projects in this arena, one for a potash mine in Russia, and the second for a hydro-electric project in India.

Schroder attributes the company's expected growth profile in the years ahead to 'stay on track' based on its good foresight to diversify further into global territories and new project areas while maintaining its strong presence locally.

"Despite this, Shaft Sinkers remains an SA-based, -rooted, -driven and -focused company, with a number of local projects ongoing or due for commencement during the course of this year," Schroder adds.

The company's order book should keep it busy until at least 2013. Also worth mentioning are the company's 'significantly improved' safety statistics, with both its lost-time injuries and reportable injuries down by half when compared to last year, though Schroder says the company will continue to concentrate and strive for zero harm.

LOCAL PROJECTS

Two of its most recently awarded local contracts include the sinking of two vertical shafts for Kalagadi Manganese's emerging manganese project near Kuruman in the Northern Cape.

Site mobilisation is due to start at the end of January, whereupon the company will move into the development

of a 322m deep ventilation shaft (6,7m diameter) and a 356m deep main shaft (9m diameter).

"We are also in final negotiations for the sinking and development of two vertical shafts to a depth of approximately 700m - for Anglo Platinum's newest R10bn platinum expansion project, Styldrift," Schroder adds.

Styldrift will see the platinum major's current mine, Bafikeng-Rasimone Platinum Mine (BRPM) near Rustenburg add a further 230 000tpm of Merensky reef processed - resulting in an annual production of 400 000ozpa from the entire mine.

In the last year, Shaft Sinkers was also awarded a development project for Lonmin's Karee 3 shaft, as well as a sinking of a twin decline system for Heric Ferrochrome's Bokfontein chrome mine.

"This project is to see a smooth progression for Heric to move from mining opencast to mining underground in the next two to three years."

Its existing projects, which include the development of Impala 16 shafts (main and vent) and Impala 17 shafts (main, vent and refrigeration) really represent the company's true brand identity - extensive deep-level shaft-sinking projects.

Due for sinking completion later this year, the Impala 16 main shaft will officially be the world's deepest platinum shaft, reaching a depth of 1400m.


This will soon lose its title as Shaft Sinkers develops 17 main shaft to a depth of 1920m, which will be completed in 2012, a project which Schroder considers to be Shaft Sinkers' current flagship.

The 2008 year also saw the company complete a few other international projects, including Koidu Diamonds in Sierra Leone, a twin decline system for Anglo Platinum's Unki project in Zimbabwe, and, locally, the shaft equipping



Jumbo shaft drill rig.

Shaft Sinkers' commitment to safety and training is paying dividends. There was a celebration as Impala 17 Shaft reached one million fatality-free shifts.

 **SHAFT SINKERS**
CONGRATULATIONS
1,000,000 FATALITY FREE SHIFTS
THANK YOU FOR YOUR CONTRIBUTION
IMPALA 17 SHAFT



sinking and drilling

and infrastructure for Harmony's Phakisa gold mine and Lonmin's Rowland project.

Further current projects also include development at AngloGold Ashanti's Moab project and Lonmin's Saffy and Hossy shafts.

Like most other industries, Shaft Sinkers would also like to re-enter the coal market - which remains relatively untouched by the current financial crisis.

INTERNATIONAL PROJECTS

Teeste III hydro-electric scheme (India)

Towards the end of last year, Shaft Sinkers was awarded its first multi-million dollar hydro-electric project in India. Valued at \$28m, it involves sinking two surge shafts (5.5m in diameter and 740m in depth) at the Teesta III hydro-electric scheme in Sikkim Province. Schroder says that some of the team were already mobilising on site in November last year.

Eurochem's Greymachinskoye potash deposit (Russia)

July last year saw the company sign a \$271m deal with the Russian fertiliser group to help to develop a potassium deposit 200km west of Volgograd for a 7m diameter shaft 1080m deep.

The deposit contains potassium reserves of more than 1,2bnt, and is expected to raise the crop yields in the Russian Federation, Kazakhstan, Ukraine, China and Uzbekistan. The project's due completion date is late in 2012. ○

