

Stevenson Mining provides comprehensive contract mining services to mine owners throughout New Zealand.



## STEVENSON MINING

Stevenson commenced opencast coal mining in 1948 at Kopako Mine, when this type of mining was in its infancy in New Zealand. By 1960 Stevenson was providing coal to the Maramarua Power Station and around this time was the largest private owner of Caterpillar plant and equipment south of the equator. The Stevenson team removed in excess of six million cubic metres of overburden annually to expose coal for what was then State Coal.

Our involvement in the industry continued with Glencol Energy in the mines at Kopako, Renown and Pirongia. In the past three years we have also successfully completed work for Oceania Gold's Macraes Mine in Otago.

As part of the Stevenson Group, Stevenson Mining brings to each project a substantial financial backing, mine design and project management, overburden removal, coal winning, water management, environmental works, and earthmoving equipment operation and maintenance.

### OUR CURRENT PROJECT

In March 2005 we started a five year \$65m contract for opencast coal extraction at Solid Energy New Zealand's Ohai Pits 16 and 17 in Southland. Ohai produces approximately 200,000 tonnes of coal per year.

The Mine is located 80 kilometres north-west of Invercargill at the base of the Takitimu Mountains. The 30-member team at Ohai includes 21 machine operators and leading hands. The remainder are shift supervisors, management, office administration and workshop staff. On site also are Orica contractors – drillers and shot firers. The mine operates 24-hours Monday to Friday with two shifts and also for 10 hours on Saturdays.

Ohai presents some unique conditions. The current pit has been mined previously using underground methods. This results in its own challenges, such as dealing with old workings and complex geotechnical issues such as high wall stability. The Southland weather conditions are unique, and result in a

relatively high percentage of downtime due to bad weather (minus fifteen degrees last winter is the record so far!). Stevenson Mining have successfully overcome these challenges by implementing streamlined production and water management systems to allow the team to progress the job as soon as possible after rain.

'Solid Energy have provided us with the pit shell. It's up to us at Stevenson Mining to design and schedule the pit to ensure that the client has sufficient exposed coal available when they require it,' says Elisabeth Marnane, Ohai Project Manager. 'We've got a great crew down here, a combination of old hands and experienced operators, some who have international experience, along with new operators, all of whom receive ongoing training. We also reap the benefit of our onsite engineering workshop.'

### LOOKING TO THE FUTURE

Mining is an extractive industry – all mines have a limited life. Coal can only be excavated once. After our work at Ohai has been completed, Stevenson Mining will move on to new mines, continuing our long tradition.

### OUR PEOPLE

**ROBERT HAY** – CEO Stevenson Mining/COO Stevenson Group

Robert has extensive experience in the financial aspects of our industry. He is passionate about everything concerning mining and has substantially increased the skills base of our mining team.

**ELISABETH MARNANE** – Ohai Project Manager Elisabeth has had 12 years' experience in the coal mining business. She worked initially for Coalcorp (now Solid Energy), before joining Stevenson Mining as Project Manager at Ohai in 2004. Elisabeth holds degrees in both mining engineering and geology. The bulk of her experience is in underground mining where she obtained her first-class coal mine manager's certificate. She is the only woman in New Zealand to have gained this qualification.



#### DAVE SIMS - Technical Manager

Dave has vast experience operating mines in New Zealand and overseas. He has been contract manager at Martha Hill Gold Mine, Golden Cross Gold Mine, Huntly opencast coal mines and the Pondok Labu Coal Mine in Indonesia.

#### MIKE COLEMAN - Business Development Manager

Mike has worked in the mining industry in New Zealand and Pacific Rim countries since 1970. The last four years Mike has been General Manager of Stevenson Engineering. Stevenson Mining is now tapping into his vast mining network to create new business development opportunities for Stevenson Mining.

#### BARRY SARGINSON - Ohai Production Manager

Barry has been at Ohai for three and a half years. His background is predominantly in gold mining. He worked for L & M Mining for 16 years, starting with gold dredging in the Shotover River near Queenstown. From there, still with L & M, he moved to gold dredging in the Arahura Mine in Hokitika on the West Coast. His work for L & M also took him to Chile for six years to work in alluvial gold mining, before he joined the team at Ohai in 2004.

‘Our permanent night shift workers are our backbone for overburden production. Our dayshift carry out site works and infrastructure establishment, as well as keeping the coal winning and overburden production humming,’ says Barry.

‘Our biggest challenge down here over the winter months is the weather. Southland is renowned for its light, misty drizzle. We’ve just had two inches of snow on the ground and we’re expecting more.’

#### ON SITE ENGINEERING SERVICES

Stevenson Engineering has a team of five who provide a 24-hour engineering support service on site at Ohai Mine in a new purpose-built workshop. The workshop crew undertake preventative maintenance and rebuild components, as well

as greasing, re-fuelling and repairs on all the Stevenson Mining equipment at Ohai.

‘The skills of my engineering team are continually increasing,’ says Scott Rowlands, the current leader at Stevenson Engineering, Ohai. ‘Most of the team have been with us for two to four years. The majority of them are heavy plant mechanics and one is a service man/field truck operator. Apart from me, the team are all locals. We provide a comprehensive workshop for servicing Stevenson Mining’s equipment on site. Given the remoteness of the site it’s easier for us to provide this service in-house. We’re also licensed agents for Hydraulink and manufacture their hydraulic hoses on site for our own use as well as to meet the needs of local contractors.’

#### OUR CONTRACTORS - ORICA MINING SERVICES

Orica provides explosives, products and services to the mining and quarrying industry, taking on specialist blasting jobs in the construction sectors.

‘We provide a full “rock on ground service” to the Ohai operation, supporting it with a full-time site supervisor, Mark Marnane,’ says Manager of Orica Mining Services (NZ) Craig Coulam. ‘We also have an operations base at the Macraes’ Mine site in Otago. We have a manufacturing facility for our emulsion and dispatch our truck from Macraes to provide the explosives ingredients. This truck functions as a mobile manufacturing unit and our two operators manufacture the explosives on site and pump them down to blast holes. We design the blasts, arrange to have them drilled, load the blast holes with explosives and hook up the shot to fit the design. Our operators programme the detonations to go off in a particular sequence to maximise the efficiency of the blast and then we fire the shot. We’ve been doing this at Ohai on average twice a week.’

