



THE THYSSEN



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President's Message

Just when we thought things couldn't get much busier, they did. So far, 2008 has been another year of growth for Thyssen and its related companies, with a promise of more to come in the years ahead.

Probably the most significant development this year has been the increased activity in the potash sector. 48 years ago, the need to sink shafts for new potash mines in Saskatchewan was the reason that a group of German shaft sinking contractors got together and formed AMC (Associated Mining Construction), to bring ground freezing expertise to Canada and to sink nine major shafts. AMC was mostly owned by Thyssen and predecessors of what is now Deilman Haniel International, until Thyssen bought the other partners out and TMCC was established in 1972.

For the first time since the mid-70's, several companies are looking at expanding existing potash mines in Saskatchewan or building new ones. All of them have come to the new AMC (a joint company between Redpath – part of the Deilman group – and TMCC) for assistance. By joining forces for the sole purpose of sinking potash shafts, Redpath and TMCC have combined the wealth of experience and unique expertise that both groups can offer when it comes to ground freezing, shaft liner design and shaft sinking in some of the most challenging ground conditions imaginable. Currently, the AMC team is mostly busy with engineering, design work, cost estimation and trade-off studies. Construction of the first shaft is expected to start early in 2009.

Apart from AMC there has been growth within TMCC itself, with several US projects starting up or expanding, as well as in our subsidiaries Mudjatik Thyssen Mining and CMAC-Thyssen. In particular, CMAC-Thyssen has tripled in size in less than 2 years and has become a very significant player in the Quebec market – at the expense of some sleep and hair lost along the way.

Our ties with our Australian sister company, Byrnecut, have been further strengthened with the recent award of a 1,400m shaft sink for BHP-Billiton in Western Australia to the Byrnecut-Thyssen JV. We also have combined with Jetcrete Australia to service the North American market with specialized shotcreting services, and with MiningPlus to perform mine planning and (pre-)feasibility studies. Both Jetcrete and MiningPlus are part of the Byrnecut group.

To help support all this additional work, we have a technical services group that has grown rapidly this year, and an office extension due for completion in October. We already know that the building has one flaw: It will be too small!



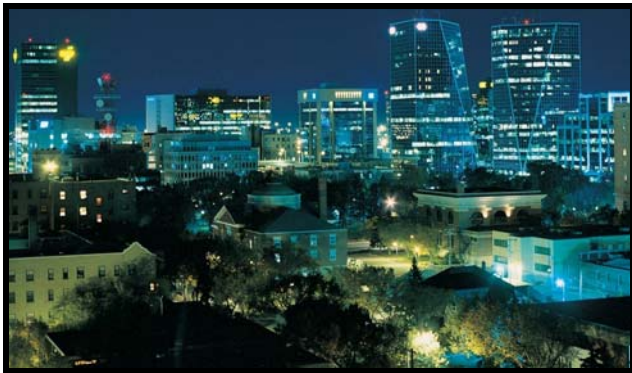
Office extension in progress

Rene Scheepers
President

Finance and Administration

I have been privileged to greet many visitors to TMCC's head office in Regina. A number of people that visit our fine city notice that, from the air, a person can see the entire city limits and wonder, "What's there to do in Regina?" Being asked this question on more than one occasion makes me wonder how much our newsletter readers (employees, clients, suppliers, etc.) really know about the city that TMCC's head office calls home.

Let's start with a bit of geography. Regina is the capital city of Saskatchewan, and is home to approximately 200,000 residents and is located 165 km (100 miles) north of the Montana/North Dakota border. On a pleasant day, the summer temperature will be 25C (77F) and in the winter, -15C (5F); however, it is not unusual to see extremes such as 35C (95F) in the summer and -35C (-31F) in the winter.



Downtown Regina at night

One of Regina's primary attractions is Wascana Centre, a 930 hectare (2,300 acre) park located in the middle of the city. Wascana Centre's main attraction is Wascana Lake, but the park is also home to the Saskatchewan Legislative Building, the University of Regina, performing arts theatres, art galleries, museums, an IMAX theatre, the Saskatchewan Science Centre, and numerous parks, picnic areas and athletic venues.



Wascana Centre (with Legislative Building in foreground)

If you are a sports enthusiast, Regina can fill your needs. Regina is home to the Saskatchewan Roughriders, the Canadian Football League's 2007 Grey Cup Champions. The Western Hockey League's Regina Pats have been providing major junior hockey entertainment since 1917 and are named in honor of Princess Patricia's Canadian Light Infantry Regiment.

Need more? Add to this the University of Regina Rams football team, the Regina Red Sox baseball team and numerous other amateur hockey, football, baseball, softball, soccer, lacrosse, basketball, and volleyball teams, just to mention a few.



Riders Football Pats Hockey Minor Hockey

There's so much more, but so little room. These are just a few of the other attractions to keep you busy in Regina:

- Royal Canadian Mounted Police's (RCMP's) training academy and museum
- Casino Regina and its Show Lounge
- Regina Symphony Orchestra
- Ice Rinks, Golf Courses, Tennis Facilities, Pools and Spray Parks
- Restaurants and Nightclubs
- Performing Arts and Movie Theatres

I hope this gives our readers a glimpse of what this city that is home to TMCC is all about. If you have an opportunity to visit head office, make sure you see more of the city than just what is between the airport and the office!

Jim Haines
Vice President, Finance

Technical Services

Well, my first article in the newsletter of the company. I must confess it is a bit intimidating. What to say? What is important? So many things happened in such a short period of time. Where should I start? A normal reaction I guess. You start by reading the past newsletters on the Thyssen Mining website to get some sense of what is the typical style and format. Reading through them, I could see a tremendous evolution over the last few years.

Things have been moving fast for Thyssen Mining. If I look back to the very short time I have spent here in Regina, I would say things keep moving faster and faster. Many new events are happening; initiating new projects with many new people joining us. I would say that, as a company, we have very exciting and stimulating times coming our way.

In order to meet the new demands and challenges ahead of us, Thyssen Mining has done some restructuring of its organization. One result of this exercise is the creation of the new Technical Services Group, which regroups engineering, estimation and cost control into one cohesive department. With these three important functions, our group is an integral part of most aspects of our company operations. As a logical consequence we are on the firing line all the time. So, no dull moments for us!

For all of you on site, be assured that our Technical Services Group is there to assist you whenever you need. We have a talented team of engineers. They are dynamic

and eager to take on challenges. Together we offer a tremendous amount of experience and scope of knowledge to meet your needs.

The new trend we observe with today's projects is to involve the mining contractor in the engineering design right from the beginning, well before they reach the construction phase. Consequently our engineers work today on what we, as a contractor, will start to build one or two years from now. Our engineering team is quite busy presently working in multiple feasibility studies that have or are about to turn into full construction phase.

We can tell you that the next few years will be very full and exciting for Thyssen Mining. Just as an example, with all the new potash projects coming our way we will be involved with the sinking of the first potash shaft in nearly thirty years. Citing a colleague from the office (thanks Kim), "Thyssen Mining will be making Saskatchewan's history". I think that says it all. It will be a tremendous experience and I am, as well as all of us in Thyssen Mining assuredly, very enthusiastic to have the chance of playing a part in it.

Jacques Ouellet
Technical Services Manager

Human Resources

Hi Everyone!

I hope you enjoyed the summer! Before it gets too cold, take advantage of being outside and getting active. Throw on your runners and take a 10-minute walk, dust off your bike and go for a ride around your neighborhood, it doesn't take more than half an hour and you'll be amazed at how energized you feel afterward. You're worth it, take 20-30 minutes every day and do some kind of physical activity.

Take advantage of the weather and get active!
Do it for you!

Copies of Body Bulletin have been going to the sites for over a year. This newsletter is packed full of tips and facts about wellness, exercise and diet. Next time you see a copy take a look through it, I'm sure you'll find something that's interesting.

New Faces

We have several new faces at Head Office:

- **Chantall Doyle** – *Office Administrator*
- **Philippe Goubau** – *Site Engineer*
- **Jacques Ouellet** – *Manager, Technical Services*
- **Pat Sheridan** – *Superintendent*
- **Raoul Van Lier** – *Site Engineer*
- **Silke von Allwoerden** – *Site Engineer*
- **Geoff Witwicki** – *Design Engineer*
- **Wanda Varjassy** – *Receptionist*
- **Tony Bilunka** – *Safety & Training Coordinator*
- **Steve Alexander** – *Safety & Training Coordinator*
- **Linden Ross** – *Construction Superintendent*
- **Paul Dube** – *Manager, Raise Boring*
- **Scott Johnston** – *JV Manager, Jetcrete North America*

Thyssen Mining and Mudjatik Thyssen Mining have approximately 500 employees. That's sure keeping Payroll and HR busy these days.

Please remember to notify the site of any changes to your address, phone numbers and dependents. Notify The Co-operators and Group Retirement Services of your address changes as well.

"I long to accomplish great and noble tasks, but it is my chief duty to accomplish humble tasks as though they were great and noble. The world is moved along, not only by the mighty shoves of its heroes, but also by the aggregate of the tiny pushes of each honest worker."

Helen Keller

Carmen Firlotte

Human Resources Coordinator

Information Technology

Here's a quick recap of the changes that I have been implementing to help keep Thyssen Mining on the cutting edge of technology.

Early this year, our entire server infrastructure was migrated over to new hardware. Our file server is now happily able to accommodate the wealth of files that our users create, and everything is backed up using a combination of hard drive backup and robotic tape libraries for offsite archiving.

A new Remote Access / Terminal Server allows users to work remotely from anywhere in the world, just as if they were sitting at a computer here in our Head Office.

A new SQL Database Server is running our data intensive applications such as Bid2Win, Build2Win, Microsoft Dynamics NAV, with more on the horizon.

Our email server was the toughest and longest to migrate to new hardware. With email so pervasive in today's businesses, it just has to work, all the time. A lot of testing and tweaking went on before everybody's email accounts got pushed over to the new hardware. Thanks to proper planning and testing, I'm glad to report there were no issues with the migration with anybody's accounts, and as an added bonus, the Spam filters on Exchange 2007 have dramatically dropped the amount of junk mail that our users receive every day.

As I mentioned earlier, we are now running Microsoft Dynamics NAV software. This is our new accounting package that we began implementing last year and went live with early 2008. The new software is running well, and though we are still learning it and tweaking it to suit our company and processes, overall the implementation has been a great success.

Replacing our aging green screen JD Edwards software running on outdated AS400 server hardware was a high priority for us last year after suffering a massive hardware failure that required a complete rebuild of the server, from the hard drives, to the Operating System, to the software,

to all the data. It's easy to just stick with what's working at the time, but sometimes you need to realize when you're behind the curve and make a big change.

The most recent project here has been the implementation of a new phone system in Head Office. With this, we've implemented a mix of traditional telephony and VOIP, so our system is now intertwined with both our computer network and our traditional phone lines. Some of the cool features that we'll be able to use now are:

- **Teleworker Phones:** We can ship a phone to any site or location with an internet connection, and they'll have instant phone service (with a 306 area code), and that phone is now just an extension of our main office phones.
- **Mobile Extension:** Select users can have both their main phones and cell phone ring at the same time when a call comes in to their office phone, so they can be anywhere and still receive calls.
- **Quick Conference:** We can set up our own large user conference calls complete with a web interface to control all aspects of the session.
- **Voicemail to email:** Voicemails can be automatically or manually forwarded to a person's email to listen to or archive.
- **Call recording:** Calls can be recorded and saved to a PC.
- **Hot Desking:** Users set up as a hot desk user (usually someone who travels a lot) can log in to any phone in any office or site and keep their extension, speed dial buttons, etc. Just like logging into a computer.
- **Caller ID:** OK, I realize this has been around forever, but we're just thrilled that we finally have it now. Sometimes the little things make the biggest impact.

Mike Selinger

IT Coordinator

Safety

It is always a great opportunity that should not be missed when you can write an article to tell people you work with about successes at the operations, particularly when they deal with Safety.

Thyssen Mining has had quite a number of Milestone successes this year. Actually, at this point all current projects have celebrated a No LTI Milestone. How can that be you ask? Well quite simply...we have not had a Lost Time Injury since our first one on Feb 18, 2008.

So Congrats to you all for your extra efforts, for following the safety training you have received, for coaching the new employees on your crew and for taking safety home with you so you can continue to contribute to your respective projects.

We have a few new faces in the Safety Department, most recently; **Bob Weigel** at the Ten Mile Project will be assisting with safety at this high altitude location. **James Cameron** at the Henderson Project has moved from Supervisor to Safety Coordinator. We also have **Dennis McClure** at Questa safety training all the crews at this project and **Tony Bilunka** is our US roving Safety Coordinator. **Helen Streeton & Darrel Zimmer** are helping out with the Safety at Cigar Lake. **Steve Alexander** from New Zealand will be helping out at some of the Canadian Operations for safety. Welcome all to the team.

Some other new things that we have added that you have seen around are the new Safety Talks that each safety team member has access to. This web site provides over 4000 safety talks, posters, slogans and clip art to help snazzy up our safety meetings and it provides an opportunity to talk about not only safety at work but at home.

Speaking of Home Safety... do you practice safety at home? Well you should! There are more injuries at the home that keep people away from work then there are in the workplace. The ratio for home-lost time injuries is typically 8 to 1. This has created a heavy burden on industry, because you can't come to work. Short-term benefit costs, retraining for your replacement costs and reduced efficiency when you do return to work. This has been turned into a number and for Saskatchewan, a small province of 1 Million people, generates a cost of over 1 Billion dollars...yes 1 BILLION!! Per Year!! That is a significant cost & burden for a small population.

If you would like to learn more about this and share it with your families visit this website: www.safesaskatchewan.com. Now this problem is not only in Saskatchewan, many other states and provinces are seeing similar numbers. So take your workplace safety attitude home with you. Wear your safety glass when you should, wear the right footwear when cutting the grass and use the right ladder for the job, it will help prevent undue pain and suffering, physically and monetarily.

We have many new projects on the horizon and things are getting hectic with finding quality employees, as we start some of these new projects. I know that I can count on each of you to welcome our new employees and show them the safe way to work with Thyssen Mining. Keep up the mentoring, and until I see you at the site Stay Safe...

As always if you have comments or article suggestions or just a question you can contact me at the Thyssen Mining Head Office, or talk to me at site or email me at safetydave@thyssenmining.com.

Ciao for now...

Dave Speerbrecker
Manager of Safety

Regina Shop

Even though it has been over a year since the last Drift Article it definitely does not seem like it. With the Mining Industry in one of the biggest booms, time just flies by. I am sure most of you will agree there are not enough hours in the day to get everything accomplished.

This last year has not been dull by any means, with the Regina shop trying to rebuild more equipment than last year. With only one new mechanic and one new welder in the shop it will be a busy schedule to meet all the demands of equipment requirements for all of the job sites.

Some of the rebuilt equipment completed in the shop this year are, EJC 415 Haul truck with a 6 cubic yard transmixer, EJC 210, 6 yard scoop, 2 x EJC 100, 3 yard scoops and a Cryderman Clam. Each one of these pieces of equipment is completely rebuilt and updated to meet underground diesel emissions standards. To meet these underground requirements some of the outdated engines had to be replaced with new ones. This takes great skill as complete new engines and cooling packages have to be installed. The decision of what engine to install cannot be taken for granted as the long delivery times makes any errors in judgment costly to the completion date. It takes many weeks of hard work to make sure these units perform well and are rebuilt to the best of the shops ability.

Along with rebuilding equipment, there is also the ordering of new equipment. Last year at this time delivery dates were 52 weeks and this year the delivery dates are even longer. You have to predict what will be required for the start of 2010. Not an easy task as it is difficult to say what equipment will be required for new contracts. So far

all of the equipment that has been delivered or scheduled for delivery has designated job sites.

Along with welding, grinding, wrench pulling and the everyday shop activities there are other important things that happen in the shop. The purchasing department went through a major change at the beginning of the year with the introduction of a new purchasing system. As with all new systems there were difficult days but with the sites cooperation and the purchasing department's patience the system is to the stage of what it was designed for. Be thankful there are two wonderful ladies in charge of purchasing.



Also this year was the first Master Mechanic's meeting held in Regina. All parties involved did a wonderful job. Their topics and presentations were top notch. There were many discussions of site concerns that were presented and lengthy conversations on solving these issues. I want to thank all the mechanics and their site managers for making this meeting possible.

Last but not least everything that the shop is responsible for would not be successful if was not for all the employees that work there. As

always my hat goes off to a great group that make my job a lot easier by giving a 100% every day. From all of us in the Regina Shop, **Tim, Scott, Kris, Phil, Kyle, Tom, Devin, Tony, Judy, Andrea** and **I**, thanks for a great year.

Dwayne Metz
Shop & Equipment Manager

Cigar Lake Project

In early July we started to proceed with mine dewatering at Cigar Lake. The current phase involves shaft rehabilitation and installation of a manway in shaft #1. It has been a lengthy process to prepare the Cigar Lake Mine for dewatering. MTM has been assisting Cameco with the planning, procurement, fabrication of the materials and equipment required to perform the dewatering phase. The goal has always been to provide quality work in a safe workplace. The motto adopted by Cameco for the mine remediation is "The Assurance of Success". Keeping this in mind, MTM was able to assemble experienced shaft crews to perform the work. Jointly with Cameco a renewed focus on training was initiated, ensuring that our employees have all the training required to perform the work safely.

Since the last issue of the drift, Cameco completed setting up the borehole pumping system, water treatment plant upgrades, and pouring of the concrete plug at the inflow area. This was achieved through a series of holes drilled from the surface. Concrete and grout was pumped into the area. Following successful testing of the plug, the decision to dewater was made. With dewatering now well under way, lower than expected recharge rates are being seen, so all indications are that the plug is a complete success.

A special thanks to our safety team of **Val, Darrel, and Helen** in helping MTM Cigar Lake achieve the 2-year LTA free milestone in the spring.

We welcome back **Jack Korppi** as Project Manager. Jack will be a great asset in managing the project for MTM. **Jack, Ray, and Rick's** vast experience will be invaluable to getting the Cigar Lake mine into production. Thanks to **Steve Farrell** for all the engineering work on the shaft remediation. Joining the engineering group, we would like to welcome **Silke** and **Kayne**.

Thanks to **Dave McIntyre** in his role as project manager to get this project running. He certainly had his plate full to create a working shaft remediation system on time and to client expectations. Congratulations on your promotion to Area Manager of Shaft Sinking Operations.

Thanks to **Jim MacDonald** for all his work, in addition to his Contract Administration role. Jim ensures that payroll, flights, and receiving are in order.

Our management team consists of:

- **Dave McIntyre** – *Project Mastermind*
- **Jack Korppi** – *Project Manager*
- **Ray Hagel** – *Superintendent*
- **Rick Wist** – *Superintendent*
- **Jim MacDonald** – *Contract Administrator*
- **Val Schwindt** – *Safety Captain*
- **Helen Streeton** – *Safety & Training Coordinator*
- **Darrel Zimmer** – *Safety & Training*
- **Steve Farrell** – *Chief Engineer*
- **Silke von Allwoerden** – *Project Engineer*
- **Kayne Ulmer** – *Project Engineer*

With **Roger Clavelle** and **Don Drinkwater** heading up the maintenance department, MTM will be in a great position to deal with all the challenges going forward.

Gord Horricks & the TRON power crew will ensure that all the electrical requirements needs are met.

Until next time,

Steve Farrell
Chief Engineer

McArthur River Project

MTM McArthur River has experienced significant growth during the past year. Under **Jack Korppi** – Project Manager and **Kevin Kaspick** – Superintendent, our workforce has grown to approximately 110 persons. Our duties have increased from our regular mine development to include extensive extra work, labor for the Cubex freeze drill program, and labor for mine construction.

Due to the increase of mining activities, project management promoted **Rene McKay** and welcomed **Ralph Tschuncky** as Mine Captains. Both have considerable mine experience and are a valuable addition

to the McArthur River management. Clerical work also increased to the extent where two full time clerks were required, and filling that role are **Corrine Caisse** and **Angela Poppel**. At present, our lead miners are **Roger "Chico" Genest, Dan Aitken, Robert Jackson, and Wes Abrahamson**.

Our maintenance department has also grown. **Albert Chudy** – Master Mechanic, and **Richard Larocque** – Maintenance Foreman are both working very hard to keep up with the demands of this busy department. In the past year, our equipment fleet has grown to four 6 yard scoops,

one 3 yard scoop, two jumbos, one Maclean bolter, one Getman Robolter, a Jacon shotcrete sprayer, a new Transmixer, and various other equipment. We have also welcomed a second welder to our roster. Finally a cross shift for Elmer!

Our Safety / Training department has also been extremely busy over the past year due to our increasing work force - the orientation and training hours have been extensive. **Vince Buckley** and **Dennis Dubasov** have been working very hard to provide all of our employees with all the skills and knowledge they can provide. As of September 2007, MTM McArthur River had achieved 3 years without a lost time accident. We would like to offer a great big "Thank-you" to all current and past employees that were with us in those years for helping us achieve that milestone. Our commitment to safety is a continual

and constant effort – for each employee, for every task, at each moment.

More recently, **Jack Korppi** has moved over to the Cigar Lake project, **Kevin Kaspick** was promoted into Project Manager, and we welcomed **Pat Sheridan** into the Superintendant role. We are happy to have Pat share his broad knowledge and skills with us.

We are eager to see what opportunities await us in the following months. It has been an eventful past year filled with many challenges, but we feel that we met them with great success.

Angela Poppel
Site Clerk

Eagle Point Project

Things here at Eagle Point are progressing very well this year. We have had to start increasing our underground staff here at Eagle Point with the new development in the 02 Foot wall Zone. We are all very excited to get this under way as it will be a very big part of our work plans for the next few years.

There have been a few changes in the staffing here at Eagle Point as well with two project coordinators and there will be two full time underground trainers put in place in the near future. This will be a big help here at Eagle Point with the growing numbers of employees. The training of new employees will be an ongoing issue as well as the retaining of our current staff.

Life in camp here at Rabbit Lake has changed as well with all the mill renovations going on. Cameco has added a 100 man camp and is in the process of adding more trailers to accommodate all the contractors on site. Life is very busy here at Eagle Point and the mill and it looks like it will be this way for some time.

As always we are trying to improve our safety and incident frequency and with the help of the new underground trainers we hope to accomplish this.

John Havelbe
Safety Coordinator

AMC Inc.

This year has been a busy year for Thyssen Mining especially within the potash industry. There has been a spur of activity starting with the announcement by PCS of an expansion to their existing mine. Included with this expansion is the sinking of a 3rd shaft (production shaft) and associated mill etc. to ultimately double their production. At this point, through a few discussions, it was decided that our previous potash shaft sinking company AMC-Harrison Ltd. would be "re-born" to facilitate the demand for new shafts being sunk in the potash. This recent venture will be a joint venture with Redpath and named **Associated Mining Construction Inc.** (AMC for short). The logical thinking is that by teaming up with another recognized shaft sinking company, we stand a better chance of sinking multiple shafts and not just one or two at the same time.

A little history about Thyssen Mining Construction of Canada Ltd.

- May 19, 1960 - AMC Ltd. was incorporated
- May 5, 1964 - AMC-Harrison Ltd. was incorporated with AMC Ltd. as an original shareholder
- Apr. 29, 1969 - AMC Ltd. purchased Harrison's share of AMC-Harrison
- May 5, 1969 - AMC Ltd. voted to change the name of AMC-Harrison Ltd. to AMC Construction Ltd.
- Jun. 26, 1972 - Thyssen Schachtbau GmbH purchased AMC Ltd.'s share of AMC Construction Ltd.

- Jun. 27, 1972 - TS GmbH voted to change the name of AMC Construction Ltd. to Thyssen Mining Construction of Canada Ltd.

It was the necessity of frozen shaft technology in Saskatchewan that eventually led to the formation of the Thyssen Mining that we know today. TMCC was formed as a direct result of the potash industry and the frozen shafts that were sunk under AMC-Harrison.

Obviously, there is a lot more to tell about the newly formed Joint Venture between Redpath and Thyssen Mining, but considering the confidentiality agreements we have in place with some of our clients, what I can say

at this point is that with the amount of activity in potash mining in the “very near future”, say the next five to fifteen years, if there was ever a better time to be in the shaft sinking business, now is definitely the best time for this. We are working aggressively with PCS on phase one engineering currently and I will keep you posted on future newsletters. Until next time, keep thinking deeper shafts and new mines.

Sincerely,

J.D. Smith
General Manager

Agrium Potash Project

At Agrium Potash Mine TMCC is involved in 2 different jobs. One job is entirely shaft related.

We have a small crew of 4 men and mostly maintenance in both #1 & #2 shafts. This job started in September of 2005 and has gone great from day one. We have installed over 5,000 tubbing bolts in #2 Shaft, and have installed new water lines, new wash rings, done shaft wall repair, changed over the skips at #1 Shaft from the old style scroll style dumping system to the new & improved pneumatic style skips.

We have done major steel replacement in both shafts, both top & underground. Steel rusts out quickly in a potash mine & steel replacement is an ongoing process that we look forward to. We feel confident that we can keep a small crew doing shaft maintenance for years to come.

The other job we are involved in at Agrium is in the water hole area. Many years ago Agrium hit some water while mining in the North West corner of the mine. They have

contained this water in one area & have mined away from this area. They are just letting the water pressure bleed off in the area & are pumping this flow of water to surface.

Our job in this area started on Oct. 1, 2007. We are re-furbishing all the roadways & travellways in the water hole area. We have many kilometers of collapsed roadways to recut. There are electrical stations, pump stations, gas sensors & much more equipment that must be serviced regularly. The travellways were nearly impassable from ground movement. We are re-cutting these travellways with a Dosco miner & hauling the muck away with a Torcar and a Scooptram. We have a crew of 9 men working round the clock and the job is going very well. This is a great mine to work in & we plan to keep at least 13 men here for a long time.

Cal Pelican
Site Superintendent

PCS Rocanville Project

Associated Mining Construction Inc (AMC) is a Thyssen Mining and JS Redpath joint venture. AMC is working with PCS Rocanville Division on their potash mining expansion. This mine expansion consists of two shaft components. The first component is the sinking of a new service shaft and the second part is the conversion of the existing Rocanville service shaft to a production hoisting facility.

The exact shaft location has not been established but it is expected to be 15 – 20 km south of the existing mine. A surface seismic program and a shaft pilot hole required to

determine the exact shaft location should be completed in the third quarter of 2008. The drilling of the freeze holes is scheduled for January 2009 with construction of the surface infrastructure and shaft sinking to follow.

It must be a Canadian tradition that all projects start in the middle of winter...

At present AMC has 4 employees:

- **JD Smith** - General Manager
- **Lorne Frost** - Project Manager
- **Murph Miniely** - Assistant Project Manager

- **Scott Hayne** - Senior Engineer

With the support from the head office of both partners AMC continues work on the shaft construction plan, engineering design and the procurement of critical path items.

The Potash industry is booming and we are proud to be a part of it.

Lorne Frost
Project Manager

Kensington Resources (Orion South Shaft)

The Orion South shaft project for Kensington Resources began in July of 2007. Freeze hole drilling and site construction took place during that very warm month, where temperatures hovered around the +40° C range.

A generator room/shop was built as well as a dry building was constructed between two trailers. In September a mobile freeze plant was brought in and hooked up to begin the freezing process. By October the ground was frozen enough for us to begin our sinking with the Cryderman Clam and Crane. We were very fortunate to sink over 100 feet of shaft using the Crane. The head frame and hoist were brought over from Shore Gold's Star Project and placed on a very cool and wet November day.

Construction of the Collar House was next as we continued to sink the shaft. We sure could have used some warmer weather, as November and December were

colder than normal; the Collar House took two months to complete.

The shaft sink went very well and ahead of schedule. This was completed on May 9th and the lateral development has been ongoing since. The shaft station was cut at the 186m level in some of the most trying ground conditions ever encountered.

Our crews have to be recognized for their hardiness, as they had to endure the harsh Saskatchewan climate for the first 6 months of this project and enduring harsh ground conditions as well. Most of our crews are the same employees from the Star Project, and these Sites have been recognized for working over 2 years without a loss time injury.

Larry Fisher
Mine Captain

Greenbrier Smokeless Coal, LLC

It's common knowledge how the project progressed up to March 2008 when total depth of 582 feet was achieved. However, here is a recap of the project:

- Apr. 2007 - Mobilization began
- Jun. 9, 2007 - Final approvals from MSHA and State given
- Jun. 12, 2007 - Final clearing by Client for shaft collar elevation
- Jun. 12, 2007 - Presink commenced
- Jul. 29, 2007 - Presink finished
- Sep. 6, 2007 - Headframe and sinking set up completed
- Oct. 21, 2007 - Sinking to 140 feet with hoist & headframe completed
- Feb. 21, 2008 - Sinking to original contracted depth of 550 feet completed
- Mar. 14, 2008 - Sinking to final depth completed

Two stations were excavated at the 572 foot level, at that point the divider wall installation was initiated including the dismantling of the Galloway and then the forms were

installed. Pouring of the wall was a bit slower than first anticipated due to cold, wet weather.

All in all the final result turned out very well. Once the divider wall was poured to within 8 feet of surface, de-mob then commenced. De-mobbing the site went very well with the exception of the weather once again not cooperating. Pouring of the final 8 feet of divider wall and de-mob was completed on May 15, 2008.

There were some great challenges that were overcome and dealt with during the course of the project. Manpower qualifications and availability were the major issues working in this part of the country. Regulations and regulators, suppliers, and weather played a major part as well throughout the course of the project. A whole hearted THANK YOU goes out to all those whose efforts were required to complete the project, and achieved it safely.

Glenn Jacobson
Site Manager

Questa Project

The crew at Chevron's Questa Mine Site in Questa, New Mexico reached 1 year of Zero LTA's and Zero MSHA reportable incidents on August 2nd. There is a quote written on the white board in our office. It simply states "Safety isn't Expensive, It is Priceless" Says it all to me!!!

The project is located 3 miles east of the town of Questa and is high in the Sangre De Cristo Mountains near an elevation of 8,000 feet. Thanks to all of our miners who have worked hard to achieve this goal. Chevron management has also commented on the constant support we have received from our Safety Management Team of **Dave Speerbrecker** and **Tony Bilunka**. The numerous visits and two weeks stints for training that Tony has made have really paid off. **Roy Torres**, the general manager of the site said it was an incredible accomplishment in the type of work we are performing.

The success of any project depends upon the miners who represent us at our various sites. The men seem to rise to the occasion when confronted with difficult situations in our rehabilitation of the caved in drifts. We listen with open ears and often times go back to the drawing table and incorporate ideas and refine our process with the input of the men at the working face.

The massive rehabilitation effort of the WLHD block has not been attempted by any other block cave mine that I know of. The continued success and accident free work changes the way our client is looking at recovering the ore from what at first looked hopeless.

The nature of the work and large scope of rehabilitation mining prompted MSHA to require their Field Supervisor to inspect the rehab areas every two weeks. **Benny Lara**, the MSHA area supervisor, and **Jack Gaellegos**, Chevron's General foreman whom Thyssen reports to directly have asked that we find a way to recognize one of our miners work. Repeatedly, day after day, week after week, Jack and Benny compliment the house keeping and neat clean professional looking work place that **Don Kennedy** and his partner, **Monty Nelson**, maintain. Benny and Jack both maintain that these guys keep the best looking work place in the most difficult of situations that they have ever seen. So I would like to recognize and thank Don for taking the lead and Monty for supporting and following Don's Safe, Quality Work Practices. In Jack's words, "this gives the rest of the mine something to try and follow".

Having said these nice things about Don and Monty's work area I realize that there may be some cranial swelling. I have an old friend that knows a witch doctor and is quite good at shrinking heads. All in fun guys, "Keep up the Good Work". All of the men are doing an

excellent job and continue to follow a high standard of quality work. I personally thank you all for the accomplishments to date.

The nature of our work for the first 5 months was to mentor and train Chevron's miners. Develop a process to rehabilitate the active production block in the areas that the weight generated by the block cave production method have caused. And eventually act as shift consultants to the development supervisors on shift around the clock. Five months working in this capacity led to the client requesting that we bring on miners to assist in the rehab of the level.

The 3100 feet of extraction drift with active draw points continued taking weight and squeezing the back down faster than their current number of miners could deal with. We started out with 4 rehab miners per shift, 1 mechanic, 1 nipper and 1 supervisor. We have recently started a development phase for the East LHD block and the crew increased by two miners and 1 operator per shift. Our Walkers continue to check Chevron's work places in the rehab areas for safe work, quality control and adherence to the approved rehabilitation cycle.

The Rehab cycle starts with building a square pig pen crib under the area that has converged. The drifts we work have squeezed down anywhere from 3 feet to completely being sealed off. Once the crib is in place we drill and install 8 foot spiling with a jackleg. The spiling is seated with resin to help hold the ground. We leave 18 inches of the spiling sticking out and pin the tails up tight to the back with 6 foot split sets bolts and steel straps. The end of the spiling is directly above the timber crib and supports the back while we line drill and excavate a four foot advance.

The excavation methods vary depending on the ground conditions. We drill and blast, moil, or often times are able to relieve the ground by barring it out or building a ramp and mucking it out with the loader. The muck pile is leveled for a good bolting pad and we bolt and screen the 4 foot of excavation with 6 foot split set bolts and wire mesh. Each 4 foot advance is then long bolted with 4 x 12 foot resin bolts in the back and 2 x 12 foot resin bolts in each rib. The advance cycle is repeated 5 times to a distance of twenty feet. The area is then prepared for shotcrete. The client shoots a 6 inch thick shotcrete liner with their robotic shotcrete equipment. The shotcrete cures for one shift then we move in a ringdrill and drill and install 25 foot cable bolts on 6 foot centers 360 degrees. The 25 foot cable bolts are then 5 spotted by 16 foot dywidag bolts. These bolts are fully grouted in place. The grout cures for 3 days then the cable bolts are tensioned to 2,000 PSI and the dywidags are torqued to 200 foot pounds.

That completes the rehab cycle in most of the main line areas. We add 16 foot grouted spiling installed at a 30 degree angle to the areas that show the worst convergence and poorest ground conditions. In the areas we use grouted spiling in we advance only 12 feet before shotcreting and long bolting so we are always under presupported back. The process has been observed and approved by the MSHA Geotechnical Advisor and the Company's geotechnical consultant.

Thyssen has also introduced the use of lattice girder sets that are used in the New Austrian Tunneling Method as an alternative to the conventional concreted draw points currently in use. We have successfully rehabbed five draw points using the lattice girder support system. The mine is considering using lattice girders in the construction of the new East LHD Block.

The current TMCC work force is at 31 men and at full strength will reach 37 employees. Our guys work often times side by side with our client's miners. The relationship with the Questa work force continues to grow. Currently there are plans on the table for TMCC to drive several thousand feet of development drift

concurrently with Chevron mining at the undercut level. The new plans were reviewed and approved by the Chevron Projects Review Board on August 1st. The plan increases our role in developing the new extraction level and depending on the work sequencing could expand our work force to near 50 employees. This week we should receive a scope of work from Chevron and then we will move forward on the new East LHD block development.

Thyssen's success in building long-term relationships with our clients seems to be finally catching on in the US. The Crew at Henderson is several months into their 6th year. The recent contract award at Leadville for Freeport and now with Thyssen being included in Chevron's 3 year business plan we are making positive steps towards being the Contractor of Choice in the US as well as Canada.

Good Safe Luck to all the other projects and I look forward to reading about the progress of each of our other mine sites!

Fred Hurley
Project Manager

Henderson Project

The Henderson Mine has vastly expanded their block caving operation since the beginning of the year. With the completion of development mining on 7210 and 7270 levels at the end of 2007, production drilling has commenced extending the cave line approximately 115,500 square feet on the production level. The high lift of the cave has increased by 100% from 400 feet to in excess of 800 feet in 2008.

Thyssen Mining and Henderson have developed a good working relationship between contractor and client over the past 5 years. This has been a critical factor in safe productive work for the project. Development drifting is in excess of 78,000 feet and approaching the fifteen-mile mark. 324 days worked as of Aug. 1, 2008 without a lost time injury. The incident rate for 2008 is at 6.25 and is on the decline.

There have been some recent changes in the management team at Henderson. **Fred Cutsinger** accepted the position as Mine Captain moving from the safety department. **Jamie Cameron** is now in charge of the Safety Department moving from a Supervisor position. **Beau Wakley** has joined us from the Greens Creek project and assists Jamie with Site Safety. **Dawn Cutsinger** takes on the role of Maintenance Coordinator assisting in inventory, purchasing, records, supply and demand, etc. **Philippe Goubau** has joined us as a Project Engineer and

assists the project in data entry, cost analysis, invoicing, Safety, Supervision, planning, etc.

Fernie Rosales and **Adrian Gutierrez** continue to keep our miners working at a safe productive level as Supervisors. Fernie and Adrian have been on the project since 2003 and have developed their crews respectively. **Mike Harman** was brought on as a Supervisor in April of this year. Mike brings with him over 30 years of experience in all aspects of mining, and a strong background in Supervision.

Currently our mining crews are spread out over 6 levels. Each crew consists of 4 Miners, 2 Operators and a Supervisor. We have some experienced miners who can set the pace anywhere on the bolters and Jumbo. **Ray Janssen**, **Nick Fitchner** and **Steve Williams** handle the majority of the drilling and are quite efficient. **Scott Eaton** and **Josh Paxton** also assist with the drilling process and are doing very well. The bolting cycle truly tells the story of when the project is doing well. **Ray Stulce**, **Rick Deal**, **Glen Saari**, **Danno Burgoin** and **Lonnie Cunningham** are the men who keep the cycle going in the right direction. Before arriving at Henderson these men had very little experience on the bolter and would now be considered excellent operators.

Blasting on the project is now limited to once a day at the end of dayshift. All rounds must be loaded during

dayshift, which makes mucking a priority for the nightshift crew. **Johnny Hurtado, Tony Colangelo, Damon Schneider, Keith Cunningham, Tom Rholoff, Joe Anthony, BJ. Reed, Fred Aruilar and Mike Robinson** move the muck and handle the loading. Not an easy task to keep up with the muck considering the amount of Crusher delays incurred on the project. These men have a heavy workload and do a fine job.

Shane Dupont was brought on from the Questa Project and handles the majority of the utility work. Shane's objective is to single handedly keep up on the utilities in all areas while mining at an average rate of 1350 feet per month. Shane is up against it and accepts the challenge. **Wiley Duckworth** has been an excellent addition to the project as a Grader Operator. The appearance of our work areas has dramatically improved with his operating skills.

The Maintenance Department has made great strides over the last year and has developed into team with considerable experience and knowledge. **Bill Cameron** stepped into the position of Master Mechanic and has made a considerable impact on the project. Bill's experience and knowledge of the drills is second to none. Bill is an excellent leader and possesses the unique ability to find good men and keep them working for him.

Eduardo Canales and Nick Mieloszyk have been with us since September of 2005. Nick and Edward came to us with no underground experience and now possess the skill and knowledge to maintain mining equipment

productively. **Paul Denis and Jim Sliworsky** arrived at Henderson in December 2006. Paul and Jim are the Lead Mechanics keeping a close eye on the gear at all times. **Harold Price, Steve Thayer and Zack Broili** joined us in 2008. All 3 men possess the experience and knowledge that we were looking for. We have also added **William Klippert** to complete our mechanical team. Will has a background in the field of auto body repair and has an excellent work ethic that fits in well with our team.

Derek Blake holds the position of Lead Electrician. Derek coordinates electrical planning and repairs for Thyssen and assists Henderson as well. Derek is very familiar with the mine and tends to have projects completed before anyone asks to do them. We are once again fortunate enough to have **Rick Simpson** on the property. Derek and Rick have worked together in the past with incredible results. No use trying to keep up with what these 2 guys are doing, it only adds confusion to what is to them a simple process. Derek and Rick are in a league of their own.

The team at Henderson would like to thank all of those at Head Office for their continuing support over the duration of the project. To all the projects in the Thyssen Family, good luck, work safe and by all means, GET 'ER DONE!!

Jarred Knavel
Project Manager

CMAC-Thyssen

A lot has happened at CMAC-THYSSEN over the past year. One thing our company has done is expand. We now have over 350 people among the four divisions.

Entrepreneur is still going strong; our biggest contract is again at Corner Bay. We also have the Alimak Raise Contract at Lapa Mine. We still have two full crews working at Bousquet Mine on rehab. We were awarded the Strateco Project which will begin in 2009.

As of now we still have two contracts with the Raise Bore: One at Casa Berardi Mine and the other at Lapa Mine. We will go back to Laronde Mine in October, 2008.

Our yard at the shop has suffered a major clean-up and, I must say, looks much better than previously. We are extremely busy in the shop rebuilding equipment. Our fleet of equipment is growing every day.

The Entrepreneur Division moved into the new office in November, 2007.

Our Manufacturing Division is busier than ever. Here is a summary of what has sold since the beginning of 2008.

- CMAC LH: 1 (Electric hydraulic drill carrier);
- CMAC PLH: 4 (Pneumatic hydraulic drill carrier);
- CMAC TR: 2 (Low profile trailer);
- CMAC Bolter: 2 (Scissor lift with a fixed drill);
- CMAC D: 2 (Mini jumbo for development).

By the end of 2008, we expect to produce 4 more CMAC-PLH and 3 more CMAC-LH.

Long hole drilling is doing exceptionally well at this time with contracts at the following mine sites: Casa Berardi, Langlois, Copper Rand, Lapa, Goldex, Laronde and Alexis. Soon we will be starting at Corner Bay.

The main office has gone through some changes too; three new offices were added.

Rene Gelinas
Directeur des Projets

Thyssen Mining's Stakeholder's Committee is tasked with several duties, such as organizing fund raisers, Christmas parties, and charitable donations, just to name a few.

This year, our Stakeholder's Committee discussed criteria for its charitable donation budget of \$25,000. We wanted the organization to which we donated money, to be a local, recognized charity with the criteria that the donation we make will make a significant impact to their operating budget.

While discussing who to disperse the donation to, we came to the conclusion that there were several charities that each deserved to be considered, so we decided to split our \$25,000 donation into 5 smaller donations of \$5,000 apiece.

*The organizations the committee picked for 2008 are: **The Riding Association, Autism Center, Chili for Children, Transition House and the Regina Humane Society.***

From everybody at Thyssen Mining, we sincerely wish these charities the best of luck, and hope the funds we've donated will help them with the services they provide day-in and day-out to our society.