

MDAA NEWSLETTER

Issue 44
October 2006

MINERAL DRILLING ASSOCIATION OF AUSTRALIA INC

Current Directors are –

Peter Wright – President

David Stevens – Hon Secretary/Treasurer

James Colby, Wayne Clohessy, Tim James, Kenneth Macleay, Paul Mander (Steve Shine) Greg Stagbouer, Brenton Wallace, Graeme Wallis

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Hon Sec – Tel 9497 1031, techdril@bigpond.com

Information Box

Contractor Members	24
Supplier Members	22
Company Members	12
Individual Members	9
Other Members	6
Honorary Life Members	2
Total	75

FROM THE BOARD

The October Board meeting was held on Friday October 20, and was attended by all Directors except for Wayne Clohessy, Paul Mander and Ken Macleay, who were unable to attend due to the pressures of work. Chris Carter deputised for Tim James, who was overseas and Chris Davies from BHP Billiton attended as an observer.

The meeting was held at the premises of the Centre for Association Management (CASM) who had offered their services as an alternative to a full time Executive Officer.

CASM was represented by Alan Robinson who spoke at length about their proposal. CAM also, very kindly, provided lunch.

New members welcomed this month are Capital Drilling, who operate in Africa and Baroid. These companies are represented by Brian Rudd and Mark Taylor respectively.

Further information is required by the ANZ Bank to open the proposed Cash Management Account and this will be completed soon.

James Colby is looking at the draft ADIA cementing course to see how it can be integrated with mineral drilling requirements and has received some additional information from John Quayle and Charlie Oliver, both of the Australian Mud Company.

On going work on the drill rig simulator is progressing slowly but it is hoped that an updated plan can be produced, so that a budget can be prepared.

The President and Greg Stagbouer held a meeting with executives of Central TAFE to discuss the on going role of that organisation in training in the drilling industry,

Central TAFE is to seek endorsement as a national Drilling Industry RTO.

If anyone is interested, Central TAFE is looking for more lecturers in drilling. This is worthwhile opportunity to put something back into our industry.

We are seeking involvement with the Exploration Safety Information Group and hope to be represented at their next meeting.

As reported last month, there have been a number of developments regarding the make up of the RIISC Sectoral Standing Committee, the most notable of which was a proposal from Des Caulfield, the CEO of RIISC, for all members of the committee to stand down and to call for nominations from the MDAA and ADIA for up to four members each to move forward with training in our industry.

To this end a meeting was held in Adelaide recently attended by Graeme Wallis, Kenneth Macleay and the President for the MDAA and Tony Walsh, President of the ADIA, Simon Fitzgerald, CEO of the ADIA and Tony Macpherson, MD of Boart Longyear.

The 2006 Annual General Meeting is to be held at the Broadwater Pagoda Resort in Como on Friday November 03, commencing at 1630 hrs to be followed by a social function. All members and friends are encouraged to attend.

Four Directors opted to stand down and all were eligible for re-election. They were–

James COLBY
Brenton WALLACE
Graeme WALLIS
Peter WRIGHT

Nominations were received from –

Jon BEER, GM of Business Development for Drillcorp Western Deephole.
James COLBY Principal of Colby Drilling
Brenton WALLACE, GM of Operations for North West Drilling
Graeme WALLIS, Managing Director of Wallis Drilling.
Peter WRIGHT, GM of Ausdrill Northwest.

As there were more nominations than there were vacancies, a postal ballot was held. At the time of going to press, the response had been 48 %.

FROM INDUSTRY

Rio Tinto Iron Ore has issued the following Business Brief.

As the size and importance of the resource evaluation programme at Simandou increases, we are pleased to announce the secondment of **Tim James** to the new role of **Manager Resource Geology** for the **Simandou** project, reporting to **Colin Harris**.

Tim has spent most of his 30 year career as a geologist working on iron ore projects in the Pilbara, including significant periods with Hamersley Iron and CRA plus a short foray into gold. Since 1990, Tim has been a key member of the Robe and RTIO geological teams, the past eight years as Manager Resource Geology – Exploration.

The resource geology team working on the Simandou project will report to Tim.

With Tim's move, we have taken the opportunity to amalgamate the existing RTIO Pilbara Resources Geology Exploration and Evaluation teams to form a single, combined **Resource Evaluation** team. **Tarni Riggs** will be accountable for managing the amalgamated programme on behalf of RTIO and all of its joint venture partners in the Pilbara.

The existing Resource Geology Exploration team members will report to Tarni, pending structural changes that will be finalised over coming weeks.

Please join us in congratulating Tim on his new role, and in supporting Tarni and the newly combined teams in taking on the big challenges ahead.

Lindsay Kirsner Colin Harris
General Manager General Manager
Resource Development Simandou Project
RTIO Expansion Projects RTIO Atlantic

The Board of the MDAA adds our congratulations and good wishes to Tim and Tarni

Boart Longyear Drillcorp Western Deephole issued a statement on October 24, which said –

Boart Longyear is pleased to announce completion of the acquisition of Drillcorp Western Deephole and its business, effective October 20 th, 2006. We are proud and excited to have Drillcorp Western Deephole personnel join Boart Longyear.

We are confident that this acquisition will result in a world class, integrated organisation in Western Australia, leveraging the combined, consistent services of Boart Longyear, Drillcorp Western Deephole along with the recently acquired North West Drilling Business. Through this outstanding combination we will be able to offer a diverse range of Drilling Services, including Diamond coring, deep hole directional drilling, shallow and deep hole Reverse Circulation, Greenfields exploration drilling, specialised Iron Ore Drilling and underground coring services.

In addition, we will apply best practice across all entities to support our operations, including Health, Safety and Environmental systems.

Over the coming months Peter Jacobs with Boart Longyear and Jon Beer with Drillcorp Western Deephole will be leading our efforts in aligning all the systems and processes.

The Drillcorp acquisition further strengthens our position as the leading and fastest growing drilling contractor in

Australia, New Zealand, Indonesia, Thailand and Laos, in addition to our expanding operation in China. We believe this will open new opportunities for our suppliers and partners to grow with us.

Peter Jacobs
Business Development Manager
Boart Longyear Asia Pacific

Jon Beer
GM Business Development
Drillcorp Western Deephole

Simon Fitzgerald, CEO of the ADIA reports in his COMMENT in the September / October Australasian Drilling –

“At the ADIA Annual General Meeting, a number of interesting issues were put to the floor, one of the more interesting being a suggestion to create a *Hall of Fame* of individuals who have made a significant contribution to our Industry over the years. I'm sure many of us could suggest names of people in this category, but the biggest challenge of assembling such a register is actually obtaining the factual story (and a good photograph) of each individual ?

One of the options I will be following up over coming months is the idea of an appropriately embossed “Book” containing loose leaf pages of those we feel qualify, in alphabetical order. I would envisage we might publish an initial release of (say) 50 to 100 individuals and then add another 5 or 10 each subsequent year. I think it would be a wonderful tribute to those who have become icons in the drilling industry over the years, and a wonderful collection of memories especially for those who have known the individuals personally.

Accordingly, if you have someone in mind whom you believe is particularly noteworthy, please send me a good photo (which will be scanned) along with no more than an A 4 page which describes the achievements and contributions of the person involved.

If the stories of these individuals are not recorded NOW, they will soon be lost for all time. The achievements of ‘people’ are the keystones on which the contribution of each period in civilisation is based , and I think it is entirely appropriate that we recognise these special individuals from within our own industry sector for future generations”

Hear, Hear, Simon – a very good idea which deserves support from us all.

Recent job advertisements in the “West Australian” have included

Surface & Ug Diamond Drillers
Surface RC Drillers
Swick Mining Services

Exploration Drillers
Stanley Mining Services

Drillers and Offsiders
Nudrill

Drillers and Offsiders
OME Drilling Pty Ltd

Driller's Offsiders
DDH 1 Drilling

RC Drillers
Ausdrill Limited

HERE AND THERE

From *The West Australian newspaper* :
Figures show scale of Minerals bonanza.

By Shane Wright – Economics Editor

The true scale of the commodities boom has been laid bare by new figures which show fewer than a dozen types of Australian minerals have pumped an extra \$ 20 billion into the national economy in the past year.

The surge in prices for commodities, particularly those mined in WA, has translated into an extra \$ 1000 for every man, woman and child in Australia over the past financial year.

Department of Foreign Affairs and Trade figures reveal that of the nation's 20 most important exports, 11 came from the mining sector. Those 11 were worth a combined \$ 77 billion last financial year, \$ 20 billion more than in 2004 –05

Top of the list was coal, with exports up 42 per cent to a whopping \$ 24.4 billion. Iron ore was Australia's second most valuable export, with a 54 per cent jump in value to \$ 8.1 billion.

Exports of gold (\$ 7.3 billion), copper ores (\$ 3.4 billion), crude petroleum (\$ 6 billion), alumina ores and alumina (\$ 5.3 billion), natural gas (\$ 4.3 billion), aluminium (\$ 5.2 billion), refined petroleum (\$ 3.1 billion), other ores (\$ 3 billion) and copper (\$ 2.6 billion) all soared.

The international business community's view that Australia is a country that is half mine, half farm appears to be confirmed by an analysis of the nation's top ten exports, with beef (\$ 4.5 billion) and wheat (\$ 3.2 billion) the only non mineral export to make the list.

The figures coincided with a new Government report on the progress of Australia's free trade agreement with the US that showed exports to America fell slightly in the first full year of the deal.

Exports dropped marginally to \$ 13.7 billion, while imports climbed 4 per cent to \$ 27.9 billion, in the 12 months to January 2006.

A senior official at DFAT said the real benefits of the free trade agreement could be years away. He stressed the agreement was raising awareness in the US that Australian firms were worth considering when deals need to be done.

TRAVELOGUE

In 1995, Ausdrill undertook a drilling programme at the Blackwater mine near Waiuta in New Zealand.

A VK 3000 rig was used on the job, which was a fairly large skid mounted machine.

The road in from Hukarere to Waiuta was steep and winding and much care was required to get the rig that far.



Warning of winding road



Care was required to negotiate the many bends.



The old Waiuta town site was at the head of the track in to the rig site.



The track into site was very soft.



Because the track was so soft and the rig so heavy a "shoe" used for skidding logs was borrowed and used to stop the skid frame from digging in.



On the track to site.



Finally the rig arrived at site.



And was then set up ready to drill

Don't forget the MDAA / ADIA combined Christmas Dinner on Saturday December 02. Details were sent out recently. This will be another great night of fun, frivolity and good cheer.