

# **AUSBITS**



### A few words from the Managing Director ...

I would like to welcome all staff, clients, suppliers and shareholders to our seventh newsletter. We may have to produce it monthly soon to keep up with everything that is happening around Ausdrill.

We have had a fantastic FY2011 in which we have seen a 52% increase in after tax profit from the previous year to \$73.3m (see "Shareholder Corner", Pg 4 for more details). This has come about, in part, due to the investment of \$545m in new capital equipment over the past 4 years, and to the enormous amount of hard work from our dedicated staff.

would like to compliment Brad Loan, our new Employee Relations Manager and Editor of Ausbits, on the great job he has done in putting this edition together whilst still finding his way through the organisation. I did comply with a request for an interview, but if anyone quotes any of it back to me, look out!

Whilst the Company is in the best shape it has ever been in, I recently went on a roadshow with José Martins to promote the Company within the stockbroking and institutional investment fraternity. When I arrived in Melbourne on Monday morning, we had a share price of \$3.30; when I left to come home from Sydney on Friday the share price was \$2.80. It may seem to some that I did not do a good job in promoting the



Company, however when you consider we had just produced our seventh record revenue and profit year in a row, it is quite obvious that sometimes no matter what you do, the share market "will be what it will be". Bear in mind that during the recent GFC the only thing that went down was the share price. Everything else went up ... even the number of employees. Rest assured the Company is in great shape.

On a more sombre note, I am sorry to report that Matthew McMaster (who featured in the last issue of Ausbits) lost his battle with leukaemia on 10th April. I would like to thank Daniel Filer and Greg Stagbouer for their efforts in assisting Matthew's mother, Anita, and stepfather, Tom, through this difficult time.

We also had the sad passing of Kass Wydra on 28th April due to a heart attack. Kass had joined us with the acquisition of Western Mining's Drilling division in July 1996 as a surveyor and was well liked and admired by all those who came into contact with him. Our deepest sympathies go to his wife Carolynn, children Rodney and Kylie, and his grandchildren.

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gas drilling rig

To view the new Company video, MORE THAN JUST A DRILLING COMPANY go to http://vimeo.com/16486748

Further to the sad loss of these two valuable Ausdrill employees, African Underground Mining Services, our joint venture with Barminco in West Africa, recently suffered the loss of Shane Graham (who was employed at Chirano in Ghana) due to a heart attack. Our deepest sympathies go to Shane's wife Tracey and his daughters Paris and Ini.

As a business we have always prided ourselves on being a "family" rather than just another workplace, and as a result we feel these losses deeply. Following these terrible losses I can only further encourage all staff to become part of 'The Ausdrill Way', our program that helps staff and their families when times are tough. You'll find details on page 14.

Our success as a Company has been built on the hard work of all our staff.

Have fun, enjoy your job, stay away from drugs, be safe and look out for your workmates and family.

Ron Sayers

























## Interview with Ron Sayers

When you first started Ausdrill, did you have a vision of how you wanted the company to grow?

No, not really. We started out as a specialist drill & blast contractor as hydraulic track drills had just been introduced to Australia and were a sophisticated machine relative to the air rigs that came before them. We just started out with one second hand rig and grew from there.

#### How did you grow Ausdrill into what it is today?

Initially put my house up for security to fund the company, however, when the bank would no longer accept my house as security I took Golden Shamrock Mines on as a partner. That gave us the balance sheet to continue to grow the company. When Golden Shamrock's balance sheet came under pressure with the development of the Iduaprim mine in Ghana, the Company went public in 1994 and we have been self-sufficient ever since.

#### What trials and tribulations did you experience along the way?

In 1997 I retired to develop my horse property in Gidgegannup and shortly thereafter suffered a serious stroke and was out of action for 18 months whilst I recovered. Soon after that time the company suffered a stroke of sorts and got into financial difficulties. I returned to the company in December 2000 and with some help from loyal and dedicated staff and good clients we were able to turn things around and have continued to grow the company to what it is today.

#### What business principles do you follow?

"If it ain't fair, it ain't right". I always try to put myself in the other person's shoes - it's a lot easier to make a decision then.

#### What personal values are important to you?

Family and friends. You can't always choose your family, but blood is—thicker than water and I do have a fantastic family. You can choose your friends and I like to think once I have made a friend I have a friend for life. I would also like to think that my word is my bood

#### What contributions do you make back to the community?

I support various cancer foundations. It is a terrible disease, particularly when it affects children. I try to help the Redkite foundation that supports children with cancer, I also try to support

young people around us, especially at Ausdrill and on my farm, Yarradale Stud. The youth of today are our future leaders.

#### Who has been the biggest influence in your life?

My wife Linny (if I don't say that I don't eat for the next month!). She has supported me over the past 20 years and deserves recognition – or a Victoria Cross – for that. As a young tradesman learning my way in life, Don Lithgow, Ausdrill's recent Apprentice Master, was my immediate boss and, as well as teaching me a trade, taught me a lot about life.

#### What advice can you give to the employees within the Ausdrill Group?

- Have fun and enjoy your work. A wise man (my grandfather) once said to me "There are three 8-hour cycles in a day: 8 hours work, 8 hours play and 8 hours sleep. The 8 hours sleep only keeps you alive, so at least 50% of your waking life is work, therefore make sure you have a job that you are going to enjoy;
- · Always look out for your workmates and family;
- Stay away from drugs.

Ausdrill has grown out of a culture based on mates, loyalty and looking after people, values which are often overlooked in modern organisations. How do you see Ausdrill's culture in 2011?

Unchanged. I believe our culture was developed in Kalgoorlie with a "can do" mentality provided by the likes of Brian "Boof" Mann, Dave "Hardrock" Radosovich, Peter "Rabbit" Wright, John "Kiwi" Geary and many others that are still with us today. Kalgoorlie is still the engine room of Ausdrill and has provided many loyal and dedicated people throughout the group.

#### Have the various recent acquisitions affected the Ausdrill culture?

They have provided challenges as each of the new businesses have cultures of their own. The trick has been to mould them into one without losing the individuality of each. I think the overall Ausdrill culture is still safe for the foreseeable future.

#### What vision do you have for the future of the Ausdrill Group?

"Move over Leighton's!"

























As I travel around from site to site attending safety meetings I regularly ask "Why do we work safely?"

Some people say they work safe because they don't want to get hurt, others say it's because they don't want Ausdrill to lose its safe work days. Some people say they work safe so they can get their safety bonus or safety award and others say it's because if they don't they will get fired. These are good easons to work safe but what you don't hear people say very often is that they work safe for themselves and their families.

When someone gets hurt at work who suffers?

The first level of suffering is the physical pain the injured person suffers.

The next level of suffering is emotional pain and suffering.

The injured worker worries about returning to work and being able to provide for their family. As time passes the worker begins to lose their self-esteem and doubt their role as a provider. The family suffers from seeing a loved one go through the physical pain.

The children see a father or mother who is not quite the same as before and the wife or husband sees a spouse who is uncertain about their future.

Quality of life can decrease depending on the limitations the injury presents. Pre injury activities such as playing with the kids, sport, camping, fishing, golfing can all be lost to an injury.

This is a depressing thought, but it represents real life situations that can and do happen. The statistics on how many workers are injured each and every day in Australia are staggering. These injuries range from minor to serious, to crippling/disabling and yes, even fatal. I used the word statistic above but statistics don't have families or loved ones, statistics don't suffer physical and emotional pain. People do.

You are not just a number on a payroll or a statistic in a file. You are a person who in the course of your employment has the right to expect a safe work environment. You have the greatest impact on your own personal safety. That means each and every day that you go to work you are committed to do everything

possible to ensure that at the end of the shift you return home safely to your family.

To stay safe you have to think about each and every thing that you do. Follow all safe work practices and procedures, wear all the required PPE and never take short cuts, not even for a second. When something goes wrong it happens in a heartbeat and there are hundreds, if not thousands, of injured workers out there that say to themselves every day "If I had only done it the way that I was supposed to".

When you work safe don't do it for a safety award or a safety bonus or to maintain a safety statistic. You are more than a statistic. You are a person. Work safe for yourself and for your family. Let's all get home without any injuries or incidents.

When you get home tonight just take a look at your loved ones enjoying life and say to yourself:

"That's Why I Work Safe"

# Sharing The Idea

WHAT I HEAD HOME FOR - Making safety real

Stephen Reid, Goldfield's HSE manager, has implemented an idea in a couple of sites that needs to be shared amongst all of the companies and sites throughout our group.

The idea is to connect the real reason for us embracing a culture of safety policies and procedures.

The way it works is that the safety advisors, at a safety meeting, ask the workers to think about who it is in their lives that is really important to them. Who is their reason for working in the first place? Who do they need to stay safe at work for so that they can go home safe and well to at the end of their shift?

They are asked to make a mental picture

of this person, or people, in their mind and really take a moment to think about why they need to be safe. They are asked to think about why safety policies and procedures are needed and why they must be followed. They are asked to make an emotional and intellectual connection between the policies and procedures, the rules, the documents and the actual reason behind it all – their loved ones.

Each worker is then asked to provide a digital image that can be inserted into a template with a sentence at the bottom explaining their reason – What I Head Home Safe For. These are then displayed in the crib room or on their lockers or in their workstation to act as an ongoing stimulus for safety consciousness. It's a reminder of the real reason.

A template and a few examples are available

on the Ausdrill intranet under the heading WHAT I HEAD HOME FOR \*Making safety real\*



#### WHAT I HEAD HOME SAFE FOR



I love it when Pop comes to Perth for a visit?

Stephen Reid Ausdrill HSE Manager Goldfields/NT



# SHAREHOLDER CORNER

### AUSDRILL REPORTED A RECORD NET PROFIT AFTER TAX OF \$73.3 MILLION

Financial Highlights

- Sales Revenue up 32.3% from \$631.0 m to \$834.6 m
- EBITDA up 30.0% from \$150.4 m to \$195.4 m
- EBIT up 40.2% from \$80.5 m to \$112.9 m
- Profit before tax is up 53.7% from \$64.7 m to \$99.5 m
- Profit after tax is up 52.2% from \$48.2 m
   to \$73.3 m
- Basic earnings per share up 14.4% from 23.71 cents per share to 27.13 cents per share on an enlarged capital base
- Final Dividend of 6.5 cents per share, fully franked
- Continuing positive outlook for the mining sector

Austrill reported a record after tax profit of \$73.3 million for the full year to 30 June 2011, in excess of forecast and 52.2% up on last year.

Revenue for 2010/11 was \$834.6m, an increase of 32.3%. The boost in revenue and profit is a result of the expansion of the Group's asset base through increased capital expenditure to meet growth in the industry, as well as the contribution from Brandrill, acquired in December 2009.

This is our seventh consecutive year of record profits. It clearly demonstrates the success of our strategy of providing a diverse and integrated service to the mining industry.

Shareholders will benefit from the strong result, with Ausdrill increasing the final dividend to 6.5 cents per share, bringing the total dividend for the financial year to 12.0 cents per share.

FY 05

FY 06

FY 07

Strong commodity prices have underpinned activity in this sector and in particular the record gold price enhances the profitability of mining projects.

Ausdrill is particularly well placed to meet the growing needs of the sector. Historically more than 60% of the Group's mining services revenues have been derived from the gold sector. We are also experiencing increasing revenues from the iron ore sector, particularly in the Pilbara.

Ausdrill continues to expand its service offering of providing a full range of services to the mining industry. Ausdrill is establishing a mineral assaying business, MinAnalytical Laboratory Services, and acquired Connector Drilling, a hydrogeological drilling business.

We consider that the services offered by these businesses will be in high demand and will complement the services already provided to our mining clients. These new Ausdrill businesses form part of our strategy to be a complete mining services provider to the industry.

#### Financial Performance

Ausdrill has reported an increase in the level of work in hand for its contract mining services business to \$1.84 billion up from \$1.15 billion in July 2010. The key areas of growth have been the award of new contracts in Africa (by Perseus, Adamus and Golden Star) as well as expansion of work emanating from the growth in iron ore projects in the Pilbara.

During the year to 30 June 2011 Ausdrill continued to expand its asset base and acquired property, plant and equipment of \$179 million. The capital expenditure was incurred across most of the segments within the Group with the African business representing more than

half of the year's expenditure. The African segment has expanded into new countries including Zambia and Burkina Faso and is also benefitting from an increased level of activity in the gold sector as well as iron ore and copper.

#### Outlook

Ausdrill is continuing to pursue a strategy of:

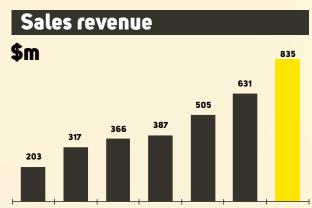
- working primarily for the major mining houses;
- seeking long term contracts whenever possible;
- focusing on services to the gold mining industry, which historically has provided more than 60% of Ausdrill's revenue; and
- participating in the growth of services required for production of iron ore, particularly in the Pilbara.

While there are significant uncertainties in terms of the global economic outlook, Ausdrill believes this approach will stand the group in very good stead for the next 12 months.

Ausdrill remains in an excellent financial position and has a range of businesses that are now reaping the rewards of the investment made in prior years.

Ausdrill's Board is confident that 2011/12 will be a year of continued growth. Based on the level of work currently in hand and the expected continued growth in the sector, Ausdrill is targeting the A\$1 billion revenue mark with a commensurate increase in after tax profits, though these are of course subject to potential uncertainties associated with the volatility in world financial markets, exchange rates, tightness in labour markets and execution of the contracted work to plan.

Ron Sayers Managing Director

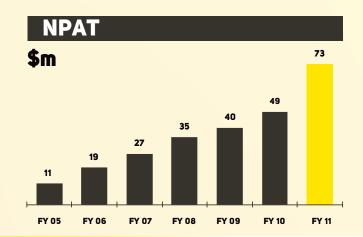


FY 08

FY 09

**FY 10** 

**FY 11** 





# ENERGY DRILLING AUSTRALIA (EDA)

# NEW CONCEPT, NEW AREA, NEW COMPANY

As a relatively new addition to the Ausdrill stable, we would like to provide some insight into Energy Drilling Australia (EDA) and the business that it conducts as a drilling contractor. Historically, Ausdrill has focussed on its exploration and blast hole drilling expertise, with operations in both Reverse Circulation (RC) and diamond rigs operating as far afield as Africa. Through EDA, it is expanding into Coal Seam Gas (CSG) drilling. By expanding into this exciting area, Ausdrill will continue to be a leader in its field by adding to its market and experience.

Our main office is located in Brisbane, with current field operations centred around Roma in Central Western Queensland. EDA has established yard facilities in Roma to service rig operations.

At this point in time, EDA is specifically targeting the CSG sector of the oil & gas industry. While the current focus is the provision of drilling services, we are looking to address other service activities to complement our business in this area.

Under the control of General Manager, Peter Wright, the team comprises Operations Manager, Todd Symons, HSE Manager, Darrell Anderson and Accountant, Elizabeth Meirs. The field based crew managed by Peter and Todd comprises 22 skilled hands, with key people including Rig Managers:

Ben Hale and Paul Webb and Drillers: Daniel Hinsley, Allan Lehmann, Anthony Nugent and Darren Wearne.

A mixture of assistant drillers, floorhands, leasehands and mechanics work a 2 week on and 2 week off roster to ensure the rig is operating at full potential.

EDA has secured a contract with Santos for EDA Rig 1 – a Foremost Explorer III-65. The contract with Santos focuses on a production area called "Fairview", north of Roma. The contract period is 6 months with the option to extend for an additional 9 months in 3 x 3 monthly increments. The value of this contract is in the order of AUD \$15m over the 15 month period.

#### COAL SEAM GAS

CSG is a resource that is being explored for and produced by a number of notable Oil Companies such as:

Queensland Gas Company (British Gas)
Origin Energy (with Conoco Philips)
Santos

Arrow Energy (Shell)
AGL

We are confident that the CSG market is assured of long term sustainable growth and this is particularly reinforced with the confirmation of commitments to the

construction of LNG facilities in Gladstone and other Queensland coastal centres by a number of CSG Operators, all of which will be fed by gas production from CSG.

It is public knowledge that these operators will drill and complete some 20,000 wells by 2018, although we understand that the ultimate number of wells slated is significantly higher.

Historically, CSG was an extremely cost sensitive resource. In the early 90's, some open cut coal mining companies drilled holes into their coal seams to vent the methane gas prior to their coal mining operations to minimise the risk of explosion when gas pockets were encountered while mining for coal.

Other companies then addressed the possibility of capturing the gas as a useable and "marketable" resource.

The drilling for CSG in the early 90's was primarily conducted by mineral drilling rigs and smaller oil rigs and, as this type of drilling was initially considered "mineral drilling", there was no requirement for the use of Oilfield equipment such as Blow Out Preventers (BOPs). Once the Mines Department identified gas as the ultimate resource, CSG drilling then came under the auspices of the Mines Department Petroleum





Division, which meant that drilling contractors had to adhere to the petroleum regulations, fit BOPs, and ensure the rigs meet petroleum regulations.

Mineral rigs were the favoured rigs for CSG wells because they are significantly smaller than oil rigs and were typically far more cost effective. However, with the introduction of dritting under the petroleum regulations, the mineral rigs had to be modified substantially (in terms of height under the workfloor or sub-base) to install BOP's.

In meeting marketplace equipment demands, companies like Schramm have addressed the need for petroleum drilling equipment, and produce rigs for this purpose, without compromising on the "mineral rig" philosophy of cost effective operations with small footprints. They are also widely utilised in other CSG production areas such as the USA and Canada.

In order to be able to produce the quantities of gas required to feed the LNG plants, all CSG Operators will need to drill a significant number of wells. Unlike traditional gas plays, CSG is trapped in numerous pockets throughout the seam. Coupled with the trapped gas is water. To produce the gas from CSG wells, they need to be de-watered.

Wells are drilled with either water or air so that the coal seams are not plugged with a traditional drilling mud.

EDA being a relatively new entrant to this marketplace, has had a distinct advantage over some of its competitors in that it has had a "clean slate" to provide its clients with a technically advanced, cost effective and professional operation, as opposed to some other contractors who utilise older rigs and equipment.

The EDA Foremost rig consists of a suitably strong derrick structure with an integral work floor capable of handling both range 2 and 3 length tubulars with diameters from 3½" up to 10¾", and has a hook-load of 130,000lbs.

The rig has a hydraulic top drive boasting 23,000 ft/lbs, a BOP handler in the cellar, ALCO Iron Roughneck and Power Slips all of which are powered by a centralised hydraulic system.

All drilling functions are operated via the remote control console located in the doghouse.

In following the philosophy of providing the newest available technology, EDA has now purchased its second rig (EDA Rig 2), a Schramm TXD. This rig will essentially be similar to the Foremost, however, it will have a deeper drilling capacity. It is expected that this rig will be ready to commence operations early in 2012.

In addition to the provision of drilling services, EDA is looking to address other facets of the CSG marketplace such as well servicing activities, where it can expand upon its drilling operations and current relationships with its client base.



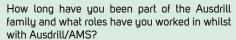






# **INTERVIEW WITH ADELAIDE BOYE**

### - AMS FIRST FEMALE MANAGER



About 12 years in total, with a break though! In October 1994 I was PA to the General Manager. I was later promoted to Admin Assistant, a position I held until 2000. In 2005 I held the position of Administration Superintendent and was recently promoted to the position of Corporate Administration Manager.

#### Tell us what your role with AMS involves

Everything – including getting people out of jail..... (LOL). On a serious note, I ensure the office is ticking along just fine. Essentially my role involves Expatriate Administration. I act as liaison with some of the Government bodies, like the Minerals Commission, Ghana Immigration Services, and Ministry of Interior. There is also an element of public relations.

### How would you describe the AMS company culture?

I'd say the culture here is one of inclusion, progress and lateral movement. There is a conscious effort to make you feel a part of what is happening.

Being a female in a mining contracting environment can sometimes be tough. You are well respected in the AMS family. How do you think you achieve this?

Being firm, yet fair - that's the trick! Being

female in this environment definitely puts me in the minority, but I strive to draw a balance between work and how my team feels – without prying.

# What advice do you have for other young females wishing to progress to Management?

Work hard and put your heart in what you do – it shows. Put yourself out there and be prepared to learn and do new things. At the end of the day you, as a female in the corporate environment, are in complete control of how others, males and females alike, react to you. You can opt to be selective as to how and what you react to.

### Given that you have a teenage daughter, how do you balance your work and home life?

Work-life balance is definitely high on my list of priorities; after all we work to live not the other way round. Having a teenage daughter can be very demanding at times and one cannot leave the upbringing and the instilling of values to anyone else. As a parent I'd say its right up there in my top two.

#### What's your favourite type of food?

Local or otherwise?... I have a very diversified palate..... Banku and okro??? Anything spicy, count me in.

Who do you think will place better (Ghana or



#### Australia) in the next world cup and why?

You don't expect a non-biased answer do you? Well then, Ghana of course!!! – Even if we played by Aussie footie rules. (Don't tell John I said that..!!)

#### What do you do in your free time?

Free time? What's that?? (LOL) Just kidding.... I am engaged in educational volunteer work.

#### What's your favourite place on earth and why?

It's very hard to say but I don't think I've been there yet – it's still in the future - I'd say Switzerland. I love the pictures.

### Describe the taste of Vegemite. If you haven't yet tried Australia's favourite treat, we will arrange.

Uuuuh! I hate Vegemite. It looks and smells like Marmite - gross...



# MICHAEL PATRIZI - PORCHE RACING SERIES

Austrill has continued its sponsorship of ratgoorlie's Michael Patrizi in the Australian Port the Carrera Cup Championship. Precominantly the cars are all the same so the series comes down to team and driver talent, skill, experience and determination. The Austrattan Porsche Carrera Cup Championship has six events held in four states over eight months. It doesn't get much better than that.

"It's great to continue my partnership with Austrill. It's now been four years together and Herriby representing a company that has such strong beliefs and values," Michael said.

As part of the sponsorship Ausdrill provides the opportunity for two of our staff to travel with Michael to major events and become part of the team.

In the first year 30 apprentices were able to participate In the second year, long serving employees attended and this year there has been apprentices involved again. The Ausdrill employees who have travelled to the events have been able to get an understanding of

how the motor racing circus operates. The apprentices at times have had a hands on experience. It might only be cleaning the wheels or washing the car though at times the work has been more mechanical. It's a new working environment and a new experience.

"The support that Ausdrill has given is the key to my success on the race track. This year has been quite successful with podium finishes and hopefully soon I can reward everyone with race wins," said Michael.





### **AUSDRILL STRONGLY SUPPORTS FIFO FAMILIES**

FIFO Families is thrilled to have Ausdrill as its very first "patron saint" to support the FIFO Families initiative. Ron Sayers said he could relate strongly with what FIFO Families does, given how the FIFO way of life had impacted on him and his family from when he was very young.

The FIFO Families concept fits in with "The Ausdrill Way" of looking after Ausdrill employees' and their families. Through personal experience, Ron knows the impact that the FIFO lifestyle can have on families and individuals and is committed to making sure Ausdrill employees have the support and information they need to make the FIFO lifestyle 'work' for their families.

FIFO Families is a new and unique organisation, launched in October 2010, providing social and supportive networks for employees and their families who work on a fly-in-fly-out (FIFO) or drive-in-drive-out (DIDO) basis in the resource sector. FIFO Families creates connections, networks and new levels of support for families who experience long work related absences of one or both parents. When registering with FIFO Families, members have access to other local area or interstate FIFO families who are able to offer assistance, advice, support, guidance and social connection when needed.

This gives members rare and valuable access to other people who live and experience the unique way of life that comes predominantly with working in the resource sector especially those who operate on a flu-in-flu-out basis.

FIFO families can access regular meets and social events, chat forums and newsletters which prove to be invaluable in terms of dissolving feelings of loneliness and isolation that many FIFO families experience.

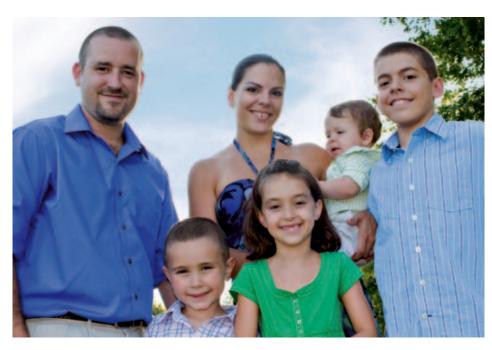
Chapters of FIFO Families are expanding rapidly, based around where our members are located and on request. The groups that are established and starting up include:

Perth - Kings Park - Fremantle - Mandurah - Sth Lakes/Atwell - Rockingham - Thornlie - Ellenbrook

#### QLD

Cairns - Brisbane

FIFO Families promotes the connection to other FIFO families who live locally to you. This way you have someone who lives only minutes from you, allowing you to get together when your partners are away, share family meals, swap time and look after each



other's kids so you can have a break. This also provides an avenue of support in the case of any emergencies and is of great benefit if you are new to an area and don't yet know many people or have a support network around you.

Having the support and recognition from Ausdrill has been momentous for FIFO Families. It is also encouraging other resources companies to provide these benefits to their FIFO workers. The funds provided by Ausdrill has enabled FIFO Families to launch and promote the work it does at ground level.

Ausdrill has a fantastic offer for employees. As a benefit to its staff Ausdrill will pay the \$110 membership for the first year for its FIFO workers and their families if they wish to join FIFO Families. Staff who utilize this benefit

and join FIFO Families can enjoy the FULL benefits of the services and website.

Look out for the "Introduction to FIFO" information sessions for new and existing staff and their families. It will help you to better understand ways to make FIFO work better for all members of the family and provide some great tips for minimising conflicts or difficulties that might arise. These sessions will be advertised soon.

By now, all staff should have received the FIFO Families brochure attached to a recent payslip. If you need a copy contact Brad via ausbits@ausdrill.com.au

Contact FIFO Families for more information - a registration form is available on www.fifofamilies.com.au





### **AUSDRILL FRONTLINE MANAGER PROGRAM**

Ausdrill's first internal Frontline Manager Program, delivered by the Australian Institute of Management (AIM), was successfully completed in March 2011.

All 17 participants comprising frontline managers from across the Ausdrill group completed all the program requirements. Credit goes to all those involved in this program both for reaching this milestone and the standard of work produced.

Appreciation is also extended to the members of Senior Management including Ron Sayers

and Alex McCulloch who were able to attend on the Graduation Day and their ongoing support for the candidates throughout the program.



ELMIGraduation Day 18 March 2011 pictured (from left to right)Mark Hercik-Saul, Tony Badcock, Glen Dupagne, Ricky Bulk, Jarred Hurtado, Aaron Banes, Steven Butcher, Greg Trevaskis, Richard Fraser, Peter Taylor, Justin Rudd, Mark Banks, Justin Woon, Phil Mayes, Will Heikonig, & <del>John</del> Watkin – Program Facilitator. Absent: Grant Webb & John Carvill.

In June 2011 the latest Frontline Manager program commenced with 20 employees making up the current class. The program is structured requiring participants to complete in-class modules followed by assignments that are completed back in the workplace. A key component of the program is the completion of a continuous improvement project. These projects are aimed at implementing increases

or reductions to improve current business processes.

As an introduction to the current class, the following gives a brief overview of the 2011 participants, including when they first started with Ausdrill and their first job with the group. We ask that you support participants in their efforts throughout this program.

#### 2012 Ausdrill Frontline Manager Program

Nominations for the 2012 Ausdrill Frontline Manager Program will open later in the year. Those wishing to make nominations are encouraged to discuss this in the first instance with the employee involved. Further details along with course requirements will be announced when nominations open.

### **EMPLOYEES IN JUNE 2011 FRONTLINE MANAGER PROGRAM:**



Adam Donkin

Job Title: Prominent Hill

Maintenance Supervisor

Started: 2006 First job: Serviceman



Job Title: Site Maintenance

Manager St Ives

Started: 1997 First job: Drill Fitter



Chris McFarlane

Job Title:

Manager Started:





Chris Smillie

Job Title: Newman Area

Manager Started: 19987 First job: Shot Firer





Job Title: Area C Site Manager Started: 1994 Shotcrew First job:



#### Doug Boyd

Job Title: Bronzewing Maintenance Supervisor

Started: 2007 Maintenance Planner First job:



Job Title: Bronzewing Site Supervisor

Started: 2004 First job: Shot Firer



Jeff Day

Job Title: Fimiston Site Manager Started: 2000

First job: Blasthole Driller



Job Title: Cloudbreak Site Manager Started: 2005 First job: Trainee Driller



Laurie Bain

First job:

Job Title: Ridges Maintenance Supervisor Started: 2009

Fitter



Luke Phillips

Job Title: Site Manager St

Ives Started: 2004

First job: Production Driller



Luke Newling

Job Title: DTA Programmer 2005 Started: First job: **Apprentice** Machinist



Mark Wainwright

Job Title: ANW Maintenance Manager

2004 Started:

First job: Field Maintenance



Nick Beaumont

Job Title: Huntley Site

Manager Started: 1998

First job: Shotcrew Offsider



Phil Bullock

Job Title: Gorgon Site

Manager Started: 2001

First job: Shotcrew Offsider



Job Title: Solomon Maintenance Supervisor

2004 Started: First job: LV Mechanic



Simon Fowles

Job Title: DTA Productrion

Manager Started: 2006 First job: Fitter



Simon Nicholson

Job Title: Newman Maintenance

Supervisor Started: 1995 First job: Fitter



Job Title: Boddington Maintenance

Manager Started: 2005

Serviceman

First job:



Job Title: Boddington Site

Manager Started: 2010 First job: Driller



# **AUSDRILL PEOPLE**

### Service Awards

During the six months since the last AUSBITS (April to September) there have been many employees who have reached the major service milestones. They represent 510 years of combined service. Long serving employees are a great asset to our company and their loyalty is very much appreciated.

#### 20 Years Service

Troy Abdilla Ausdrill Northwest
Dennis Caddis Fimiston Drill and Blast
Phillip Pearce Newman Drill and Blast

#### 15 Years Service

Brian Crossley Remet
Paul Siviour Drill Rigs Australia
Anthony Wade Drill Rigs Australia
Colin Leslie WA Exploration
Andrew Kolatowicz Kambalda
Gary Searle Ausdrill Northwest
Geoffrey Blechynden Kambalda

Geoffrey Blechynden
Tony Goss
Drill Rigs Australia
Michael Scadding
Phillip Tremeer
Richard Della Vedova
Bradley Mccrystal
Kambalda
Kambalda

Adam Grubac Boddington Drill and Blast

#### 10 Years Service

Trevor Waters

Gino Sinagra

Paul Fin

Bruce Dixon

Training Drill and Blast

Hope Downs

Stephen Jones

Adam Bealing

St Ives Drill and Blast

Newman Drill and Blast

Fimiston

Training Drill and Blast

Hope Downs

DT HiLoad

Boulder Workshop

#### 5 Years Service

Jaime Santos Drill Rigs Australia Sean Judd Carina David Blake Area C. Mark James Coobina Jason Shanks Sunrise Dam Warren Fisher Boulder Admin Adam Donkin Brandrill Jeremy Birrell Brandrill Max Mason Brandrill

Jason FieldBoddington Drill and BlastElliott FieldingChristmas Creek Drill and BlastBrian SanfeadAusdrill Corporate

Derek Noble Training Drill and Blast
Daniel Pestana Newman Drill and Blast
Terry Lovini Brandrill

Troy Brady
Mario Calanni-Rindina

Brandrill
Cloudbreak Drill and Blast

Byron Ellis Newman Drill and Blast
Ross Riggs Workshop

Craig Dorset Boddington
Ian Bilston Ausdrill Northwest
Kayla Coppens Ausdrill Northwest

Michael Redfern

Allan Grieve

MarkO'Neal

Ausdrill Northwest

Brandrill

Brandrill

Drill Rigs Australia

Jason Young Brandrill

Larissa Hall Ausdrill Corporate
Michael Jacobs Coobina Drill and Blast

Luke Wills Exploration
Robyn Tomlinson Ausdrill Corporate
Warren Barnard Fimiston

Warren Barnard Fimiston
George Freemantle Fimiston
John Davies Drilling Tools Australia

Alexander Howard Hope Downs Drill and Blast

Christopher Borg St Iv

# Smokin' - What a Monster!

Supply Direct

belonged to Hank Murtle, a Canadian who tived in Australia for 30 years. Hank, better known as Meatloaf (not to be confused with the Bat out of Hell star) had a connection with Ausdrill through Diadrill Mining Supplies. He loved to cook and in particular loved American Style BBQ and smoked foods. His smoked chook was famous.

John Mountjoy

Once Hank sold his company he bought a property in Kendenup and focussed on growing his newly planted olive trees – 1000 of them – and later ran the Pizza Bar in Mt Barker.

Hank recently decided that he'd had enough of Australian politics and packed up and set off for his new home in the Philippines.

Ron Sayers heard that Hank was selling up and jumped at the opportunity to buy the

smoker for Ausdrill staff.

It was old and beaten up and in desperate need of some TLC ... call in the boys in the Canning Vale DRA Workshop! It has now been fully restored and is used for American style BBQ's for staff.

There's a fair chance that most of us won't have any idea how to use it (some great recipes can be found at www.smoking-meat.com) but it's a great opportunity to gather a crowd, experiment and learn something new.

The Smoker might just add something new to the great Aussie tradition of backyards and BBQ's – 'Smokin' stule





# **AUSDRILL PEOPLE**

### Suzie Ewan - From Beauty Salon to the Mining Industry

Career progression within the Ausdrill group

Suzie Ewan started working within the Ausdrill group as a receptionist for Drilling Tools Australia in November 2008. Prior to coming to join our team Suzie was a beauty therapist.

In March of 2009 DTA moved to its new state of the art facility on Gauge Circuit. As Suzie's experience and knowledge of the organisation grew, her role expanded to include Human Resources (HR) and Safety Administration. In February, 2010 Suzie moved from reception in to a full time role as the DTA HR and Safety Administrator, as well as PA to the General Manager of DTA, Brian Sanfead.

While working in the role Suzie developed an interest in OHS and decided that this was the career path that she wanted to follow.

In February 2011 Suzie was offered the position of Corporate HSE Administrator

at Ausdrill's head office in Canning Vale. To develop in her chosen career, Suzie has been encouraged to take on extra study to expand her qualifications, which Ausdrill is supporting. In 2010 she started Cert IV in Occupational Health and Safety which she is due to complete at the end of this year. Additional training has been

provided including Taproot Incident Investigation and Drug and Alcohol Testing, just to name a few. To use her own words "The support has been awesome".

Suzie plans to stay with Ausdrill and to continue to work in the area of Safety. She is seriously considering doing her Diploma in the near future.

It has been quite a journey from Beauty Salon to Corporate Safety Administrator. And from here there are many possibilities within the Ausdrill Family and Group of companies.



# Employee Profile – Rhett Baker



Where were you born?
I was born in Altadale, WA

Where do you call home now? Beeliar, WA

Have you ever had any nicknames? Yeah, Baker at the moment.

What was your first paid job?
Milkman

When did you start with Ausdrill?

January 2010

What is your current role?

Blast hole driller

### What other roles have you had with Ausdrill?

Drillers offsider and watercart operator. I started at Area C in January 2010 as a drillers offsider, I then progressed to the watercart and started drilling on a DM in May that year. Since then I have progressed into the SK drill series

Eagles or Dockers?

Dockers

Dream Car?

Maserati

Most hated TV program?
Glee!!

Who would you like to be for one day and why?

Richard Branson, He lives a pretty good life

Best advice you have ever been given?

Treat people how you would like to be treated

Describe yourself in one word?

Easy going

Favourite monopoly piece?

Favourite cartoon as a kid?

Smurfs and the Jetsons
What is on your iPod at the moment?

Bruno Mars

Name 3 things that are always in your fridge?

Milk, Juice and Beer

If you were stuck on a deserted island what is the one thing you couldn't live without

My iPod

Rhett has recently been nominated for the August Ausdrill Pilbara Safety Award.

He was recognised by BHP and HWE for assisting BHP employees who unknowingly entered a potentially fibrous zone without dust masks. They commented that the values he instils for his work area and others in it is exactly what BHP are striving to achieve within their own employees.



# **BLAST FROM THE PAST 1996**

#### Extract from Ausbits Issue 3, April 1996

Four years ago, the Managing Director was approached by Peter Hunter, the President of Mines Rovers Football Club in Kalgoorlie with a request for Ausdrill to become the major sponsor of Mines Rovers. The MD did his best to talk his way out of it, however Peter was very persistent and explained that for \$1000 they could have their name on the club Jersey, for another \$1,000 they could have a sign above the grand stand, and for another \$1,000 they could have a sign above the bar in the clubrooms.

The MD thought for a moment then asked what would Ausdrill get for \$5,000. Quick as a flash Peter came back saying the club would even give the MD a game, playing in the "back pocket" for \$5,000.

Ultimately they settled on a \$3,000 sponsorship that continued for three years, during which time Mines Rovers achieved two premierships. Early last year Peter again approached the MD to increase the sponsorship. Being the shrewd negotiator that he is, the MD explained that not only could he not increase the sponsorship, he was considering cancelling it as the share market was treating Ausdrill very harshly with the price languishing at 37 cents.

It was then that the MD made his fatal mistake — in endeavouring to get rid of Peter he said, "Look! If the shares go back to \$1.00, we will triple it!"

This copy of the letter is the consequence of that remark. You think the MD has some fancy negotiating to do now?



### Mines Rover Football Club (Inc).

(Affiliated with the Goldfields Football Leag

ESTABLISHED 1900

PO Box 2051 Boulder WA 6432

20 March 1996

Mr R Sayers Ausdrill Ltd 149 Forrest Street BOULDER WA 6432

#### Dear Ron

We at Mines Rovers Football Club congratulate you on your selection in the League side for the forthcoming 1996 season. The Committee decided that with your ability and natural leadership, you can now play in the centre of the ground, with the occasional run on the ball. We would also like you to Captain the side and become a Selector - the sole one - thus ensuring you get the best position week in and week out. Confidentially if you would like to win our Fairest and Best Award for 1996 just speak to the author of this letter (at Mines things can be arranged) so voting cards can be handed out to your wife, children and immediate family on match days.

Ron, everything has its price! Unfortunately last season you were offered the back pocket position with our Club but, due to injuries, your season was a complete 'balls up'. Even so the Club sincerely appreciated your \$3,000 arrangement to secure the back pocket position and without that donation we would have struggled. In addition to your sponsorship, all the liquid refreshments and service provided by the Broken Hill Hotel was a huge help to Club having such a successful 1995 season.

Ron, this leads me to the saying: "everything has a monetary value" and we wish to congratulate your Company's success on the share market. Fancy Ausdrill shares reaching the magical triple mark on March 8, 1996!

While we are on the subject of magical triples, we take this opportunity to congratulate you on yet another triple you were associated with: The Boulder Cup, The Kalgoorlie Cup and Mines Rovers undefeated Premiership win. What a golden opportunity for you to continue your winning streak by staying on as our Club's our major sponsor for 1996. Let's triple the triple and triple your previous sponsorship (as discussed at the beginning of the 1995 season) and assist the Diorites in going 'back to back' in 1996.

Both Jim McIntosh and myself would appreciate meeting with you to present the 1995 Premiership photos for your office and the Broken Hill Hotel and to discuss the "triple of all triples".

Without blokes like yourself, Mines Rovers Football Club would not have achieved their most successful season in history - undefeated League Premiers - and we look forward to hearing from you to discuss the 1996 season at your earliest convenience.

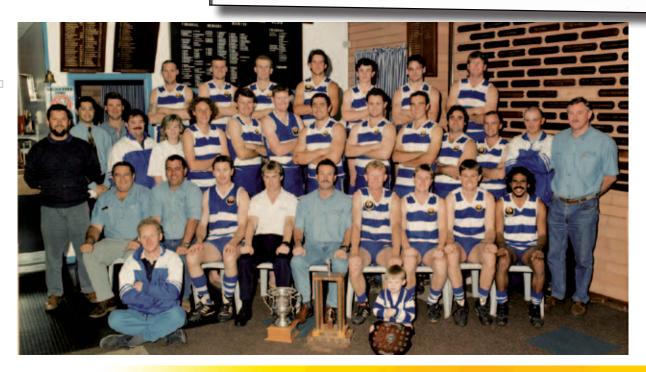
Regards

PETER HUNTER

#### AUSDRILL LTD: MAJOR SPONSOR OF THE DIORITES

League Premiers 1900 - 1901 - 1902 - 1906 - 1914 - 1915 - 1918 - 1921 - 1922 - 1923 - 1926 - 1934 - 1935 - 1937 - 1938 - 1940 - 1946 - 1947 - 1949 - 1951 - 1955 - 1956 - 1957 - 1961 - 1965 - 1967 - 1968 - 1969 - 1979 - 1972 - 1991 - 1993 - 1993 - 1995 (undefeated)

"A" Reserve inaugurated 1924 Premiers 1929 - 1900 - 1935 - 1937 - 1968 - 1967 - 1968 - 1967 - 1968 - 1969 - 1970 (undefeated) - 1979 - 1993 - 1993 - 1993 - 1993 - 1993 - 1994 - 1995





## THE AUSDRILL WAY

Starting as a small family company in a backyard in Kalgoorlie, Ausdrill has grown to what it is today – a dynamic company with a diverse workforce.

The company encompasses a diverse group of businesses, operating in a variety of places, both in Australia and overseas.

In the early days of Ausdrill the staff became very much a "workplace family". There are many people who started with Ausdrill while it was in its infancy who remain a committed part of The Ausdrill Family today. Ausdrill has long been known as a company that looks after its staff, particularly when one of our own hits hard times.

The Ausdrill Way was conceived as a way to bring the small company attitude of "workplace family" to the now publicly listed group of companies. It is a practical way to bring the old ways of looking after our own into the company as it is today. In the past, the tradition was to pass the hat around when one of our workers needed assistance and the company would match the monies collected. In a sense, The Ausdrill Way initiative is an improved version of this tradition.

#### WE LOOK AFTER OUR OWN

The Ausdrill Way is a benefit that the company has introduced to ensure that those workers who contribute to the fund are looked after if they hit hard times. It is not intended to replace insurance – life, income protection, property, etc., but it will help families in crisis when they need it most – immediately. Money will be made available to employees, and/or their families, who have signed on to the program to assist them through hard times. It will be available before insurance pays out or a person's estate is finalised and assets are released.

#### HOW IT WORKS

Employees who sign up to be part of The Ausdrill Way will have \$2 a week deducted from their pay. This \$2 will be matched by the company. The funds are used to provide support to employees and their families in times of crisis and to pay for social activities during the year.

#### **JOINING**

We are proud to advise that 80% of our workforce within the Ausdrill group of companies has signed up to be part of The Ausdrill Wau.

All Ausdrill workers are eligible to participate. If you would like to sign up please email humanresources@ausdrill.com.au. Employees are entitled to assistance as soon as the company receives the completed form indicating that the employee wishes to be part of The Ausdrill Way. All funds provided to our staff or their families are unconditional and free of any expectation to repay.

#### **EXAMPLES TO DATE**

To date there have been several cases where The Ausdrill Way has supported employees in need. This has included paying for the funeral of a member of The Ausdrill Way who passed away from an illness. His family was also given \$50,000 to help them with their immediate needs.

#### FOOD FOR THOUGHT:

This is one \$2.00 contribution that you never want back but, if you are unfortunate to one day hit hard times, it may be the best \$2.00

you've ever spent.

# y hit hard times, it may st \$2.00 er

# **EMPLOYEE SATISFACTION SURVEY 2011**

### Identifying Issues to Improve Employee Retention

Ausdrill's aim is to employ the best people and retain them as part of the Ausdrill Family. Our people are critical to our success.

To keep in touch with the thoughts and opinions of our staff we have begun a process of continual improvement based on a yearly survey of all of our Australian workers.

During the early part of 2011 an employee satisfaction survey was carried out across all areas within the Ausdrill Group. Almost 700 surveys were completed and the results have been compiled into reports for each site across the group. The information in these reports will be presented to the appropriate General Manager and his team with recommendations for initiatives and changes that will address any issues that arise from the surveys.

The survey will be carried out each year. We are determined to give our workers opportunity to voice their thoughts – both good and bad – in a totally safe and confidential way.

The survey results are presented anonymously. The identity of each employee is protected as we intend to encourage openness and honesty. We want to know what our people

really think. If there are issues then we need to hear them. If possible, we will make changes so that we can address the issues and build stronger employee relationships.

### Overview of 2011 Employee Satisfaction Surveu

Key Areas

- Job satisfaction
- Workplace conditions
- Safety
- Leadership and supervision
- Rewards and recognition
- Training and career opportunities
- Ausdrill Group culture

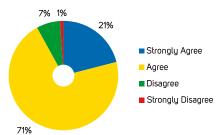
#### Reasons People Work for us (From survey)

- Great Company strong, fair, friendly
- Good Working Environment hours, atmosphere
- Good People to work with and for
- Lots of Opportunities a start and career advancement
- Security ongoing and consistent work

#### General Notes (From Survey)

- Staff like working for Ausdrill
- Positive recognition and feedback is valued highly by our workers
- Career paths and promotions are important our people want to see a future.
- Training is important
- Our workers want to be at the front of their industry
- Communication to front-line workers is not working efficiently
- Staff value consistency and equality in their managers
- The metre bonus is not popular at some sites

#### Employee Job Satisfaction



Further details available from the document management centre on the Ausdrill intranet.



# THE NEW AUSDRILL ANGELS

All the January intake of apprentices have started their TAFE and in some cases been back for their second block. At this stage the guys' results are showing that the right candidates were selected.

At the beginning of July we started interviewing for our mid year intake. The final selections were made and we employed 8 new apprentices, 2 new trade assistants and 1 new process worker to replace those that were offered apprenticeships.

I would like to welcome the following new additions to the ranks of the Ausdrill Angels.

Sheldon Ostigh (DRA) Justin Parker (DRA) (DRA) Corey Russell Graeme Staniland (DTA) Jake Lewis (Henderson) Adam Miller Ausdrill Limited Peter Rakic Kamex Josh Balderson Ausdrill Limited

I would also like to congratulate the following Angels on gaining their trade qualifications since the last edition of Ausbits.

Ryan Gillingham 20/03/2011
Koolyanobbing 02/07/2011
Boulder W/shop 04/08/2011
Boulder W/shop 04/08/2011
Boulder W/shop 25/08/2011
Boddington
Shaun Barker 25/08/2011

Fimiston
Aaron Wellstead 28/08/2011
Kambalda

Sheldon Ostigh















Finally on behalf of all the present and former Ausdrill apprentices I would like to wish Don Lithgow all the best in his second retirement. Don has made a valuable contribution to Ausdrill and the wider mining community with his commitment to the training of apprentices. Whenever you are in the neighbourhood of Ausdrill Don please call in for a cuppa.

**Breaking News:** Ausdrill would like to announce the Don Lithgow Award which has been set up to recognise the most outstanding Apprentice of the Year across the Ausdrill group of companies!

# Employee Assistance Program

Ausdrill's Employee Assistance Program (EAP) is a free confidential counselling service for all employees and their immediate families.

#### Ausdrill's EAP provider is PeopleSense.

All counselling staff employed by PeopleSense are fully qualified and registered psychologists and have significant experience in organisational environments and in the provision of EAP counselling.

#### The areas covered by PeopleSense include:

- Personal issues (e.g. stress, depression, anxiety)
- Work related problems (e.g. conflict, organisational change)
- Grief
- · Career issues
- Family and marital problems
- Inter personal relationships

- Alcohol and other substance abuse issues
- Other personal or work problems

The EAP counsellors can also refer employees to specialised services who can provide assistance in specific areas, such as with financial or legal advice.

A key element of Ausdrill's EAP is that complete confidentiality is both assured and maintained. No personal details or issues raised will be passed on to Ausdrill or any other agency, without your written consent. Use of the EAP service has full management support. Due to the confidential nature of counselling, use of an EAP will not, and cannot, be held against you or detract from your employment or promotional opportunities.



You can call PeopleSense anytime to make an appointment, which can be arranged within 24 hours. Counselling can be arranged at work, at PeopleSense offices or at a mutually convenient location.

You can contact PeopleSense on (08) 9388 9000 or Free Dial on 1300 887 724 and their website is www.peoplesense.com.au



# DRILL RIGS AUSTRALIA 'PROJECT SCHRAMM' (nicknamed Old Yellow)



Australia took on the massive task of restoring a piece of WA mining history, in the form of a 1961 P42 Schramm.

The Schramm's origin dates back to June 12, 1961 when it was imported by Thirlwell & McKenzie Ltd from Philadelphia USA to Fremantle, Western Australia for an amount of 24,576 Australian pounds.

Lang Hancock purchased the Schramm to use at his mining operations in Wittenoom, Western Australia.

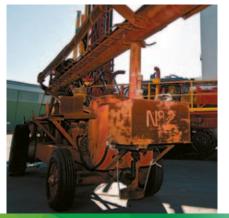
In 1965 the rig had a major valve failure, resulting in the replacement of the cylinder head, piston, rod assembly and bearings. It is not known what happened to the rig from that time onwards. The drill came into Ausdrill's possession when Ausdrill purchased the Drillex business (now known as Ausdrill Northwest) in February 2003.

Canning Vale workshop where it could be restored and eventually donated back to Hancock Prospecting.

Bill Beany was responsible for chasing up components for the rig and he researched its history. The refurbishment has been carried out to the highest quality with a team led by fitter Paul Banes and DRA apprentice James Dorloff. Boilermaking and body work was done by Matthew Van der Graff and John Huxley. Blasting and painting was carried out by Stuart Vardy and Jamie Kelsey. Don Lithgow was also involved in its restoration.

Thanks go to Brian Sanfead and his team at DTA for restoring the hydraulic cylinders, supplying pins and also supplying the drill string. Other companies who donated parts were:

- Tusbaki (feed chain)
- Powercrank (batteries)





Main components refurbished:

- Hydraulic hose & fittings
- Total electrical re-wiring
- New Tyres
- Taggingre-done
- Blasted & Painted
- Motor stripped & fully re-built
- Cylinders re-sealed (major overhaul)
- Gauges re-furbished
- New stickers from the original Schramm factory in USA fitted
- All major components overhauled and re-built

Old Yellow was in a bad way when she came to DRA. With the dedication of all involved she is now fully restored, operational and a gleaming beauty.





# The DT HiLoad Australian Family





Here at DT HiLoad we can definitely say we are a mixed bunch.

Our success is and continues to be our people. DT HiLoad workers are a wonderful mix of Australian, Bolivian, British, Chilean, Chinese, Indian Australians, New Zealanders, Italians, Irish Malaysian, Filipino, Scottish, Serbian and Welsh blood lines. We are a melting pot of cultures, languages and people.

We always employ locally, if possible, and continually providetraining to our staff. We have a successful apprenticeship program in place and currently have four apprentices on our books. However, with the severe skills shortage of a few years ago and another leoming, we have had to find other ways to recruit the skilled staff that our business requires.

In 2006 there was a major skills shortage of good tradesmen in Australia. DT HiLoad Australia decided enough was enough. There had been a parade of colourful people come through including one guy who turned up with his suitcase and asked if he could sleep on the premises as well as work here.

We were desperate. Senior Management thought long and hard about where to get good loyal workers. Initially the decision was to recruit in Europe for workers on 457 visas.

Our first attempt was to bring in welders. After organising the 457 visas and paying their flights and accommodation, a few workers arrived. One changed his airline ticket and flew directly into Sydney. He had been offered \$1 extra per hour from another company. The other arrived in Perth where we had set up fully furnished accommodation for him. He then proceeded to take all of the furniture and disappeared.

Our Operations Manager, John Angelini, then proposed that we look to China for welders.

In June 2006, John Angelini and our Production Manager, Daniel Prontelli, visited China. They tested 20 welders and chose the 6 best ones. Their skill levels were exceptional. They then organised for them to come to Australia on 457 visas. Accommodation and transport was organised. They also had a lot to arrange on their side. Many arrived with personal loans ranging from \$22 - \$28K.

It only took 6 months for these guys to be on their feet and they started to go their own separate ways. Some moved out into their own places, whilst others brought their families out to be with them.

From 2007 to 2009 DT HiLoad Australia ran an English school on our premises. We had two classes every day and our workers were able to attend for one hour per day depending on their requirements. This assisted them to integrate into Australian society a lot easier.

So different was life here in Australia that we now look back and have a laugh when we remember our first guys coming over and automatically boiling our tap water for drinking purposes. They were horrified to see us drinking water directly out of the tap, thinking it was polluted like it was when they were back in China.

The number of workers increased to eight, and then we also picked up some local workers. The process of organising 457 workers proved very complicated. We then came up with a cost effective, quick fix to our recruitment program and started to sponsor workers on a permanent visa if they worked for us.

Word that we were happy to sponsor welders if they were of a high skill level travelled fast, and we now have 46 Chinese welders out of a total of 82 workshop staff.

The majority of our Chinese workers said that they chose to come to Australia because of the quality of life on offer here for them and their families. The working conditions and pay are much better. Most of them have brought their families to live in Australia. Some of them have bought houses, cars and live life as Australians (on permanent residency visas). So Australianised are they now that we have even seen an increase in our family here at DT HiLoad with six new little Aussies being born amongst our Chinese workers.

The loyalty, hard work and commitment from our highly skilled international welders is amazing. Without them, and the rest of our workforce, DT HiLoad would not have been able to meet our customer's quality and target requirements.

Out of 46 Chinese welders, only five have moved on.





#### The Brian Mann Workshop

The "Brian Mann Workshop" was officially opened on 24 June, 2011 by Ausdrill Chairman, Terence O'Connor. Managing Director, Ron Sayers, General Manager, Alex McCulloch and a contingent of 'old hands' flew in, as well as most of the Boulder Maintenance and Administration crew.

Ausdrill Ltd's General Manager, Brian Mann, was surprised by the Chairman naming the workshop in honour of him and his years of service and contribution to the company. The naming was a well kept secret right up until the final moment. Apprentices were kept on lookout duty as the workshop was set up for the unveiling. Even a false plastic plaque was made to keep Brian in the dark.

"Very surprised but honoured" were the words used by Brian, to describe his feelings at the announcement of the naming of the new workshop in our Boulder facility.

Brian started work on the same site here in 1967 with a company called Australian Selection Trust. This then became Seltrust



and was eventually taken over by BP Minerals Australia.

In October 1989 Ausdrill purchased the assets and Ron "convinced" Brian to stay on as Exploration Manager, and then a couple of years later as the General Manager.

The new workshop consists of approximately 2000m of floor space with additional mezzanine offices.

A few more modifications are to be added at a later date which will increase storage and provide more work bench areas.

The evening was a success with catering from the Miners Rest and plenty of refreshments on hand.



THE BRIAN MANN WORKSHOP

Officially opened by Ausdrill Chairman
Terry O'Connor
Friday 24<sup>th</sup> June 2011

### REMET CONNECTION - CELEBRATING 42 YEARS

Founded in 1969, Remet are specialist manufacturers of drilling equipment. The Company commenced business operations for a Kalgoorlie backyard shed on a quarter acre block. During the early 90's Remet relocated to their current two acre site on 5 Gat Eastern Highway, Kalgoorlie.

Having recognised the value Remet would add to the Ausdrill Group, Ron Sayers purchased a 50% share in the business in 2003. This partnership enabled Remet to further develop and increase its productivity and, in 2008, Ausdrill took full ownership and almost simultaneously opened a new

high tech facility in Perth (Canning Vale) to complement the Kalgoorlie operation.

The pursuit of innovation, workplace flexibility through enterprise employment agreements and other sustaining strategies will be the focus of Remet in this new era.



