

Full steam ahead for flagship underground mine

Canyon Coal is preparing to sink a mine shaft at De Wittekrans, an underground mine in Mpumalanga, which will soon become the company's flagship mine. De Wittekrans will start operating at the end of this year and will build up production to 400 000 tons per month over three years.

De Wittekrans, a greenfield project, was acquired from Continental Coal. The transfer in terms of Section 11 of the Minerals and Petroleum Resources Development Act was recently completed. This gives us control of the operation and entrenches our water and environmental controls as well as our mining right.

We have undertaken additional exploration drilling, which has increased the geological confidence to a measured resource of 118 million tons. This exercise also improved our understanding of the mine's geology and the associated geotechnical aspects.

Based on the mine's updated geological and geotechnical information, Canyon Coal is now working at full steam to complete the project plan for De Wittekrans. The plan encompasses the underground and surface infrastructure, underground mining equipment, budgets, human resources, mine planning and scheduling, power generation and community relations, according to exploration and mine development manager Clifford Hallatt.

Although this is the company's first underground mine, Canyon Coal has extensive experience in underground mining. The project team has the support of our holding company, Menar Holdings, which owns and successfully mines a very challenging underground operation, Zululand Anthracite Colliery, in Okhukhu, KwaZulu-Natal.

De Wittekrans mine's underground infrastructure will consist of the shaft and an adit. "The adit gives the operational team access to the underground resource, enabling us to complete the mining development," explains project manager Dawid Venter. "The mining development essentially opens up the underground mining sections while the processing plant and other surface infrastructure are built."

The mine's surface infrastructure will include an Eskom substation to supply power to the site. We are also investigating other potential forms of power generation, including solar power for use during the day and the burning of discard coal at night. "Because the mine has a large resource and long life, these are good options from an environmental and financial perspective," says Venter.

Central to the mine plan is the target coal product that will provide Canyon with the best yield from this resource. "At this stage, we are likely to target a high-grade exportable product of 26.6 MJ/kg CV, together with a middling product of 21 to 22 MJ/kg CV for local or Eskom use," says Hallatt.

The export coal produced at De Wittekrans will initially be transported to the Richards Bay Coal Terminal via the Rietkuil siding located about 43km from the mine. Canyon Coal is planning to ramp up to full production at De Wittekrans over a period of five years.

"The Canyon team is excited about delivering this remarkable project. We are all supporting one another and pulling everything together," says Hallatt. ➔



Training opens doors for Goodman

In his days as rover for an Eskom supplier, Goodman Mazibuko's work often took him to mining sites where he observed other young black people in managerial roles.

"I always asked myself, 'What did he do to be appointed as manager?'" recounts Goodman, the new general manager of Canyon Coal's Hakhano and Singani collieries.

Goodman, who grew up in Ladysmith with parents and a grandmother who were dedicated to their jobs, always had the desire to advance in his career, but felt handicapped by his lack of tertiary education. "I always believed that those managerial positions were only for certain people, not for me," he reveals from behind his large mahogany desk on the top floor of the Hakhano site office. "But one day, Dirk Coetzee, one of our general managers, asked me if I wanted to work towards becoming a mining manager. I replied that I didn't have a university degree, but he said 'Goodman, all you need is a blasting ticket.'" Goodman smiles.

Our general manager speaks eloquently and calmly when he explains that the invitation to qualify for a managerial position did not fall into his lap. He joined the company at the bottom rank of stockpile controller and then went on to work as pit supervisor reporting to the mine manager. "I did not have the experience or education to become a site manager. All I could do was to commit to my job and be diligent and loyal."

Fortunately for Goodman, Canyon Coal is committed to transformation and invests in staff who show promise. He was soon enrolled for training courses at the Colliery Training College and instructed in safety, basic coal preparation, blasting and other facets of mining. This was followed by further training in operations management at the University of the Witwatersrand and open-pit design and planning at the University of Pretoria. "The company provided me with the missing link to finally develop my career," says Goodman. "All these courses prepare you for great things."

Goodman's first big promotion came in 2015 when he was made shift supervisor at Phalannawa Colliery. "Being in charge of a shift involved work that I had never done before. But I was working with operators who had ten years or more experience and I made it my task to learn from them." Meanwhile, Goodman inspired the team to do their best for the company and themselves, which led to him being promoted to acting mine manager of Hakhano Colliery in late 2016.

He reveals with his characteristic openness that his confidence grew every year that he worked with the company and with every new task he was assigned. The role of acting mine manager has given him great exposure to leading and overseeing our mining operations, and paved the way for his recent appointment as general manager.

"I have grown through the support I have received from other people in the company. Guy Thompson is a great mining expert and we have all gained a lot from his guidance. I have also developed a lot of know-how from working with other operators and managers."

In his free time, Goodman reads books on business leadership, which helps him to be the leader his position demands him to be. Goodman did his very best in the role of mine manager and felt excited and motivated by his appointment as general manager.

Goodman sits back in his chair and smiles warmly. "It is possible," he says. "Throughout my career with the company, I have learnt that nothing is impossible if you are disciplined enough and have the courage to go after your dreams. Use the opportunities you get and treat the people around you with respect." ➔



Khanye Colliery builds up production after first coal exports

The open-pit at Khanye Colliery is a hive of activity. A general worker is setting up a pump in an in-pit water sump while nearby a drill is penetrating the hard, black coal lining the pit bottom.

"We are preparing for blasting tomorrow," says mine manager Mike Seme.

"This will be our first blast at the colliery as we were able to 'free dig' the coal until now." A yellow excavator loads the black coal into a dump truck on the other side of the pit, while a second dump truck wheels down the ramp, having untipped a load on the run-of-mine stockpile in the plant area.

In May this year, Khanye Colliery, Canyon Coal's new coal mine near Bronkhorstspuit, succeeded at producing its first coal for the export market. The colliery reached this milestone after making its first box cut in December 2017 and steadily increasing production to 65 000 tons per month in May.

The colliery is set to further increase production by 30 000 tons per month, building up to its target of 200 000 tons per month.

Khanye has commissioned the interim crusher and processing plant and is set to complete the construction of the main processing plant for commissioning in September.



Exploration and mine development manager Clifford Hallatt says that the permanent processing plant has been customised for Khanye's geology. "We are therefore confident that it will reach its nameplate capacity of 200 000 tons per month."

Construction of the two permanent weigh-bridges was another milestone reached by the industrious Khanye team. "The weigh-bridges were inaugurated when they measured the weight of the first batch of coal produced for export, before it was conveyed to Phalannawa Colliery for processing," explains Seme proudly.



Nomfundo blossoms in HR role

Nomfundo Mkhwebani, 29, is relishing the opportunity to work in human resources at Canyon Coal: she is developing diverse skills while growing the careers of other young staff.

Nomfundo is a spontaneous young woman who grew up with her grandmother in Witbank. Last year, she was promoted from receptionist and PA to human resources officer. Since then, she has developed fine communication and negotiation skills through her community liaison work.

"I often meet up with communities around our operations who have many questions about our recruitment processes. I have learnt to be empathetic and explain that we follow a fair process. We work with the Department of Labour and community leaders to employ people with the right skills.

"It has been a steep learning curve," she says, smiling. "But I have learnt how to build relationships with the community. Key to this is always listening to their needs and being completely transparent in our actions." Nomfundo adds that she really enjoys this aspect of her role, although it is not without its challenges.

She also thrives on working with our bursary students – Nomfundo loves to see them growing their skills and making a tangible difference in the company. Having lacked the financial means to study immediately after school, Nomfundo finds it fulfilling to help others pursue their dreams.

"I draft the bursary ads, send them out to various government departments and call in the shortlisted candidates for interviews. I really enjoy helping the students as my personal circumstances forced me to take a gap year before I could go and study marketing."

Nomfundo adds that she is impressed by Nthabiseng Mueti, who joined the company as a bursary student and has been appointed as environmental officer. "She has high aspirations and is always willing to work."

Nomfundo would like to see more women working in the mining sector and engineering department as she believes they have a unique contribution to make.

She is looking forward to enrolling for a degree in human resources next year as she believes this will pave the way for a long and fulfilling career with Canyon Coal. Her goal is to keep growing with the company and become a human resources manager.

"Working in the human resources field in mining is interesting as there are many facets to it. I love working with the diverse and dynamic people in the company and learning from them." ➔

Khanye's coal is currently being railed from the Forfar siding, located about 26km from the colliery. But Canyon Coal is upgrading the Bronkhorstspuit siding, which is a mere 8km away from the mine. The company has a long-term lease with Transnet for the use of the Bronkhorstspuit siding, running from the first quarter of 2019.

"The first export coal was conveyed to Richards Bay Coal Terminal via Pretoria by a test train that completed the delivery speedily and smoothly," says Hallatt.

"It is encouraging that the quality of the coal being mined from the two lower and two upper seams is slightly higher than expected at 26 MJ/kg CV. There is a wider market for coal with volatiles that are higher than 20%," he adds.

General manager Guy Thompson points out that developing a new mine is not without its challenges. "But Canyon is successful as we have the right standards in place and a good team."

He adds that the mine has established a community forum and identified community representatives to engage with. Local suppliers and community members are keen to work with Khanye as there is little business development in Bronkhorstspuit.

In the months ahead, the Khanye team will oversee the construction of the processing plant, the pollution control dams, slurry dams, and other civil infrastructure required on site. Judging by the milestones Khanye has reached thus far and the bustling activity on site, the mine is on track to become one of Canyon's valuable long-life assets. ➔

KHANYE – A SUSTAINABLE DEVELOPMENT



The mine is located in Bronkhorstspuit and represents a R450 million investment in the area. When the plant is commissioned, Canyon Coal will celebrate its opening with the people who have contributed to developing the mine.



Vuslat Bayoglu, executive chairman of Canyon Coal, says the mine will make a substantial contribution to economic development in the area, as it will ultimately employ about 200 people directly. "This translates to changing the lives of 1400 people."



The mine has a life of 17 years, which gives people the sustainability they need," says Vuslat. "Employees are also developing their skills at the mine and some people will go on to work at other operations."



Hands-on Nthabiseng means business

Getting stuck in the mud one evening while driving back from a site visit did not deter 27-year-old Nthabiseng Ocia Mueti, who has a hands-on approach to problem-solving.

"It was getting late and there I was, in the middle of nowhere," she recalls. "I didn't have a shovel to dig the company car out of about half a metre of mud – so I just started digging with my hands. Engineers must solve problems, you know?"

This never-say-die attitude is what brought Nthabiseng to Canyon Coal in the first place. The eldest child in a large family that hails from Limpopo, Nthabiseng studied for a BSc in biochemistry and psychology at the University of Johannesburg, but when her parents struggled to find work the family moved to Delmas. "Although I studied biochemistry, I had always been passionate about mining," she recalls. "I approached the mine manager at Phalanndwa Colliery, saying I really wanted to study mining engineering. I said I was hard working, dedicated, tenacious... Eventually, I got a call from the HR department and went for an interview. Then I was awarded a bursary!"

Nthabiseng says that the bursary was "a blessing and a life saver" and opened many doors. "I quite literally wouldn't be where I am today if I had not received that bursary," she says. "It paved the way to my internship at Canyon Coal and I have met so many incredible people who want me to grow." Although Nthabiseng was in the process of completing her studies, she was adamant that she did not want to sit at home when her internship came to an end in 2017. "I told the company I had something to offer, I am a go-getter," she laughs. Her determination paid off – she was offered an appointment as an Environmental and Social Labour Plan (SLP) officer in February this year.

"The company has been so supportive," she says. "Project geologist Revash Singh is one of my mentors – when I met him, I asked him to help me to grow, and he is always willing to answer my many questions. Another is environmentalist Melissa Pillay, who took me under her wing from the moment I started and has introduced me to a world of experience in the Projects and Environment department."

Nthabiseng believes that women can go far in mining. "I was the only lady on site when I worked on the blasting team, having got my certificate for blasting assistance," she recalls. "It was such fun! I was complimented for my hard work. If you want to be a leader, you have to show that you know how things are done. I've worked night shifts, when it's freezing cold...I like hands-on, manual work because I feel like I'm part of something."

Nthabiseng has worked across four sites in her current capacity (Singani, Khanye, Ukufisa and Phalanndwa) and is still undergoing further training. "I have learnt that one should not only be proactive but also efficient, especially as a woman, because we're scrutinised even more than men – so one must do everything correctly!"

There is little doubt that this dynamic young woman is set to make her mark in the mining industry. "I didn't even know what a mine looked like when I decided to show guys I could be a better miner than they can," she says with a laugh. "But now I am learning – and I will definitely advocate for women empowerment in the industry. We must show people we mean business!"

CHAIRMAN'S VIEW



VUSLAT BAYOGLU, EXECUTIVE CHAIRMAN OF CANYON COAL

Building a thriving culture

I am proud to work at Canyon Coal. We are a vibrant South African company that works hard to develop our assets. We create jobs, promote transformation in the country and contribute to GDP. We are helping to make the South African coal mining industry more sustainable.

Canyon Coal has invested R450 million in our Khanye mine near Bronkhorstspruit alone. To date, we have mined 60 000 tons of coal there and are on track to reach steady state production of 200 000 tons by September 2018.

We will also open two other mines this year, namely Ukufisa and De Wittekrans. By the first quarter of next year, we plan to sink the shaft at De Wittekrans and aim to reach steady state production of 100 000 tons per month at Ukufisa.

De Wittekrans will be one of our flagship projects. It has a 118 million ton reserve base and will produce 400 000 tons per month at steady state. The seams are thick enough for mechanised mining and the mine has more than 20 years of life. This is in line with our strategy to have long-life mines.

Twelve years ago, we started our first project of 10 million tons with limited resources. Now we have a 700 million ton reserve base and are capable of mining underground, delivering our own production with our equipment and processing the ore in our mineral processing plants. These are massive achievements.

We owe our success to teamwork and the ability to make decisions promptly. The business environment in South Africa is favourable, too, in that the government supports businesses in starting up new operations. We are aggressive in unlocking the value of projects and developing them into businesses. We develop our operations by investing in drilling ore bodies, identifying reserves and drafting mine plans.

Our company has been bolstered by a change in the ownership of our controlling shareholder, Mercuria. ChemChina, one of the largest state-owned companies in China, has increased its stake in Mercuria and appointed a Chinese director to our board. This will definitely help us strategise better, as companies in Beijing have interesting business strategies and are increasingly doing business in a forward-thinking manner.

Looking ahead, we are on track to maintain our production target of more than 10 million tons per year by 2019. Our new mines have long lives and developing them will ensure the sustainability of our company. Everybody at Canyon Coal is proud of the fact that we are a mid-tier coal producer with four operations.

As our business grows, it is heartening to observe the concurrent professional growth of our people. Goodman Mazibuko, our new general manager of Hakhano Colliery, shed tears of joy when I informed him of his promotion. He felt deeply touched that all his hard work has been appreciated. Goodman is one of many who have developed their careers within our company, helping to build a thriving culture.

Part of the satisfaction of developing mines in South Africa is that our staff love to be part of the company and are as proud of Canyon Coal as I am. This is one of the factors that motivates us to be in South Africa, invest more and develop further projects.

Canyon helps Daisy to build legacy

It's easy to spot Daisy Maseko in the bustling office of Mancamane Trading Enterprise – the founder and CEO of this thriving mine supply company exudes a quiet authority, but has a ready smile for everyone. Currently employing 74 people, Daisy's life has changed dramatically from the days when she worked as a teller at Absa.



"When I was growing up, I thought if I could make a change in just 20 people's lives I would be happy," the warm 40-year-old entrepreneur says with a chuckle. "Now I influence more than 70 people! I have the heart to help others – when God blessed me, I decided I should be a blessing to others."

Born and bred in Delmas, Daisy received her National Diploma in

Marketing from Pretoria Technikon in 1999 and immediately found a job at Absa. She moved quickly through the ranks and soon became a relationship manager for small businesses. "This taught me a lot – I could see first-hand how people developed themselves and their companies," she says.

Although she developed her skills while an employee, studying

finance and customer service through UNISA, she felt her ambitions would be best served striking out on her own. "When I learnt that Kusile was focusing on black women-owned companies, I decided to take a chance," she recalls. Leaving a secure job was a risky move, particularly with three small children. "My husband said, 'You can't do this – you don't know what to do,' she says, roaring with laughter. "But I said that I wanted to leave a legacy for my kids. I didn't want us to be short of soap or toothpaste any more – I wanted something better."

Starting her small business in her bedroom, Daisy relied on pension fund money as she jumped through compliance hoops to become a mine vendor, which took six months. Although she took on any job initially, she chose to focus on supplying Personal Protective Equipment (PPE) to mines as there was only one other company in the area doing this, and it was white-owned.

Her relationship with Canyon Coal began in 2016, when the company was seeking an enterprise development partner. "Canyon Coal approached me and, from the get-go, they were very supportive. They knew that, as a small business, I needed reassurance – and true to their word, they have provided me with ongoing work," she says.

"I not only provide them with PPE – I also supply them with stationery as well as signage. Thanks to them, my cash flow is more regular. They are unique in that they are always accessible – and they always pay on time! We have a relationship of trust. They are really committed to helping my small business to flourish," she says.

Running a business is a challenge, but Daisy says she puts a premium on customer service. "I'm a straightforward, purpose-driven person. I still do all my marketing myself," she says. "My motto is, if you want to up your game, provide the best service – and treat people with humanity!"

She frequently makes donations to the local township, helping with school uniforms and registration fees. "My mom was a domestic worker and couldn't give me money for things like rent and Technikon fees. Coming from a disadvantaged family, I wanted something better for my kids – and for others, too," she says passionately.

"I have learnt that, when we do things on our own, we don't succeed. It is all about grace and favour!" ➔

Johannes makes career breakthrough

At the age of 55, Johannes Mehlape thought it was too late to have the career he wanted. Before joining Canyon Coal, he worked as a driver for another company for many years and so he never had the opportunity to apply his office administration skills.

The warmhearted employee was greatly surprised when Canyon Coal recently promoted him to facilities coordinator. The opportunity has filled Johannes with joy and hope and has motivated him to better himself.

"I completed a diploma in administration at the Integrity Business College in 1989. The year-long course taught me typewriting, shorthand, filing and telephone etiquette. But in those days the administration roles were mostly reserved for women. During one interview for an office administration role, a man asked me, 'Can you serve coffee? Is this not a woman's job?' I threw up my hands and lost hope," Johannes recounts.

The groundwork was laid for Johannes's development within Canyon Coal soon after he joined the company in 2012. "When I started here, the human resources department asked me to file documents. They were impressed with what I did, but I explained to them that it's easy – you just follow a numerical or alphabetical order," Johannes says with a smile.

The challenge came one day when Jan Kies, facilities manager, put a laptop in Johannes's hands and asked him whether he knew how to use it. "I felt I couldn't use it; even after my promotion I had doubt. But two or three days down the line, I was managing the fleet car requests on the laptop

with ease. Gavin, one of the financial managers, showed me how to open an attachment. Slowly, slowly, I started enjoying it."

As facilities coordinator, Johannes now has many responsibilities – he manages the store rooms where staff files, documents and other supplies are kept, oversees our fleet of cars and organises the purchase of office groceries. He enjoys the challenges of his new job.

"Every day, I am back at school, learning," he says. "There are always stimulating conversations going on around me. What's more, if a car is involved in an accident, I am the one who obtains quotations [for repairs]. I am focusing on doing the right thing, and my confidence is growing."

Johannes adds that what is important to him is to always be up to date with his work and not to chase the tail end of a job. "People ask me for things kept in the store room and I need to know immediately what is available."

"The highlight of my achievement will be if the company is satisfied with me," he says. "I never thought that one day I would see myself moving up from one level to the next. But it is possible. I read library books on facilities management. I am learning about all aspects of the job and improving myself. God has given me a special job." ➔

