

open-cast and earthmoving

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Mid-tier miner with mighty ambition

Kalgold open pit.



ALS Mining, the mining contractor division of earthmoving equipment supplier, ALS Group, is establishing itself as a competitive company within the open-cast market space. On the back of a revised company strategy implemented last year, the division has intentions to grow without compromising on customer service, ALS Mining MD, Gert Maritz, tells Laura Cornish.

The ALS Group has come a long way in the earthmoving industry, today it has more than 20 years of experience, which has helped to establish its position as a competitive business within the plant hire and associated civil construction and open-pit mining industries.

The group consists of various companies including ALS Plant Hire, ALS Mining, ALS Haulroads, ALS Roads, ALS Construction and ALS Dozer Hire amongst others.

Since its inception in 2004, ALS Mining has fulfilled a specific niche portion of the open-cast contract mining market, specifically mid-sized projects requiring machines capable of load capacities up to 40t.

The mining division has learnt to "hold its own" quite well within the ALS Group, having come a long way since its first mining contract for Anglo Platinum's Marikana mine

(a joint venture partnership) – whose main concentration initially was load and haul.

"ALS Mining provides the actual range of mining services, while ALS Plant Hire owns most of the equipment fleet.

"Our vision is to be one of the top preferred suppliers of contract mining services, where focus and growth is the result of quality, not quantity as well as strong relationships," Maritz adds.

"There is nothing better than a small, tightly focused, team that can add value to our clients' ore body, and adapt quickly and with ease to clients' needs. It is about breaking and moving rock at the right quantity, quality and cost."

The company wants its growth to emerge from its operational improvements and through a spreading geographical footprint, not by acquisition. In other words, the mining division will be responsible for handling more of the Plant Hire's and Dozer Hire's fleet.

Fortunately, the company took a pro-active decision about 11 months ago to focus on cost reductions – prior to the beginning of the recession.

Special attention was given to the day-to-day operational costs such as machine diesel consumption per shift and other operational impacting costs, which was then successfully reduced.

"This enables ALS Mining to give a more competitive rate to clients without compromising on quality or service."

In addition to this, it will continue to concentrate largely on prospective contracts in the gold, lime and coal industries, which have been less impacted by the economic crash. ►



Blasting is one of the services ALS Mining offers.



One of the company's current contracts includes all open-cast mining services for one of the largest gold producers in SA – Harmony Gold's Kalgold operation in the North-West province.

ALS Mining is moving about 500 000tpm for the client on the operation, whose series of pits extends to a depth of about 300m.

Maritz explains that due to the nature of the pit, which is very deep and narrow – it was more appropriate to use smaller machines – thus, “illustrating flexibility to adapt to any given situation.”

Having mined on this contract for more than 36 months, Maritz says that the operation has expanded over the last 12 months to more than one pit.

ALS Mining delivers the full comprehensive range of mining services for open-cast operations including drill and blasting; mine planning integration (in conjunction with the client); load and hauling; all in-pit services as well as the construction and maintenance of haul roads.

“A well-constructed haul road can have a significant impact on the life and performance of the machine as well as its production performance,” says Maritz.

Last year, the company also completed two major mining contracts, including BHP Billiton's Klipspruit colliery in Mpumalanga.

The contract lasted for 18 months, running to from which ALS moved an average of 250 000 (Bank cubic metres) per month. More recently, ALS Mining also concluded its contract with Pretoria Portland Cement Company (PPC) for some of its limestone mines in SA.

The contract was postponed in November last year – due to the economic climate, Maritz explains.

“This was PPC's first experience with a contract miner, and the companies have established a very good relationship,” he adds.

And despite the ‘gloomy outlook’ for the mining industry, Maritz says

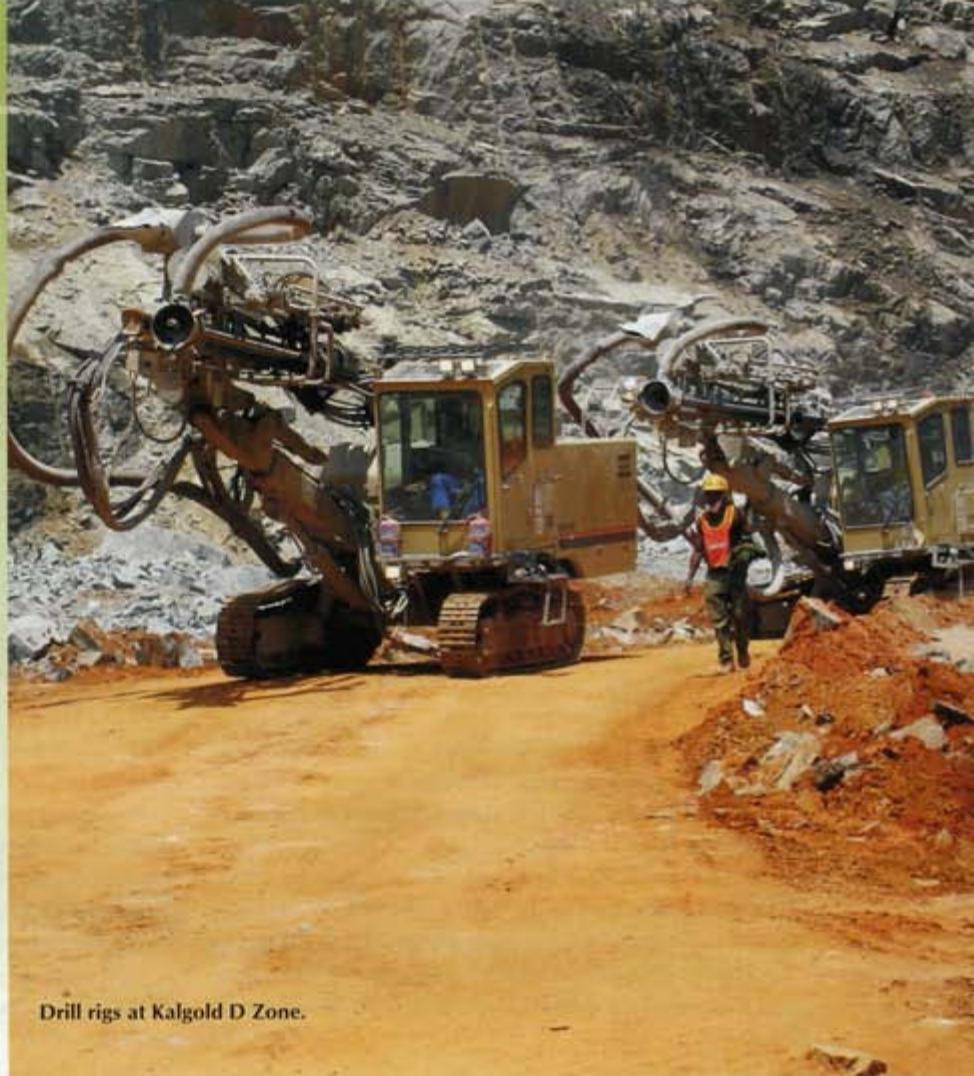
there are still a lot of potential new contracts in the pipeline. It has just become more critical to focus on the basics i.e. delivering a good service at the right price and adding value.

Overall, ALS Mining is predominantly focused on projects in SA, but is willing to expand into the southern African region, with contracts in Namibia, Mozambique, Botswana and Swaziland.

Maritz believes that part of the reason behind ALS's success is its use of new machines, which are generally more productive and cost-effective. "That is why we prefer to use machines from ALS Plant Hire and ALS Dozer Hire. They are also maintained to a high standard.

"We take our machine maintenance very seriously - each having its own specific length of time in operation prior to maintenance plan or replacement.

"We have mobile workshops dedicated to machine maintenance. This strategic focus enables us to offer our clients over 90% machine availability at all times," Maritz points out. ○



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