

Kal Tire Invest in OTR

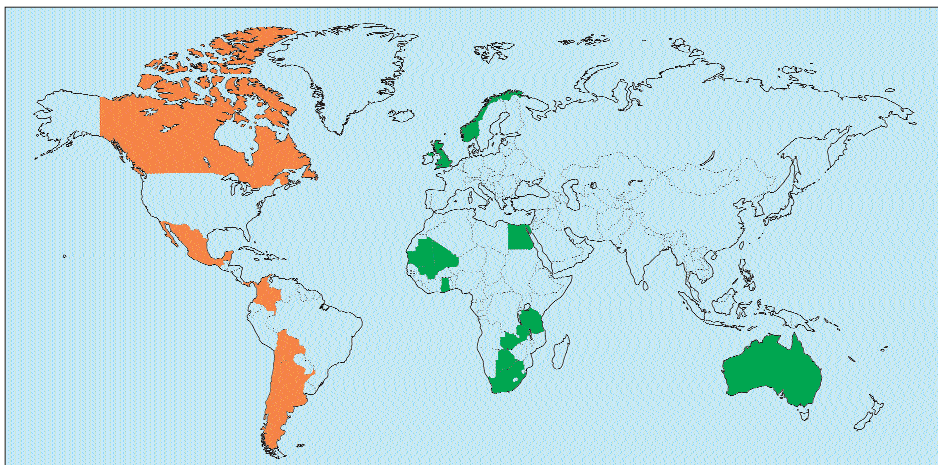
OTR Tyres and Kal Tire of Canada have today announced that they are joining forces to create the first truly global earthmover tyre service company.

"OTR are very pleased to announce that Kal Tire - the world's largest earthmover tyre dealer - have made a majority equity investment in the OTR Tyres Group. This investment represents the most significant global transaction in the earthmover tyre service industry, as it sees the creation of the first truly global earthmover tyre service company.

The deal is the culmination of more than 4 years of discussions between OTR and Kal Tire where the focus has been on how we can work together to give a better service offering to our customers on a global basis. We firmly believe that this is in the best interests of all those involved with either company.

The earthmover tyre industry is a global one. Customers operate across continents and expect world class standards in service and health and safety wherever they are operating. Both Michelin and Bridgestone have a global product offering, but it was not possible to get a global service offering to go alongside this until now.

We have now taken a significant step towards being able to achieve this. If a customer has a mine in South America, Africa and Australia it will be possible to have the same standards of health and safety, tyre service, training, tyre monitoring and reporting across all mine sites - thus making the attainment of global best practices more achievable," Chris Skelton, OTR Group Managing Director.



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So who are Kal Tire?

Kal Tire was started by Tom Foord in 1953 in Vernon, British Columbia, Canada, primarily providing tyres and service to the local logging industry. Tom's fundamental belief was that the supply of top quality products at a fair price, backed by superior service, would produce customer satisfaction.

The retail/commercial business has grown consistently over the last 56 years with operations across Canada and today has 164 company owned branches, 49 independent associate dealers, 10 truck retread plants, 2 OTR retread plants and 4 distribution warehouses providing car, truck, industrial and small earthmover tyres.



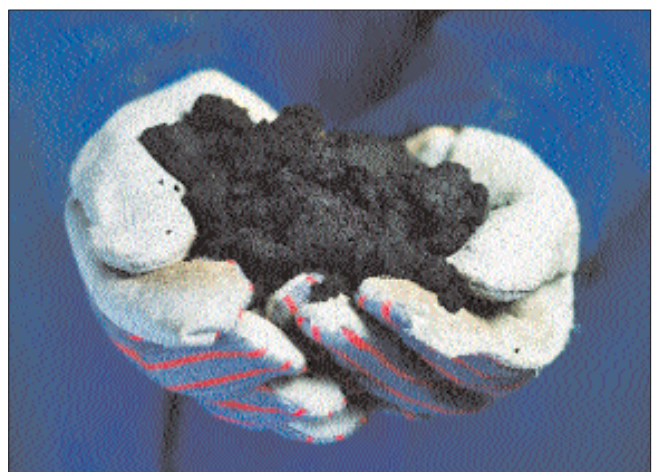
Kal entered the mining tyre industry as Copper Tyre in 1968 and opened a small OTR retread plant servicing the gold, silver and copper mines in the interior of British Columbia. During the 1980s this business grew on the back of service contracts in the coal mining industry and by the end of the decade it was formed in to the Mining Tyre Group (MTG) within Kal Tire.

The 1990s saw further acquisitions that led to a presence in the oil sand mining market in Alberta. Mining oil sands involves digging and processing sand that is covered in oil, which is then processed to produce synthetic crude oil that is then used in all oil based applications. The oil sands reserves in Canada are thought to be the second largest reserves of oil in the world behind that of Saudi Arabia. Today, these operations have the largest fleet of 400t dump trucks in



the world, all serviced by Kal Tire engineers in winter temperatures of -40°C. There are single customers in this region that spend more on tyres than the whole of the UK earthmover tyre market.

In the mid 1990s MTG was asked to start operations in Chile to support customers who knew Kal from Canada. This has led to further growth in the region and Kal now has operations in Chile, Argentina and Bolivia. A partnership in 2002 with J & M Tyre in Oshawa, Ontario added an OTR retread plant and expanded the group's reach into eastern Canada and the United States. In 2007 a further acquisition saw the start of a partnership with Grimaldi in Mexico that has given a Central American presence with operations in Mexico, Colombia and Panama.



Today, the Kal Tire Group has a turnover in excess of CAD\$1 billion, employs over 3,000 people and is the largest commercial tyre dealer in North America. The Mining Tyre Group has grown to employ over 800 people today with operations throughout the Americas. The investment in OTR represents the opportunity to further build on these strengths and create a global company.

WHY Kal Tire?

OTR News sat down with OTR Group MD Chris Skelton to find out exactly what brought about the move with Kal Tire.

Why have you done a deal with Kal Tire?

There are several reasons as to why this was the right deal for OTR.

What was the most important?

I believe that there is an excellent cultural fit between the 2 companies. The way that we conduct ourselves both towards customers and colleagues is very similar.

Why do a deal now?

OTR has grown considerably over the last 3 years and we can see many more opportunities for growth - we have already started trading in 2 new countries so far this year. Having a bigger partner will give us the opportunity to accelerate this growth.

What does this mean for OTR employees?

Being part of a much larger organisation will mean stability for some and opportunity for others. The objective is to grow the business and we are going to need to have quality people to make that possible.



Chris Skelton

What immediate changes will there be?

Very little, if any, in the short term because the intention is to build on OTR's strengths and not replace them with something else.

Will there still be an OTR Head Office in the UK?

Yes, it is impossible to run a global business from a single point and so the current OTR Head Office will continue to be an administrative hub for the various OTR businesses.

Will the company name change from OTR?

There is a requirement to champion a single brand across the world and so customers recognise us as a single entity and this will mean the re-branding of OTR at some stage. This won't happen immediately as the OTR brand has a strong identity that we do not want to lose. You will see a gradual migration to a new brand over time.

What will be your future involvement in the company?

As a 49% shareholder in the new company, I have a considerable interest in what happens! My role will be very much the same as it is now with responsibility for the profitability and growth of OTR.

WHY OTR?

OTR News thought it would be interesting to get the thoughts on the move from the President of the Kal Tire Mining Group, Bob Wallis.

Why have Kal Tire invested in OTR?

Over the past decade, we've witnessed the consolidation and transformation of regional mining companies into incredibly large global entities. At the same time as the mining companies have spread their operations around the world, they have demanded more from their suppliers. The demands placed upon us as tyre and tyre service providers are no different - more in safe work procedures, more in mine site processes and procedures that will further tyre life and more in repair and retread technologies. Kal Tire's vision is to offer global mining companies best in class products and services at all of their mine sites around the world.

Why OTR in particular?

There are a number of obvious business reasons such as we operate in complementary markets rather than overlap, we have both developed similar standardised operating procedures and we both have a passion for providing the customer with the best service possible. But, the most important reason to me will be less obvious to OTR and Kal Tire employees until we have more time and opportunities to interact with each other. Kal Tire is a values based organisation. Our sense of OTR is that their values,



Bob Wallis



goals and how customers and team members are valued and treated very much in common with our own. I'd encourage all OTR team members to read and understand our Aims. Kal Tire Aims will tell you what is important to us and they guide our conduct in every situation. It is the belief that OTR shares our passion for earning customer trust and for providing best careers to its team members that drew us to OTR in particular.

What changes can OTR team members expect?

Canada is a vast country with few people so, by necessity, we are used to operating in a very decentralised manner. As we establish a global footprint for our Mining Tire Group, our vision is to: have a number of entities that operate independently while sharing best safety and operations practices, coordinate warehousing and distribution of products so we can efficiently move tyres to meet customer requirements, focus our sales and marketing efforts with one common brand worldwide and effectively use our size and capabilities to develop long term relationships with suppliers. For most people within OTR there will be little change. We do not intend to move one single person into OTR. Chris Skelton will continue to be a significant shareholder and he will be responsible for all operating decisions in the future as he has been in the past. We intend to expand OTR's business and for all OTR team members there is the opportunity to participate in this growth. For some people, there will be opportunity to participate on committees with Kal Tire team members from various parts of the world to share best practices and help determine our future safety and operating standards. For others, there will be the opportunity to apply for positions within Kal Tire in places such as Canada, Mexico, Chile and various other countries.

What else does Kal Tire bring to OTR?

Kal Tire brings a long term commitment to being in the tyre service business. With the addition of OTR, Kal Tire will have almost 4,000 team members operating in 14 countries. None of our competitors can match our level of expertise, our geographic reach or our financial capability. Like OTR, we are a private company. Kal Tire is a partnership founded by Tom Foord whose family remains our majority partner. The Foord family is committed to remaining in the tyre business and growing our company. Last year our sales exceeded CAD\$1 billion, we're consistently profitable and we have little debt. Our acquisitions are financed through cash flow from operations. I hope OTR team members get comfort from our financial strength and long term commitment to the business. OTR wasn't purchased by investment bankers looking to resell the company; we're tyre people and our company will be in this business long after all of us have retired.

What message would you have for OTR employees?

I think three things:

1. Keep focused on providing your customers with a level of service that exceeds their expectations. Don't let a change of ownership distract you from our main purpose.
2. Take advantage of opportunities that interest you. Part of the best careers concept is providing an environment where team members can continuously grow, align their careers with their personal interests and maximise their potential. As part of a larger organisation, you may be interested in applying for opportunities elsewhere.
3. If you see something that doesn't seem right, speak out. Each of us must strive to make our company better tomorrow than it was yesterday. New ideas and practices need to be encouraged, thought through and adopted where they make sense. I don't have the answers for everything and neither does Chris. Each of us must share in the responsibility for taking this company forward.



Kal Tire Aims

1. Our aim is to provide customers with a level of quality and value of both service and products that exceed their expectations and exceed that available from the competition.
2. Our aim is for every member of the team to receive the quality leadership, training and management required so that they are equipped to provide quality and value for the customer. Our team members will work safely, and will have the ambition, enthusiasm and energy to be productive, efficient and contribute to an upbeat atmosphere in the workplace.
3. Our aim is to achieve a fair profit in all of our operations.
4. Our aim is to expand our company in a deliberate and balanced fashion for the purpose of strengthening our ability to serve the customer and provide a solid future for our people. However, our rate of expansion will not be beyond our ability to finance or manage to a consistent standard of quality.
5. Our aim is to conduct ourselves with honesty and integrity, being conscious of our image and with modest respect for our successes. Our image is defined by the conduct of each of us.
6. Our aim is to build long term relationships with our suppliers based on competitiveness, value and mutual respect of objectives.
7. Our aim is to improve the skills of all of our team members so that we can continually find ways of improving every aspect of our company.

ReTread Success with Rio Tinto in Australia

OTR are pleased to announce the successful completion of the 3 year retreading contract with Rio Tinto in Perth, Western Australia. The project was set-up as a part of Rio Tinto's risk mitigation strategy towards the tyre shortage. In 2005, following a global search for a suitable partner, Rio Tinto selected OTR to embark on the most ambitious retreading project ever undertaken.

The OTR task was simple!

- To design a state-of-the-art earthmover tyre retreading facility, capable of retreading large quantities of 57" tyres
- To procure all the required equipment from around the world
- To adapt an existing warehouse into a fully functioning factory
- To recruit and train a team capable of delivering the project
- To produce tyres that would keep Rio Tinto's machinery moving



And to do it all in 9 months - in an area where there was no previous earthmover retreading capability. But OTR did it, and during the course of the contract a large quantity of tyres have been processed and some excellent results have been achieved.

Notable achievements have been:

- A 4000R57 retread that exceeded 70,000km - run at new tyre tkph
- First known production of 65/65x57 retreads for Komatsu WA1200
- Successful retreading of 49" and 51" retreads in E2 high speed specification for Rio Tinto bauxite mine
- Only 1 Lost Time Incident over the course of the 3 year contract



The success of the project has been down to the input from senior OTR personnel through the planning and implementation stages and to the hard work and dedication of the OTR team in the factory - many of whom have been with OTR for the whole period.

Commenting on the contract, Chris Skelton concluded: "I would personally like to thank Rio Tinto for giving OTR the opportunity to work with them on this project and look forward to the occasion when we work together again in the future."

County OTR Tyres

OTR have confirmed that they have formed a new joint venture company with Bristol based County Tyres to enhance the service to earthmover tyre users in South West England and South Wales.

The new company, County OTR Tyres, will have Service Operating Centres based near Cardiff, Bristol, Launceston, Salisbury and the Llanelli area.

"The move to combine resources with County Tyres was a decision that will strengthen our earthmover tyre operations in the South West and Wales and enhance our customer service and support," stated Graeme Manning, OTR Commercial Director and MD of the new company.

County Tyres Group was established in 1937 and expanded its operations quickly from its Bristol headquarters to become one of the largest independent tyre distributors in the United Kingdom. Founded by Arthur Peters and his wife, the company grew from its original Bristol base with a depot opening in Wales, followed by a further four opening around the West Country.

The company now handles car, truck, tractor and industrial tyres as well as their earthmover market share.

"From the initial discussions with OTR it was clear that our objectives for the region were similar: to provide our earthmover tyre customers with the best products and service available. By combining the facilities, resources, systems, health and safety and training, and of course experience of both companies we are able to do this," said Brian Duguid, County Tyres MD.

"The formation of County OTR Tyres is a significant development for all earthmover tyre users in the region bringing together the two main operators in the South



Graeme Manning and Brian Duguid

West and Wales to enhance the service that is provided. The combination of local knowledge, experience, resources and global best practice will, we feel not only benefit our customers but the industry as a whole," continued Graeme.

The joint venture will encompass only earthmover tyre sales, service and management and operate only in South Wales and South West England.



OTR Australia Secures Service Contract with BGC Contracting

OTR Australia recently secured a 2 year contract with BGC Contracting Pty Ltd, reinforcing OTR's position within the Australian mining market.

The contract will see OTR servicing 3 of the BGC mine sites - Koolan Island, Koolyanobbing and Windarling. These mine sites produce iron ore for the global export market.

BGC Contracting is one of Australia's leading open pit mining contractors, mining around 160 million tonnes of material per annum. With offices in Perth and Brisbane and depots in key regional areas of Western Australia and Queensland, the company has extensive experience on major mining and civil construction projects nationwide.

"BGC chose OTR as the key company to provide onsite service due to our reputation and ability, in addition to our years of experience. We ensure that BGC receive quality onsite service to optimise tyre performance and decrease vehicle downtime. Our close working relationship with BGC has also allowed us to complete an overhaul of their

tyre procedures which will bring both short and longer term improvements," commented OTR Australia Director, Chad Hovell.

The Koolan Island site has been a great challenge for OTR, with mining occurring on an island approximately 3 km wide by 7 km long - just getting there is a task! At present OTR have a site supervisor and 5 personnel on site.

"In addition to the Koolan site, the Koolyabnobbing and Windarling sites are also unique operations, with both sites on the same mining lease yet separated by a 150 km haul road. We will be providing the site with 3 OTR personnel, which will increase as the operational requirements develop," continued Chad.

OTR have a structure in place in Australia with site management and service engineers supported by regional and global direction.

OTR ReTreads go on ...and on...and on!!

OTR Australia produced a 4000R57 large earthmover retread tyre that recorded nearly 5,500 hours of continuous service, which equates to almost 75,000 kilometers.

That is the equivalent of more than 5 times the distance between Perth and London. The OTR ReTread was fitted to a Dump Truck that supported a combined weight of almost 500 tonnes, between the vehicle and its iron ore payload. This is a very significant achievement and sets new standards in large earthmover retreads by pushing the limits of retreads to compete with new tyres.

700 LTI Days

OTR Australia's tyre management services team have achieved in excess of 700 days Lost Time Injury free.

With employees working in harsh environments and remote mine sites, this is a huge achievement. Congratulations go out to all the team.

OTR have also adopted the web based Safety Management and Injury Systems from OH & S Management (International) Pty Ltd.

Fit for Purpose

OTR Australia have designed a programme that explains and takes employees through the mechanics of the body, followed by exercises to support and enhance their understanding of body mechanics.

The aim of the initiative is to reduce back and other related muscle injuries, through a continuous programme of employee health and wellbeing.

OTR Australia Receive RTO Status

OTR Australia has become a Registered Training Organisation, after a successful audit by the Training Accreditation Council, allowing the company to deliver nationally recognised training, courses and qualifications.

The audit, which took place in late 2008, reviewed OTR's training material, processes, procedures and document management. The resultant national training number enables OTR to offer training that meets the national qualifications framework criteria.

"This is a fantastic achievement for OTR; Kevin Jefferies (OTR Tyre Trainer / Assessor) has done a great job in getting this accreditation. This is just one of the many initiatives that we are putting into place to develop and enhance our service for customers. We have had a lot of interest in the training initiatives that we provide and are looking to strengthen these partnerships further in the near future," commented Chad Hovell, OTR Australia Director.

The courses that OTR Australia are providing, but are not limited to, include Automotive Mechanical Tyre Fitting, Tyre Fires and Explosions Procedures, Onsite Tyre Safety Audits, Safe Mounting and Demounting Procedures and On/Off site

Tyre Operator Awareness.

"We have a wide selection of training courses available to service numerous disciplines. Recently OTR were selected by McMahon Contracting, BGC and NRW to supply training to their workforce. We are also in the process of developing a training academy at our Perth office, which is receiving major interest from a number of mining organisations including Byrnecut Mining and Leighton Contracting," concluded Kevin.

BGC recently utilised the services of OTR to rewrite all their tyre fitting process documents, using their expertise in this field, OTR were able to successfully deliver a high quality outcome for BGC.

These current initiatives have assisted in expanding OTR's exposure in the industry and have led to the company being recognised as one of the leading names in the Australian tyre services industry.

OTR ReTreads Outperform New Tyres!

Earlier this year, two 45/65R45 retreaded tyres exceeded their first tyre life in the Pilbara, marking a new benchmark in retread performance for the OTR Australia Retread Facility and endorsing the success of the relationship between OTR and Rio Tinto.

The performance of the tyres was then confirmed by Pilbara Iron's tyre management service provider due to the initial disbelief of the results.

Confirmed: The retreads achieved 7,009 hours of life, having achieved 6,162 hours and 6,205 hours respectively in their first life. The results open up the potential for the retreading of OTR tyres, offering a cost effective alternative to a new tyre with directly comparable performance.

OTR Consumables Go Down Well in Australia

OTR Australia has established a bespoke range of earthmover tyre consumables and accessories.

Faced with quality and delivery problems of outsourced products, OTR tackled the situation with their normal resolve and sourced their own range of products. The current stock list includes own branded Tyre Sealant and Tyre Soap plus a range of tyre valves, tooling and accessories.

As Contracts Manager Steve Turley said: "We were troubled by quality and delivery issues to the extent that customers could have been let down, so now, having our own range of products, it doesn't become an issue - we control quality and delivery and can offer an improved service to our customers."

OTR Birtley - The Angels of the North!

OTR may well have expanded their international operations in recent years but, as members of staff at the Birtley Regional 'Hub' will certify, the company's UK depots are as vital now to OTR's future as they were thirty years ago.

Established in 1982, the Birtley depot has served the North East of England for the majority of OTR's history and continues to offer a unique service to all its customers. Primarily focusing on the quarrying sector today, the site is well equipped to cater for all industries, with three specialist fitting trucks, extensive stock and a team boasting 80 years of combined experience within the industry.

"Birtley's continuing success is based upon the exceptional skills and experience of its staff, all of whom are trained to the highest standards. We ensure we react to customer's requirements, providing the highest level of service with state-of-the-art equipment and products," stated Depot Manager Richard Hancill.

Outstanding tyre repair skills, with tyres repaired to Tip Top and Michelin standards, and the ability to undertake major vulcanised repairs, has enabled the Birtley depot to be at the forefront of tyre repairs, providing an improved and faster service for customers to ensure vehicle downtime is minimised.

"Birtley is a well managed depot with an experienced and highly talented team. Everyone is thinking 'TotalTyreLogic' (OTR's unique tyre management service) which offers our customers much more than just tyres," stated UK Operations Director Darren Flint.

With opencast coal on the up and plant hire still active in the region, OTR Birtley are ideally placed to react to customer demands.



Big Boys Toys

An additional specialist service truck has been added to OTR's already large fleet of trucks, bringing the total to 38. Based in Leicester, the new Iveco 6x4 EuroTrakker has the latest Euro 5 engine and AS Tronic gearbox, a HMF 2220 fully remote crane complete with OTR 2700 tyre handler and screw compressor air management system.

UK Operations Director Darren Flint said, as the new truck went to work: "We have an increased demand for service from customers in the region with larger rigid dump truck tyres so another service vehicle was essential."

OTR's specialist fitting trucks operate from 6 Regional Service Hubs and 12 Service Operating Sites located throughout the UK.



OTR Look After Barrick's Interests in Tanzania

Mike Batka - OTR's Group Operations Director - spent a few weeks in Tanzania recently, on the Barrick Gold North Mara mine in the northern part of the country.

"I was very impressed with the OTR operation at North Mara. OTR's Site Manager, Eugene Carstens, and his team have accepted the challenge of improving tyre life by hitting it head on with a number of positive initiatives," said Mike.

What was also obvious to Mike was that OTR, through Eugene and his team, are well respected by the Barrick Gold team, with representation at Mine Site Maintenance and Production meetings.

The construction of the off-ground rim storage racks, rim sand blasting, tyre repair fabrications and tyre bay facility (made primarily from discarded shipping containers) plus the use of a scrap conveyor belt to protect the bed of the OTR service truck are just a few of the initiatives implemented which have resulted in Barrick's 'Good Housekeeping Award' - held in high esteem by contractors onsite - awarded to OTR recently.

"What is clear is that Eugene is passionate about his own role and the 'can-do' approach is now adopted by the whole team. The award was just the start - details have progressed since then and things are looking good for OTR and Barrick at North Mara," concluded Mike.



Speed Wheel Success for OTR in Egypt

As an integral part of the 'continuous improvement' philosophy adopted by OTR, 51" RIMEX DGS speed wheels have been fitted to CAT 785s at the Sukari Gold mine project being serviced by OTR.

Overseas Development Manager Peter Henderson said: "We are told that this is the first fitment of 51" speed wheels in Africa and to date they are running successfully." The use of speed wheels gives a positive reduction in tyre related downtime, increasing truck availability and improving tyre changing safety.

Concluding, Peter said: "We are continually looking at ways to improve tyre related performance for our customers - using the experience we have gained globally and adapting to suit individual projects and specific criteria."



DB Schenker Turn to OTR for Tyre Management

DB Schenker, one of the leading globally integrated logistics service providers, has turned to OTR in an attempt to overcome tyre wear problems at the Rail Division's four freight terminals in the north of England.

The problem facing Schenker and OTR was the diversity of the four terminal sites. As DB Schenker's National Terminal Manager Matthew Whitnall said: "We are not tyre experts - our core business is rail and road integrated network solutions - but we had a tyre problem. It was not only expensive but frustrating trying to find the right tyres and compounds to suit vehicles on each site." Which is where OTR came in.

Spending time at each location, OTR quickly built up a background of bespoke information before introducing TotalTyreLogic - OTR's tyre management system - to Schenker's.

Paul Aykroyd, OTR Sales Manager, said: "Our objective was to reduce onsite tyre costs and improve performance at each site. The customer wanted to see if there was value in using premium brand tyres over budget ones so we looked very closely at each site, each vehicle and how they were operated."

DB Schenker also required 'emergency response' that was comprehensive, reliable and, above all, quick!

Paul continued: "Some of the DB Schenker sites are highly abrasive due to the extreme laden weights of the machines (up to 100 tonnes), tight turning circles and paved surfaces. All these contribute to severe and often uneven wear rates. But we understand and are experienced in freight tyre management and so have set-up a programme specifically for Schenker."

The programme actioned for DB Schenker includes monthly tyre inspections to monitor wear rates and damage plus the development of a tyre history database to give full fleet visibility. Through data generated onsite, OTR are able to provide professional, clear recommendations for extracting the best value from Schenker's working tyres, developing timely and corrective strategies to help maintain evenness of wear throughout the lifetime of their tyres.

In addition, TotalTyreLogic provides DB Schenker with online information - complete tyre history and fleet visibility, stock control to allow adequate cover for emergencies and tyre data that allows for planned stock replacement giving total budgeting control.

Matthew concluded: "We are now feeling the benefits of the effective management of our rubber assets. Working as closely as we do with OTR has given us the confidence to delegate tyre responsibility to them, allowing us to concentrate on what we do best."



OTR Go 'Greenstar'

OTR have recently teamed up with Greenstar Environmental Ltd, a rapidly growing force in the UK Waste Management and Recycling industry, to manage their mobile plant tyres.

The project involves OTR developing a total package to supply all tyres for Greenstar's fleet of loading shovels and material handling machines at seven locations around the UK.

OTR's team of tyre inspectors monitor the sites in order to pre-empt any possible tyre problems that could lead to machine downtime. The data collected will track the wear rates on each vehicle at each site and show the cost per hour of each tyre in order to ensure the most suitable tyres and compounds are being used. All the tyres supplied are either OTR Fil (polyurethane) or CushionTyre (solid), which negates puncture related downtime. "OTR are able to fulfil all aspects of the management contract due to our strategically based Regional Service Hubs and Satellite Operating Sites together with a fleet of 38 specialist fitting vehicles and trained service engineers.

Our retread factory houses the latest state-of-the-art retreading equipment producing tyres as close to original manufacturer standards as possible with the added environmental benefits that come with every retread tyre. OTR Fil tyres can also be

retreaded more than once, which equates to significant cost savings for the customer," stated Paul Tracey, OTR Waste Industry Manager.



Midnight Sun Shines for OTR in Norway

OTR have secured a long term contract with Sydvaranger Gruve AS to supply the full OTR TotalTyreLogic earthmover tyre service to the Sydvaranger mine in Norway.

The five year contract will see OTR supply the mine with tyres for all the operating vehicles onsite.

Based in Bjørnevåtn, 8 km from Kirkenes in the far north of Norway, where the winter temperatures can fall to -30°C and below, the project is quite a challenge, but one that is well within OTR's capabilities.

A full tyre management system is in operation including tyre supply, onsite service and maintenance for all vehicles - earthmover, truck and light commercial/4WD. In addition to tyres, all related accessories - rims, valves, etc - will be OTR's responsibility. The onsite service also includes tyre monitoring and data collection to ensure the most cost effective use of tyre resources.

Repairs will also be carried out by tyre service engineers onsite and service will be handled by the new 36T Iveco EuroTrakker 8x4 truck.

The initial 'spade work' for the project was handled by Eddie Fairs and Tony Davenport. (previously Leigh Depot Manager), who now has the role of Project Manager, complete with 'thermals'.

Tony commented: "The first 4 months in Norway have really been taken up with the building of the machines as they are shipped up through Finland. We now have seven Cat 777s, four Cat 785s, two Cat 992s, one Cat 844, one IT 62 and two 16M Graders. Four of the Cat 777 machines have had Rimex speed wheels fitted on the rear outer wheels, to reduce the amount of time it takes to change an inner tyre.

Pressure checks are being carried out weekly, along with monthly tyre inspections, and the data is then put into the Klinge tyre system. We are now starting to see a build up of data on how

the tyres are performing on the very harsh surfaces that they are required to work on."

As was the original objective OTR have four Norwegian trainee tyre fitters, all being trained by Mohammed Musah from OTR Ghana - it's quite a change for him after working in Ghana and Egypt. Concluding, Tony said: "We are currently in the period where we have 24 hour daylight, and it is not unusual to wake up at 3am with the sun shining brightly. In a few months we will be in 24 hour night time, where there is very little daylight for about 3 to 4 months. We are experiencing temperatures of about 19°C at the moment, but come the winter, it will drop as low as -30°C." The recently reopened iron ore mine will be providing resources for European steel companies, with estimated deposits expected to last for 20-25 years.



Cold Comfort for OTR Service in Norway

As part of the onsite service contract with the Sydvaranger mine site, OTR have supplied a new service truck to handle the project.

But it's no ordinary truck! The truck is the latest Iveco 8x4 EuroTrakker with Euro 5 engine and AS Tronic gearbox and, as OTR's UK Transport Manager Mark Fieldston said: "...is the most advanced truck OTR have developed." Delivered to site at the end of April, the truck was operational in May and has worked in the extreme conditions without fail since.

OTR have been developing their specialist earthmover tyre service trucks for almost a decade now and have trucks operating globally – but this is the first one to be working in the extreme cold conditions of northern Norway, close to the Russian border.

Mark said: "The service truck was always going to be a challenge but by working with the key component suppliers as a team, we knew the project would succeed."

Many of the components for the vehicle were specially made or adapted to cope with the temperature extremes and the parameters of the service contract.

OTR Transport Service Engineer, Mark Lee, said: "The truck itself has a working platform of 11.99m. The HMF ODIN K2 52 ton mtr crane is the most up to date crane OTR have ever purchased and the highest 'spec' - being fully radio remote controlled with EVS safety system. Handling 57" tyres will be the norm so a UHL 3705 tyre handler has been fitted which gives a continuous 360° rotation in addition to the normal clamp and tilt features."

With winter temperatures falling to -30°C and below, the standard 'Arctic Pack' also had to be enhanced to allow the truck to operate in arduous conditions.

Project Manager Tony Davenport concluded: "The tyre service contract itself is a challenge - the truck is just a part of that. But, as with other projects we have handled and currently manage, OTR's global experience has proved vital."

OTR Ghana Hits 5 Years LTI Free

The Goldfields Ghana Ltd year end report (June 2009) for the Tarkwa gold mine produced an amazing set of figures for OTR: 213,643 hours LTI free - that's 1825 days - which equals 5 years!

The recorded data shows the value of OTR's Safe Methods of Work procedures and training and is a reflection on how well everyone has done. Congratulations from everyone at OTR to Steve Winterburn and his team for their constant safety awareness. Typically, Steve commented: "We are now targeting 250,000 hours!"

OTR Go Light on GFGL

OTR have taken on the management of the Goldfields Ghana Ltd Light Vehicle workshop which includes over 200 vehicles and ancillary mining equipment.

OTR's General Manager, Mark Goode, said: "We manage the tyres on every other vehicle at Goldfields so this is a logical step in providing the mine with a TotalTyreLogic solution - from the fleet of dump trucks to the GM's car." A dedicated team of 4 fitters and Supervisor Philip Aramedi will manage the day to day Light Vehicle operation.



Continuous Performance Improvement for OTR Ghana Factory

Continuous performance improvement and safety is the focus for everyone involved at OTR's Ghana retread factory as Six Sigma methodology and LEAN initiatives start to really show their worth.

Factory Manager Jay Seals commented: "We will always look for improvement - safety of all our employees and the quality of our products are paramount." Training of staff has been essential, with standards implemented by UK personnel and readily accepted by the local team. Jay continued: "A well trained workforce is more efficient, they work in a safer environment and are committed to doing the job correctly - the OTR way." To emphasise the key point, the OTR factory has a 'continuous improvement team' to develop initiatives and is actively involved in the global 'One OTR' retread manufacturing initiative.



Ghana Factory Produces Big Loader Tyres

Since the first OTR 45/65R45 retread tyre was fitted to a Goldfields Ghana loader back in December, the quality and output from the Tarkwa factory has gone from strength to strength.

2008 saw the factory team face a number of daunting issues - commissioning equipment, security of electrical power supply, the impacts of tropical air on rubber bonding and more - but with Factory Manager Jay Seals now having a major influence on production, 2009 is looking very positive.

As part of his role, Jay has introduced the Six Sigma and LEAN working initiatives into the Tarkwa factory - systems he implemented at OTR's Alfreton factory.



Concluding, Group Operations Director Mike Batka said: "2008 was a challenging year for the retread factory but we are very pleased with the way Jay and his team have been able to weather the challenges they have faced. The factory has a clear casing generation and production plan and a product improvement plan and we are now confident that retread tyre performance will reach performance targets. OTR would like to acknowledge the support of Goldfields and the efforts of Steve Winterburn to manage casing generation. OTR's Maintenance Manager Alan Lee also deserves praise because his untiring efforts have kept the factory equipment running on many occasions despite the elements."

Sukari Pours Gold

The staged development of OTR's involvement at the Sukari Gold Mine in Egypt is, as predicted, happening as the project hits the 12 month mark.

As the project developed, one of OTR's key objectives was to train local personnel and implant the skills, attitudes and procedures endorsed by OTR globally. OTR's Project Manager Alan Brown has a very 'hands on' approach to the management and it is partly due to these skills that the local workforce have developed so well.



In addition to the onsite tyre service required for the mine, OTR have also developed a tyres and accessory supply service and have a staffed repair station.

Safety and correct training has been an integral part of the 'education' with Mohammed Musah leading the service team initially and Trainee Manager Omar Said now in charge of four service personnel.

Peter Henderson, OTR Overseas Development Manager, concluded: "The development of this project has been unprecedented and is still growing at such a fast pace. There are now 10 haul trucks operating that all need tyre servicing in the very harsh conditions.

OTR have the responsibility for sourcing and supplying tyres, onsite tyre management, service and repair plus personnel development - and we have excellent results in all departments so far."

OTR are looking to increase their interests in Egypt further with projects in the phosphates marketplace being considered.



Editors Note:

As OTR News went to press African media reports that: 'Centamin Egypt has poured its first gold from the Sukari gold project and marks the beginning of production from the first modern gold mine to be operated in Egypt. The initial production of gold came from ore mined in the Amun zone of the Sukari Hill and has estimated reserves of over 140 million tons.'

