

BULLETIN



ROBIT PLC CUSTOMER MAGAZINE 2/2022

100 km of piles to drill in Helsinki

**A new star in the
Mexican market**

**Megacity Lima gets
a new metro line**

Robit

DEAR READER,

Another year has passed and we are all aware of the unfortunate developments around us. From our industry's perspective though, there's still lots to be thankful for. The world continues to be full of opportunities, and we did an excellent job of seizing them in 2022. This year, we completed the second-largest investment in Robit's history, won many new customer contracts with our distributors, and strengthened our product offering.

We have reviewed our strategy this year (read more on p. 14), identifying cornerstones for the future. One of them is *accelerating growth through distributors*. Firstly, this includes seeking new opportunities with our current distributors. A great example of this is the gigantic Neom project where we got involved through our distributor partners. Read more about it on page 6. Secondly, this cornerstone is about finding and welcoming new members to the Robit family. In this issue, we are introducing one of them – a rising star in the Mexican distributor market. See page 12.

The end of the year is always a good time to look back and reflect, taking a moment to enjoy all that we have achieved together. I'm happy to say we are in an excellent position for future growth and are entering 2023 stronger than ever. We are on a good track to becoming the number one in drilling consumables.

Here's to a successful new year for each and every one. Let's keep in touch!

Arto Halonen,
Group CEO



IN THIS ISSUE

Editorial	2
Groundbreaking DTH contract in Peru	4
Giant project in Saudi Arabia taking first steps	6
New tram line consumes 100 km of steel piles	8
Megacity gets a new metro line	10
A new star in the Mexican market	12
Your partner for a more sustainable tomorrow	14

Robit Bulletin is the customer magazine of Robit Plc.

Editor-in-Chief: Jari Silver

Text and layout: Mainostoimisto Värrikäs Oy

The next issue will be published in the first half of 2023.



A happy bunch striking a confident pose at the annual Robit Distributor Days, this year held in Korea.



GROUND- BREAKING DTH contract in Peru

Rich in copper, silver, gold, and lead reserves, Peru is a global giant in the mining industry. Iron ore is also a significant export, although known deposits are limited to a single region.

Antonio Raimondi was an exceptionally versatile scientist. Born in Milan, Italy in 1826, he emigrated to Peru in 1850. A year later he became a professor of natural history at the National University of San Marcos in Lima. In the following years, he founded a medical school and a chemistry department there.

Raimondi was also a passionate geographer, traveling extensively across the country conducting geological, botanical, and zoological studies. It was on one of these journeys that he discovered a vast iron ore deposit in the Marcona District in the Nazca province, some 500 km south of Lima, in 1870.

*DTH drill rig in operation
at Shougang Hierro Perú.*

It wasn't until the 1950s that the exploitation of iron ore in Marcona began. Since 1992 the open pit operation has been run by the Chinese-owned company Shougang Hierro Perú, during which time the production of iron has grown sixfold.

A large share of the drilling and earthmoving operations at Shougang Hierro Perú is conducted by Cosapi Minería, a subsidiary of Cosapi S.A., one of Peru's biggest construction and engineering companies. Cosapi Minería specializes in massive earthworks and the development of open pit mines.

An open pit operation typically makes extensive use of Down-the-Hole tools for pre-split and buffer drilling. That's why Shougang Hierro Perú was an attractive target for Robit SAC to approach with their offering.

"The iron deposit at Shougang Hierro Perú consists of very hard and abrasive materials. You can find competent soils with compressive strengths of 250 to 300 MPa", says **José Luis Cisneros**, General Manager of Robit SAC.

"We contacted Cosapi Minería and carried out the first test in early 2020 with 7-inch bits and a D65 hammer. Since then, we have been working ever more closely with Cosapi, providing them with material innovations to increase performance.

"In recent months we have been working together with Cosapi in a testing process of the main DTH providers in the market. Thanks to the constant monitoring by our Assistance Engineer **Kevin Salas**, and the development of the right products through our DTH Sales Manager, **Martín Rodríguez**, we have been able to generate new ways of improving the operation and proposing drilling targets with higher standards", José says.

The open pit operation requires a lot of double bench pre-splitting, performed with D45 HD hammers and 5-inch bits, ballistic buttons, and a convex face. The bits have obtained an average duration of 1,400 meters, and an average speed of 32 m/h.



Recently, Cosapi signed an extension contract for their operations in two of the open pits at Shougang Hierro Perú. Impressed by the tests conducted with Robit, they granted a consignment agreement, trusting Robit with 60% of the consumption of drilling tools over the competition.

"This is the first contract of consumption for DTH tools in Latin America where we will provide assistance and stock for the client's operation, including technical service, maintenance of hammers and management of drill bits", says José.

"We hope to show Cosapi Minería and the market that Robit SAC has the necessary resources to keep exceeding the expectations of our strategic partners."



GIANT PROJECT

in Saudi Arabia taking first steps

One of the world's largest construction projects is currently underway in Saudi Arabia near the northern end of the Red Sea. It is the future site of Neom, an ambitiously futuristic city planned to cover a total area of 26,500 km² – more than twice the New York metropolitan area.

The Line will link the Red Sea coast with the mountains and upper valleys of Saudi Arabia's northwest.

Still mostly on the drawing board, Neom is planned to comprise various high-profile regions, each catering to different needs. By late 2022, the plans for four regions have been publicized. Sindalah, a luxury island resort on the Red Sea, is expected to be the first physical showcase of Neom, scheduled to open in early 2024. Trojena will be a mountain destination for year-round skiing, while Oxagon is going to be a coastal clean industry hub.

The region that has attracted the most press coverage and provoked discussion worldwide, is called The Line. It is planned to consist of a single structure that is 500 m tall, 200 m wide – and no less than 170 km long, stretching from the Red Sea coast deep into the desert.

The Line is planned to house nine million residents, all with access to their basic services within a five-minute walking distance. Eliminating the need for cars, it is planned to use high-speed trains for transport within the city.

The transport system of The Line will consist of two separate railroads: one for the high-speed passenger trains and the other for freight services. The rail system will require the excavation of some 28 km of tunnels.

The tunnel construction bid was won by the Korean consortium of Hyundai E&C and Samsung C&T. The value of the order is estimated at no less than US\$1 billion.

In the summer of 2022, the bidding for jumbo drilling and rock tools in the tunnel project was won by Jinyang R&S, one of the largest jumbo drill rental companies in Korea. Jinyang manages some 35 jumbo drill units, renting them with operators to tunneling and mining sites, mostly within South Korea.

Rock tools for the tunnel jumbos will be supplied by Robit. Since their distribution deal struck in 2017, Robit has supplied Jinyang with rock tools for several domestic job sites in Korea; the Neom deal, however, is unprecedented in scope.

"This is a huge project and a major deal for Robit for the coming years", says Sales Manager **Sunyong Choi** of Robit.

At the future tunneling job site, the first test drillings using Robit's tools started in November 2022. Still in its infancy, the entire Neom project is guaranteed to keep drawing widespread attention.

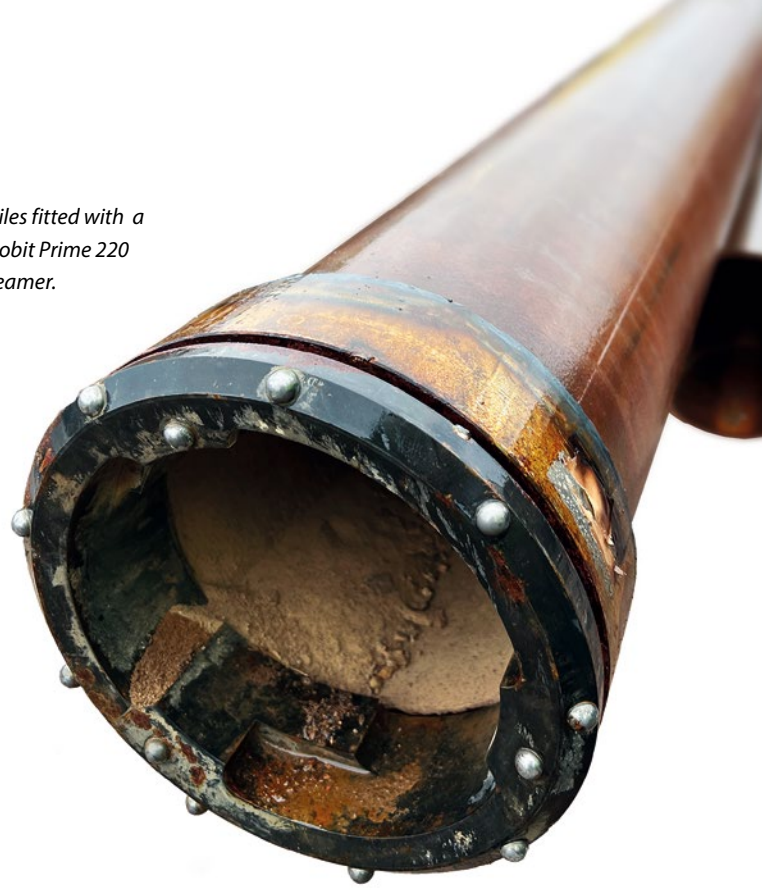
Construction Engineer
Alexey Selivonchik
of Destia presenting
the Robit SR pilot.

New tram line consumes

100 KM OF STEEL PILES

A project is underway in Helsinki to build a completely new tram line, along with new municipal infrastructure and green spaces. The contractor Destia is using a wide range of Robit wear parts for soil and rock drilling in the project.

Piles fitted with a Robit Prime 220 reamer.



The alliance model project will involve the construction of approximately 4.5 kilometres of tramway and associated street areas and municipal engineering between Nihti and Pasila. The project will also include the renovation of street areas as well as improved pedestrian and cycling connections. Pre-construction started in Nihti in July 2021.

A massive groundwork project

An alliance group led by Destia is working in challenging street conditions in the middle of urban Kalasatama. The group's share of the construction work on the new line comprises some three kilometres of road, the entire cross-section of which will be rebuilt in the course of the project.

"The section will be built on a pile slab structure, covering a total area of over 36,000 square meters, or about the size of five football pitches. During the project, about 100 kilometres of individual piles 15 to 20 meters in length will be used for road foundations," says **Alexei Kesonen**, Project Manager for Foundation Engineering at Destia Oy.

At the same time, a ramp will be built for the possible future construction of a tunnel to Sörnäinen.

"The support structures of the ramp and tunnel walls combine three techniques: pipe pile wall, sheet pile wall and combi wall. Based on excavations, each was chosen to save time and, of course, to achieve a high-quality result. The ground on the site varies widely from soft clay to hard rock to bouldery fill.

"A wide variety of drilling equipment, sheet pile drivers and piling rigs are needed on site, allowing the choice of optimal working methods. With skilled workers, the right equipment and careful planning, even the largest projects can proceed on schedule," says Kesonen.

Using domestic wear parts is an asset

Destia has a long history of solid cooperation with Robit on wear parts for soil and rock drilling.

"You can always trust the quality of Robit's products and their service level as a domestic manufacturer. Speed of delivery is also excellent, which is an absolute must, as the schedules are tight, and work cannot stop because of missing parts. Robit supplies us with drilling consumables directly from their factory in Lempäälä. Of course, we also store them on-site, which ensures there is no downtime.

"The pipe piles are installed using Robit's 18" DTH hammers, 508 mm SR XL2 reamers, 508 mm SR pilots and L-model rock shoes, which arrive on site pre-welded to the pile ends. For the installation of combi wall piles, Robit Prime reamers and pilots are used. For the supporting wall anchors, we are using Robit's DT (Drill Through) technology, which allows us to drill the pilots into the rock through the rock shoe," Kesonen says.

Construction of the new tramway line started in the summer of 2021. If all goes according to plan, the line will be operational by the end of 2024, greatly streamlining cross-town traffic: you can get from Kalasatama to Pasila by tram in 15 minutes. The route will also conveniently link trams to trains and the metro at several transport hubs.

MEGACITY

gets a new metro line

Lima, the capital of Peru, is the second largest city in the Americas, with a population of just slightly under 10 million. Surprisingly, the megacity has only one metro line; the second line is now under construction. Once finished, it will make a huge impact on the city now troubled by congestion and pollution.

*Martín Rodríguez
(center) & the Soletanche
drilling team.*

*Harold Del Rosario
(3rd from right) and
the Soletanche team
at Station 11.*



The project of building a metro network in Lima has been long and burdensome. The first plans were approved by the Peruvian government in 1974, but construction did not start until 1986. Due to various political disputes and economic issues, the project was stalled for several decades, until Line 1 finally started operations in 2012.

Plans for Metro Line 2 were initiated the same year. While Line 1 connects the northern and southern parts of the city, Line 2 will stretch from the eastern Ate district to the seaside city of Callao, Peru's chief seaport, in the west. Construction work began in late 2014; it will include 27 stations and the excavation of some 27 km of tunnels.

Several of the stations will require some heavy foundation work. For stations 11 and 26, in the Breña district and Ate district respectively, the fortification work was awarded to Soletanche Bachy del Perú, a leading multinational company in civil and geotechnical engineering, and a strategic partner for Robit in Peru.

"We have worked from day one with Soletanche's technical, commercial and engineering staff, advising on the different solution alternatives for carrying out the work", says **José Luis Cisneros**, General Manager of Robit SAC.

"Since Soletanche has used our MU (Multi-use) Down the Hole systems in the past, we decided together to use Robit MU Tools for the project, including sizing equipment, pipes and accessories. Since early July 2022, we worked in close coordination with operations and logistics to meet the demanding deadlines." Our

DTH Sales Manager, **Martín Rodríguez**, played a key role in this coordination".

Soletanche began micro-piling work for lateral support at Station 11 on July 20, using the Robit MU 114 system and Hyper 31 hammers.

"Supervised by **Harold del Rosario**, our Head of Geotechnical Assistance, we attended the operation to monitor the performance of our materials. We obtained excellent results in a very abrasive and challenging terrain", José says.

August saw the beginning of micro-piling work for the structures of Station 11, with Robit pilots and ring bits from the MU 406 system and the HYPER 121 SD 12 hammer. Robit continued to provide assistance and monitor the performance and the drilling parameters. At the end of November, the fortification project of Station 11 of Lima Metro Line 2 was completed.

"Soletanche's experience with our drilling tools has been very satisfactory, given the great performance of the MU 114 system, as well as the MU 406 system penetration rates achieved after the adjustments recommended by our drilling specialists. This project has further consolidated the relations between Robit and Soletanche for future projects", José says.

As a whole, Lima Metro Line 2 is a gigantic, \$5 billion project which will largely revolutionize mobility in the Lima Metropolitan area. Today, the typical trip from Ate to Callao is a two-hour ride; the metro line reduces the time to 45 minutes – a major improvement that will be enjoyed by more than 200 million passengers each year.

*Although mostly arid,
parts of Zacatecas have
lush mixed forests of pines
and deciduous trees.*

A NEW START

in the Mexican market represents Robit

Peñasquito Mine, located in the State of Zacatecas in Central Mexico, is the second-largest silver mine in the world and also a major producer of gold, lead, and zinc. The giant has been successfully served by a fresh partnership between a new dynamic distributor and Robit.

The scale of operation at Peñasquito is so massive that it's more like a small city than just an open-pit mine, with its own airport, a 1,900-bed camp with full dining, laundry and recreational facilities, and even a radio station. Opened in 2010, it currently produces some 31 million ounces, or almost 900 tons, of silver per year.

Mining is a thriving industry in Mexico, with several distributors competing over their share of the drilling

consumable market. Peñasquito Mine is owned by Newmont, the world's largest gold mining corporation. This did not stop Marlous Supplies and Services, a newcomer in the field, from landing a distribution deal for Robit DTH tools with Newmont.

Marlous was founded in the spring of 2020 by **Martín Ocaño**, who has an accomplished track record in the business.

TAR

The Marlous team, from left: Martín Tapia, Erik Coronado, Guadalupe Rivera, Ignacio Beltrán, Carlos Tapia, Rodrigo Aravena. Martín Ocaño, Narciso Beltrán and Miguel Beltrán were out on business.



"I have dedicated 24 years to the commercialization of products and services, in mining and public and private companies. For years I had been working on the idea of forming a company dedicated to supplying different products to the mining industry", Martín says.

"Our key strength against the competition is that we focus completely on giving good attention and service to our clients, always covering their needs, interests and concerns, including after-sales. This has distinguished us and helped us enter and gain ground in the toughly competed mining market."

In the search for a reliable supplier for drilling tools in their portfolio, Marlous decided the best option was Robit, given their experience and product quality. In the case of Newmont Peñasquito, Marlous was in the right place at the right time.

"Newmont's main supplier of drilling tools was failing to deliver products in time. We had a similar product available, so we were able to help them out, and from then on we were allowed to start serious testing", Martín recalls.

Currently, Marlous is supplying a major part of the DTH drilling tools used at Peñasquito. These include Robit D88 and WH4 hammers as well as QL80 and TD40 drill bits.

A key factor in their success at Peñasquito has been the technical personnel working on-site in close cooperation with the Newmont staff. This includes monthly meetings where the results of the previous month are analyzed and points of improvement can be identified.

"We are always open to feedback and encourage our customers to comment on any detail, anomaly or possible improvement. They appreciate it when their comments and observations are taken into account and implemented as soon as possible", says Martín.

Still a young and small company, Marlous has already established a firm foothold in the Mexican mining sector. Growing steadily, the company is building on a balanced synergy between the quality of products and impeccable customer service.

YOUR PARTNER FOR A MORE SUSTAINABLE TOMORROW



Robit reviewed its strategy and business concept in late 2022. The core fundamentals of the strategy remained largely intact, but we are sharpening the focus on certain key initiatives.

In short, Robit is the expert focused on high-quality drilling consumables for mining and construction markets globally, helping you drill Further. Faster. We strive to be number one in drilling consumables. Being #1 means the following:

1 Profitable Growth

Our big goal is to reach 200 M€ in sales and a 10 % market share. Through growth, we strive to be the undisputed leader in the drilling consumables industry.

2 The best value to customers

Our products and services give the customers the best overall value for their drilling consumable spend. Also, through our RobitSave site audit program, we are making a bold promise that we guarantee savings to new customers.

3 The best bit in the industry

Robit's offering consists of high-quality products only. Our R&D efforts put the most emphasis on further strengthening our position as the leading drill bit producer. Drill bits are the common denominator for all our product and application segments.

4 The best service level in the industry

We strive to build long-term customer relationships. To achieve this we must keep our promises, be honest, be responsive to customer needs and live up to our values: *Serve with speed*, *Drive change*, and *Respect everyone*. Following these principles will translate into excellent service in terms of product availability and service with a human touch.

To achieve our vision of being #1 in drilling consumables, we need to succeed on four key pillars:

1 Accelerating growth through distributors

We sell direct to customers in four countries: Australia, South Africa, Peru, and Finland. Direct sales markets are setting the pace for profitable growth. However, to accelerate growth and build sales coverage, we work with our distributor partners. They are key members of the Robit community in executing the strategy.

2 Expanding expertise in drilling consumables

As a focused drilling consumable company, our people understand the business and our customers' needs. We focus all of our efforts on excelling in this business only. We will develop our training curriculum to further increase the knowledge level of both Robit personnel and the wider Robit community.

3 Focusing R&D on delivering the best bit

We continue to deliver innovations into the market and execute the R&D roadmap to deliver the best drill bit in the industry.

4 Being fit for service

Managing the supply chain and availability is key to success in the drilling consumable business. Through a strategic group-level initiative we focus on building excellence in this area and delivering on the promise of the best service level. Being fit for service also means having choices – e.g. we have a core offering that is available from stock and a supporting offering available as make-to-order.

Our strategy is built on being your partner for a more sustainable tomorrow. The industries we work in are key enablers for achieving a greener tomorrow. Energy shifts need metals. Geothermal is a sustainable energy source. Many infrastructure investments go into developing transportation or urban environment that lowers environmental impact. Our key contributions to a more sustainable tomorrow are *reducing CO² emissions in our value chain*, *building sustainable partnerships*, *ensuring a healthy and happy workplace*, and *increasing efficiency throughout the product lifecycle*.



HAPPY NEW YEAR

to all from the Robit team!

Let's make 2023 a rock-solid year together!

Robit

Robit Plc, Vikkiniityntie 9, FI-33880 Lempäälä
Tel. +358 3 3140 3400 // robitgroup.com