

April 3, 2023

10<sup>th</sup> Anniversary Special Edition

## Executive Director's Message

To celebrate our 10-years, a video detailing the formation SIMSA – “The Original Eight “ - was premiered at our 10<sup>th</sup> Anniversary event on March 30<sup>th</sup>, with over 300 people in attendance.



*The 10<sup>th</sup> Anniversary gathering*

The video's title - “The Original Eight” – reflects that there were 8 people who founded SIMSA.



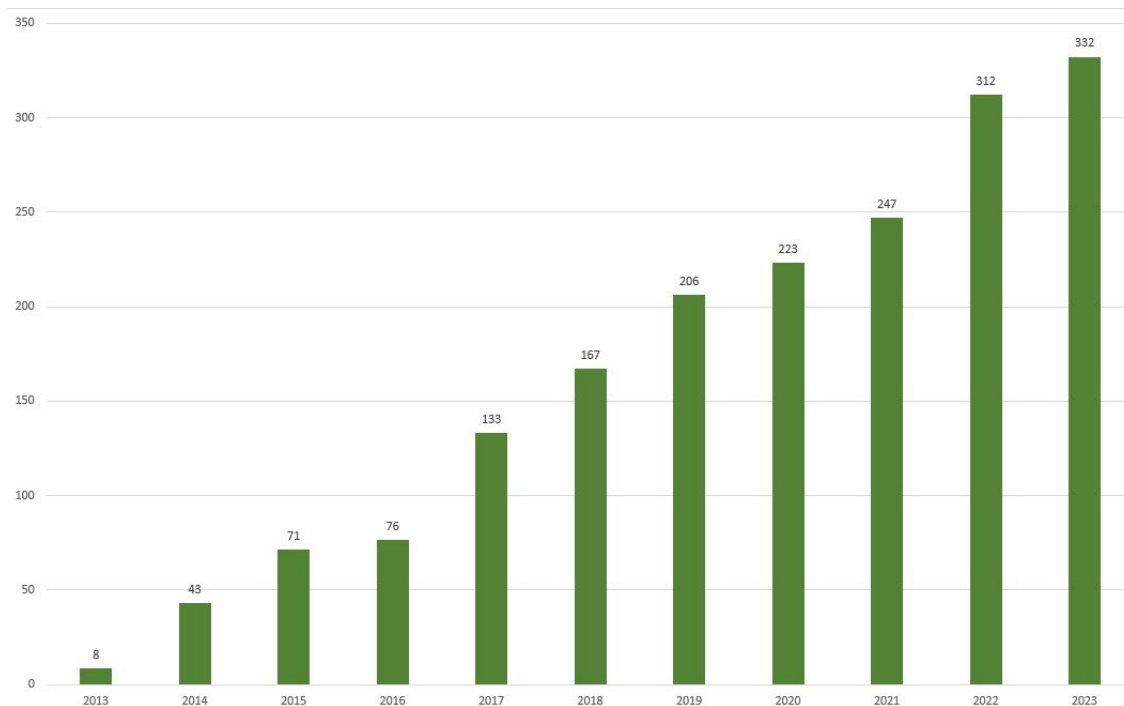
The 15-minute video created by Saskatoon's [Honey Cut Studios](https://youtu.be/kLGoyoBFVKA) – can be seen here: <https://youtu.be/kLGoyoBFVKA>. It details how and more importantly why SIMSA was created, and became well-staged to grow to over 300 members today.

The video is a compilation of interviews with SIMSA's 8 founders:

- Bruce Lyle – GMR Electric Motors Ltd.
- Dwaine Friesen – AJ Machine
- Dwayne Howatt – Continental Mine and Industrial Supply (CMI)

- Francis Nagy – Deca Industries
- Jim Nowakowski – JNE Welding
- Ken Cenaiko – Croatia Industries
- Jim Thompson – Brandt Industries
- Tom Foster – Industrial Machine and Manufacturing (IMM)

SIMSA has operated on the basis of “mutual accountability” – a belief that both buyers and sellers are accountable to each other. It is about working together to achieve a common goal. With that philosophy as a guide, SIMSA has grown and continues to grow.



*SIMSA's Membership Growth*

The 10th Anniversary event itself was MC'd by the International Minerals and Innovations Institute's Chair (and former CEO of the Saskatchewan Chamber of Commerce) – Steve McLellan.

Steve's first job was to introduce a special “grace” in Ukrainian by Bishop Kenneth Nowakowski, who appeared by video from London, England. It was noted that the world has been vastly impacted by the Russian attack on Ukraine. Many people in Saskatchewan have direct and indirect family ties to Ukraine, and even more celebrate Ukrainian traditions. We all feel a sense of grief and a desire to do, or at least recognize something. The rest of the story is, Kenneth is originally from Saskatchewan and his brother is SIMSA co-founder Jim Nowakowski.

After supper, Saskatchewan's Minister of Energy and Resources Jim Reiter extended greetings from the Province of Saskatchewan, and congratulated SIMSA on its success. He also spoke to the Government of Saskatchewan new Critical Minerals Strategy (see Sector News section below).



*The Original Eight “then” – less Jim Thompson (via telephone)*



*The Original Eight “now” – less Dwaine Friesen*

SIMSA’s Board Chair Eric Lamontagne noted how SIMSA’s initial growth started with the first Nutrien (PotashCorp) roundtable, then was strengthened by events with companies in attendance such as Cameco, DEEP Energy, FCL, K+S, Orano, SaskPower, and others. Its next growth spurt began when BHP started using the member database to shortlist local suppliers. Also of note was that the Saskatchewan Mining Supply Chain Forum was another launching pad, which eventually led to an Oil and Gas Forum, which changed to an Energy Forum.

Remarks came from Nutrien’s Josh Dodd, Director Procurement Potash as well as BHP’s Crystal Genest, Principal Business Performance.

“The Original Eight” video was then aired.

Upon its completion, SIMSA’s Executive Director – Eric Anderson – thanked those in attendance, noted several key persons in the development of SIMSA, and spoke to SIMSA’s future.

SIMSA should move into its new offices at Unit 180 – 833 45 St W, Saskatoon, SK S7L 5X2 (the new Orano building) on April 21<sup>st</sup> and begin operations there on April 24<sup>th</sup>.

## Members’ News

[Haztech Now offering full suite of Occupational Health Services in Yorkton, SK](#)

[Sandvik introduces Toro™ LH518iB with AutoMine®](#)

[Team Power Solutions, GMR Electric Motors and STCI Power Solutions are excited to announce that the Kilowatt Cup is back and all proceeds will go to an Indigenous charity.](#)

[Team Power Solutions and indurad Corp. are excited to announce a new strategic partnership in Northern America.](#)

# Carbon Reduction

## **Saving Money with Gas heat pumps**

Gas absorption heat pumps are gaining popularity in heating technology that can help commercial and industrial organizations save money, reduce energy use, and lower greenhouse gas emissions. Unlike traditional furnaces, heat pumps use energy to transfer heat from one area to another.

### **What is a Gas Heat Pump and why should you care?**

Gas absorption heat pumps capture heat from the gas generator powering the heat pump and the ambient outdoor air as an additional energy source and transfer it indoors to provide space heating, hot/cold water, and/or ventilation. By transferring heat, the energy output is **greater than the energy input**, which is why gas heat pumps can achieve efficiencies of more than 100 percent. These units can reduce energy use by up to 35 percent and maintain optimal efficiency levels in colder climates, helping organizations save money and energy year-over-year. Gas absorption heat pumps can also reduce emissions by up to 50 percent when switching from standard-efficiency natural gas equipment.

### **What do they Cost?**

The gas absorption heat pumps range in price and cost between \$15,000 to \$20,000, depending on factors such as installation, piping, and insulation costs. However, this technology offers a cost-effective solution for organizations looking to decarbonize their operations without having to switch to electric heating. Lastly, they require only single phase power (vs at least 2 phase for normal AC) and can reduce the demand charges you pay during the summer.

### **Do they work in Canada?**

FortisBC piloted Robur A gas absorption heat pumps at seven commercial sites across British Columbia to verify energy savings, and results showed organizations could achieve up to 35 percent in energy savings. The company has also been working with 17 organizations through an early adopters offer to install gas absorption heat pumps in their facilities. These organizations include healthcare centers, a university trade and technology center, multi-unit residential buildings and schools, a recreational center, and a fire hall. FortisBC will work with these organizations over the next two years to verify energy savings and evaluate additional ways organizations can maximize energy savings.

There are also other installations across [Canada](#), with great ROIs over the course of the system.

### **Are they reliable?**

Gas heat pumps have been around since the 60s, and have a track record of reliability and durability:

- Long Life
- No compressors or engines

- No mechanical wear and tear
- Less moving parts
- No refrigerant leaking
- Low maintenance required
- Completely sealed refrigerant circuit - no need to periodically recharge refrigerant

**What are the best applications:**

Typical GHP Applications:

- Space Heating Only
- Space Heating & Domestic Hot Water Heating
- Domestic Hot Water Heating Only

Alternating Heating & Cooling Special Applications:

- Simultaneous Heating & Cooling
- Process Applications
- District Heating or Cooling

See here for more information from FortisBC:

<https://www.fortisbc.com/news-events/stories/what-are-gas-heat-pumps-and-how-can-they-save-money-and-energy>

Or:

[https://consortia.myescenter.com/GHP/GHP\\_Workshop-Overview-ESC-110922.pdf](https://consortia.myescenter.com/GHP/GHP_Workshop-Overview-ESC-110922.pdf)

or contact [james.bulmer@simsa.ca](mailto:james.bulmer@simsa.ca) for more information. A future webinar expected.

# Sector News

The Government of Saskatchewan recently announced two key items; (1) a Mineral Exploration Tax Credit and (2) a new Critical Minerals Strategy.

On March 27, Energy and Resources Minister Jim Reiter introduced the Government of Saskatchewan's proposed amendment to The Mineral Resources Act, 1985. The proposed change will bring the Saskatchewan Mineral Exploration Tax Credit (SMETC) from 10 per cent to 30 per cent, making exploration incentives in the province among the most competitive in Canada.

"A key part of our government's Growth Plan is to increase mining exploration and the value of mining exports. Incenting the industry with this tax credit is one tool to help us do that," Reiter said. "This proposed change will improve the province's competitiveness with other jurisdictions, bringing Saskatchewan's mineral exploration tax credit to the highest in Canada."

This enhancement to the SMETC will encourage increased exploration in Saskatchewan and provide new investment and employment opportunities for Saskatchewan residents, including northern and Indigenous residents and companies. Ultimately, increased exploration can lead to new discoveries and major mine developments that will enhance economic activity in the province.

And, on the same day, the Government of Saskatchewan launched Securing the Future: Saskatchewan's Critical Minerals Strategy to drive growth and development of the sector in the province.

"Saskatchewan is a critical minerals leader today and will be a critical minerals powerhouse tomorrow," Premier Scott Moe said. "With our existing expertise in mining and processing, our province has the opportunity to become a critical minerals hub and meaningfully contribute to the global demand for these resources."

The critical minerals strategy supports the objectives set out in the Saskatchewan Growth Plan. The strategy outlines four goals for the sector: to increase Saskatchewan's share of Canadian mineral exploration spending to 15 per cent by 2030, to double the number of critical minerals being produced in Saskatchewan by 2030, to grow Saskatchewan's production of potash, uranium and helium, and to establish Saskatchewan as a rare earth element hub.

Saskatchewan has 23 of the 31 minerals listed on the Canadian critical minerals list. Minerals are considered critical when they're necessary for key products and industries and subject to supply chain disruptions. Uranium, potash, rare earth elements, lithium and helium are just a few of the critical minerals found in abundance in Saskatchewan.

"Critical minerals will be a key economic driver for Saskatchewan," Energy and Resources Minister Jim Reiter said. "Explorers and developers are ready to step up to meet the surging demand around the world, and our province has an important role to play."

“Saskatchewan is uniquely positioned on a global scale to provide key critical minerals to the world and build a secure, stable and sustainable value chain at home,” Trade and Export Development Minister Jeremy Harrison said. “This is a significant opportunity to create jobs and wealth for people in Saskatchewan communities, that is an example of growth that works for everyone.”

Three government programs were also expanded in the 2023 Budget to pave the way for critical minerals development. The Saskatchewan Mineral Exploration Tax Credit (above) was increased from 10 to 30 per cent and the Targeted Mineral Exploration Incentive, which applies to exploration drilling of all hard-rock minerals, was increased from \$750,000 to \$4.0 million. In addition, \$2.4 million was also dedicated to provide better systems for geoscience data collection and reporting, which explorers use when considering projects.

“As Saskatchewan competes for Canadian and international investments, the increases to the Targeted Mineral Exploration Incentive Program and to the Mineral Exploration Tax Credit, are very welcome,” Saskatchewan Mining Association President Pam Schwann said. “They position Saskatchewan to be one of the leading Canadian mineral jurisdictions and will be effective in incentivizing additional investment into Saskatchewan.”

Premier Scott Moe will also be attending the Securing America’s Future Energy Summit in Washington, D.C. March 28-29. At the summit, the Premier will profile Saskatchewan’s new strategy and participate in a panel discussion to highlight opportunities in Saskatchewan to an international audience.

## Advocacy

SIMSA is working on three funding applications, to enable it to hire staff, who will then work to secure SMR manufacturing and installation, as well as nuclear fuel manufacturing work in Saskatchewan.

PrairiesCan and others, have been approached to secure funding, to enable SIMSA to hire a nuclear expert. This person will drive business-development work on SMR and nuclear fuel manufacturing for SIMSA members.

An NRCAN proposal is also being developed in concert with several others, to do research and studies on SMR manufacturing and installation, as well as nuclear fuel manufacturing work in Saskatchewan. This work is ongoing, but should include everything from regulatory work to shop-floor techniques.



Finally, NGen will be approached to fill the funding and other requirement gaps between PrairiesCan and NRCAN.

On another front, in addition to moderating a panel with Cameco and Kazakhstan persons at PDAC – see <https://canadaeurasia.com/event-5027860> (which discussed local impacts of mining in Kazakhstan and Saskatchewan), SIMSA held an event that saw Saskatchewan’s world leading potash miners and engineering firms, meet with the wonderful people of the Republic of Kazakhstan, to begin exploring the development of Western Kazakhstan’s vast undeveloped potash deposits. See <https://simsa.ca/news/simsa-co-hosts-successful-kazakhstan-potash-event/>

The result was a bridge being established between the two countries and planning begun for subsequent meetings and conversations. The event was jointly presented by the Canada Eurasia Chamber of Commerce (CECC) and SIMSA.

The logic for SIMSA to arrange the event with the CECC, was that if Saskatchewan-based potash miners or engineering firms develop the Kazakhstan resource, then the Saskatchewan potash supply chain will be “first call” suppliers. These suppliers will likely establish relationships with Kazakhstani suppliers, to see the economic benefits from their deposits assist Kazakhstan (as we expect the same here).

Further, they are uniquely located adjacent to the key potash markets of China and India – both of which can be serviced by rail. And, while Saskatchewan potash miners already sell into those markets, if they established a physical position in Kazakhstan, they would be able to serve Asian markets from there and balance it with operations here. Of note is that China typically pays the lowest prices of any market for potash.



*Saskatchewan and Kazakhstani persons meet in-person and virtually to discuss potash.*

# Upcoming Events

Register for Upcoming Events [HERE](#)

- **Saskatchewan Mining Supply Chain Forum (MSCF) – April 18 & 19, 2023**  
The MSCF continues to be the event to attend to find out how manufacturers, construction, equipment, and service providers can access mining supply opportunities. As always, this event will take place at Prairieland Park in Saskatoon, SK.
- **SIMSA's 2023 AGM – May 16, 2023**  
SIMSA's AGM will be on May 16, 2023 at Prairieland Park in Saskatoon, SK. Watch your inbox for board nomination submissions.
- **Saskatchewan Suppliers Energy Forum (SSEF) – October 4, 2023**  
The 9th Annual Saskatchewan Suppliers Energy Forum will be on October 4, 2023 at the Delta Hotel in Regina, SK. Sponsorship opportunities will be announced sometime in April. Tradeshow booths and event tickets will go on sale in May.

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