August 1, 2025

## Executive Director's Message

It has been a busy summer so far, with no signs of slowing down at SIMSA. There have been multiple procurement related events and shop visits conducted by SIMSA, strategic planning, political advocacy works, etc. So, this news letter will detail what has happened in June and July, plus preview the next few months.

On June 5<sup>th</sup>, SIMSA hosted a Mining Week event featuring Orano Canada's Louis-Pierre Gagnon, Director of Mining. He presented on their new SABRE Mining technique.



On June 17<sup>th</sup>, SIMSA co-hosted an event with the Saskatchewan Chamber of Commerce, which saw the CEO of the global leaders in graphic communications – Jeff Desjardin, of Visual Capitalists – present on how to turn complex data, into readily-understandable and impactful images. The event attracted not only SIMSA members, but also the communications staff of all the major resource companies in the province plus some government persons.



On June 19<sup>th</sup>, SIMSA held its annual Strategic Planning session, with its current Board members and those that departed in May. It focused on what SIMSA should do more of, less of, for the first time, or never again. The broader goals were then broken into what activities towards these, should SIMSA lead, collaborate on, or research. The session saw a pre-meeting survey completed, that reviewed last year's goals by the above criteria, and then make suggestions for next year's. The session was facilitated by Karri Howlett.

In the end, the focus of simple will remain on increasing local spend and helping our members sell stuff, through a series of initiatives.

SIMSA's leading role in an initiative with WCB and others, to add an injury severity index and leading indicators to safety reporting. We have two goals:

- Change how we are using the lagging health and safety data (i.e. injury rates) today, and
- Shift the conversation to leading health and safety indicators.

As a team, we combined our thinking and developed three new lagging indicators that could reduce the overall reliance on the use of lagging indicators like time loss injury rates:

- 1. Hospitalization rate
- 2. Serious injury rate
- 3. Severity matrix (for medical aid and time loss injuries)

As a team, we combined our thinking to identify three evidence-based, active leading indicators:

- 1. Quality leadership engagements
- 2. Quality pre-job safety planning
- 3. Observations (HECA high energy control assessment)

We are now entering a pilot phase to verify the efficacy leading indicators in the field.

SIMSA has begun soliciting questions for the roundtable event with Nutrien on September 16<sup>th</sup>. Planning is also underway for an event with BHP and another with K+S in November.

The annual Saskatchewan Supplier's Energy Forum is developing rapidly, with renewed optimism for Saskatchewan's oil and gas sector!



### Saskatchewan Suppliers' Energy Forum

#### Oct. 8, 2025 - Delta Hotel, Regina, SK

Presenters include FCL, Cenovus, Saturn, and Whitecap with more to come.







## Member's News

SRC is Improving Measurement of Clays and Other Parameters in Process Flows Using On-line Automation

Benefits and Pensions Monitor has named Sutton Benefits & Pension as a Top Consultant for 2025

Engcomp Spotlights Al Innovation at Industry Event with FPOV's Scott Klososky

Saskatchewan Research Council adds full-scale laser sorter to its mining industry services

<u>MacLean Engineering and Sika Announce a Strategic Collaboration in Underground Mining and Civil</u>
<u>Markets</u>

Falcon Equipment Partners with Canoe Procurement Group's Fleet Upfitting Program

# **Advocacy**

On June 18<sup>th</sup> SIMSA met with Harrison Andruschak to discuss how SIMSA can better communicate and work with the Federal Liberal Party. Harrison is the Senior Special Advisor for Saskatchewan at the Ministers' Regional Office in Regina, where he plays a key role in supporting federal ministerial engagements, regional outreach, and community relations across the province. Since stepping into this role in June 2024, Andruschak has helped advance the Government of Canada's regional priorities through strategic coordination with local stakeholders and community leaders.

On June 23<sup>rd</sup>, SIMSA participated on a call with the Federal Ministry of Finance to discuss tariffs' impacts and resolutions.

SIMSA is part of the Canadian Chamber of Commerce, and Eric Anderson sits on two committees (thank you Candace Laing). One is the Value Chain committee, with companies like Ford and Stellantis. During June's call on the 24<sup>th</sup>, we reviewed resolutions from regional chambers that will be put forward as "Canadian Chamber" items to the Federal government for the upcoming budget.

As Eric sits on the committee, he was able to insert Saskatchewan perspectives – such as including Saskatchewan project examples into various resolutions. The committee agreed and sent the items back for revision. It is simple, but we have a powerful voice.

On July 15<sup>th</sup>, Eric met with Jeremy Patzer Member of Parliament for Swift Current—Grasslands— Kindersley and the Conservative Party of Canada Saskatchewan Caucus Chair. Jeremy and Eric toured SIMSA member Flyer Electric's facility in Swift Current and discussed issues of concern – with a special focus on oil and gas, and helium liquefaction.



Further, as the CPC Saskatchewan Caucus Chair, Patzer plays a pivotal role in uniting and amplifying the voices of Saskatchewan's Conservative MPs within the federal party. His leadership position allows him to influence policy priorities and advocate for the unique economic and social interests of the province. Leveraging his role, SIMSA can collaborate with Patzer to ensure that the concerns and contributions of Saskatchewan's industrial and mining sectors are highlighted in national forums. By engaging Patzer as a spokesperson or champion, SIMSA can effectively promote its initiatives and secure greater federal attention and support for regional industry growth and innovation.

Patzer also holds the pen on the agenda for the CPC Saskatchewan retreats, which SIMSA has had the honour of being invited to participate – for both a shop tour/reception, as well as a presentation. This event sees the participation of 13 Members of Parliament, Senators, etc.

SIMSA will be submitting a Prebudget Submission to the Federal Government on August 1<sup>st</sup>. The document provides the broad logical and descriptions of various requested funding items, that would be beneficial to Saskatchewan's supply chain and Canada.

SIMSA will be meeting with Federal Secretary of State (and Saskatchewan's only Liberal MP) Buckley Belanger in August. The meeting will be to share SIMSA's perspectives.

## **Nuclear**

1) SIMSA's new Nuclear Specialist – Grant Cherkas, P.Eng.

Starting in July, SIMSA hired Grant Cherkas, P.Eng. as its Nuclear Specialist to support SIMSA members in preparing to enter or grow our members business in the nuclear energy industry. Originally from Manitoba, Grant has over 30 years of experience working in the Canadian nuclear industry including previous roles with the CNSC, OPG, and most recently as Vice President of Market Development and Chief Engineer with Westinghouse Electric Canada where he was responsible for engineering, quality management system (including nuclear QA programs and vendor qualification), and development of suppliers and the supply chain.



Building on the foundational work of Tom Kishchuk, SIMSA's previous

Nuclear Specialist, Grant's mandate is to work with SIMSA members, SIMSA, and customers to maximize the amount of Saskatchewan content for new nuclear development in Canada and globally.

2) Supplying the Nuclear Industry Program – Cohort Learning Opportunity

SIMSA is currently developing an Introduction to Supplying the Nuclear Industry Program for SIMSA members who are interested in understanding the nuclear industry quality requirements, and how to enter & grow in the nuclear energy market as a supplier of items and services. The program will be offered twice in the next year as a 12-week, cohort-based course running from September to November and then again as a second course from January to March. More details will be available shortly on SIMSA's website, including registration details. Learning outcomes for the program include:

- General overview of nuclear technology and the industry from a supply chain perspective
- · Understanding of nuclear supply chain opportunities in Saskatchewan and Canada
- Understanding of the nuclear procurement processes in Canada and internationally
- Understand Management System (MS) and Quality Assurance (QA) program requirements for the Supply Chain in a Canadian context
- Introduction to engaging with vendors, suppliers and regulators on MS & QA related issues
- Contributing to safety and performance through effective QA practices
- Mentorship in the development of SIMSA members specific MS and QA programs and processes

 Understanding of resources available to SIMSA members to develop MS and QA programs and processes

#### 3) NRCan Enabling SMRs Funded Project

SIMSA has secured over \$2.8-million in funding from NRCan's "Enabling Small Modular Reactors Program" towards "Accelerating Supply Chain Readiness and Participation in Saskatchewan for SMRs and Fuel Supply." The Project aims to evaluate the capabilities of the existing supply chain in Saskatchewan, including Indigenous suppliers, and identify the technical requirements, gaps, opportunities, and barriers relating to the manufacturing, fuel cycle, construction, and operations of SMRs. The project involves SIMSA, several SIMSA members and other Saskatchewan organizations as partners. The project will focus on 4 areas of SMR deployment:

- Fabrication and Manufacturing
- Fuel Cycle
- Deployment and Construction
- Operations and Maintenance

As the project moves forward, updates will be provided in future newsletters.

4) Support for SIMSA members to participate in the nuclear industry

Grant is here to assist SIMSA members in understanding, entering and growing in the nuclear industry. Please reach out to him with your questions or suggestions on how SIMSA can enable business growth in nuclear. SIMSA members can contact Grant at <a href="mailto:grant.cherkas@simsa.ca">grant.cherkas@simsa.ca</a>, by calling SIMSA at (306) 343-0019 or direct on his Mobile at (306) 291-4423.

## **Member Services**

SIMSA helped arrange a 2-day set of tours in conjunction with CANDU Energy, hosting Adrian Davies, the VP of Supply Chain and Procurement for both CANDU Energy and Atkins Realis.

**Purpose of Tours:** To facilitate mutual understanding between CANDU Energy and Saskatchewan companies regarding capabilities and opportunities related to ongoing CANDU nuclear reactor refurbishments, potential new builds, and supply chain expansion. Tours aimed to demonstrate CANDU Energy's strategies and requirements while simultaneously assessing and highlighting local and Indigenous supply chain capabilities. Special emphasis was placed on sourcing critical components and fostering Indigenous supplier participation

Companies were shortlisted via a few criteria:

- Have selected "Interested in Nuclear" in the SIMSA database
- Have manufacturing/fabrication shops in Saskatoon (time limited, so no travel outside of the city).

Companies visited were Dynalndustrial, Graham Construction, Venables Machine Works, Industrial Machine and Manufacturing, Davis Machine, Standard Machine, and JNE Welding.



Adrian Davies (VP of Supply Chain and Procurement, Atkins Realis) and James Bulmer (Manager of Member Services, SIMSA)

#### **Outcomes and Next Steps:**

 Increased understanding of AtkinsRéalis' project scope, quality management systems, and certification requirements.

- Establishment of preliminary connections with local and Indigenous suppliers interested in partnering on future refurbishment and new-build projects.
- Agreement to continue dialogue on collaboration opportunities, including specific supplier qualification and procurement processes.
- Most companies toured have significant potential for the nuclear island, up to and including N299.1 level components. The rest had opportunity for balance of plant components.

### **Sector News**

BHP has appointed Mark Pickett to replace Jamie Brecht (who is going on sabbatical). Eric has a meeting with Mark Pickett in August.

BHP announced that <u>Jansen is 30% over budget and over a year behind schedule</u>. The July 18 story reads as:

BHP (ASX, LON, NYSE: BHP) <u>revealed on Friday</u> that the first stage of its Jansen potash mine in the Western Canadian province of Saskatchewan will cost up to 30% more and come online a year later than originally planned.

The world's largest listed miner now expects to spend between \$7 billion and \$7.4 billion on the first phase, up from the original \$5.7 billion estimate. First production has been pushed to 2027, a full year behind schedule.

BHP cited "design and scope changes", along with inflationary pressures and lower productivity, as the main reasons for the cost and schedule overruns.

The miner also revealed that the second stage of the Jansen project will now begin production in 2031, two years later than previously planned. BMO analyst Alexander Pearce said the delay of this key expansion, intended to double production capacity and boost returns, was "likely good for potash prices". He warned that it also may add pressure on total project capital expenditure.

BHP has <u>paused the planned \$4.9 billion investment</u> in the second stage and withdrawn its cost estimate, pending further study.

The delay stems from what BHP described as the "potential for additional potash supply" coming to the market in the medium term, as well as a regular review of capital project sequencing under its investment framework.

Potash, used in fertilizer and crop nutrients, is central to BHP's long-term diversification strategy. The company expects global demand to rise alongside population growth and pressure to improve farming yields given limited land supply.

#### A decade in the making

BHP's push into the potash market began in 2006 under then-chief executive Chip Goodyear, who secured the company's first tenements in Saskatchewan.

Successive CEOs kept the momentum. In 2010, Marius Kloppers launched <u>a failed \$38.6 billion</u> <u>bid</u> for the company now known as Nutrien. Andrew Mackenzie later <u>committed \$2.6 billion</u> to early development work at Jansen. In 2021, with current CEO Mike Henry in charge, BHP signed off on the \$5.7 billion investment needed to build the potash mine.

The blowouts at Jansen are significant by industry standards and mirror recent challenges at other large-scale projects. Rio Tinto's underground expansion of the Oyu Tolgoi copper mine in Mongolia, <u>ran nearly \$1.8 billion over budget</u>.

BHP itself has faced similar issues outside its core Australian iron ore business, such as the \$670 million overrun during its \$2.5 billion upgrade of the Spence copper mine in Chile.

In <u>Cameco's Q2 results</u>, there were some changes in leadership noted, as follows:

- Changes to the executive team: consistent with prudent succession planning and with Cameco's ongoing commitment to execution of its balanced and disciplined strategy, effective September 1, 2025, the following changes will be made to the executive team:
  - o Tim Gitzel will continue in his role as chief executive officer
  - o Grant Isaac will be appointed president and chief operating officer
  - o Heidi Shockey will be appointed senior vice-president and chief financial officer
  - Liam Mooney will be appointed senior vice-president and chief legal officer
  - Sean Quinn will assume the role of senior advisor, special projects until March 31, 2026,
     at which time he is retiring
  - Brian Reilly will assume the role of senior advisor, operations until March 31, 2026, at which time he is retiring

Also, the results were entitled, "Cameco Q2 results: strong financial performance reflecting positive momentum for nuclear power; uranium average realized price benefitting from long-term contracting strategy; Westinghouse opportunities driving improved 2025 outlook"

## **New Members**

#### New member to SIMSA from the months of June and July were:

- TR Petroleum Ltd.
- Koenders Manufacturing 1997 Ltd.
- Ironside Energy Services Ltd.
- MPROCS Solutions Ltd.
- Wajax Limited
- WSP Canada Inc.
- MPE, a division of Englobe
- UFA
- Multicrete Systems Inc.
- Insul Fibre Ltd.

# **Upcoming Events**

#### **Register for Upcoming Events HERE**

- Lunch & Learn: BDC September 4, 2025
  - At this virtual event, you will learn how the Canadian economy is evolving, and gain perspectives on trends that are shaping our business environment.
- SIMSA & Nutrien Roundtable September 16, 2025
   SIMSA & Nutrien Roundtable will be on September 16, 2025 at Prairieland Park in Saskatoon.
- Saskatchewan Supplier Energy Forum (SSEF) October 8, 2025
   The 11<sup>th</sup> Annual Saskatchewan Suppliers Energy Forum (SSEF) will be on October 8, 2025 at Delta Hotel in downtown Regina. Tradeshow is now sold out!

- SIMSA & BHP Roundtable November 6, 2025
   Save the Date! SIMSA & BHP Roundtable will be on November 6, 2025 at Prairieland Park in Saskatoon.
- Saskatchewan Mining Supply Chain Forum (MSCF) April 15 & 16, 2026
   Save the Date! Co-hosted by SIMSA, the Saskatchewan Mining Association and the
   Saskatchewan Ministry of Trade & Export Development, the 18th Annual Saskatchewan Mining
   Supply Chain Forum will take place on April 15 and 16, 2026 at Prairieland Park in Saskatoon.

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