

Where there's a well, there's a way

Under new owner Energold, UK drilling rig manufacturer Dando Drilling International is in expansion mode

Right: a Mintec 6 rig being used for gold exploration in Ethiopia

Canada's Energold Drilling Corp (Energold) finalised its purchase of Dando Drilling International (Dando) in January 2011. The acquisition came with a set of strategic objectives to grow the business and just over a year later there are no signs of applying the brakes.

"Since joining Energold we have opened one new office unit and two new factory units," Martin Fitch-Roy, managing director of Dando, tells *GDI*. The offices and one of the factory units have already been in use for six months, while the other factory unit was completed in April. Dando has also recruited around 12 new people across all its departments, including marketing, sales, design and manufacturing.

Continuing to trade as Dando Drilling International, the company's aim for the next 12 months is to double the amount of sales revenue, something it achieved last year. "The only particular challenge we faced [in 2011] was the need to expand our manufacturing and sales resources as quickly as possible in order to deal with an increase in orders," says Mr Fitch-Roy.

Testing the water

Dando's global ambitions, nurtured by Energold's working capital, have saved it from the difficulties of the recession-hit UK and European markets. "We have hardly been affected by this, as nearly 95 per cent of our revenue comes from exporting outside Europe," adds Mr Fitch-Roy.

Dando has identified two areas in which it hopes to branch out. "Since being



part of the Energold group, we are now putting more effort into the mineral exploration drilling sector. A large mineral exploration rig is currently in build for Energold for use in Africa. Further, we are looking to start a water-well drilling services division in the near future," adds Mr Fitch-Roy.

"The water-well and mineral exploration drilling sectors are both showing considerable growth. This has been helped somewhat by the exchange rate. The water-well services division is still in the planning phase. We are currently having discussions with key agents around the world as to where we should make our efforts."

While working with water development organisations throughout the developing world, Dando has recently supplied four large water-well drilling packages to Mozambique and three large water rig packages to the United Nations in Sudan. "We are also currently working on a project for four 40-tonne pullback top-drive hydraulic water-well drilling rigs (Watertec 40s) for Nigeria," he says.

Key water-well projects in 2011 included the supply of five customised truck-mounted Watertec 12.8 rigs for the British Army, a Watertec 24 to a Norwegian non-governmental organisation for use in Somalia and a special customised Watertec 24, with very long jacks and long mast, to the Ethiopian government. In addition to these projects, Dando also shipped four Watertec 10 rigs

to Mozambique for a Japanese grant aid.

"On the mineral exploration drilling side, we provided three large truck-mounted mineral exploration rigs to a major mining company in east Asia," adds Mr Fitch-Roy.

New orders

In March 2012, Dando announced orders for mineral exploration rigs in Indonesia, where an agent is permanently based, with Dando personnel carrying out frequent visits to current and potential customers there.

"We [had] orders for five Mintec 12.8s currently in build – three for east Asia and two for Africa. Four [were] delivered in April and the fifth rig [will be delivered] in May," Mr Fitch-Roy explains.

The Mintec range of multi-purpose mineral exploration drilling rigs is capable of reverse circulation drilling, rotary air blast drilling and wireline drilling. These rigs are track-mounted on a special rough-terrain under-carriage and carry a large, powerful on-board air compressor and a coring pump.

The year ahead

Each of Energold's strategic objectives seems to have been actualised at a very early stage. These were to: profitably expand Dando's core business; source additional rigs for selected customers in appropriate regions; work with Dando's engineers to develop next-generation drilling rigs for Energold; and to build a

Below: Martin Fitch-Roy, Dando managing director





Far left: Dando supplied this bespoke Watertec 12.8 water-well drilling rig to the British Army

Near left: this Watertec 24 rig with extra long jacks was built for the Ethiopian government

separate water-well drilling services division for Energold. So what is next?

"In 2012 it is our intent to target the mineral exploration sector more as we have a new range of rigs specially designed for the mining industry. We are also in the process of recruiting agents in several new

countries, with a particular interest in Latin America," Mr Fitch-Roy remarks.

"Our enquiry level is at the highest it has ever been and we have numerous projects lined up in east Asia, Africa, the Middle East and various other regions that we are very hopeful for. Over the next five

years, our intent is to make Dando Drilling one of the major players in the drilling rig and equipment supply sector. It is still early days for our water-well drilling services division, but we would also like to see this as a considerable force in the next few years." ♥



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