

**Location:**

East Kalimantan

Value:

US\$205 Million

Client:

PT. Kideco Jaya Agung

Contract Type:

Schedule of Rates

Duration:

May 1993 to June 2003

Description of Works:

Thiess Indonesia secured an initial US\$400,000 plant hire contract in May 1993 at the Kideco coal mine in East Kalimantan, Indonesia. This was the start of a project that ran nine years. The initial scope of works was increased and extended until June 1997 with a final value of US\$50M. Thiess then commenced work on concurrent six year interburden and coal hauling contracts having a total value of US\$155M.

The Overburden/Interburden removal contract at a new pit was initially estimated at 76 million BCM in the six year period. By June 1999, the estimated quantity for removal had increased to approximately 130 million BCM. The work was undertaken using a fleet of Liebherr R994, Komatsu PC1600 and O&K RH170 Excavators loading CAT785 and CAT777 dump trucks.

The coal hauling involved loading from the mine site silo and transporting to the port facility 38.5km away. A fleet of heavy duty Volvo FH16 trucks with 13 double bottom dump trailers and total payloads of 100t were utilised for this work. With the recent expansion of the mine, the original contract production of 180,000T/month had been increased to 250,000T/month.

The mine site had an unusual geological formation with the coal seams standing at 80 to 90 degrees vertical. Coal was removed by exposing each vertical seam as the pit was traversed in a horizontal plane. No washing was required, as the coal at the Kideco site had low sulfur and ash contents. Therefore, there was a strong demand for the product due to its environmentally compliant properties.