

# Saskatchewan Mining Supply Chain



## Our Mining Industry

Saskatchewan mineral sales totalled \$7.9 billion in 2019. Natural Resources Canada (NRCan) estimates that Saskatchewan accounted for 14% of national sales value, third highest in Canada.

The province is the largest potash producer in the world, accounting for approximately one-third of total production in 2019, and hosting over half of the globe's potash reserves. Saskatchewan is also one of the world's largest producers of uranium, with the Athabasca Basin containing the largest high-grade uranium deposits in the world.

Saskatchewan is Canada's third-largest producer of coal, producing an average of 10 million tonnes per year.

The province is also home to one of the world's largest fields of diamond-bearing kimberlite. This discovery has led to extensive exploration and evaluation.

Saskatchewan has large underexplored areas with high gold potential. The Seabee Operation produced 112,137 ounces of gold in 2019, a record annual production up 17% for the previous year.

**First in Canada and top ten in the world for mining investment the past six of seven years.**

Fraser Institute, Survey of Mining Companies 2019

In addition, the province has deposits of copper, zinc, nickel, rare earth minerals and platinum group metals as well as various industrial minerals including sodium sulphate and salt.

## Major Mining Companies Operating in Saskatchewan

- Nutrien
- Mosaic Company
- BHP Billiton Canada Inc.
- K+S Potash Canada
- ORANO Canada
- Cameco
- Vale Limited
- Rio Tinto
- Acron
- Yancoal

## Fast Facts

**Total operating mines (2019):** 20, including potash, uranium, gold, coal, sodium sulphate, salt and clay

**GDP (2018):** Minerals and petroleum contribute 25.7% of total provincial GDP

**Total mineral sales value (2019):** \$7.4 billion

**Value of potash sales (2019):** \$6.3 billion

**Exploration expenditures (2019):** \$263.3 million



## Current Industry Activities

From 2008 to 2018, the mining sector has invested \$168 billion into capital projects in Saskatchewan. More recently, focus has shifted towards ongoing operations. This, in part, reflects the current down cycle in commodity prices. While there continues to be long-term opportunities in supplying the mining industry in Saskatchewan, newcomers will need to understand current market conditions and provide additional value or solutions to compete with existing suppliers.

High demand for specific goods and services during the recent build appears to have eased.

In addition to the significant ongoing mining operations in the province, there are several mining projects currently under different stages of evaluation.



## Supply Chain Opportunities

Opportunities for suppliers exist in both ongoing mining operations as well as new mine development. Examples of the types of equipment, goods and services required for standard operations and development are listed below:

### Operating Mines:

- Chemicals and reagents
- Fuels and lubes
- De-dusting oil for potash
- Mobile equipment - trucks, dozers, front-end loaders
- Underground conveyor belting
- Bearings, seals and power transmission parts
- Electrical consumables such as breakers, fuses, switches and fixtures
- Pipes, valves and related fittings, i.e. PVC, steel and copper
- Boilers, piping, forged components
- Electronics and instrumentation
- Logistics, handling and storage
- Reagents and environment
- Bulk cement, explosives
- Diesel fuel, propane
- Maintenance parts – mobile equipment
- Computers and telecommunication
- General service



## Site Services:

- Water
- Waste disposal
- Catering
- Camp accommodation
- Janitorial services
- Pest control
- Onsite security
- Onsite medical
- Transportation
- Internet and phone
- Storage shelters

## Key manufactured goods for new mine development:

- Pumps and piping
- Valves and fittings
- Concrete
- Electrical
- Steel and fabrication Equipment

## Surface Construction:

- Mill/product storage/ flotation buildings
- Cyclones
- Grinding equipment
- Scrubbers
- Pumps and piping
- Dryers
- Thickeners
- Tanks and storage bins
- Conveyors
- Bucket elevators
- Boilers
- Centrifuges
- Overhead cranes
- Compressors
- Fire protection systems
- Process control equipment
- Process chemicals
- HVAC equipment
- Agitators
- Belt scales
- Transformers
- Switch gears

## Underground Construction:

- Walking/drill rigs and drill bits
- Ultrasound measurement equipment
- Hoist rope/wire rope
- Winches
- Pumps
- Electrical equipment
- Hydraulic motors
- Conveyors and components
- Fans
- Scoop trams
- Limit switches
- Cranes
- Crushers
- Screens
- Rock drill lifts
- Instrumentation
- Load and hauling machinery
- Raise bore systems
- Specialized mine vehicles
- Rock tools
- Explosives and suppliers
- Rock drills

## Events and Resources

### ***Saskatchewan Mining Supply Chain Forum***

This annual event provides a venue for mining project, procurement and operations personnel to meet with manufacturing, equipment and service companies to discuss opportunities in the mining supply chain.

The forum attracts over 900 participants who represent mining, engineering and supply chain companies.

Forum attendees hear presentations delivered by organizations such as Nutrien, BHP Billiton, AREVA, Cameco, Mosaic, SNC Lavalin, AMEC and Hatch. The forum tradeshow also provides attendees with the opportunity to network and connect with mining and engineering companies from across the province. <https://mscf.ca/>

### **How to Successfully Access the Mining Supply Chain**

This guide provides key information to Saskatchewan manufacturers interested in understanding the potash and uranium industries. The guide describes opportunities and the process of becoming a successful preferred supplier. The guide also provides insight into the characteristics mining companies look for in suppliers.

[www.publications.gov.sk.ca/details.cfm?p=81697](http://www.publications.gov.sk.ca/details.cfm?p=81697)



## Your Connection to Suppliers

Saskatchewan Manufacturers and Suppliers Guide provides information about locally manufactured equipment and related services, searchable by company name, NAICS, community and product.

### [Saskatchewan Manufacturers and Suppliers Guide](#)

The Saskatchewan Industrial and Mining Suppliers Association (SIMSA) provides information on a broad range of member equipment along with goods and services supplied to the oil and gas industry. [simsa.ca](http://simsa.ca)

## The Saskatchewan Advantage:

### An Ideal Place to Conduct Business

Local businesses interested in expansion and out-of-province companies exploring new opportunities can benefit from the Saskatchewan Advantage.

- No corporate capital tax on new capital investment
- No payroll tax
- No health insurance premiums
- 6% provincial sales tax, the lowest of the nine provinces that have a sales tax
- 12% corporate income tax rate
- 10% corporate income tax rate for manufacturers
- 14.75% top marginal personal income tax rate, fourth lowest in Canada

### We Provide

Detailed information relating to Saskatchewan suppliers  
Information about Indigenous businesses and communities

Business-to-business support, connecting companies to suppliers and the business community

Information on our programs and services

### For more information, contact:

**Michele Grella**

Specialist, Supply Chain Development

Saskatchewan Ministry of Trade and Export Development

219 Robin Crescent Saskatoon, SK S7L 6M8

Phone: (306) 933-5751

Cell: 306-227-1541

E-mail: [michele.grella@gov.sk.ca](mailto:michele.grella@gov.sk.ca)

Visit [saskatchewan.ca/invest](http://saskatchewan.ca/invest) to learn more about the province's key economic sectors.