

# DIVISION OF PRODUCTION, COORDINATION & ENGINEERING

## OVERVIEW

The shared services provided by the Division of Production, Coordination and Engineering for Sharpe currently has four (4) full time dedicated employees to manage all work coming in – from the initial enquiry until the product goes out the door, however, another nineteen (19) full time employees working to produce a quality product using a range of equipment that is extremely well suited to the type of work that we do.

The products that are manufactured in Roma have evolved and become more complex over the last twenty (20) years and this plan outlines the key goals and objectives that will build the foundation for the future certification and product growth that is needed for Sharpe to remain at the top of our field.

This plan is achievable in the current market situation and aligns well with the complete Strategic Plan for Sharpe Engineering.

### Goal / Objective 1: Packaging

- Train all school-based and first year apprentices in the correct packaging procedures. **In Progress, 2-3 school base apprentices currently being trained**
- Improve the time taken for packing finished items by organising the flow of work in the area. Waiting on Jib Cranes ( Possibly 2off 1for the inspection area and 1 outside for the packaging / painting area
- Install a jib crane c/w electric hoist for the packaging area. **As above**
- Have the GP30N 3 ton Caterpillar forklift delivered **Completed Forklift in Roma**
- Either trade in the Hyster forklift on a new Toyota forklift of the same capacity or completely refurbish. **Order in place for 4.5T Toyota diesel forklift awaiting delivery**

### Goal / Objective 2: Talent Development

- Implement a Train the Trainer program to improve professional development expertise in

the area of connection inspection for the Production Engineer. In progress, Patrick has started to spend a little bit of time with Jacob

### Goal / Objective 3: Pipe Handling Systems

- Design appropriate handling systems for all lathes. Jack is forwarding the basic design to Colin to review and put in some dimensions of the existing rack.
- Design and build the handling system with rollers, jib cranes and electric hoists at the phosphate dipper and lathes for pipe handling. Only require pipe handling system. Rollers have been machined. Need to organize cylinders and final design prior to going any further

### Goal / Objective 4: Storage & Handling

- Design the bar stock rack with a stable, flat and level surface allowing for adequate access for personnel and machines involved in material handling. Colin and myself had looked at this and can not see anything required here. Rack has been painted on ends, stenciled with SWL and marked for the bar sizes
- Design a gantry crane for loading and unloading the racks. Not started yet

## DIVISION OF CHINCHILLA

### OVERVIEW

The Sharpe Engineering Division of Chinchilla was formed when we purchased the Osmac International Pty Ltd Chinchilla Division, December 23, 2015, and by changing the name of the existing Sharpe Engineering (Hardbanding Services) Pty Ltd to Sharpe Engineering (Chinchilla) Pty Ltd.

December 29, 2015 saw the first employee for Chinchilla commencing his induction into our company and since then, we have identified two (2) very capable employees to share the role of Chinchilla Coordination Manager.

The Sharpe Chinchilla facility builds upon a market opportunity to provide a reliable, capable and efficient machine shop that is convenient to the locations of QGC, Arrow, Origin and their work in and around Chinchilla, Dalby and Miles.

This plan aligns well with the complete Strategic Plan for Sharpe Engineering by offering a facility that reduces transport costs to our clients whilst increasing our exposure to clients through a more localised solution.

### Goal / Objective 1: Become Fully Operational

- Obtain all required certified gauges required for quality compliance. **All gauges and measuring equipment have been purchased and are in Chinchilla**
- Get the workflow started: -
  - o QGC Subs – storage in 2 x containers
  - o QGC Tubing
  - o Sub Manufacture
- Become fully operational in threading pipe

**QGC subs have arrived, have been collated and entered into the smart sheet**

**QGC tubing still being machined in Roma as we have excess material belonging to QGC. Next job of 3-1/2" should be done in Chinchilla**

**Savannah drill collars and drill pipe repairs have commenced be carried out**

### Goal / Objective 2: Talent Development

- Implement a Train the Trainer program to improve professional development expertise in the area of correct gauging procedures for the Chinchilla tradesmen. **In progress with Tyson**
- Implement a Train the Trainer program to improve professional development expertise in the area of administration and coordination procedures for the Chinchilla Coordination Managers. **This had commenced however now on hold until we can get the phone line sorted out. Gil and Glenn were working with Kevin on this as things occurred**

### Goal / Objective 3: Develop Cultural Systems and Remove Fear

- The Chinchilla Coordination Managers to establish relationships with Arrow, QGC, and Origin personnel in and around Chinchilla. **In progress as jobs come up. Glenn building good relationships with Savannah**
- Engage the local community by advertising a preference to employ local tradesmen, labourers and apprentices and set up accounts with local suppliers. **Do not require any more employees at this stage**
- All Chinchilla employees to have a strong safety culture consisting of shared beliefs, practices and attitudes resulting from taking on board Sharpe's Vision, Mission, Values, Policies & Procedures. **Will need look into a notice board and display**

### Goal / Objective 4: Capacity Planning

- Design, build and install a quality compliant phosphating system. **Phosphate tank in Chinchilla and being used, Jack and Jon waiting for a couple of components to complete. Racks and area still need a little sorting out to be made permanent**