



Safety Focus

Hi Everyone,

This column marks the first of a new series on health and safety that I will be writing for PenneconTalk. Today there is a lot of talk of "safety culture". If you haven't heard the term before you may be wondering what it means. Simply put, "Safety culture is how an organization behaves when no one is watching."

It is easy for us all to pay attention to the safety rules and procedures when we are being watched, but the true measure of our commitment to safety is found when no one is around to check our behavior. Pennecon Limited is dedicated to creating and supporting a thriving safety culture.

There are a number of attributes that make up a safety culture and I'd like to share a few as food for thought. A thriving safety culture is one that:

- 1) Advocates safety as a core value
- 2) Demonstrates strong leadership
- 3) Empowers individuals to successfully fulfill their safety responsibilities
- 4) Ensures open and effective communications.

With these attributes in mind I ask that each of you take a renewed approach to do your own part in the development of our safety culture. With an eye to the future and a commitment to constant improvement we can all help to make Pennecon Limited a leader in Health and Safety, both locally and across Canada.

Mike O'Reilly
Corporate HSEQ Manager



Long Harbour office.



A Move to Better Serve Clients

Pennecon Energy Industrial Services has moved to Long Harbour to better serve the needs of clients involved in the construction of the Vale processing plant. For the past six years, the company's offices were located in the Vale Demonstration Plant in Argentina

Gary Keating, Placentia Bay Region Area Manager for Pennecon Energy, explains that the time was right for this move and the new location offers more space to serve clients' needs. "The new office in Long Harbour includes 800 square feet of shop and storage space, providing a considerable amount of room to serve our growing needs and that of our clients," he said. "With major developments continuing in the region, we're optimistic that there are opportunities for continued expansion."

Gary says that the company remains strongly committed to providing the same first-rate service to all clients in the Placentia Bay region. "Our clients are very important to us," he said. "We look forward to continuing the relationships we have forged over the past number of years in the commercial and construction industry and are excited to build new relationships in Long Harbour."

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Long Harbour Site.



Plenty of Excitement in Long Harbour

Earthworks Plant Site Development in Long Harbour continues to keep Pennecon Heavy Civil Ltd. busy, but that's not the only work the company is doing in the area. In June, Pennecon Heavy Civil Ltd. was awarded an extension to the current CC0001 Earthworks contract.

In addition, the company was awarded two jobs as a subcontractor to M&M Engineering Ltd. – Temporary Water & Sewage Systems and Concrete Foundations to the Main Warehouse.

Pennecon Heavy Civil reaches safety milestone with 850,000 hours worked without ANY lost time. Well done team!

In September, work began on yet another contract, the Wharf-Marine Development work at the Long Harbour Processing Plant. It involves the selective demolition of the existing wharf structure, driving

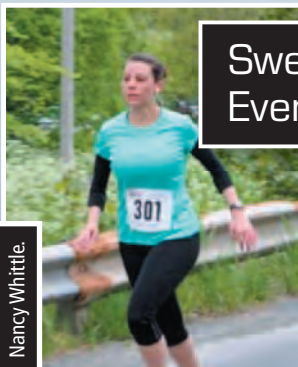
pipe piles, construction of concrete beams and deck structure, and rehabilitation repairs on sections not being demolished. There is dredging, construction of rock reefs for fish habitat, and installation

of armour stone protection along the existing shoreline. This project is a joint venture with McNally International/ Marine based out of Hamilton, Ontario. Project manager, John Shortall, said "Pennecon Heavy Civil is eager to dive into this project with a reputable company such as McNally International and work together to produce positive results".



Crusher in Long Harbour.

Throughout all this work at Long Harbour, Pennecon Heavy Civil reached a safety milestone with 850,000 construction man hours worked without lost time. "All employees with Pennecon Heavy Civil Ltd. have made a commitment to themselves and to the company to work in and promote a safe workplace. There is no reason why any Pennecon employee should be hurt or be involved in unsafe activities on any of its projects," said Vice-President Brad Cole. "Everyday everyone needs to ask themselves what can I do to make sure I get home unharmed or is this activity safe to perform? If we make this a regular part of our daily routines then we will continue to succeed as a player in this industry. Safety has to be a way of life, a culture, and not just a task. Let's all work to promote a safe work place and make PHCL a positive experience for us all."



Nancy Whittle.

Sweet Treats Bring Even Sweeter Reward

When opportunity knocked, Pennecon was quick to answer and help out a great cause. It started when Nancy Whittle, a Vale employee working on the Long Harbour site, began her fundraising initiative for Joints in Motion, an event that supports The Arthritis Society of Canada. Deidre Puddister, Pennecon's Environmental Manager, was on site and heard about Nancy's good deed and

was quick to contact Rod Mercer and Betty Nolan to see if Pennecon might be interested in making a donation to this very honourable cause.

After some thought, a decision was made: a lemonade and ice cream afternoon power break. With a minimum donation of \$5 per person, employees enjoyed a refreshing beverage and treat, all the while knowing that they were contributing to a great cause. When the lemonade and ice cream was passed out, the group had raised \$525. Pennecon went the extra step and topped off the amount to \$1,000.

It was the kind of break that brought a smile to many faces, and put Nancy's fundraising in motion!

Larry Puddiser and his dog Axel.



Team Axel helps SPCA

All tails were wagging at the 2010 SPCA Walk for the Animals in Bowring Park. On June 27, Larry Puddister and his dog Axel joined others and their four legged friends for this fund-raising event.

With the help of Pennecon employees, **Team Axel** raised \$8,570.00 this year for the SPCA Walk, which was the highest amount raised by any team. This was achieved with the help of many Pennecon employees. Those who donated a minimum of \$5, were given the chance to fill out a ballot for several prize draws. Because **Team Axel** did raise the most money, the SPCA awarded Larry with prizes, which he then passed on to the Pennecon winners.

This event is just another wonderful way Pennecon contributed to the community and gave back. It was also a great chance to help the SPCA in the amazing work they do everyday.



PENNECON

Talk

Construction site ABC building.



Exciting news for ABC; expanding across Vancouver Island

ABC Precast and Ready Mix Ltd. is sharing big news; it has purchased a new state-of-the-art *Quadra Controls* Plant to be erected in Parksville B.C. Construction is currently underway on the plant.

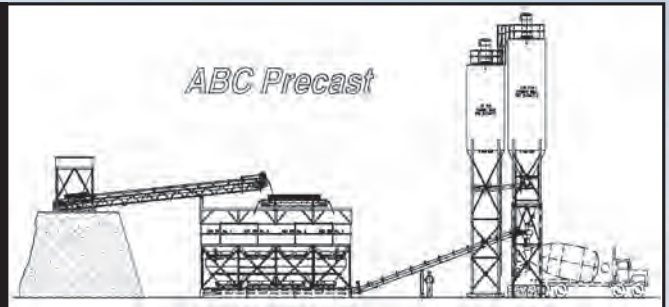
The plant will provide job opportunities for six new employees and will serve the Parksville and Qualicum markets stretching as far north as Courtenay and as far west as Port Alberni.

AJ Hustins, General Manager of ABC Precast & Ready Mix Ltd. is very excited about the new acquisition and the opportunities it offers. "Historically, this area has been the largest growth area on Vancouver Island and we anticipate that will continue over the next 50 years. Building a plant in this growing market allows us to provide services to virtually all of Vancouver Island," he said.

Once ABC opens its doors for business late this Fall, the company will solidify its position as the leader in the concrete industry. It will be the largest producer of concrete on Vancouver Island and the only ready mix company in all of B.C. to have CSA (Canadian Standards Association) certification for all facilities.

"We are excited about our expansion into a new market. We hope to be producing concrete in our new location by mid December and have both locations operating at full capacity by the spring," added Hustins. "We look forward to serving more clients across B.C. and we are in great shape for continued growth in the future."

2010 drawing of building.



Welcome to Pennecon!

Pennecon is pleased to welcome new members of the Heavy Civil Team.



Todd Oldford joined Pennecon as a Project Manager in April of this year. Todd has worked his way across Canada and parts of the United States to find a place in his home province of Newfoundland and Labrador. Hailing from Port Blandford, Todd holds a Bachelor of Civil Engineering degree from Memorial University, and has gathered years of experience while working various jobs, including the

NF Transshipment project, SH130 Texas Toll Highway, Capilano Bridge in Edmonton, Vancouver Elevated Guideway and more. When he is not busy with Pennecon, Todd can be found kayaking, hunting or on the green playing a round of golf. Another favorite pastime of Todd's is spending time with his 7 year old daughter, Sophie. Welcome Todd!

Mike Kingston transitioned to Pennecon Heavy Civil from Atcon in March of this year as Quality Manager on the Long Harbour project and has recently expanded his role to Quality Manager for Pennecon Heavy Civil Ltd. Mike is from Miramichi, NB and is a mechanical engineer by trade. He spent 15 years in the mining industry and has held various positions in the maintenance and project management field. For the past five years, Mike has been working in heavy civil construction, focusing on quality and project management. Mike currently resides in New Brunswick with his wife and three children: ages 7, 11 and 13. Welcome Mike!



Finally, Pennecon Heavy Civil would like to take an opportunity to welcome some new employees who transitioned from Atcon Construction Limited in March - **Danny Michaud** and **Steve Landry** – Planner/Schedulers and **Chris Alward** and **Shawn Dunn** – QA/Field Inspectors. Welcome aboard!



Pennecon New Energy Ad.



Pennecon Energy Restructuring to Meet Industry Demands

Pennecon Energy recently restructured to provide a deeper and more integrated service, in order to meet the demands of the industrial and oil and gas sectors. This evolution has resulted in a comprehensive suite of service resources, dedicated service leaders and a fully integrated safety and quality-focused management team.



"This move was a response to our growing industry and will allow our company to excel at service delivery, while at the same time improving on integration of quality service, safe work practices and project management controls across our entire spectrum," said Don Noseworthy, Senior Vice-President, Pennecon Limited Energy Division.

Pennecon Energy has realigned several existing companies and added a new one. These include:

- Pennecon Energy Technical Services (formerly Ozark Services Ltd.)
- Pennecon Energy Hydraulic Systems (formerly Hydraulic Systems Ltd)
- Pennecon Energy Marine Base (formerly Bay Bulls Marine Terminal Inc)
- Pennecon Energy Industrial Services (formerly Penney Industrial Ltd)
- Pennecon Energy Projects Group (New)

The renewed Pennecon Energy reflects a tighter management structure and improves existing multi-disciplined resources. As part of the restructuring, the following new appointments were made:

- Paul Stanley - appointed General Manager of Technical Services and Strategic Planning for the Energy Division
- Laudric Jenkins - appointed General Manager of Finance and Administration for the Energy Division
- Eddy Knox - appointed General Manager of Pennecon Energy Hydraulic Systems
- Rhonda Devine - appointed General Manager of Pennecon Energy Technical Services

On June 10, 2010 a reception was held to in recognition of the new structuring and unveiling of the new signage.

"These individuals are a combination of long-time employees and founding owners who bring unmatched professionalism and great skill to the Pennecon Energy team," said Don. "With their collective guidance, clients will become accustomed to even more proactive service recommendations." With its well-established and highly skilled professional and trades people, Pennecon Energy is solidly positioned to work with its partners in the oil and gas industry.

New Contract for Capital Ready Mix

In April, Capital Ready Mix Limited was awarded the contract for the supply of 120,000 cubic meters of concrete for the Vale Nickel Processing Plant in Long Harbour. This contract consists of the supply of two concrete batch plants and mixer trucks to accommodate concrete work that is well under way. Capital Ready Mix is excited to be supplying concrete to the Long Harbour project, and would like to welcome employees at the Long Harbour site to the team.



L to R: Maurice Spurvey, Walter Edwards, Tom Murphy, Bill Best, Pat Guiney, Albert Bailey, Mike McCormick, Wanda Coombs, Shane Farrah, Gerry Hynes (Missing: Victor Petten and Wallace Bailey)

Ches Penney Receives Canada's Highest Order

Ches Penney received Canada's highest civilian honour on June 30, 2010, when The Honourable Michaëlle Jean, Governor General of Canada, announced Mr. Penney's appointment to the Order of Canada. This prestigious award recognizes lifetime achievement, dedication to the community and service to the nation. Mr. Penney was nominated "as a business leader, for his contributions to the economic growth of his region and for supporting a variety of charitable and non-profit organizations."



"The Order of Canada is a great honor and I am so grateful to all of the people who have worked so hard to bring the Penney Group of Companies and Pennecon to where they are today," said Mr. Penney. "I share this Order of Canada with all of those who have contributed, in large ways and small, to the overall success of our company."

This is the latest recognition for Mr. Penney. He has been recognized for his hard work and dedication for many years now. In 2002, he was inducted into the Junior Achievement NL Business Hall of Fame and he accepted the Atlantic Ernst and Young Entrepreneur of the Year Award. He has received awards and recognition for his various charity work and many donations to healthcare, education and other local initiatives. Furthermore, Mr. Penney received an honorary Doctor of Laws Degree from Memorial University of Newfoundland in 2005.

Mr. Penney and the other appointees will receive their insignia at a ceremony later this year.

In Memory of Ronald Nugent

On September 29, 2010 our friend and colleague, Ron Nugent passed away suddenly. Ron worked with Pennecon since 2007 as a boom truck operator. He was also a shop steward with the Operating Engineers, Local 904. Hailing from St. Alban's, Newfoundland, Ron will be sadly missed by his loving wife and three children, as well as many friends and co-workers.

In an effort to support Ron's family through this difficult time, the companies and employees at the Long Harbour processing plant site, donated funds in Ron's memory.

On behalf of all of Ron's friends and co-workers at Pennecon, we offer our sincere condolences to his family. Our thoughts and prayers are with them.

Employee Profile: Ray Pottle

Currently in his impressive 25th year of service with Pennecon, Ray Pottle's career with Capital Ready Mix all started with a visit to the plant back in the summer of 1985. After stopping by one day to speak with Victor Petten, the lead hand at the time, and Chris Penney, Ches Penney's son, Ray was soon called back for a chat.

"Chris informed me that Capital would be supplying ready mix for the first Newfoundland building downtown and they needed a truck driver." And so began Ray's longstanding position as a Ready Mix Driver.

As a Ready Mix delivery driver, Ray works out of the Capital Ready Mix office located on the Trans Canada Highway about one kilometer east of Paddy's Pond in St. John's, Newfoundland. Before joining Pennecon, Ray began his career in the construction business with Sun Construction in 1974, doing contract work for Newfoundland Power. In the spring of 1976 he took a job with Atlantic Paving, driving a dump truck and operating asphalt-paving equipment. Then, in 1980 he moved on to work with Polar Construction, operating heavy equipment, truck driving and snow clearing. Five years later, Ray joined Capital Ready Mix, and he's been a driver with the company ever since.

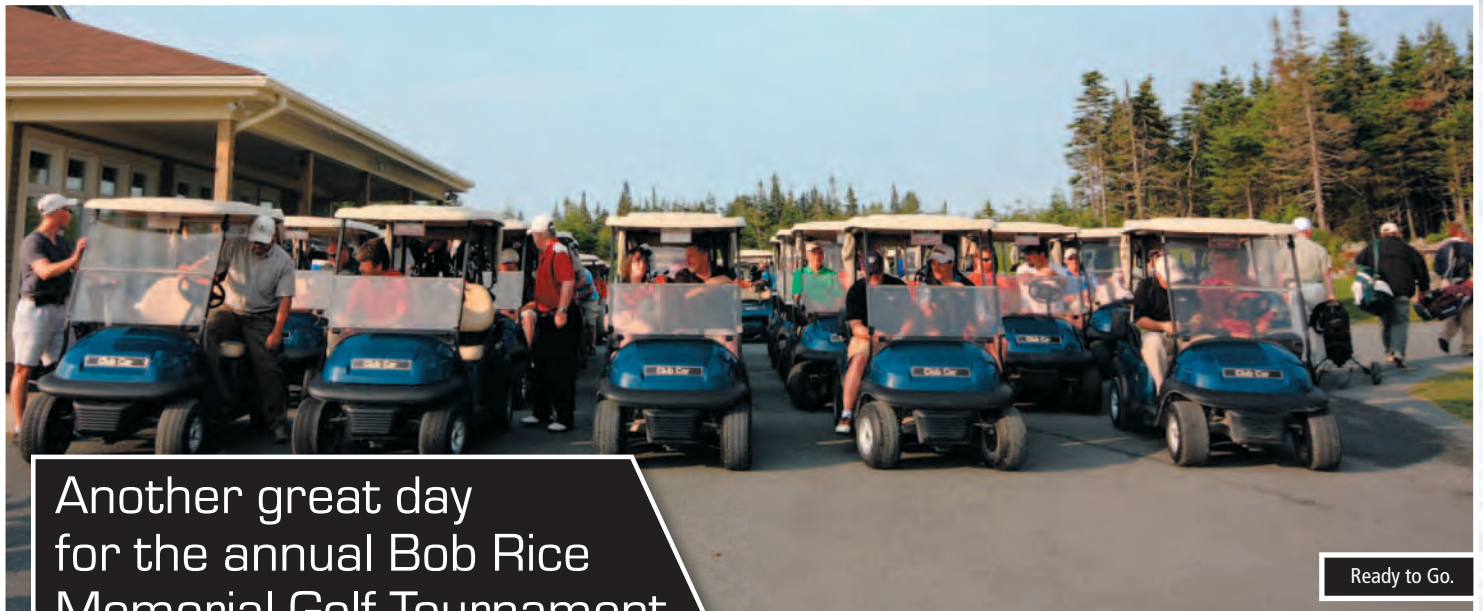
As a proud member of the Pennecon team, Ray has always believed that the most important value of any organization is the ability to serve and satisfy its customers so they remain loyal.

Ray says that his greatest accomplishment has been his successful marriage and his children and grandchildren. "My wife Faye and I have raised three wonderful self-supporting kids, Edward, Vanessa and Rayna, in our 34 years of marriage together," said Ray. He is also inspired by his four grandchildren, Sophie, Aiden, Perry and Jorja, who he says are the stars of his life. When he's not with his family, Ray enjoys hunting, fishing, ski-dooing, motorcycling and small-scale crop farming.

When asked of his funniest memory over the past 25 years with Pennecon, Ray shared this story of a prank he played on a co-worker. "I told a co-worker that I had heard on the news that the Bell Island Ferry had been hijacked, when in fact I had heard it was going to Long Pond for repairs," said Ray. His co-worker bought the story and began to alert others. "As I watched my co-worker working his way through the truck yard and calling people, including his own mother, to share the story of the so-called hijacking, I couldn't contain my laughter," said Ray. "By the time I shared the truth with him, the entire truck yard and many of his friends and family had heard the news of the 'so called' ferry hijacking. To this day, people still bring it up and he still utters a few nouns at me, but shares in the chuckles as well."

A true comedian at heart, when asked what he would do if he won the lottery, Ray disclosed, "if I won the lottery tomorrow, I would go up to Jason's office and recite a couple of lines from Johnny Paycheck, you know the one that goes 'take this job... ' just kidding!'"





Another great day for the annual Bob Rice Memorial Golf Tournament

Ready to Go.

Pennecon held its annual **Bob Rice Memorial Golf Tournament** at Glendenning Golf Course on July 9. With 135 people in attendance and roughly \$10,000 raised, this year's fundraiser for Mobile Central High School was a huge success.

The golf day started with a performance by the Signal Hill Tattoo during registration. With all teams eager to get to the greens, Mr. Penney toasted the late Bob Rice and the day was underway with a shot-gun start. It was a beautiful day filled with sunshine and temperatures soaring to 27 degrees.

When everyone finished their round of golf, prizes and give-a-ways were presented to the golfers by various suppliers and sponsors.

Although there was no lucky hole-in-one during the golf day, a Toyota Rav4, sponsored by Toyota, and \$10,000 sponsored by Wedgewood Insurance, was up for grabs.

This year's event was another fun filled and exciting day for golfers and organizers alike. The funds raised will be used for various initiatives at Mobile high school.



A Toast to Bob Rice.

ABC/Pennecon wins in Nanaimo, BC

With a squeaky-clean cement mixer, trimmed with the finest streamers and décor, the ABC/Pennecon team took second place in the *Sail Past on Wheels Fun Parade*, held in Nanaimo, B.C. on July 24, 2010. The big win came in the best "Auto Entry" category.

As part of the 43rd running of the Great International World Championship Bathtub Race & Nanaimo Marine Festival, this parade is a popular attraction during the week-long celebrations. Since the first Bathtub Race in 1967, people have come to Nanaimo from all over the world to enter their contraption in this exciting and unique competition and parade.

Chad Schmitke, a Ready Mix driver, and his son Dakota represented ABC/Pennecon in this famous event. "I was proud to be part of an event like this," said Chad. "It was great to see all the creativity and fun had by all." In this one-of-a-kind parade, Chad and his son were joined by various floats, vehicle, bathtubs, and even a handful of Elvis impersonators.



Chad Schmitke, a Ready Mix Driver, and his son Dakota.

Your Comments
are Welcome!

Please forward your suggestions, comments and questions to Erin Curran via email to erin@m5pr.ca, or by post to:

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