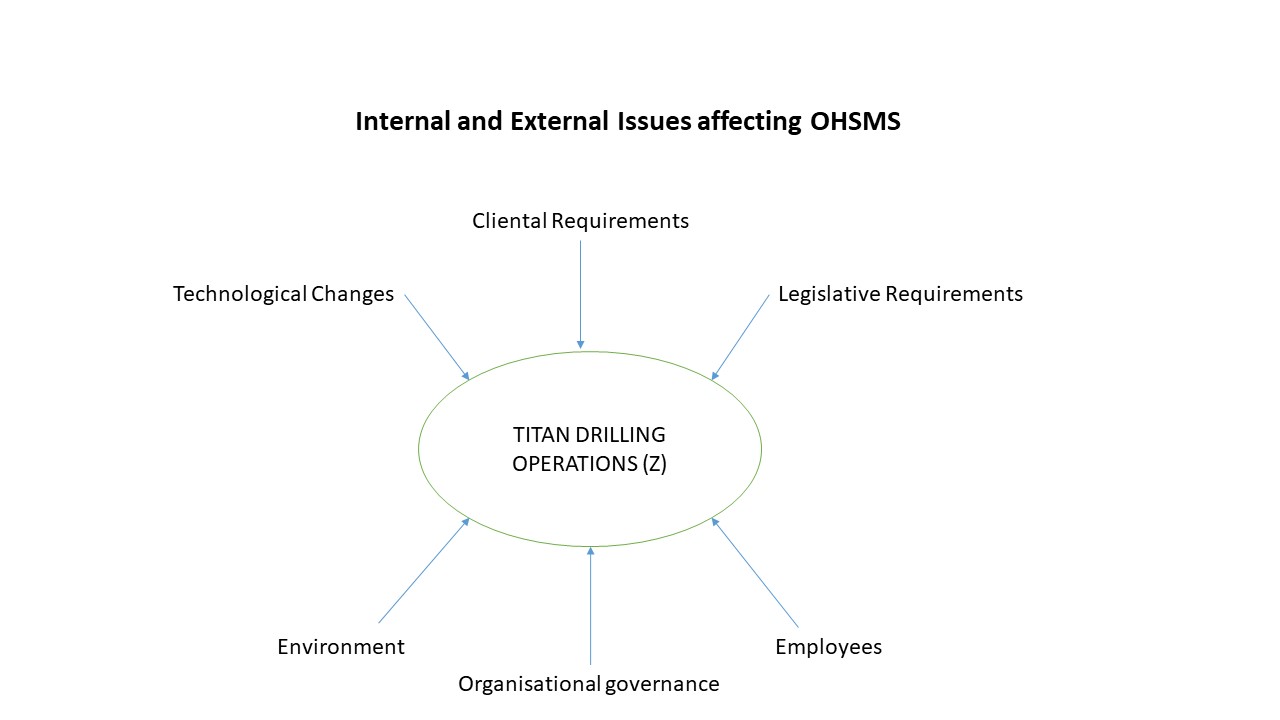
**4.1 UNDERSTANDING THE ORGANISATION AND ITS CONTEXT**

There are a number of factors that may have a direct or indirect effect on the intended outcome of the Occupational Health and Safety Management System. Herewith issues that have been considered:



1. Other requirements

Clients require health and safety standards and procedures to suit their operations. In the event of a conflict or duplication of standards, those implemented by the client supersede Titan Drilling’s. This includes and is not limited to equipment check-lists, hazard identification and risk assessment formats and emergency response plans. Having to conform to their requirements is a major stumbling block in the uniformity of our OHMS as different clients use different documentation and procedures.

With the OHSMS implemented, it is necessary to keep abreast with International standards. An example being the transition from OHSAS 18001 to ISO 45001.

1. Legal requirements

Legislation is silent on some issues and as a reputable player in the industry we have to comply with the “best practice”.

Acts of Parliament and their amendments through Statutory Instruments. Should there be any changes in legislation, the legal register will identify this and will highlight if there are to be any changes to the system.

* Mining regulations (SI 107 of 1971 and SI 95 of 1973)
* Municipal regulations

1. Employees

Employees play a major role in the effectiveness of the OHSMS. Employees have to be informed, they need to understand, be a part of, participate and compliment the OHSMS. Communication with the employees has to be done and each respective policy and procedure communicated. As those who are directly affected by its implementation, employees’ participation is required.

1. Organisational governance

The organisation is the master of its own destiny. The attitude and support given by Top Management in the design, documentation, implementation and continuous improvement of the Occupational Health and Safety Management System is imperative. Top management are to ensure that there are adequate resources to ensure that the drafting and roll-out of the OHSMS is effective and complies to the requirements of its intended outcome. Personnel should be of a level conversant with the standard. Staff should be given the time with employees to ensure that the training is effective.

The management and supervisory structure should be aware of their roles and responsibilities in the effective roll-out and maintenance of the OHSMS. Each level of staff should have clearly defined functions as to what part they play. The culture of the management staff towards Health and Safety will determine the effectiveness of the OHSMS.

1. Environment

The environment that we work in determines the effectiveness of the system. Depending on where we work, there may be different ways in which the implementation of the system is conducted. For example, there are requirements for working in a mining environment as opposed to working in an exploration environment. The effects of Climate Change have an impact on our operations.

Baseline risk assessment will identify this.

1. Technological and supplier changes

Equipment in the industry changes and so do the risks. Controls are put in place including Safe Working Procedures and training of employees. An example is the transition from mechanical drilling rigs to hydraulic based rigs or the change from manual rod breaking to hydraulic break-out rams.

There is competition from suppliers of commodities / consumables within the industry competing with one another and the best supplier with the cheaper price commodities / consumables may not necessarily be the most suitable to marry into our OHSMS. Eg would they be able to provide MSDS for chemicals supplied, would they be able to provide Safe Working Load for ropes and slings.