



Mining Accident News No.1117

28 May to 1 June 2011

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Saturday 28 May 2011

S.Africa: Miner killed at AngloGold Ashanti mine

Extract from Reuters

Africa's largest gold producer said Friday it has halted operations at its Mponeng mine in South Africa after a miner was killed by a rock fall triggered by seismic activity.

JOHANNESBURG - AngloGold Ashanti, Africa's biggest gold producer, said on Friday that a worker was killed and four others injured at its Mponeng mine in South Africa, bringing mining operations to a halt there.

The accident, which took place at about 09:50, was the result of fall of ground triggered by a seismic event. A 44-year-old machine driller

from Gauteng, who has worked at Mponeng since 2007, was killed. Mponeng is the world's deepest mine reaching depths of around 3.8 kilometers (2-1/2 miles) below the surface and this was the first death there so far in 2011.



Mponeng mine

"Mining has stopped there but tunnelling operations will continue," said spokesman Alan Fine. Tunnelling or blasting operations are conducted to reach the areas where extraction can take place.

Mining will resume only after an assessment of the situation has been made by the department of mineral resources.

The mine is about 60 kms (38 miles) southwest of Johannesburg. Its latest production figures were not immediately available but it is part of a trio of the company's West Wits operations that in 2010 collectively produced 1.78 million ounces of gold or 39 percent of group output.

While this was the first death so far this year at Mponeng there has been a surge in mining fatalities in South Africa.

In the first quarter of this year mine deaths have risen over 25 percent compared to the same period in 2010 to 38, putting mine safety back in the spotlight.

NOTE: Views expressed in this newsletter are those of the individual sender, and are not necessarily the views of the NSW Department of Industry and Investment
Issue 17 of 2011

USA: Massey Energy Judge Tells Investor Lawyers He May Not Block Sale to Alpha

Extract from Bloomberg

A Delaware judge reserved ruling on a request by Massey Energy Co. investors to block the coal producer's \$7 billion takeover by Alpha Natural Resources Inc. (ANR) before a scheduled June 1 shareholder vote on the deal.

At a hearing today in Delaware Chancery Court in Wilmington, Judge Leo Strine Jr. told lawyers for the investors that he wasn't likely to grant their request to bar the buyout until they can pursue mismanagement claims against directors over the April 2010 accident that killed 29 miners.

"I actually have to apply the law," Strine said during the hearing. "I can't grant an affirmative injunction or affirmative relief except on undisputed facts or after a trial."

Massey, the largest coal producer in central Appalachia, was sued in Delaware Chancery Court last year by the New Jersey Building Laborers Pension Fund alleging directors failed to adequately address poor safety conditions that killed workers at the Upper Big Branch mine in West Virginia.

The pension fund is seeking to hold Massey's board liable for the Richmond, Virginia-based company racking up more than \$25 million in assessed violations by the U.S. Mine Safety and Health Administration from the disaster. The fund's case was filed as a so-called derivative suit, which would return any recovery to the company. Individual shareholders wouldn't receive any direct payments as a result of the complaint.

No Incentive

Stuart Grant, an attorney for the fund, urged Strine to bar the deal for at least 15 days, giving shareholders time to assess the value of legal claims the buyout would transfer to Alpha.

Those claims would be lost, as Alpha would have no incentive to pursue them, Grant said.

"Once again corporate boards who do wrongdoing, they walk, and that's what's absolutely going to happen," Grant said.

Kevin Abrams, an attorney for Massey, countered that it wasn't necessary for Strine to rule on Grant's suggestion that the claims be transferred to a litigation trust.

"There is no irreparable harm poised by the consummation of the merger," Abrams said. "There are multiple avenues for the continued prosecution or recovery under the derivative claims."

Litigation Trust

The deal represents a more than 20 percent premium over the company's trading price before the mining accident, Abrams said. Company directors would have jeopardized that price had they haggled with Alpha about the claims or a litigation trust.

"It would have lowered the price and exacerbated the problem," Abrams said. "Alpha would have realized that transferring to a litigation trust dissipates value for Alpha and that would have hurt stockholders."

Grant said the deal gives Massey directors and former Chief Executive Officer Don Blankenship a "get-out-of-jail-free card."

Blankenship, who resigned in December after 30 years at Massey, stands to get as much as \$45 million in severance, as well as medical coverage, according to court papers. Investors contend that represented corporate waste.

In court papers unsealed in the case yesterday, lawyers for the pension fund said Blankenship believed there was a U.S. conspiracy to destroy the company and battled with mine-safety regulators over conditions at the company's facilities.

'Run Coal'

The pension fund's lawyers cited a 2005 memo Blankenship wrote to Massey mining managers telling them to disregard instructions to improve safety in the mines or orders "to do anything other than run coal."

After the Upper Big Branch accident, Massey directors sought to protect themselves from personal liability by arranging for Blankenship's retirement and elevating Baxter Phillips to the CEO role, according to the unsealed court papers.

Massey officials denied last week that directors forced Blankenship to step down. The board's independent directors "did not make a recommendation to the board to remove Mr. Blankenship or request his resignation," officials said in a May 19 filing with the U.S. Securities and Exchange Commission.

Massey rose \$1.14, or 1.8 percent, to \$63.91 at 4:15 p.m. in New York Stock Exchange composite trading. The shares have risen 19 percent this year.

The consolidated case is In Re Massey Energy Co. (MEE) Derivative and Class Action Litigation, CA5430, Delaware Chancery Court (Wilmington).

Qld: CSG well-spurt has Arrow in hot water

Extract from Queensland Country Life

IT WAS like a scene from a disaster movie - and it was all too familiar to Tom and Michelle O'Connor.

The dirt tracks leading to their property were lined with emergency crews, trucks, vans and trailers.

Fire crews pushed through their safety procedures while police scanned the area for anti-mining protesters, who were believed to be circling the property.

Coal seam gas (CSG) company workers pressed hurriedly between the trucks and mining equipment surrounding the accident site.



When the water spouting was at its peak on Sunday, it was about 90metres high and could be viewed from at least one kilometre away.

At the front gate, Arrow Energy security guards blocked access from the prying eyes of the outside world.

And all the while an unwelcome fountain of methane and salty water spewed violently and uncontrollably from a CSG well - up to 90m high and visible from at least 1km away.

A 100m exclusion zone roped off the accident site - meaning that even the landholders could only guess at the damage being done to their field on the other side of the blockade.

At first it was thought the mountainous stream of gas and water could take up to three days to stop, but by 11.30am on Monday - following four failed attempts - the well was capped and secured.

Arrow has confirmed it has launched a two-week internal investigation, which will include post-incident water and soil samples and assessments of vegetation, into what is arguably the worst gas well accident in the short history of Queensland's controversial CSG industry.

Drawing comparisons to the Cougar Energy underground coal gasification plant at Kingaroy shut down by the State Government last year, the Premier Anna Bligh told a hungry press gathering in Mackay on Monday that Arrow would now also be subject to a government-led "thorough investigation".

But on Monday, as he watched the workers attempt to manage the gushing water blasting from the earth, Mr O'Connor said he had serious concerns about the amount of time it took for the company to inform him of the leakage and the safety of his family on the property.

Initial details released by the company claim that at about 9am on Sunday, Arrow contractors were preparing to install a down-hole pump into a new well , which they say is a routine activity to bring it into gas production.

Arrow said the well was uncapped in order to install the pump.

However, before this could occur, water and gas began to flow to the surface with increasing intensity - leading to the dramatic spurt.

Arrow confirmed on Tuesday that about 600,000 litres of water spewed onto Mr O'Connor's field during the 26-hour incident duration, with initial investigations indicating it was brackish and not saline water.



Tom and Michelle O'Connor, Daandine, Dalby, said they were upset after Arrow Energy took more than six hours to report a gas leakage on their property. Heavy rain added to the frustration of the landholders, emergency crews and gas company workers.

It is the fourth time the company has had to deal with such an incident at the O'Connor property, Daandine, since construction of their 12 CSG wells began in 2009.

It was a difficult ending to a relaxing weekend away. The couple had spent the weekend in Toowoomba cheering on Toowoomba Grammar, where their boys attend high school, at the O'Callaghan Cup rugby match.

Sunday 29 May 2011

12 trapped after coal mine floods in SW.China

Extract from Xinhua

Twelve people are trapped after a coal mine in southwest China's Guizhou Province flooded Sunday, local authorities said.

The Fuhong coal mine in Jinyang New District of Guiyang City flooded at approximately 9:00 a.m., according to a spokesman with the provincial work safety bureau.

The cause of the accident is unknown and rescue work is underway.

Monday 30 May 2011

NZ Editorial: Certainty is what Pike families need

Extract from nzherald.co.nz

Families of the Pike River miners have been given hope that steps will be taken to recover their remains.



Photo / Mark Mitchell

It is not clear who has given them this hope. It arose from a meeting in Christchurch on Monday arranged by representatives of the families with the police, Mines Rescue officials and the mine's receivers.

An elaborate plan was outlined that would allow the mine to be entered by means of airtight seals constructed every few hundred metres along the 2.3km main shaft, to a point where the shaft is blocked by a rockfall.

There, a tunnel 180m long would be dug to bypass the rockfall and possibly reach the shafts where the bodies of at least two of the 29 miners appear to be intact, despite the explosions and fire that have engulfed the mine since November.

The status of this plan is not clear. The families' spokesman, Bernie Monk, believed work would start as soon as Monday to build a temporary seal just inside the mine entrance. (Last night, that plan was put back at least a week.) The Grey District Mayor, Tony Kokshoorn, was equally encouraged, though he warned that the work would take six months. But comments from the police, Pike River Coal's receivers and lawyers at the meeting were more circumspect, and the Prime Minister knew nothing about it.

Nevertheless, Mr Key said the Government would be willing to pay for work to recover the miners' remains if he is given a plan that is credible and safe. It is time to be realistic about this.

Nobody holds any hope that anyone is still alive in the mine. The victims of this industrial accident are entombed in their workplace much like crew of a lost ship or aircraft, and victims of mine disasters everywhere. The main hope of recovering the remains lies in the possibility that the mine might be brought back into operation.

A spokesman for the receivers, PricewaterhouseCoopers, says they have set aside \$5 million for work to ventilate the mine and stabilise its atmosphere. He says he is confident that, weather and technical advice permitting, the mine can be rendered sufficiently safe by the end of July.

At that point, all parties would examine the feasibility of recovering the miners' remains. That appears to have been the extent of the agreement on Monday and the cause of the families' hope. The receivers must ensure that the promised ventilation work starts as soon as possible.

If the mine can ever be safely re-entered, the recovery of the bodies will be the first wish of all concerned, including the receivers, since nobody will resume mining until it has been cleared of human remains. But at the same time, the mine must be left in a condition that permits a thorough investigation for the purposes of the royal commission of inquiry into the causes of the disaster.

It is far too soon for Mr Key to commit public money to the recovery of bodies while the re-opening of the mine is in the commercial interests of the company's creditors and shareholders.

The cost is properly a charge on Pike River Coal and the receivers should not be tempted with the possibility that if they wait long enough, taxpayers will pick up the cost for the sake of the families.

The whole country feels for the families who have been waiting six months to learn whether anything remains of those who went to work on November 19 and never returned.

But if the mine cannot be rendered safe to work again, it is likely that the remains of their loved ones will stay where they are. No doubt the grieving will be able to accept that; all they need now is certainty. Let us hope that in another two months, the company their men served can give them that much.

USA: One Hurt in Meigs County Mining Accident

Extract from www.wsaz.com

Emergency dispatchers tell WSAZ.com it happened at the Yellowbush Mine just before 3:00 p.m. Monday.

GATLING, Ohio (WSAZ) -- An injured miner is being flown to a West Virginia hospital after an accident at a Meigs County mine.

Emergency dispatchers tell WSAZ.com it happened at the Yellowbush Mine just before 3:00 p.m. Monday.

They say the man's hand was amputated in the accident.

Medflight was called in and transported the man to St. Mary's Medical Center in Huntington, W.Va.

Dispatchers say Meigs Medic 2 and the Racine Fire Department Responded to the accident.

No other details have been released.

Quote of the week

"It's not a problem that we have a problem. It's a problem if we don't deal with the problem."

Mary Kay Utecht

Tuesday 31 May 2011

WA: Synthetic cannabis Kronic banned on mine sites

Extract from ABC News Online, Aus

A number of mining companies have banned the synthetic cannabis Kronic on their projects.

The substance remains legal in WA and has similar effects as cannabis.



Kronic is currently legal in the state and has similar effects as cannabis (7pm TV News WA)

Kronic has been in the spotlight after testing by WA's ChemCentre revealed some mine workers are using it.

The Chamber of Minerals and Energy's director Damian Callachor says companies are warning staff it is not acceptable on site.

"We understand that some companies are giving consideration to providing penalties in terms of formal warnings to staff who are perhaps in

receipt or are found out to be utilising the substance," he said.

He says a number of companies have changed their policies so Kronic is classified as a banned substance and penalties are in place.

Mr Callachor says some miners are also stepping up their testing methods.

"The industry has been working with government agencies, including the ChemCentre to establish a more formal process for identifying the substance," he said.

"And identifying more importantly the symptoms of using the substance and how it may affect somebody who maybe participating in using the substance."

Roof fall kills 3 in south China coal mine

Extract from Xinhua

Three people were confirmed dead in a roof fall accident at a coal mine in central China's Hunan Province, local sources said late Monday.

The accident occurred at 3 p.m. Monday at Dingli Coal Mine in Jiahe County, trapping three workers who were conducting repair work in the shaft, said the spokesman with the county government.

By 6 p.m., the bodies of the three had been recovered, and the cause of the accident is under investigation.

Wednesday 1 June 2011

8 trapped in flooded coal mine in China

Extract from Xinhua

GUIYANG -- Eight workers were trapped in a flooded coal mine in southwest China on Tuesday night, a local official said Wednesday.

The flooding occurred at about 9 p.m. Tuesday at a coal mine at the border of Dushan County in Guizhou Province and Nandan County in Guangxi Zhuang Autonomous Region, said Pan

Zhili, the chief of the Dushan County Committee of the Communist Party of China.

Rescue workers were still trying to reach the trapped miners, Pan said.

The mine was operating illegally and owned by people from Guizhou and Guangxi, he added.

In another coal mine flooding in Guiyang, the provincial capital of Guizhou, rescuers have found one body while 11 others remained trapped three days after the accident.

This week in mining accident history

1 June 1988

Stolzenbach Mine

Borken, West Germany

Underground coal mine

51 killed, methane explosion

Source: <http://articles.latimes.com>

1 June 1988 the little mining community of Borken, in Germany (150 km north of Frankfurt, 30 km south of Kassel) was struck by a mining disaster, it experienced a massive disruption of functioning of both community and individual life. Fifty-one miners were killed leaving 50 families and 81 half-orphans behind. Eight men were injured and six men survived after having been trapped for 65 hours, long after everyone had given up all hope of finding further survivors.

51 Die in West German Coal Mine Blast

Extract from Los Angeles Times, USA 12 June 1988

Search teams found the body of the last man missing after an explosion in a coal mine in Borken, West Germany, bringing the total number of confirmed dead to 51, officials said. On June 1, a powerful methane gas explosion ripped through the Stolzenbach mine in Borken, located about 70 miles northeast of Frankfurt.

The explosion scorched the ground on the surface, where eight men were critically injured. The blast also blew the roofs off at least three work buildings at the mine, knocked down sheds and shattered windows.

Gerhard Heinz, an engineer, said the explosion occurred at a depth of between 200 and 460 feet.

Erwin Braun, head of the Hesse state mining board, said all indications pointed to a gas explosion caused by a buildup of coal dust. Radio reports said the accident may have been caused by the detonation of 4,400 pounds of explosives stored in the mine.

The lignite coal mine belongs to Preussen Elektra of Hanover, one of the largest West German utility companies.

A total of 57 men were trapped in the mine after the blast, which was West Germany's worst mine accident in 26 years. Six miners were rescued June 4 after spending 65 hours trapped 500 feet underground.

Friday 3 June 2011

WA: Planking poster riles BHP

Extract from The West Australian, Aus

A BHP Billiton geological engineer who made a spoof poster about safe planking is believed to have been stood down amid an employer crackdown on the craze.

The engineer is one of several mining workers recently penalised for their involvement in planking, with subcontractor Conneq confirming it had sacked six staff at two mine sites over weekend planking stunts.

BHP Billiton confirmed it had stood down at least one worker recently over planking, which involves being photographed facedown in unusual locations.

Sources claim the engineer was on a six-figure salary before being disciplined over the poster, which was purported to have been issued by BHP Billiton management. The poster refers to a

Planking Regulation Committee that had developed so-called safe planking procedures and is signed by a General Planking Inspector.

It made reference to stringent mine-site safety regulations, stating the plankers should not balance themselves more than 60cm above the ground.

The engineer, who is understood to have met managers over the incident yesterday, could not be contacted and BHP Billiton did not comment on the claims.



Planking poster riles BHP

Curtin University labour market economist Peter Kenyon said companies were getting carried away with their opposition to the craze, after the tragic death of a young man who recently fell from the balcony of a high-rise apartment block in Queensland.

Professor Kenyon said the poster was a harmless joke, even if it had used the company's logo without authorisation.

"In my humble opinion, BHP Billiton is completely lacking a sense of humour," Professor Kenyon said.

Conneq media manager Sheila Maidment would not say whether all the sacked employees had planked, after suggestions some had been dismissed for merely watching the stunt.

"We are describing what happened as a breach of safety guidelines, and we have dismissed six employees as a result," she said.

Woolworths sacked eight workers in the Eastern States last month for planking after the staff were photographed balancing on top of meat grinders, display shelves, trolleys and stacks of milk crates.

TAS: Mine groups back Kronic ban

Extract from ABC News Online, Aus

Mining groups have welcomed a move by Tasmania to ban the synthetic cannabis known as Kronic.

Kronic is marketed as a legal alternative to cannabis but it is potentially stronger and reactions can include severe hallucinations, heart palpitations and psychosis.

The product does not contain THC found in cannabis and will not show up in industry drug tests.

The Tasmanian Minerals Council's Terry Long says its dangers are well known in the mining industry.

"It's become somewhat of a social problem of concern to mining companies who are concerned with employees not working under the influence of drugs, whether they're synthetic, legal or illegal, so from the mineral industry's perspective it's become a workplace issue," he said.

The ban is expected to be in place by the end of this month.

Mining dictionary

A guide to coal mining terminology

A

ASH

Inorganic residue after incineration of coal.

-Ed