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Progress at South Crofty tin mine



South Crofty mine

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Production of tin at the South Crofty Mine, Cornwall, is one step closer with the formation of a new company to develop and operate the mine. The new company, Western United Mines Limited (WUM), has been created by the owner of the mine, Baseresult Holdings Ltd, which is the majority share holder, along with various other smaller companies backed by the Netherlands-based commodities trader Trafigura Beheer. WUM have stated they will have invested in excess of £3.5 million by June 2008 towards mine development including new tunnelling and drilling. An estimated £50 million is needed to bring the mine back into production which could be as soon as the end of 2009. Christopher Hall, WUM's chairman, has said the money is needed to complete a 1.6 km decline to access previously unexploited areas.

WUM's managing director, Kevin Williams, has said "experience tells us that we should be able to resume full tin production and that there is potential for a mining life of 80 years". The new decline will mean new areas can be accessed and the flooded historical workings can be avoided, so no dewatering will be necessary.

The mine was closed in 1998 following a collapse in the tin price. Due to the current commodities boom metal prices, including tin, are high making South Crofty Mine once again potentially economic. It is hoped that the mine development will bring economic benefits and jobs to the area. The mine currently employs 26 people but this is predicted to rise to 35 in the next seven months.

The new development of the mine has already caused problems with the local Kerrier District Council which had planned to make a compulsory purchase of much of the surface area of the site for leisure, housing and industry. The council has recently dropped these plans after being challenged by the mine owners in the High Court. The council say they will have to write off £100 000 it has spent developing a regeneration plan for the area.

Sources : http://www.southcrofty.co.uk/html/wum_pr_1.HTM, http://www.itri.co.uk/pooled/articles/BF_NEWSART/view.asp?Q=BF_NEWSART_295826, <http://news.bbc.co.uk/1/hi/england/cornwall/7074562.stm>, <http://news.bbc.co.uk/1/hi/england/cornwall/7117487.stm> and Mining Journal 9/11/07 page 11.

China clay quarry saved from closure



China Clay Quarry
Photo Copyright: BGS©NERC

The china clay quarry at Lee Moor, Devon , is to remain open after WBB Minerals has made a deal with the existing owners, Imerys, who are pulling out next year with the loss of about 90 jobs. The planned closure is part of the ongoing scaling back of Imerys' operations in the UK , making about 600 of its 2000 workforce redundant.

WBB Minerals, which already owns several neighbouring quarries, has announced that it will invest £6 million into the quarry and surrounding areas to safeguard the future of its operations in the area. However the company will make 10 staff redundant from the current 65-strong workforce by 2009. WBB will also take over Hemerdon Quarry which is being leased to them by Imerys. The waste products from the Lee Moor quarry will go to backfilling and restoring the nearby Shaugh Quarry, also owned by WBB Minerals, which is due to close in 5 years. Imerys will retain 50 staff at the Lee Moor site to operate a calcining heat treatment plant.

Sources : <http://news.bbc.co.uk/1/hi/england/devon/7083330.stm> and http://www.thisisplymouth.co.uk/displayNode.jsp?nodeId=181429&command=displayContent&sourceNode=229968&home=yes&more_nodeId1=133174&contentPK=18901253

Approval for Scottish opencast coal site extension



Open cast coal site

Photo Copyright: BGS©NERC

A local authority in East Ayrshire has given approval for the extension for the existing Grievhill opencast coal site, New Cumnock. The approval will safeguard 84 jobs at the site owned by Ath Resources which plans to recover 920 000 tonnes of coal over the next two years, with production rates continuing at around 10 000 tonnes a week. The head of planning and economic development at East Ayrshire Council, Alan Neish, stated that approval was given to protect jobs and said the environmental impact would be minimal. Local RSPB officials have expressed serious concerns about the expansion, worried that SSSI's which lie within the extension could be damaged.

Source : http://news.bbc.co.uk/1/hi/scotland/glasgow_and_west/7103334.stm

BHPB proposes takeover of Rio Tinto

BHP Billiton has confirmed this month that they have made a merger proposal to UK-based mining company Rio Tinto. BHPB offered to exchange three of their shares for one Rio Tinto share. Rio Tinto subsequently announced that this offer “significantly undervalues Rio Tinto” with Tom Albanese, the company's CEO, saying “we believe that the value in Rio Tinto is yet to be fully reflected by the market”. The Rio Tinto board unanimously rejected the proposal.

If such a merger were to occur between two of the world's three largest mining companies it would create a group worth about £170 billion and the world's largest producer of bauxite, coal, copper, diamond, lead, silver, titanium and uranium. This could well cause competition problems and market analysts say this might lead to forced sales of parts of the business. Both China and Japan have voiced concerns that a merger would drive up the price of iron ore. The announcement led to Rio Tinto shares rising by 2.7% and BHPB shares falling by 1.3%. In an effort to fend off the bid Rio Tinto has announced they are spending £1.2 billion on new mines and increase shareholder value in the company. Rio also plan a possible sell off of assets worth “at least \$15 billion” to reduce the debt built up from their recent acquisition of Alcan. These assets include several non-operational uranium projects in Australia and the US , Rio Tinto Minerals Talc, Rio Tinto Alcan Engineered Products, Cortez gold operation, Greens Creek zinc-lead and silver operation and Northparkes copper-gold operation. BHPB has stated they are still seeking talks.

Sources :

<http://www.bhpbilliton.com/bbContentRepository/071112Nr3307ProposedCombinationWithRioTinto.pdf>, <http://news.bbc.co.uk/1/hi/business/7084946.stm>, http://www.riotinto.com/media/5157_6870.asp

and Mining Journal 9/11/07 page 1.

Good results for the UK aggregates industry



Sand and gravel processing
Photo Copyright: BGS©NERC

The third quarter of 2007 has been positive for the UK aggregates industry with sales of aggregates, asphalt and ready-mixed concrete all higher than in the same period of 2006. One of the highest increases was in crushed rock aggregate where sales grew by 8% although sand and gravel sales declined by 1%. Growth in ready-mixed concrete was steady at 3%, maintaining an upward trend throughout 2007. Total aggregate sales in the UK have risen by 3% since the start of the year, corresponding with the growth in construction output of about 2-3%.

Source : <http://www.qpa.org/07-release022.htm>

Mixed month for wind farm development



Wind turbine
Photo Copyright: BGS©NERC

Suffolk 's first onshore wind farm has been granted planning permission at Parham Airfield. The development, operated by Your Energy, will consist of six turbines providing enough energy to power 3 000 homes. The original permission was granted in October 2005 but local campaigners, concerned that the turbines were too close to homes, have delayed the development until now.

Several wind farm development proposals have been rejected this month: a 22-turbine wind farm in Berwickshire and a 15 turbine wind farm near Moffat have both been rejected by local councils mainly over concerns about visual impact and the effect on tourism. A 12 turbine 2.5 megawatt development in Conway , by Dutch company Nuon, has also been

rejected. Council officials refused planning permission with concerns that the development would have an adverse affect on the local ecology.

Sources : <http://news.bbc.co.uk/1/hi/england/suffolk/7103285.stm> ,
<http://news.bbc.co.uk/1/hi/wales/7097588.stm> ,
http://news.bbc.co.uk/1/hi/scotland/south_of_scotland/7096359.stm and
http://news.bbc.co.uk/1/hi/scotland/south_of_scotland/7090765.stm

Delays for Sellafield decommissioning



Dounreay nuclear power station
Photo Copyright: BGS©NERC

The Nuclear Decommissioning Authority (NDA) has announced that more time and money will be needed to complete the dismantling of the Sellafield nuclear reprocessing complex in Cumbria . The NDA cites “operational difficulties” as the reason for delays and is to spend £8.5 billion in the next three years, mainly working on the Sellafield and Dounreay reactors. The management at Sellafield have stated that the increased levels of funding will allow them to “focus on reducing high-level hazards”.

This was not the only bad news for the British nuclear industry this month. British Energy, which operates eight nuclear power stations, has announced a drop in its share price due to technical problems. Reactors at Hartlepool and Heysham are out of service and output from the Hinkley Point B and Hunterston B power stations has been reduced after cracks in the boilers were discovered.

Sources : <http://news.bbc.co.uk/1/hi/england/cumbria/7083206.stm> and
<http://news.bbc.co.uk/1/hi/business/7092085.stm>

Miner killed in Nottinghamshire colliery



Colliery headworks
Photo Copyright: BGS©NERC

<http://www.bgs.ac.uk/downloads/start.cfm?id=>

A rock fall in the Welbeck Colliery near Mansfield has resulted in the death of a 44-year-old man. The man, named as Paul Milner, was killed as he removed equipment from the coalface. The colliery owner, UK Coal, said it could not comment on the incident while an inquiry was underway.

Welbeck Colliery employs around 550 people and is due to close in two years time when current reserves run out. However an extension may be possible as the colliery has recently signed a deal worth £130 000 to supply coal to EDF Energy.

Sources : <http://news.bbc.co.uk/1/hi/england/nottinghamshire/7079061.stm> and <http://news.bbc.co.uk/1/hi/england/nottinghamshire/7103565.stm>

Developments at Galantas Gold Mine



Gold mineralisation

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The UK 's only operating gold mine, operated by Galantas Gold Corp, Omagh, has announced significant developments in its crushing and milling operations. The mill now operates a 24-hour day, 7-day week, and the milling capacity has been increased by 10 - 40% (depending on ore type) by installation of a larger secondary crusher. This increase has partially offset the milling of lower grade ore than was anticipated by original plans. The ore grade is between 5 g/t and 10 g/t gold, the low value due to mining complex braided vein systems. A new regrind circuit is also nearly complete. This will enhance the metal grade of concentrates.

Unfortunately mine production is having difficulty keeping up with demand by the milling operation. Pit ore production has not been increased to match the increase in milling capacity. This is blamed on a back-log of pit development required to expose mine ore although mining of country rock and surface till has been accelerated over the last two months. The operators hope to rectify this by temporarily increasing mining to a 24-hour day 7-day week operation from the previous 4-day week.

Source : <http://www.galantas.com/corporate/s/NewsReleases28112007.html>