



Royal Commission on the Pike River Coal Mine Tragedy
Te Komihana a te Karauna mō te Parekura Ana Waro o te Awa o Pike

Chronology Five – Pike River Coal: Mine Development

| Date | Topic | Doc ref |
|-------------|---|---|
| 1946 | First geological survey of the Pike River coalfield by H.W Wellman. | DAO.001.0003/11 47 MED0000010001/100 |
| 1972 | Geological mapping and coal sampling undertaken by Magellan Minerals (NZ) Ltd. | DAO.001.0003/11 48 |
| 1982 | Stratigraphy and sedimentology report of the Pike River coal field was completed by Jane Newman (University of Canterbury). | DAO.001.0003/11 50 |
| 1991 | First drill hole into the Paparoa coal seam. | DAO.001.0003/11 51 |
| Feb 1995 | Pike River Coalfield marketing assessment completed by CMS Limited. | NZOG0067/11 3.9 |
| Mar 1998 | <p>Minserv International Limited completes a pre-feasibility study for a hydro-monitor mine operation. It included an initial mine development plan. The study is based on information from Ian Brown and Associates, CMS studies, and a site visit on 13 Feb 1998.</p> <p>Key conclusions were that the coal seam was suitable for hydro-mining methods, a heavy duty roadheader was required for heading development, a main fan would be required to produce 50 m³/s air, a complex gas monitoring system would not be necessary (low methane levels observed 3m³/t), spontaneous combustion was unlikely to be a major hazard, workforce projected at 82 to 89 persons.</p> | NZOG0067/11,12,13 |
| 1999 | PRC initiated a drilling programme to provide additional data on seam structure and coal quality for a feasibility study. | DAO.001.0003 59 |
| 2000 - 2004 | Access route selection and design of access road undertaken by URS New Zealand Ltd (URS). | RM.0002/3 3.1 |

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| 23 June 2000 | <p>AMC Resource Consultants Pty Ltd (AMC) final feasibility study (comprising 5 parts) completed for PRC (in return for equity). The study confirms the technical and financial viability of the mine.</p> <p>The study concluded:</p> <p>a) mining in area is feasible (and conditions in unstructured ground expected to be good); b) more design work required for detailed planning; c) local variations to mine plans were expected due to faults/variable seam grades; d) coal quality was good; e) mine developed using continuous miners or roadheader; f) hydraulic mining methods recommended to achieve extraction economically; g) projected internal rate of return of 29%;</p> <p>The study commented on:</p> <p>1) Gas content: a) around 5m³/t in Brunner seam, with highest value at 10m³/t; b) risk of coal outburst should be examined; c) important to drain gas from coal before mining – reduces risk of coal outburst;</p> <p>2) Ventilation: a) is to comprise a single main intake drift, with auxiliary ventilation to support the mining operation; b) extra demands on ventilation are anticipated as roadways extended; c) ventilation premised on 4m³/t gas emission and 500 t/shift extraction rate; d) ventilation rate of 8.5m³/s required to keep methane under 1.25%; e) moderate propensity for spontaneous combustion noted; f) mined out areas to be permanently sealed; g) management procedures for construction of ventilation structures will be implemented; h) ventilation requirements and equipment to be used for roadway, roadway development, coal extraction are described;</p> <p>3) Fire: a) spontaneous combustion and fire management plan was designed; b) the plan should include a policy for ventilation and mining practice; c) all staff to be fully trained in the plan; Ventilation Officer required for remote tube bundle monitoring; d) plan included software for sampling gas trends and trigger levels; e) plan included detection and response to heating; fire detection monitoring to occur by 'normal inspection' method.</p> <p>The study also set out a safety management policy and developed a disaster management plan.</p> | NZOG0067/13-22 DAO.001.0003 60 |
| 1 Feb 2001 | AMC reports that PRC's mine design is conservative and ensures a high level of protection for surface features from subsidence. | NZOG0067/32 6.3 NZOG0012 |

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| Mar 2002 | Minarco Asia Pacific Pty (formerly AMC) reports on its review of West Coast mining experiences. It provides examples of surface features that have been successfully mined under without adverse or observable surface impact. | NZOG0067/33 6.9 NZOG0013 |
| Mar 2002 | Minarco updated the costs estimates in the final feasibility study. Changes to the mine plan included larger barrier pillars, reduced recoverable reserves (14.9Mt), improved mine layout efficiency and introduction of augering ¹ . | NZOG0067/33,34 |
| Mar 2002 | URS completed a risk assessment of the development of Pike River coalfield. | DAO.001.0003/13 64 |
| 2003 | Dr Basil Beamish, University of Queensland, conducted spontaneous combustion tests and concluded that Pike River coal has low propensity for spontaneous combustion. | DAO.001.0003/14 70 |
| Sept 2004 | A report by R Cotton, geologist and T McMorran, an engineering geologist, identified that the most difficult part of the tunnelling operation would be the passing through and stabilisation of the area where the tunnel intersects with the Hawera Fault. | DAO.001.0003/13 67 |
| 2005 | A report by Peter Gunn concluded that pit bottom development would involve some stone drilling. | DAO.001.0003/14 69 |
| Apr 2005 | URS commenced construction of the access road. | RM.0002/3 3.2 |
| Apr- May 2005 | PRC indicated that it intended to drill bore holes to define ventilation shaft inclination and pit bottom coal horizons. | MCD0001/6 13 |
| Apr 2005 | Tender documents were prepared for tunnel, ventilation shaft and pit bottom development by PRC and McCracken Consulting Ltd and invitations to tender extended to select contractors. | MCD0001/3 5 |

¹ Auger mining is usually associated with contour strip mining. With this method, the coal is removed by drilling auger holes from the last contour cut and extracting it in the same manner that shavings are produced by a carpenter's bit. Coal recovery rates approach 60 percent with this method.

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| May 2005 | <p>Minarco completed project update report to enable PRC Board to make a development decision.</p> <p>The report concludes that:</p> <ul style="list-style-type: none"> a) the mine layout is designed to meet a range of criteria including: integration with mine access, maximisation of coal recovery, maintenance of flexibility within a complex structural environment, optimisation of coal quality, optimisation of mined product, layout efficiency and adequate service provision; b) mining equipment selection in the feasibility study is state of the art with proven performance, and highly reliable; c) gas testing shows Brunner seam is around 5m³/t, ranging from 3-8m³/t; d) proposed mining method is to develop the mine using a 2.2 km stone drive uphill at a 5 degree gradient e) proposed to develop the Mine 'up dip' using mechanical machinery (continuous miners and roadheaders); f) full extraction can best be economically achieved using hydraulic mining g) Fire management and Spontaneous Combustion Plan (required under DOC Access Agreement and Resource Consents) is designed to ensure the safety of all personnel. | NZOG0067/35-38 NZOG0020 |
| 12 May 2005 | John St George of the University of Auckland reported on the pillar sizes to ensure pit bottom stability and general compliance with resource consents, and effects of Island Sandstone. | NZOG0067/41 6.28 NZOG0021 DAO.001.0003/14 74 |
| 22 June 2005 | <p>Strata Control Technology Operations Pty Ltd (SCT) reported on its review of the report by John St George.</p> <p>SCT recommended that a roof support design be developed based on an assessment of strata conditions. This would be refined through ongoing monitoring.</p> | NZOG0067/43 6.37 NZOG0022 |
| 20 July 2005 | <p>Final Mine Plan and Financial Model Report (dated 14 July 2005) from Gordon Ward and Peter Whittall was presented to PRC Board (based on the Minarco report) to facilitate a financial investment decision.</p> <p>The PRC Board resolved to accept:</p> <ul style="list-style-type: none"> a) the proposed mine plan and mine planning strategy; b) management strategies for the roading contract. | NZOG0067/39 ² 6.21-6.26 NZOG0023 NZOG0024 DAO.001.0003/27 156 |
| 20 Oct 2005 | UniQuest Pty Ltd provided a report (prepared by Dr Basil Beamish) which reconfirms that PRC coal has low inherent propensity to spontaneously combust. | NZOG0067/45 6.41 NZOG0025 |

² See also DAO.012.03499

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| Nov 2005 | Contract formed between Ferguson Brothers and PRC for construction of the mine access road from the mine tunnel entrance to Big River (including bridges). Contractor established onsite. | NZOG0067/57 6.96 |
| Nov 2005 | A position paper was presented to Board on drilling the pit bottom area. | DAO.001.0003/14 75 |
| 16 Nov 2005 | PRC Board noted a paper entitled 'Pit Bottom Drilling Position Paper' by Peter Gunn, and agreed to further drilling to determine the integrity of the Hawera fault region. | NZOG0067/46 NZOG0028 |
| 15 Dec 2005 | Contract formed between PRC and McConnell Dowell for the construction of PRC Mine Tunnel and ventilation shaft. | RM.0002/4 4.4 RM.042.0003 |
| 16 Dec 2005 | CRL Energy completed technical reports on gas drainage using simulation software (carried out over 1 year). | NZOG0067/45 6.42 |
| Jan 2006 | Golder Associates (NZ) Limited provided an independent assessment of in-situ coal resource and coal quality parameters. The report recommends additional drilling to increase confidence in analysis and modelling of coal deposits. It estimates measured coal with high level confidence at 11Mt, reasonable confidence at 25.6Mt, and low level at 19.1Mt (total = 55.7 Mt). | NZOG0067/47 NZOG0033 |
| Jan 2006 | PRC management and McConnell Dowell attended an independently facilitated technical risk assessment on the construction of the access tunnel. | DAO.001.0003/29 168 |
| 30 Mar 2006 | Contract between URS and McConnell Dowell entered into for URS to provide consultancy services on design and construction of the mine and ventilation shaft. Services included designing tunnel portal, access rock mass along access tunnel, design the access tunnel rock support systems, design rock support and simple egress stairwell for the ventilation shaft, modelling the interaction of vertical and horizontal drives in the pit bottom and design support measures, and providing a liaison engineering geologist. | RM.0002 RM.010.00146 |
| 3 Apr 2006 | Contract formed with SEIKO Mining and Construction for supply of steel for slurry pipeline and slurry pipeline couplings. | NZOG0067/58 6.101 |
| May 2006 | Tenders were issued for the supply of continuous miners and roadheaders. | DAO.001.0003/30 174 |
| June 2006 | Minarco produced a Ventilation and Gas design report for PRC. | DAO.001.0003/30 179 |
| 8 June 2006 | PRC entered into a contract for construction of mine access road from Big River to Logburn Road with White Knight Joint Venture. | NZOG0067/59 6.101 |

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| 13 June 2006 | A report prepared by Peter Whittall indicates that hydraulic mining is the preferred approach to coal recovery, with in seam directional drilling. Two sites for pit bottom were identified. | NZOG0067/49 6.55 NZOG0041 |
| 14 July 2006 | An internal PRC report describes the strategy for establishing pit bottom and notes increased drilling required to verify the suitability of the pit bottom site. The report is provided to prospective lenders. | NZOG0067/49 6.57 NZOG0044 |
| 31 July 2006 | Connections Assets Agreement with Westpower Limited for supply and construction of infrastructure and equipment required to supply electricity to mine site. | NZOG0067/59 6.101 |
| Aug 2006 | URS commenced construction supervision in relation to the stone drive. | RM.0002/6 4.17 |
| Aug 2006 | Work commenced on development of the portal area | MCD0001/12 43 |
| Aug 2006 | McConnell Dowell officially took possession of the portal and tunnel area. | DAO.001.0003/31 182 |
| 13 Sept 2006 | Scheduling issues are identified around the option to locate the pit bottom in stone. | NZOG0067/50 6.59 NZOG0047 |
| 14 Sept 2006 | Contract formed with Waratah Engineering Pty Ltd for supply of roadheader and continuous miners. | NZOG0067/59 6.101 |
| 21 Sept 2006 | Tunnelling work commenced. | NZOG0067/58 6.99 |
| 22 Sept 2006 | Contract for supply of flameproof electrical equipment with Ampcontrol International Pty Ltd. | NZOG0067/59 6.101 |
| Oct 2006 | Field work conducted on the potential site for the ventilation shaft. | DAO.001.0003/32 188 |
| 24 Nov 2006 | Contract formed with Specialised Mining Vehicles Pty Ltd for the supply of flameproof Man Transporters and Loader. | NZOG0067/59 6.101 |
| 1 Dec 2006 | Contract formed with Juganaut Industries Pty Ltd for supply of flameproof Load Haul dumpers. | NZOG0067/59 6.101 |
| 8 Dec 2006 | Contract formed with Weir Minerals Australia Ltd for supply of the slurry, fluming water and makeup water pumps. | NZOG0067/59 6.101 |
| 15 Dec 2006 | Contract formed for construction of amenities area buildings with Evan Jones Construction Ltd. | NZOG0067/60 6.101 |
| 15 Dec 2006 | Contract formed with Anderson Industries Pty Ltd to supply Mine Grader. | NZOG0067/60 6.101 |
| 21 Dec 2006 | Contract formed with Steel and Tube Holdings for Makeup Water Pipeline. | NZOG0067/60 6.101 |
| Jan - Mar 2007 | Flakt-Woods (Australia) selected for the supply of the mine's main ventilation fans. | DAO.001.0003/33 195 |

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| Feb 2007 | Facilitated risk assessment with PRC and Jim Rennie was undertaken to determine the viability of establishing the main ventilation fans underground. The risk assessment concluded that there were no legislative or technical barriers to locating the fans underground with engineering solutions available to resolve identified problems. The ventilation strategy further proposed a surface fan capable of delivering 90 cubic metres of air per second to provide continuity of ventilation in the event of main fan failure. | DAO.001.0003/32 194 |
| 7 Feb 2007 | McConnell Dowell requested to review excavation options to sink the ventilation shaft, including top down excavation, raise bore and Alimak raise excavation. | MCD0001/22 87 |
| 12 Feb 2007 | Contribution agreement signed with Grey District Council for PRC's contribution to upgrade of various roads. | NZOG0067/60 6.101 |
| Mar 2007 | Drilling commenced on the initial site proposed for the ventilation shaft. | DAO.001.0003/31 200 |
| 13 Apr 2007 | Completion of a rolling series of independent technical due diligence reviews undertaken by Behre Dolbear Australia Pty Ltd (BDA) on 30 May 2006, 30 June 2006, 20 Sept 2006, 11 Oct 2006 and 13 Apr 2007). These assessed the feasibility of PRC's underground development proposal. The reports conclude that the proposed hydraulic mining method was technically feasible, and drilling (including in seam) and layout design was appropriate. BDA conclude that the PRC project is technically feasible and economically viable. It said there was a "limited potential risk of gas outbursts, particularly at greater depths". | NZOG0067/50 - 55 NZOG0043 NZOG0048 NZOG0050 NZOG0054 NZOG0067/53 6.78 |
| 25 June 2007 | Contract formed with iPower Solutions Ltd for the supply of various pump and fan substations, variable speed drives and underground switchboard. | NZOG0067/60 6.102 |
| 28 June 2007 | Contract formed with Brightwater PEAT Ltd for the design and construction of Coal Preparation Plant. | NZOG0067/60 6.102 |
| 16 July 2007 | Power was connected to the Mine. | NZOG0067/60 6.102 |
| 13 Aug 2007 | Report completed on poor quality rock for a shaft excavation. | RM.0002/12 8.3 RM.014.01364 |
| 27 Aug 2007 | PRC requested McConnell Dowell to investigate alternative sites with PRC personnel and advise on constructability of ventilation shafts at various sites. PRC also providing drill hole data to inform best shaft site. | MCD0001/22 91 |
| Sept 2007 | PRC fixed the site for the ventilation shaft. | MCD0001/23 92 |

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| Nov 2007 | Board agreed to stop driving through the Hawera fault into the coal measures until all large stone excavations completed. | DAO.001.0003/35 220 |
| 16 Nov 2007 | McConnell Dowell contract variation recorded the change to the shaft surface size. | MCD0001/23 93 |
| Feb 2008 | Construction commenced on the shaft top (included grouting). | MCD0001/23 93 |
| Mar 2008 | Ventilation workshop held with PRC, Jim Rennie and McConnell Dowell to ensure adequate ventilation of the multiple faces during excavation of the pit bottom in stone. | DAO.001.0003/36 227 |
| 7 Mar 2008 | PRC instructed URS to carry out a geotechnical risk assessment of the stone drive to identify and quantify financial risks of instability in the stone drive under operating conditions. | RM.0002/8 5.1 RM.020.00005 |
| 25 Mar 2008 | URS completed access tunnel risk assessment and concluded that the stone drive was most unlikely to suffer significant damage under operational conditions. | RM.0002/9 5.4 RM.020.00043 |
| Oct 2008 | McConnell Dowell and PRC prepared a risk assessment on methane levels (after pit bottom) | MCD0001/19 71 |
| Nov 2008 | Ventilation shaft top completed. | MCD0001/23 96 |
| Nov 2008 | "Permit to Mine" system introduced to integrate mine operations, planning, engineering and technical considerations for mining activities. | DAO.001.0003/40 254 |
| Nov 2008 | Ventilation Management Plan was completed and signed off. | DAO.001.0003/40 255 |
| Dec 2008 | Roadway drive to the ventilation shaft was completed. | DAO.001.0003/40 258 |
| 21 Dec 2008 | Construction of 108m ventilation shaft started using the raise bore method. | RM.0002/14 8.13 |
| 9 Jan 2009 | Ventilation shaft completed. | RM.0002/14 8.13 |
| Feb 2009 | Rate of shaft wall failure increased in the shaft. Concrete and aggregate used to fill and stabilise the void up to 67m depth. | DAO.001.0003/41 263, 265 |
| 2 Feb 2009 | Additional support made to the shaft. | RM.0002/15 8.18 |
| 19 Feb 2009 | A rock fall affected 30 metre zone near the bottom of the shaft. | RM.0002/15 8.20 RM.039.00091 |
| 18 Mar 2009 | Risk assessment completed for McConnell Dowell regarding the risks in designing and positioning the Alimak raise. | RM.000215 8.22 RM.041.01970 |
| April 2009 | Excavation commenced on the 2.5 metre x 2.5 metre Alimak bypass. | RM0002/15 8.23 DAO 001.0003/41 265 |
| 19 Apr 2009 | Shaft ventilation failure model completed. | RM.0002/15 8.22 RM.041.01970 |
| June 2009 | Alimak shaft work completed. | DAO.001.0003/41 271 |

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| 13 July 2009 | <p>Service agreement with McConnell Dowell to provide PRC with electricians/mechanical fitters and tunnel and stone drive excavation crews.</p> <p>Schedule 2 of this agreement enabled PRC to hire McConnell Dowell electrical cable to power the ventilation shaft and various other items of plant.</p> | MCD0001/26 109 &112 |
| 1 Mar 2010 | URS produced a geotechnical report - the Alimak Raise Rock Mass review – on the Alimak raise “as found” geology. | RM.0002/16 9.2 RM.016.00001 |
| May 2010 | Strata Engineering Australia recommended reduced roof support due to improved roof conditions. | DAO.001.0003/44 295 |
| July 2010 | <p>“With the gas drainage line carrying its maximum 120 litres/second, additional gas was vented to the mine's return ventilation circuit. This was to maintain a target methane level of approximately 1 % with a maximum level of 1.25% allowed at the surface fan”</p> <p>“Gas levels in the return were maintained between 0.85% and 1.15%.”</p> | DAO.001.0003/45 300 |
| Aug 2010 | Board was updated on planning work to establish a second ventilation shaft or a drift/s to the surface west of the existing workings. | DAO.001.0003/46 303 |
| Aug 2010 | John Rowlands (Dallas Mining - Australia) carried out ventilation modelling to improve ventilation efficiency. | DAO.001.0003/46 303 |
| Sept 2010 | Drive Mining (Australia) reviewed gas drainage monitoring and strategy and drainage infrastructure (May, July, Sept 2010). | DAO.001.0003/44 394 |
| Sept 2010 | Changes to the mine plan made to accommodate greater detailed knowledge of the seam obtained from in-seam drilling. | DAO.001.0003/47 310 |
| Sept 2010 | Review of current and future ventilation requirements was undertaken by John Rowlands (Dallas Mining Services). This review considered a second intake airway. | DAO.001.0003/47 310 |
| Oct 2010 | “Board papers identified the preferred location for a second Egress drift which would also be a second intake airway, as well as an exhaust drift which would house the second main underground fan.” | DAO.001.0003/47 311 |

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| Oct 2010 | <p>Main underground fan was completed and commissioning commenced.</p> <p>“The commissioning identified a problem with the variable speed drive and the main fan kept tripping off.”</p> <p>“During this commissioning period, the mine was being ventilated by the surface fan with the main fan acting as a booster fan. The manufacturer upgraded/replaced the Rockwell variable speed drive which rectified the problem.”</p> <p>“Consequently the main fan became the primary ventilation device and the surface fan reverted to its original design role of backup fan.”</p> | DAO.001.0003/47 312 |
| Nov 2010 | <p>“A final test of the main fan at full load was undertaken by the manufacturer Flakt-Woods on 10 November 2010.”</p> <p>“All close-out reports, operating, servicing, spare parts and handover documents were due for completion by the end of November 2010.”</p> | DAO.001.0003/47 315 |
| Nov 2010 | Louvres of surface fan were replaced. | DAO.001.0003/48 316 |
| Nov 2010 | Hydro monitor was commissioned. | DAO.001.0003/48 317 |
| 12 Nov 2010 | Doug White requested McConnell Dowell to consider proposal for service agreement to be varied so that McConnell Dowell would supply only labour to PRC. | MCD0001/27 116 |
| 15 Nov 2010 | McConnell Dowell started work on last large scale excavation area. | MCD0001 |
| 18 Nov 2010 | McConnell Dowell received updated Mine Plan showing location and development of the main tunnel, pit bottom in stone and coal base of ventilation shaft, sump areas, and coal extraction arrears. | MCD0001/29 125 |
| 19 Nov 2010 | First explosion in mine. | DAO.001.0003/48 319 |