

COAL ACTION MURIHIKU

CAM News Update No 9 April 2013

There's always some interesting information to be unearthed with a bit of electronic digging. Did you know for example that Bathurst Resources, originally domiciled in Western Australia, is now a fair-dinkum Kiwi company? On 27 March 2013 Bathurst Resources (New Zealand) Ltd became a registered NZ company (no 4382538). Current Bathurst shareholders will be offered one share in Bathurst NZ for each existing share that they hold in Bathurst Resources. As of 12 April the four Bathurst NZ directors listed with the New Zealand Companies Office are all Australian based, including Managing Director Hamish Bohannon who owns the single share that has so far been issued in the company.

On 2 April Bathurst announced its intention to redomicile from Australia to New Zealand. Chairman Craig Munro stated that as the company geared up to become one of New Zealand's largest coal producers it made sense to incorporate in New Zealand. Bathurst New Zealand will become the new ultimate parent company of the group, which currently includes Eastern Coal, which operates the Takitimu mine and Coaldale block in Southland. Eastern also owns Cascade Coal, the operator of the Cascade mine in the Buller coalfield.

These changes don't appear to have reassured Bathurst shareholders. During March and April large volumes of shares have been traded and by 12 April share prices were at their lowest levels (\$0.26) since they were first issued in 2010.

And what of Escarpment and the Denniston Plateau? On 12 April Mr Bohannon was reported as stating at a briefing session that if agreements on environmental mitigation and protection could be finalised by Friday 19 April then road-making could be under way at Escarpment by July and the resource could be "in coal" by the end of the year. Coal would be trucked down until Bathurst could gain consents from the Environmental Protection Authority to build an aerial ropeway. Mr Bohannon said, however, that if Forest & Bird further appealed the Environment Court decisions then a further delay of four to six months would be likely. The company has plans to eventually produce four million tonnes of coal a year for four to five years.

Undeterred, Forest & Bird announced on 12 April that an appeal had been lodged against the decision of the Environment Court not to consider the environmental effects of the adjacent Sullivan mine site when giving provisional approval to Bathurst's Escarpment project. Solid Energy has licences until 2027 to develop a 134 ha opencast mine on this site.



www.flickr.com/photos/rickharris/421616605/

If the worse comes to worst and Bathurst does get the green light to start mining then they can expect the protests to continue. It will be interesting to see whether the government attempts to bring in legislation along the lines of what has been dubbed "The Anadarko Amendment". New laws, introduced without warning, without public debate and without select committee scrutiny will make it a criminal offence to carry out peaceful protest at sea. Environmentalists may face substantial fines and imprisonment in the future if, for example, they enter a non-interference zone. This zone may be up to a kilometre wide and imposed for up to three months.

A statement opposing these amendments to the Crown Minerals Bill has been signed by thousands of New Zealanders, including such notorious radicals as Sir Geoffrey Palmer and Dame Anne Salmond.

<http://www.greenpeace.org/new-zealand/en/take-action/Take-action-online/reject-the-Anadarko-Amendment/>

Jane Young

Solid goes liquid

Rosemary Penwarden reports on Solid Energy's latest venture

Solid Energy's financial woes will be alleviated somewhat with the news of a new development at its troubled Craig Road briquetting plant. The \$29 million plant ran into unforeseen difficulties since its completion in June last year, and commissioning of the plant, which was intended to turn lignite into briquettes for local and export markets, has not been completed.

Solid Energy and its partner GTL Energy Ltd, which developed the briquetting technology, have formed another company, Liquid Energy Ltd. This new wholly owned NZ subsidiary will lease and run the plant for a one year period beginning 1 April 2013, producing and distilling their "Mataura Malt" brand of Hokonui moonshine whiskey.

"Everything is still shiny and new" said Liquid Energy's new CEO John Smith. "The plant is clean and ready to produce its first whiskey consignment. We have a promising market for the whiskey, unlike the market for briquettes, which has run into difficulties. It has been a steep learning curve but we have been fortunate to draw on the expertise of the local Hokonui whiskey distillers' fine tradition."

In a modern version of the traditional Scottish method, which uses water from peat bogs, Liquid



Under an Easter full moon, Solid Energy's new venture Liquid Energy fires up, ready for the launch of Mataura Malt on 1 April.

Energy will use water from lignite beds. "Lignite is very close to peat in quality. We are so fortunate to already own vast resources of this fine natural water filter relatively undisturbed in the Mataura Valley.

"Our venture will truly be a sustainable boost to the local economy," Smith said.

Solid Energy Group Manager of Strategy and Corporate Affairs describes the turn of events as an exciting development. Money raised from whiskey sales will go towards covering the costs of ex CEO Don Elder's gardening leave.

National Day of Action

We can **still** stop them. Join us and take action!

**MARCH
NOW
TO STOP
ASSET
SALES**

**Sat 27 April 2pm
Te Aro Park
(Pigeon Park' cnr Dixon/Taranaki St)**

aotearoisnotforsalewellington@gmail.com

Kia ora Coal Action

I am part of an organising group for the Wellington march to stop asset sales on Saturday 27 April at 2pm. We would love to have the support of Coal Action Network on the day.

We would welcome the participation of anyone from your group to be part of the organising group. We are a united front of individuals and groups including members of political parties, socialists and anarchists. We meet every Wednesday evening at 5:30pm in the Ernie Abbott Room at Trades Hall, 126 Vivian Street.

The March is meeting at 2pm at Te Aro Park (aka 'Pigeon Park' cnr Dixon/Taranaki) streets on Saturday 27 April. We hope you will bring your flags, banners, friends, family and comrades along to stop the sale.

Nga mihi, Valerie

Facebook: <https://www.facebook.com/events/549656878400623/>

Web: <http://aotearoisnotforsale.com/>

Email: aotearoisnotforsalewellington@gmail.com

Clued Up On Carbon – Part 2

Coal—the rock that burns Jane Young

How coal formed

Most of the world's coal deposits formed during the Carboniferous Period about 250–300 million years ago, when much of the earth was swamp covered with thick forest and plant growth. As the plants and trees died, they sank under the wet surface, where insufficient oxygen slowed their decay and led to the formation of peat. New forests and plant life grew up and in turn died and sank into the swampy ground. As time passed and heat built up the underground layers of dead vegetation became tightly packed and compressed, and gave rise to different kinds of coal. When the English geologist William Hutton (1798–1860) examined coal under a microscope he saw that all the varieties of coal did in fact contain plant cells.

New Zealand coals are only about 30–70 million years old. Because they were formed from more-evolved types of plants, some of their properties are unusual. For example, many NZ coals have a very low ash content compared to older, carboniferous coals.

Classifying coal

The properties of coal depend on its:

- Type – the kind of original plant material and how it was changed after burial
- Rank—difference in the degree of burial and subsequent coalification
- Grade—how much mineral matter it contains

Main classes of coal

Class	Carbon Content (%)*	Water content (%)	Heat content (MJ/T)
Anthracite	86–98	<15	30–32
Bituminous	46–85	<20	19–29
Sub-bituminous	36–45	20–40	8–25
Lignite	25–35	40–50	6–14

The chemistry of coal

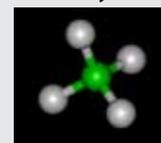
Until the twentieth century chemists knew very little about the composition and molecular structure of the different kinds of coal. They studied coal by destructive distillation (heating out of contact with air), which produced tar, water, and gases. Hydrogen was the main gas produced, although ammonia, carbon monoxide and dioxide, benzene and other hydrocarbon vapours were also present.

During the 1920s chemists discovered that coal didn't just consist of carbon with some hydrogen-containing impurities—instead it contained a complex mixture of benzene-like compounds with between 8 and 20 carbon atoms in their molecules. Coal also contains sulphur and nitrogen, so the acidic oxides of these elements are produced when it burns.

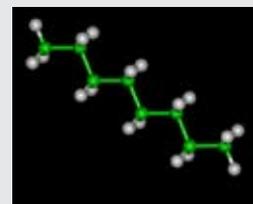
In the 21st century there is raised awareness about the millions of tonnes of climate-warming carbon dioxide produced each year as coal is burnt. At the same time there is increasing concern about the toxic metals being released into the environment as a consequence of coal mining. These include arsenic, lead, mercury, cadmium, chromium and selenium.

Hydrocarbons—the background story

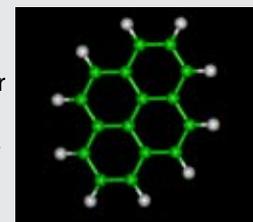
Hydrocarbons are organic compounds whose molecules have a basic framework of carbon and hydrogen atoms linked together. The simplest hydrocarbon is methane whose molecules have one atom of carbon bonded with four atoms of oxygen.



Aliphatic hydrocarbons have their carbon atoms linked together in straight or branched chains, or sometimes in rings. Petrol, diesel, kerosene, motor oils and waxes all contain compounds belonging to this group.



Aromatic hydrocarbons have molecules with a special kind of ring structure and are related to benzene. They occur naturally, for example in coal, but are often produced by human activities. Many are toxic and/or carcinogenic.



www.nyu.edu/pages/mathmol/library/hydrocarbons/

Kia ora e hoa

Jenny Campbell gives us a regional update

After some startling news in March about Solid Energy's stand at the briquette plant and then Australian GTL Energy stepping into the picture, we are still waiting for news of the commissioning of the plant – although the longer we wait the less likely it seems that it will ever happen.

CAM members met in March to do some forward planning with various initiatives being followed through: education to local groups, enviro film festival, working with schools and places with coal fired boilers to change to wood chips, supporting the national group CANA's philosophy, and of course keeping an eye on the developments at the pilot briquette plant (which does not seem to be going to fly in spite of the pilot!). Seeking a soil scientist who can educate us about the value of soils is another project.

Shell Oil has been holding 'stakeholder' group meetings, especially ones close to the Great South Basin possible exploration areas, with Forest and Bird reps attending to hear their 'reasoning' and also for us to see who our allies might be. People who fish for a living make up one of those groups, we realise.

Congratulations to the people who took action on Monday outside the Shell meeting in Dunedin, spearheaded by CANA member Rosemary Penwarden and others – and featured on TV3's lunch time bulletin apparently! It appears that Ellie Weatherall (climate change- 'elephant in the room') was present inside the room (and on TV) as a 'guest' – but am not sure she was an 'honoured' one!

CAM members are looking to have a working bee to split some more wood for fundraising. If you have the energy to help at a working bee or need wood we would love to hear from you.

At the recent national CANA organising group hui, our CAM group was acknowledged for the work we are continuing to do alongside our support for the bigger picture of CANA's work. Thank you everyone who is continuing to make this happen in so many different ways.

Shell's Permit Areas

Shell has major natural gas interests in New Zealand in the Māui, Kapuni and Pohokura fields. The company also has two permit areas in the Great South Basin where it has been the operator of exploration permit PEP 50119 (16,715 square km) since April 2012 and has acquired permit 12GS2 (8,508 sq km) in December 2012. The company has already spent more than \$80 million on seismic surveys in the area and in April 2013 announced that there was a 50:50 chance of its undertaking a \$200 million exploratory operation. A decision was expected within months. Shell's New Zealand exploration venture manager Roland Spuij said that data suggested the test drill would have a 30% chance of finding commercially viable gas deposits.

Fonterra Coal Mine Protest



On Easter Monday local residents and Auckland Coal Action educated drivers on State Highway 2 about Fonterra's proposed opencast coal mine at Mangatawhiri on the Hauraki Plains. The coal is intended for energy at the milk powder factories in the region.



'STICKING POINT'

<http://www.polyp.org.uk/>

WANT TO GET INVOLVED?

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