

SOUTH AFRICAN COLLIERY ENGINEERS' ASSOCIATION

ANNUAL REPORT OF THE COUNCIL FOR THE YEAR ENDED 31 DECEMBER 2007

COUNCIL 2007

President

S W J van Wyk Sasol Mining

1st Vice-President

C M Norden Sasol Coal

2nd Vice-President

J P Pearson Anglo Coal Project Services

Immediate Past President

D Sichamba Xstrata Coal

Regional Chairmen

Gauteng/Mpumalanga/ Free State Region

P E Mojalefa Kriel Colliery

Kwazulu Natal Region

B L de Kock Savmore Colliery

Elected Members

L D Botha Sasol Coal

Z A Botha Sasol Mining

J J du Plessis Anglo Operations Limited G Q Gething Landau Colliery

> L E Kilian Exxaro Coal (Co-Opted)

A J Kotze Xstrata Coal (Resigned April 2007)

H A Lamprecht Anglo Coal Project Services (Resigned April 2007)

> M J Lourens Sasol Mining

H D J Phyoos Xstrata Coal (Co-Opted November 2007)

R M Power Middelburg Mine Services (Resigned September 2007)

> D E Wardle Sasol Mining

I M Williams (Joy Mining) (Co-Opted August 2007)

H Zwart Anglo Operations Limited

Secretary

Mr S J Orchardson Mines Professional Associations' Secretariat

VISION STATEMENT

The vision statement is

To be a professional, dynamic, value-adding and influential body in our Industry

REPORT OF THE COUNCIL FOR THE YEAR ENDED 31 DECEMBER 2007

Presented to members of the Association on the occasion of the Twenty Ninth Annual General Meeting held at Gracelands, Secunda, on Thursday 21 February 2008 at 11:00.

STRATEGIC PROCESS

Your Council has continued to focus on the Association becoming an effective role player in the Coal Mining Industry. This process would be ongoing as the Council wished to ensure that the Association was effectively marketed and participated in the preparation of new legislation and Codes of Practice as well as safety targets and milestones set by the Mining Industry.

A strategic planning session was held in February 2007 to set out this course for the Association's interaction with its various stakeholders during 2007 and 2008.

The following priorities were identified and progressed through the year:

- Relationship for safer, healthy and smarter industry
- Broader Coal Industry Involvement
- Depth of Skills And Competency
- Financial Management

A presentation was given to members on the strategic direction being undertaken by the Council at Regional Meetings.

As part of the process the Council issues a Newsletter after each Council meeting giving members some insight into Council affairs and updating members on the Association activities.

FINANCE

The financial statements appended to this report show that income for the year amounted to R586 271, made up of subscriptions received during the year from Full and Student members, interest received from investments, and the successful safety workshop and golf day. Expenditure amounted to R452958. Accumulated funds at the beginning of the year totaled R298 852 and with the transfer of the current year's net surplus of R133 312, an amount of R432 164 will be carried forward to 2008.

As part of the Association's objectives a successful golf day was held in October 2007 and the funds generated are included in the current net surplus for 2007. The event also promoted fellowship amongst members. A safety workshop was held in September 2007 which also generated funds for the Association. Both these events have become annual events supported by members and the local community.

Part of the accumulated funds has been used to fund the Association's initiative on the position of the certificated engineer, licensing and registration. The Council is currently strategizing on how to make best use of the surplus the general advancement of the Association.

SUBSCRIPTIONS

In terms of the Powers vested in it by the Association's Constitution and Rules, Council has agreed that the annual subscriptions for the ensuing year for Full and Affiliate members would remain at R650 (exclusive of VAT). The subscription for student members will be R195 (exclusive of VAT).

MEMBERSHIP

The membership of the Association as at 31 December 2007 was 258(219), made up of 171(155) Full members, 4 (3) Affiliate members, 62(44) Student Members, 21(17) Honorary Life members.

There has been a net increase of 39.

Council records that 117 of its members are registered with ECSA.

Membership certificates are issued to new Full members of the Association on a bi-annual basis.

MEETINGS

In addition to the monthly meetings of Council, Regular Regional Meetings were held during the year and feed-back from members through their Regional Representatives and Council members, provided valuable assistance to the workings of Council. The increased involvement required by your Council in a number of important areas meant that Council meetings were held on a monthly basis.

During the year under review, Kwazulu Natal Regional meetings were combined with those of the Southern Region of the South African Colliery Managers' Association took place, to the benefit of both Associations.

The nine Council and five Regional Meetings were well supported during the year and the commitment by members to the Association is a positive sign for the future well being of the Association and its activities.

Once again your President was invited to attend Council Meetings of the South African Colliery Managers' Association and wishes to thank its President, Mr J F Janse van Vuuren for maintaining close ties between the two Associations.

The Plant User Group had a very successful year with several technical visits. Attendance exceeded all expectations.

The Opencast and Underground User Group meetings were not well supported and several were cancelled.

INTERMINE TECHNICAL VISITS

Council will continue to seek out interesting and diverse technical visits for members and give then the opportunity to experience other companies operations.

MEETINGS OF PRESIDENTS AND VICE-PRESIDENTS

The Association was again well represented at the inter-Association meetings of Presidents and Vice-Presidents, held in June and November 2007.

This meeting continued to serve as a useful forum where matters of mutual interest and concern have been addressed, not only with other mining disciplines, but also with the President and senior representatives of the Chamber of Mines.

Matters discussed and reports received at these meetings included inter alia:

- 2007 Wage Negotiations
- ECSA
- Occupational Health and Safety Policy
- Regulations, Codes of Practice and Guidelines
- Industrial Relations Issues
- Licencing and Registration of Engineers
- Electricity
- Water

SAFETY AND HEALTH

The Association and Council continue to place a high priority on safety improvements and the elimination of accidents.

Your Council extends its sincere congratulations to the Management and staff of the following mines for their safety achievements.

SAFETY

MINE SAFETY ACHIEVEMENTS

Congratulations to the management and staff of all the mines who had safety achievements during 2007. The achievements will be acknowledged on 13 March at Coalsafe 2008.

ANNUAL SAFETY SEMINAR

The fourth safety seminar with six presentations was held on 13 September 2007 hosted by Sasol with 150 members attending. The safety seminar was planned to maintain the Industry's safety focus during

the critical period running up to the end of the year. A CD was produced of the papers and distributed to participants. After the presentation facilitators actively engaged participants in a workshop to determine cause of incidents, general failure type and to determine prevention and core action plans.

2007 COLLIERY HEALTH AND SAFETY CAMPAIGN

Your Association has once again been actively involved in the 2007 Colliery Safety and Health Campaign launch which took place on 15 March 2007 and remains fully committed to the Campaign's ideals for the promotion of safety and health in the Mining Industry.

SENTINEL MINING INDUSTRY RETIREMENT FUND

The Association has actively participated through the South African Colliery Managers' Association's Trustee on the Sentinel Mining Industry Retirement Fund.

MINERALS ACT AND REGULATIONS

MINING QUALIFICATIONS AUTHORITY (MQA AND ENGINEERING COUNCIL OF SOUTH AFRICA (ECSA)

Your Association continues to have a very active role in the MQA and ECSA. During the year the following progress was made:

MPA Steering Committee

During the year the MPAs Steering Committee met on a regular basis to deal withy the issues that arose regarding the new qualifications. More Associations are seeing the need to be aligned with the MPAs grouping and at this stage the following are involved to different degrees

- * SA COLLIERY MANAGERS ASSOCIATION (SACMA)
- * SA COLLIERY ENGINEERS ASSOCIATION (SACEA)
- * ASSOCIATION OF MINE RESIDENT ENGINEERS (AMRE)
- * ASSOCIATION OF MINE MANAGERS OF SOUTH AFRICA
- * THE INSTITUTION OF CERTIFICATED MECHANICAL AND ELECTRICAL ENGINEERS, SOUTH AFRICA (ICMEESA)
- * SOUTH AFRICAN COAL PROCESSING SOUTH AFRICA
- * AGGREGATE AND SAND PRODUCERS ASSOCIATION OF SOUTH AFRICA (ASPASA)
- * MINE METALLURGICAL MANAGERS ASSOCIATION (MMMA)
- * SOUTH AFRICAN NATIONAL INSTITUTE OF ROCK ENGINEERING (SANIRE)
- * MINE VENTILATION SOCIETY OF SOUTH AFRICA (MVS(SA))
- * AFRICAN MINERALS ASSOCIATION (AMA)

Extracts from a recent interview with Mr Richard Jennings, Vice-Chairman of the MPA Steering Committee illustrates the dynamic processes taking place on the mine managers qualifications and the need to register with ECSA.

Richard Jennings states that:

the Mine Professionals Association (MPAs) Steering Committee, was set-up nearly seven years ago by the councils of the relevant mines professional associations as a voluntary industry-based organisation to proactively engage with Engineering Council of South Africa (ECSA), the Mining Qualifications Authority (MQA), the Chamber of Mines and other interested parties, with regards the new dispensation relating to qualifications and the need for register with ECSA.

The need to be involved was around competent current practitioner becoming involved as representative to ensure that the minimum level of competence and continued access was maintained to ensure that the persons carrying out engineering work can do so in a safe manner. He says the registration process can be used an appropriate mechanism to regulate the persons performing engineering work, so that competent person are held accountable for engineering practices.

"In the beginning of this process we realised that we needed to align the position and stance of the various professional associations' across the board and we also wanted to ensure that the interpretation of the changes were fully understood by all the affected parties. We also wanted representation on the MQA (Mining Qualifications Association) and ECSA, to be able to make meaningful contributions to the debate and to ensure that appropriate competency standards, access and progression for practitioners were assured." says Jennings.

The MPA's engagement with the different bodies means that relevant industry issues are kept on the table and coordinated throughout the process. This process also forms part of the review process that has seen mining engineering qualifications and programs at the various universities and educational training facilities in the country come under the spotlight.

Mr Jennings feels that the holistic reform is positive for the sector and the country. "In terms of registration, employers can be assured that the persons that they appoint have been judged competent by their peers and the industry, through a standardised process. The process also allows for the persons registered maintaining their competency current and relevant to their area of practice. The intention is that the qualifications are recognised by their peers, both in and out of South Africa." says Jennings.

He says that reluctance and resistance to the new legislation/processes has largely been driven by the fact that there are many stakeholders each with their own concerns which need to be taken into account, debated and resolved. He says: "It has taken a lot of time and legal opinion to get to the decision that engineering is part of the built environment and within the domain of the Department of Public works."

The objectives of the MPAs who represent the practitioner, is to ensure that a workable dispensation be created that would enable compliance to all the different legislatory requirements that impact on the practitioner.

Mr Jennings also states, other interested and affected parties concerns now that some of the issues are coming to fruition need to be addressed and fully debated and understood. "Of course everyone involved realises that we're dealing with people's livelihoods and career paths," he says. He adds that as MPAs they are mindful that it's not just the large-scale mine operations that fall into the new dispensation, but also some smaller players, who in many cases have not had a voice and are made up of small groups of people who have been doing their jobs for decades and don't necessarily have qualifications to prove their skill levels.

This is one of the current discussion points in the registration process. Some form of recognition of prior learning needs to be put into place to satisfy all parties. It is likely, that some carefully defined exemptions will need to be agreed upon, to cover these persons and the impact the legislation might have on them. How these issues will be implemented and monitored still needs to be sorted out. What arrangements need to be put into place to accommodate those who do not have formal engineering qualifications, but possibly have the necessary experience and competence in their field is another issue to be resolved.

One of the proposals is that various unit standards be developed to allow for progression and articulation for those who might wish to enhance their skills and qualifications. It has been designed to allow progression from baseline ABET training to whatever level the individual can demonstrate and wishes to achieve in the industry. Jennings stresses that the process is designed to allow access to individuals who wish to avail themselves of the opportunity to develop in the mining industry. The process is about allowing all persons access while maintaining the industry standards.

The ECSA Council has agreed to amend the original Rules for the recognition of Voluntary Associations (VAs) to accommodate some of the smaller Professional Associations who would not be eligible to apply for recognition. The role of the MPA Steering Committee with respect to the application for recognition of MPAS as VAs has been clarified and a uniform approach taken.

The ECSA has issued its approved policy on continuing professional development (CPD) which will be implemented from 1 January 2006. Persons (individuals) registered with ECSA, will in due course receive official correspondence in this regard from the ECSA. Person registered with ECSA will have to prove compliance with CPD requirements in 5-year cycles if they want to retain their registration with ECSA.

Your Association continues to encourage members to register with ECSA and in this way it will be in a position to influence ECSA's decision making process.

OCCUPATIONAL, HEALTH AND SAFETY POLICY COMMITTEE (OH&SPC)

Your Association is represented on the Occupational, Health and Safety Policy Committee of the Chamber of Mines by Mr W Marais, and a representative from the South African Colliery Engineers' Association.

This body is the main employer caucus for the Mining Regulations Advisory Committee (MRAC) and various issues related to occupational health and safety are tabled for comment, before mandates are passed on to MRAC members.

During the year under review the main emphasis has been to complete the regulatory review, however a number of issues of concern have been raised by the various stakeholders which showed the review and approval process down.

The Chamber, through OH&SPC appointed consultants to assist with an acid test enquiry to establish the possible impact that proposed regulations on practicing engineers in the Mining Industry may have on appointments. The results from a survey conducted are being submitted by mines at present and this should position the Chamber to positively engage with ECSA with regard to appointments and qualifications.

During the Health and Safety Summit of 2007 it was agreed to establish a Mining Industry Occupational Health and Safety Best Practices Adoption System. The appointment of teams to investigate best practices have been appointed and research is being carried out to identify best practices to be nominated for adoption.

Qualification and Registration with ECSA

The Chamber commissioned an acid test questionnaire for completion by Mining Houses. These will be analysed and feedback given in early 2008.

PAPERS AND TECHNICAL NOTES

Whilst it is noted that technical notes were presented during the year at Regional meetings, the call for the preparation and presentation of full technical papers has largely gone unheeded, and your Council would again urge that this matter receive urgent attention from members as these technical papers, besides being a valuable source for the dissemination of information, also serve as an educational tool for future mining engineers.

The following technical papers and presentations were made at the Association's General Meeting on 31 August 2007:

Status Report on the Certificated Engineering Qualification C M Norden (Vice-President)

Debottlenecking a Coal Mine's Electrical Equipment in a D Horn

Production Section

Independent Isolation of Shuttle Car Conveyor Circuit V Singh

At Regional Meetings during the year

Tractor Trailer Combinations Safety and Braking P Schutte (Sasol Mining)

ECSA Registration and CPD Points Update C M Norden (Sasol Mining)

DME Presentation L Bezuidenhout

SACEA's Strategy for 2007 J P Pearson

Magnetic Coupling M Fanoe

Questionnaire for Engineers F Wolmans (DME)

Good Year Tyres Belt Guard System for Steel Cord Belts

Wind Energy Saving Initiatives J P Pearson

Collision Avoidance on TMM's Becker

Continuous Improvement on Conveyor Belts L Jose

People Vehicle Detection R Murley (AMRE)

MERIT AWARDS

The standard and quality of technical papers presented during 2007 continue to be of high standard. The Editorial Committee has agreed to review the 2007 papers in the new year to decide if a gold medal award is merited.

Certificates of Merit were awarded to:

* ECSA Registration Committee

Messrs C M Norden, V Singh, P Schutte, L Bezuidenhout, J P Pearson, M Fanoe and F Wolmans.

AWARDS SCHEME

Your Council introduced an awards scheme in 2000 utilizing the Association's surplus funds to promote the advancement of education within the engineering discipline of the Coal Mining Industry.

The award for the Best Certificated Engineer who had passed their Plant and Law examinations in 2007 was made to Mr Le Clus Taute.

The best apprentice award for 2006 at the Colliery Training College was awarded to Mr C J Janse van Nieuwenhuizen at a function in May 2007.

PRESIDENTIAL FUNCTION

The 2007 combined General Meeting and Annual Presidential Function was held at the Royal Swazi Sun Hotel, Swaziland 31 August - 2 September 2007. The function was well attended by 74 members and provided an opportunity for members to network and share information.

The successful Presidential function culminated with the traditional Black Tie banquet on 1 September 2007.

REPRESENTATION

The Council wishes to express its appreciation to all the representatives and alternates who continued to give their time to ensure that the Association was well represented and its views made know, in a most professional manner on various committees.

| a) | Engineer Engineer | C M Norden (Champion) |
|----|---|-----------------------|
| | * Future of the Certificated Engineer (MPA Steering Committee | C M Norden/D Sichamba |

D Wardle/J du Plessis

| | * Sub-Committees | Various Representatives |
|----|--|---|
| | * ECSA Joint Implementation Committee * MQA/SGB * ESGB * SGG (ECSA) | D Wardle D Sichamba SACMA/AMRE J P Pearson |
| | * ECSA Accreditation Committee for Tertiary Education | D Wardle |
| | * SACEA Accreditation Committee (CPD) | J J du Plessis/D E Wardle |
| | * Improve Interaction with DME | Z A Botha/G Q Gething/ I M Williams |
| | * Communication with Mining Houses (Head of Engineering) | President |
| b) | Membership Value | L D Botha |
| | * Membership Applications | Z A Botha |
| | * Website | H Zwart/I M Williams |
| | * Newsletter | Secretary |
| i) | She Performance in Mines | Vice-President (Champion) |
| | * Occupational Health and Safety Policy Committee (OH&SPC) | Z A Botha/M J Lourens |
| | * Annual Safety Workshop | L D Botha |
| | * Coalsafe | Z A Botha |
| | * COPS (Standardisation) | Z A Botha |
| | * SACMA Safety Forum (Feedback) | M J Lourens |
| | * Engineering Expert Panel (SIMRAC) | R Power |
| | * SANS – 868 – Part 2/3 | M J Lourens |
| | * SANS 10142 Part 2 | H Zwart |
| | * SANS 10108 | H Zwart |
| | Flameproof Certificates | J J du Plessis |
| | SIMRAC | Z A Botha |
| | * SANS 1438 (Cap lamps) | H Zwart |
| | * SANS 1489 (Underground trialing cable, plugs + sockets) | H Zwart |
| | * SANS 10086 Part 1 (Equipment in Hazardous Areas) | H Zwart |
| | * SANS 10086 Part 2 and 3 | H Zwart |

* SANS 1654 (Battery Vehicles) H Zwart

ii) Technical Professionalism J P Pearson (Champion)

* Development and Training Z A Botha/A Eckard

* CTC Z A Botha/J J du Plessis

* Commission of Examiners J P Pearson

* CM&EE Z A Botha

* Technical Reference Group 26 J P Pearson

* JOY Liaison D E Wardle

* Regional Meeting

* North

* South

P E Mojalefa

B de Kock

* Opencast Users G Gething

* Underground Users L Kilian

* Plant Users M J Lourens

* Technical Visits P E Mojalefa/D E Wardle

* Technical Symposium S W J van Wyk/Z A Botha

* Papers and Presentation (Editorial) Z A Botha/J P Pearson/

S W J van Wyk

* Awards Committee Z A Botha/J P Pearson/

S W J van Wyk

* Flameproof Association (SAFA) and EPA H Zwart/M J Lourens

iii) Funding L D Botha (Champion)

iv) MINING HOUSE CO-ORDINATORS

SasolC M NordenBECSAH PhyoosXstrata CoalD SichambaExxaro CoalL KilianTotal CoalM HyraOther Small MinesB de Kock

WEBSITE

The Association's website is operational and updated regularly. The website gives members valuable information on Association's activities as well as contact details for representatives on Council and other Committees. The address is www.sacea.org.za

The Association again hosted a highly successful golf day at Graceland during October. Council wished to place on record its thanks to Mr L D Botha for the organisation of the event and the sponsors who generously supported the occasion.

JOINT SACEA/AMRE GENERAL MEETING

A joint SACEA/AMRE General Meeting was held on 14 August 2007 at Cullinan Mine. This is proving to be a very popular interaction between the two Associations.

Two presentations were made

- People Vehicle Detection by R Morley (AMRE)
- Continuous Improvement on Conveyor Belts by L Jose (SACEA)

Two technical visits were undertaken to

- Underground Visit to Trackless Workshop
- Protection Service (Security Control) and Slimes Dam Visit

TECHNICAL SYMPOSIUM

A technical symposium, "Value Adding Through Technological Innovation" was held on 12 April 2007. Papers presented were:

Structural Inspection and Maintenance Management for G Kruger (Anglo Technical)

Shafts and Conveyances

Tractor Trailer Combination Braking and Safety P Schutte (Sasol Mining)

The Use of Strain Memory Alloys in Structural Health B Verijenko (University of Kwazulu

Monitoring Systems Natal)

CM Noise and Dust Reduction C Veldman (Joy)

People Vehicle Detection System R Murley (Xstrata Alloys)

Tyre Safety Management H Wessels (Quality Tyres)

A technical symposium will be held on 13 April 2008. This will be an ideal opportunity to showcase the technical knowledge of members of the Associations and will give the opportunity to share knowledge and network. ECSA continuous professional development credits will be awarded.

CONCLUSION

In conclusion I wish to express my appreciation to all members for their continued support and invaluable input throughout the past year. To the Council for the arrangements made for the SACEA golf day and for the organisation made for the safety seminar. Both these events were very successful and a credit to the enthusiasm and passion of the Association. To my Secretary and the Association Secretary and his staff for their valuable assistance and guidance throughout the year and for the professional manner in which the affairs of the Association have been administered.

S W J VAN WYK PRESIDENT Areport2007/sacea/gjw