

Burrup Holdings rejects explosion claims

17-June-08 by Rebecca Lawson

Pankaj Oswal's Burrup Holdings Ltd has rejected rumours of an explosion at its Pilbara ammonia plant, as reports surface that up to 80 workers walked off the job over safety fears.

It is understood that the employees walked off the job after another worker was taken to hospital for treatment after inhaling ammonia vapour yesterday.

The employee was working on a pipe which was supposed to be gas-free after the company brought forward a planned maintenance shutdown thanks to the Varanus Island gas incident.

Chairman and managing director Mr Oswal described the explosion rumours as "mischievous" and whoever was spreading the rumours was causing unnecessary anxiety.

"We are roughly halfway through the maintenance programme, which is on track in every respect. We have minimal amounts of gas running through the system to maintain cooling, and a recent shipment of liquefied ammonia has virtually emptied our storage tanks," said Mr Oswal.

"We are concerned at mischievous rumours of an explosion at the plant during the shutdown, which is certainly not the case. We have no idea who is circulating the rumours, but it is clearly an individual or group that has no concern for the feelings of the local community, who are being caused unnecessary anxiety.

"Worksafe have carried out a full inspection of the plant, at our invitation, and have confirmed it is completely safe.

Mr Oswal added that the plant would not be back in operation until adequate gas supplies were available.

In the meantime, the company had drawn up a programme of training and general maintenance work to be carried out by its permanent staff.

"We're making the best of a bad situation. When the gas is finally switched on again, our plan is to have the plant in "as new" condition, and our people ready to hit the ground running," he said.

Our aim is to make up lost production as quickly as possible consistent with safe operation of the plant."

Last week the company postponed its \$502 million initial public offer due to the Varanus Island gas explosion.