

GLADSTONE

Steel Plant Project



MEDIA RELEASE

6 December 2010

International delegation inspects Gladstone Steel Project

A delegation from China has inspected the proposed \$1.3 billion Gladstone Steel Plant Project as discussions continue to structure a partnership arrangement with Boulder Steel Ltd.

The delegation from Metallurgical Corporation of China International Incorporation Ltd (MCCI) joined senior Boulder Steel representatives in Gladstone on Monday to inspect the proposed 500 hectare plant site located within the State Development Area 25 km north-west of the city.

MCCI's parent company MCC is a state-owned firm that serves China's mining and metals industry. MCCI is focused on construction of heavy industries around the world.

MCCI Chairman Mr Li Shukuan and his senior delegation completed an aerial tour of the city and the plant site before joining a guided ground tour of key infrastructure including the proposed Fisherman's Landing wharf expansion.

The delegation discussed the proposed steel plant with all three levels of government during meetings with Federal Member for Flynn Ken O'Dowd, State Member for Gladstone Liz Cunningham and GRC Mayor Gail Sellers and fellow councillors.

Boulder Steel General Manager Carl Moser said the MCCI visitors were focused on inspecting Gladstone's world-class capability to support such a large-scale industrial development including its port facilities, rail network, long-term water supply from Awoonga Dam and the proximity to key raw materials required for steel production – iron ore, coal and limestone.

"MCCI has confirmed its interest in progressing construction of the Gladstone Steel Plant Project in close co-operation with Boulder Steel," Mr Moser said. "Following this visit to Gladstone, the delegation will join us in Sydney to discuss a suitable structure moving forward."

In addressing the delegation, Mayor Gail Sellers expressed the GRC's support for the development of the steel making facility, the first of its kind for Queensland, based on its projection to inject about \$400 million into the Gladstone economy each year for the next 50 years.

"Once constructed this project will create over 1200 operational jobs and substantial opportunities for local suppliers and contractors," Cr Sellers said.

The proposed plant would produce 2.5 million tonnes of semi-finished steel per annum in Stage 1, increasing to 5 mtpa in Stage 2, for almost 100% export to finishing facilities in the Middle East, controlled by the project partners.

Boulder Steel Ltd is committed to providing regular project updates to the Gladstone community, shareholders and stakeholders via the media, direct consultation and the official project website.

For more information about the Gladstone Steel Plant Project please visit the website:

www.gladstonesteelproject.com.au

For more information contact:

Nicole Carnovale
Gladstone Steel Plant Project Representative
0415 755 775