



WELCOME

Welcome to the Spring 2006 edition of XLERPLATE® *Steel In Touch*. This time last year we launched our first issue – so a big ‘thank you’ for your interest and ongoing support. To mark our first year, we conducted a reader survey to gauge how we are going – and you came back to us with strong feedback.

We had a great response, with the majority of readers either happy or delighted with *Steel In Touch*.

You like what you’re reading about innovative uses of steel and developments in the industry.

You also want to know more about major projects in other States. We’ll bring this to you – along with more product information, feature stories and economic information.

In this edition we announce the winner of our reader competition (see back for details). Moving to the big picture, we also look at China’s robust economy.

On behalf of *Steel In Touch* and the XLERPLATE® steel team, thanks again for all your feedback and support.

John Barrett
State Sales Manager - NSW

PLASSER PLANS AN AUSTRALIAN FIRST

Work has begun on a multi-million dollar rail track ballast cleaner at the Sydney workshop of track maintenance and construction equipment manufacturer Plasser Australia.

Due for completion in late 2007, the standard gauge (1436mm) RM 900 Ballast Cleaner is worth between \$17-18 million. It will become the first ballast cleaning machine of its size available for contract hire in Australia and will be used to clean and replace the crushed rock ballast that forms the rail track bed.

Metropolitan rail lines need to be cleaned on average every 15 years, and heavy-haul freight lines every 10 years, depending on total tonnage carried on the track.

“The Ballast Cleaner is a multiple-car 350 tonne



Plasser Australia's RM 900 Ballast Cleaner.

machine equipped with an excavation chain to remove contaminated ballast from beneath the track,” Plasser Australia’s Sales and Marketing Manager Allan Logan said. “It runs the contaminated ballast through a pair of cleaning screens before it’s returned to the track.”

The RM 900 has a track operating speed of about 400 metres per hour while working. Its travelling speed between work sites is 80 km/hour.

Established in 1970, Plasser Australia is part of Austrian company Plasser & Theurer, the

world’s leading supplier of track maintenance and construction equipment.

Plasser Australia sources about 300 tonnes of Grade 250 and Grade 350 XLERPLATE® steel a year from NSW distributor Horan Steel to manufacture equipment like ballast cleaners, tamping machines, track stabilisers and measuring cars.

“Tamping machines are the company’s bread and butter,” Mr Logan said. “They’re used to resurface the track and come equipped with automatic, computer-controlled lifting, levelling and lining systems.

“We’ve produced equipment in all the gauges we have in Australia, from narrow gauge (610mm) through to broad gauge (1600mm),” he said. “We’re also interested in assisting Australian contractors expanding their operations into Asian markets, such as Thailand, Vietnam, Malaysia and Indonesia in the future.”

Plasser Australia has 65 staff and builds approximately six tamping machines a year at its 2.5 hectare St Marys facility. Each machine costs an average of \$6 million, and weighs 70-80 tonnes.



GO-AHEAD FABRICATOR HANDLES THE PRESSURE

Sydney company L & A Pressure Welding is in the midst of the largest pressure vessel fabrication project it has ever tackled.

The company is fabricating 32 pressure vessels from XLERPLATE® steel for a fifth LNG processing train near Karratha on the Burrup Peninsula in Western Australia.

The Woodside-operated North-West Shelf venture is adding LNG processing capacity to meet growing international demand, particularly from China and Japan.

The new facility, which will have a production capacity of more than 4.4 million tonnes of LNG a year, is expected to ship its first cargoes of LNG by fourth quarter 2008.

L & A Pressure Welding, founded by Louis Chouaifaity and his wife in 1981, has undergone four expansions since then, including the establishment of a second workshop at Bankstown close to its Revesby head office.

The company's Australian customer list includes Shell, Esso, Woodside, Oenos and Orica. However it also has a steady stream of export work heading to places like China, Malaysia, Singapore, Portugal and Vietnam.



One of 32 pressure vessels being fabricated by L & A Pressure Welding.



"Everything we do here is designed to save time without decreasing quality," owner Louis Chouaifaity said.

"We create in-house mechanical and thermal design and drawings of pressure vessels and heat exchangers using the latest software.

"Heat treatment, drilling by CNC machine and rolling for up to 50mm thick plates is done in-house, and rolling for

up to 160mm plates."

Mr Chouaifaity said that using XLERPLATE® steel allowed L & A Pressure Welding to deliver the pressure vessels three months ahead of schedule because BlueScope Steel upgraded the specification and provided impact and charpy testing to the customer's satisfaction.

CHINA FORGES FURTHER AHEAD

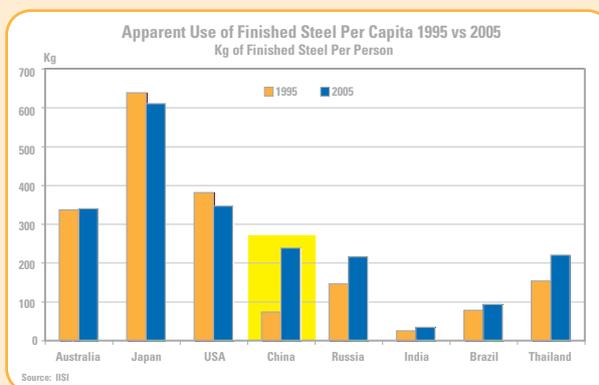
China's economy is now the fourth largest in the world, having recently overtaken the UK. China's share of world GDP, on a Purchasing Power Parity (PPP) basis has quadrupled over the last 25 years to almost 16 per cent last year.

Beyond 2006, construction investment is expected to continue growing but at more sustainable levels. Meanwhile, the manufacturing sector continues to expand aggressively and China's positive net export position is expected to improve further.

Investment in the steel industry has risen more than 400 per cent since 2001, which now sees China account for one in every three tonnes of steel produced and consumed globally.

There are now eight steel makers in China producing over 10 million tonnes a year, or 30 per cent of total Chinese production. China's demand for raw materials, including iron ore, has soared to meet the needs of the steel industry and general economy.

China's per capita steel consumption has grown dramatically over the past 10 years. The experience of Japan and other developed economies suggests



that if the Chinese economy continues to grow at its current pace, there is strong potential for further healthy steel consumption growth.

Of some concern however, is that while economic growth has brought improved living standards, growth has not been totally benign. Pollution is damaging agricultural land and human health in the major cities as the basic air and water quality standards continue to deteriorate.

Addressing environmental issues remains one of the government's main challenges into the future. The government is likely to make companies invest in more stringent emission control technology, which will add to their costs of production.

UPGRADE TO ROLLING MILL

The Port Kembla Steelworks Plate Mill undertook a refit of Rolling Stand One incoming side guards in July. Stand One outgoing side guards will also be replaced soon.

The Stand One side guards had not been replaced for three years and the mechanical equipment had experienced substantial wear.

The side guards are an integral part of the set-up for Stand One rolling mill and edger. They are also responsible for centring the steel in the rolling mill to ensure accurate plate width measurements.

"Before the refit our operators had to allow for 10-40mm of margin when rolling XLERPLATE® steel," Plate Mill Manager Gerard Mahoney said.

"The refit has reduced that margin to just plus or minus 2mm, allowing us to deliver a better quality product to customers because the plates will be closer to the ordered width."

The Plate Mill plans to roll at least 388,000 tonnes of XLERPLATE® steel this financial year.

SAFETY MESSAGE: CROSSING DANGER

Fewer than one per cent of all road fatalities result from crashes between trains and road vehicles, yet nearly all such accidents result in death. While most fatal road/rail crashes involve cars, 15 per cent involve heavy trucks.



A recent Australian study indicated that drivers' failure to take sufficient care or action was the major cause of such crashes.

More than 80 per cent of road/rail crashes happen in daylight, in fine weather and on straight, dry roads. More than half happen at crossings with electronic warning systems. And more than 60 per cent of drivers and motorcyclists are hit by trains – rather than running into the sides of trains.

Please remember, when you see a sign indicating a railway crossing:

- Slow down
- Look and listen carefully
- Always assume there's a train on the track.

XLERPLATE® STEEL TAPS UNTOUCHED WATERS

Pipes made by a Brisbane company are the key to tapping into an extra 40 billion litres of water a year for Sydney residents.

Rollpress Proplate Group (RPG) has manufactured pipes, some weighing up to 20 tonnes, to access deeper water at Warragamba Dam for emergency water supplies.



A pipe section in RPG's Brisbane workshop.

While the dam 65km west of Sydney can provide the city an extra six months water during an extreme drought, 10 per cent of its water capacity remains untapped because it sits below the lowest outlet point.

The pipes are part of a modification project being carried out by engineering and construction company Boulderstone Hornibrook to build new pumping stations and pipelines for the dam.

The pipes will be used to pump water from the bottom of Warragamba Dam to a treatment plant at the top. Work on both has now been completed.

RPG's Sales and Marketing General Manager Richard Kearns said, "Some of the pipes are six metres long with a diameter of 2.7 metres. They're three times as big as a car," he said. "We delivered 28 truckloads to Warragamba Dam and most were over-dimensional – some single loads weighing close to 20 tonnes."

Mr Kearns said RPG cut and rolled Grade 250 XLERPLATE® steel into pipes, welded necessary flanges, manufactured branch lines and clutch plates and assembled them at the company's Wacol factory.

"The pipes are hydro-tested and pressurised to 20 bar, so they can withstand more than three times the pressure applied to average household pipes."

BLUESCOPE EMPLOYEES KEEN TO KNOW MORE



BlueScope Steel employees Breelee Traynor, Graham Solomon and Gemma Knight took part in the internal survey.

BlueScope Steel employees are keen to know more about their customers, according to a recent internal survey.

Ninety-two staff members from across all departments of the Port Kembla Steelworks and service providers including Transfield and Hatch were asked to answer questions about customers and their relationships with them.

Employees strongly identified a need to strengthen their knowledge of what BlueScope Steel's customers wanted.

They agreed their actions within their respective jobs impacted on the satisfaction level of BlueScope Steel's customers, which they see is also linked to business performance. Employees also wanted to learn more about what BlueScope Steel customers want.

STEEL REFRESHER COURSE

The Australian Steel Institute (ASI) is calling for registrations for the AS 4100-1998 Steel Structures Design Refresher Course, to be held at the Vibe Hotel in Sydney on October 20.



The course is the first in a two-part series aimed at improving designer knowledge and confidence in the theoretical and practical applications of steel. It will deliver a working knowledge of the AS 4100 Standard to structural and civil engineers who are looking to enhance knowledge in this field gained as undergraduates, as well as to recent graduates, designers and specifiers.

Lecturers are locally based and will use common portal frame building examples to reinforce design theory during the day-long seminar.

The course costs \$375 for ASI members and \$450 for non-members, includes course materials, morning and afternoon teas and lunch.

Registration closes on October 16.

For information, phone Scott Munter on (02) 9929 6666, email scottm@steel.org.au or visit the ASI's website – www.steel.org.au

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IN THE HOT SEAT STAN CLARK



Name: Stan Clark
Job title: National Sales Manager – Distribution & Manufacturing
No. of years with BlueScope Steel: 19 years – started at NZ Steel in 1987
No. of years in the steel industry: Steel has always been in my life
Description of current role: Provide leadership in my sectors, for Industrial Markets
Previous position: International Marketing Manager for Packaging Products
Previous position duties: Develop strategy and promote export sales of Tinplate and Blackplate
Woman I most admire: Difficult one. Apart from my mum and wife, it would have to be someone like Princess Di
Man I most admire: Again apart from my dad, probably the late ex-NZ PM David Lange
Emails received on average per day: Around 40
Best invention of the last century: Organ Donor Card
Worst television program: Don't care! Best ones

are BBC drama/comedy though
Time I spend in my car each day: 20 mins, unless I go to Sydney
Hardest habit to break: I tend to time things to the last minute
Favourite drink: Has to be Heineken
Best car on the road/favourite car of all times: Jaguar XK8
Most useless possession: The kilt I wore when I was seven
Favourite outdoor recreational activity: Association Football (soccer) and Mountain Biking
What kick-starts my day: Seeing my three sons off to school
If I had \$1m to blow it would be on... a Jag XK8 of course, my parents and world travel with my family each year until it runs out
Favourite holiday destination ever: Scotland on a sunny day in Autumn (very rare!)

ANYTHING BUT STEEL

Did you know that...

- When only four, Mozart was able to learn a piece of music in 30 minutes.
- Adolf Hitler was *Time* magazine's Man Of The Year in 1938.
- Alexander Graham Bell, the inventor of the telephone, never used it to speak with his wife or mother. They were both deaf.
- Alexandre Gustave Eiffel, the man who designed

the Eiffel Tower, also designed the inner structure of New York's famous Statue of Liberty.

- Albert Einstein was offered the presidency of Israel in 1952. He graciously declined.
- The most murders reportedly committed by a woman were 650, by Countess Erzsabeth Bathory, of Hungary. The Countess (1560-1614) systematically tortured and killed young female staff and girls within her castle's walls.

READERS BACK STEEL IN TOUCH



Winner Tim Elkington of WA-based RCR Tomlinson with State Sales Manager Elly Pilkadaris.

Congratulations to Tim Elkington from RCR Tomlinson in WA for winning our reader survey competition prize; a 32-inch LCD TV. Thanks to everyone who responded to our series of questions about *Steel In Touch*.

A whopping 40 per cent of you responded – most saying you're delighted or happy with the newsletter and find the stories relevant to your day-to-day business.

Around 98 per cent of you liked the feature stories, product news and industry news, with comments including: "It's a very well-rounded newsletter which covers everything", and "The mix is about right."

Two thirds said you'd like to have your company or your customers featured in the newsletter, which tells us you're proud to be involved. So please call or email us and let us know what you're up to, and keep an eye out for more informative stories in our Summer edition.