



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.

Ted Lojszczyk
State Sales Manager – SA & NT

WORK ON DARWIN CENTRE TO CREATE 1000 JOBS

Darwin’s Waterfront and Convention Centre, to be built in stages over the next 15 years, is expected to generate as many as 1000 new jobs for the city.

M&J Welding and Engineering will play a key role in construction work, with the company expected to use 200-300 tonnes of XLERPLATE® steel in fabricating the centre’s curved steel awnings.

About 1000 tonnes of additional structural steel, being supplied by OneSteel, is expected to be used in the project.

Construction of the complex in the city’s wharf precinct started in mid-August. It will consist of a convention centre, retail stores, cafes, restaurants, staged accommodation developments and an entertainment area with a wave pool.

The convention centre will seat 1500 and will incorporate 4000 square metres of exhibition space.

There will also be swimming areas and parklands behind a huge sea wall.



Artist's impression of the Waterfront and Convention Centre.

“This project is an excellent opportunity for Australia’s leading steel companies – OneSteel and BlueScope Steel – to collaborate in the Northern Territory,” said OneSteel Project Manager Michael Petrelis.

“The Waterfront development will inject variety and excitement into one of Darwin’s key areas.” Locals and tourists will be able to eat, drink, be entertained and enjoy a tropical sunset.



ALUMINA REFINERY BOOSTS DARWIN BUSINESS

Darwin-based fabricator EC&E is playing a major role in the \$2 billion Alcan Gove alumina refinery expansion known as G3. Since the project started in September 2004, EC&E has fabricated about 300 jobs for G3.

In the process, the company has used about 700 tonnes of XLERPLATE® steel sourced from OneSteel.

EC&E Director Anton Buic said his company had built 13 Milk of Lime Process Tanks for the refinery located in Nhulunbuy on the Northern Territory's Gove Peninsula. The tanks use lime to extract alumina from bauxite ore. "The tanks range in diameter from four metres to 12 metres," Mr Buic said. "We've shipped them to the Gove site where they'll be used to process lime."



EC&E shipped the Milk of Lime Process Tanks to the refinery.

EC&E, with about 40 employees, has also built pressure vessels, pipes, shutes and hoppers for the project in its workshop near the Darwin East Arm Port. Six hundred pre-assembled modules (PAMs) like the Milk of Lime Tanks have been commissioned



for G3. They will be onsite by the end of the year, and ready for alumina production in 2007.

The expansion will almost double alumina production at the refinery from 2 million to 3.8 million tonnes per annum.

CHINA FORGES FURTHER AHEAD

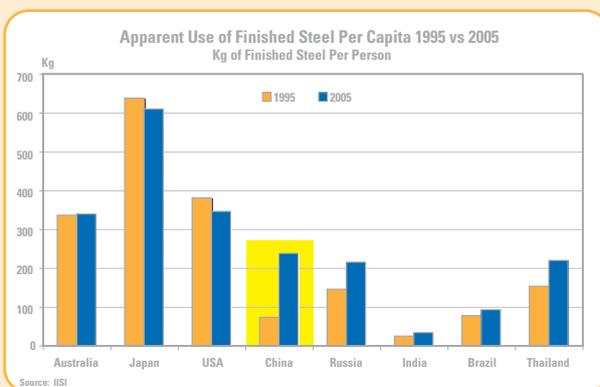
China's economy is now the fourth largest in the world, having recently overtaken the UK. China's share of world GDP, on a Purchasing Power Parity (PPP) basis has quadrupled over the last 25 years to almost 16 per cent last year.

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.



MOLNAR HOISTS SUPPORT AUSTRALIAN-MADE STEEL

BlueScope Steel signage helped boost business for Adelaide-based car hoist manufacturer Molnar Engineering at the recent Australian Auto Trade Fair in Sydney.

Molnar Engineering displayed its full range of vehicle hoists with signage highlighting the company's membership of the Steel Supplied By BlueScope Steel Brand Partnership Program.

This loyalty program allows BlueScope Steel customers to align their companies and products with the quality and reputation associated with Australia's leading steel producer.

Molnar Engineering Sales Manager Kevin Dawes said around 7,000 people visited the company's stand, with many congratulating Molnar on supporting Australian-made products.

"Customers are sick of seeing cheap imports because there's no follow-up service if there's a problem," Mr Dawes said. "Molnar Hoists are made



Molnar Engineering's display at the Australian Auto Trade Fair.

in Australia with a three-year warranty so customers receive back-up, parts and on-going support as part of that service."

Molnar Engineering, launched in 1951 by Frank Molnar, has built a reputation as Australia's leading car hoist manufacturer.

"The company owes its success to Mr Molnar's drive and commitment to Australian-made goods," Mr Dawes said.

Molnar Engineering has 56 staff working in its manufacturing facilities in Brompton. The company produces about 250 hoists a month sold through distributors like Repco, with almost half this number exported.

"We're focused on forming long-term relationships with our distributors, and aim to have 50 per cent growth in our Australian and overseas markets in the next two years," Mr Dawes said.

Molnar Engineering uses XLERPLATE® steel to manufacture hoist components like posts, arms, pins and pulleys to meet stringent safety standards.

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.

FANCY A ROUND OF CHARITY GOLF?



The ASI Golf Committee from left: Ted Lojszczyk, Chris O'Connor, Russell Chataway, Andy Wilkinson.

The Australian Steel Institute (ASI) Golf Day is coming up on Friday, 1 December.

It promises to be a fun day and great networking opportunity, with more than 130 people from across the steel industry expected to attend.

State Sales Manager and Chairman of the ASI Golf Committee, Ted Lojszczyk, said this year's event would be held at The Grange Golf Club in Adelaide, with all proceeds going to charity.

More than \$15,000 was raised for Camp Quality in 2005, and this year's funds will go to Cystic Fibrosis SA.

Anyone interested in participating should email or call Ted Lojszczyk –

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BLUESCOPE STEEL

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IN THE HOT SEAT SCOTT DUNSTAN



Name: Scott Dunstan

Job title: Customer Service Manager – Plate Products

No. of years with BlueScope Steel: 26

No. of years in the steel industry: 26

Description of current role: Manage the XLERPLATE® steel supply chain and provide leadership to our team at the Plate Mill

Previous position: Product Manger – Plate Products

Woman I most admire: Halle Berry

Man I most admire: Allan Yates (Chief Technologist Plate & General Strip)

Emails received on average per day: 50

Best invention of the last century: Computer

Worst television program: Too many to mention

Time I spend in my car each day: 15 minutes

Hardest habit to break: Coffee

Favourite drink: VB

Best car on the road/favourite car of all times: Mk2 Mini Cooper S (1967)

Most useless

possession:

Short sailboard – hasn't been used for 20 years

Favourite outdoor

recreational activity: Racing sailing dinghies (NS14) with my wife and four sons

What kick-starts my day: Coffee

If I had \$1m to blow it would be on... Take six months off with the family and walk the Appalachian Trail - Maine to Georgia

If I could have one person over for dinner, it would be... Andrew Denton

If there was one thing I could do all over again... Thermodynamics 3 – I would have made sure I did better than the Pass Conceded!

Favourite holiday destination ever: Backpacking through the Sierra Nevada Mountain range in California – up to 12,500ft

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.