

ASX ANNOUNCEMENT

18th November, 2002

WASTE PRODUCT REUSE AT HISMELT SITE

Hismelt (Operations) Pty Ltd on behalf of the Hismelt Kwinana Joint Venture has placed an order on EGL to design, supply and commission a commercial grade gypsum plant for the Hismelt Plant to be constructed at Kwinana, Western Australia. The value of the order, approximately \$7 million was reported to the ASX on 31st October 2002 by EGL. Details of the contract and the world's best technology being employed are now provided in this document.

The Hismelt process used at the new plant is a state of the art iron making process developed by Rio Tinto. Hismelt Kwinana Joint Venture is a joint venture between entities belonging to Rio Tinto, Nucor, Mitsubishi Corporation and Shougang Corporation who are building the large scale demonstration plant for the Hismelt process at Kwinana.

In the Hismelt process the smelter flue (or waste) gases are combusted to make use of their inherent fuel value and are then scrubbed to remove the sulphur in the Flue Gas Desulphurisation (FGD) system. The FGD system uses slurry of lime kiln dust, which is a waste product from an adjacent cement plant to achieve the sulphur removal. The resultant product is then oxidised and dewatered to produce the commercial grade gypsum. The gypsum is returned as an input to the cement process.

This is believed to be the first large-scale FGD based gypsum production system in Australia although these plants are common in other parts of the world.

EGL have sourced the world's best technologies and combined them with our local expertise to provide an innovative solution to this customer's environmental needs. Using EGL's expertise and know-how to combine two high volume, waste products to produce a usable product is the best possible environmental outcome and is a particularly pleasing aspect of this project for all involved.

Howard. F. Johnson
Managing Director and CEO

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