

Client:

Stirling Stainless

Project:

Kwinana Stainless Steel Project

Project Location:

Kwinana, WA

Project Value:

USD 980M

Services:

- Concept Study
- Feasibility Study

1. Project Overview

The Project concept assessed in these studies was based on a 650,000 t/a stainless steel flat products plant located adjacent to the Hismelt facility in Kwinana, Western Australia. Pre-treated liquid hot metal would be supplied in an “over the fence” arrangement from Hismelt.

The use of pre-treated hot metal, as opposed to the carbon and stainless steel scrap that are used in the conventional EAF based route, makes possible the employment of top and bottom-blown steelmaking converter technology that can simultaneously smelt “cheap” virgin ore or semi-refined sources of the alloying elements nickel and chromium. Conventional raw material costs account for up to 70% of the cash operating cost of typical grade 304 stainless steel. This proven alternative approach provided a significant OPEX advantage to the Project.

The Project concept capitalised on the extensive industrial and social infrastructures at Kwinana, the long-term supply of low-cost natural gas from the North West Shelf, potential market synergies with other major industries in the Kwinana industrial zone, and proximity to Perth.

2. Scope of Work

ProMet supplied the following services:

- Engaged industry stainless steel market analysts for market analysis
- Process plant design in cooperation with VAI
- Review of processing options including strip casting
- Overall preliminary Project execution schedule
- Preparation of CAPEX and OPEX estimates
- Preliminary financial analysis
- Compilation of reports and presentations to management

3. Project Schedule

- Concept Study, completed May 2003
- Feasibility Study, completed Aug 2003
- Project on hold

