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## **Boulder Steel inks LoI for rail and heavy beam plant in Saudi Arabia**

*Thursday, 11 Jun, 2009*

The board of directors of Arabia for Business Strategies LLC and Boulder Steel Limited has signed a Letter of Intent to jointly develop a Rail and Heavy Beam Plant in the eastern state of the Kingdom of Saudi Arabia.

This decision is a first result of the joint cooperation and strategic partnership between the 2 partners, as outlined in the recently announced MOU.

The plant will have a capacity of 500,000 tonnes per annum and will be supplied with billets and blooms from Boulder's Iron and Steel Plant which the 2 partners intend to jointly develop at Gladstone in Australia.

Dr Sudarshan Singh chairman of ANT Steel Engineers Asia Private Limited, who is a technical advisor of the project partners, estimates that the Rail and Heavy Beam Plant will cost approx USD 220 million.

He said that "based on most modern technology, the plant will produce high strength rails to meet the up coming demand of Saudi railways. Reputed technology suppliers of the world are being approached for the selection of equipment."

He proposed that the product mix should include 200,000 tonnes of rail products and 300,000 tonnes of heavy sections and that a significant percentage of rails will be head hardened.

Dr Singh said that "To meet the stringent quality requirements of national and international railway companies, the plant will have the most modern testing and finishing facilities."

He expects that this project will generate direct employment for 500 people and indirect employment for more than 2000. The project will be completed in 20 months.

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