

# **BOULDER STEEL LIMITED**

A.C.N 009 074 588

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30 January 2009

Company Announcements  
The Australian Stock Exchange  
20 Bridge Street  
SYDNEY NSW 2000

Dear Sir/Madam

## **RE: BOULDER STEEL LIMITED** **REPORT FOR QUARTER ENDED 31 DECEMBER 2008**

### **1. Australian Iron and Steel Projects, Queensland** **100% Boulder Steel Limited**

Following the overwhelming support for the Australian Iron and Steel Project by Boulder Steel shareholders at the 2008 Annual General Meeting, the Company is now focussing its activities on the development of the Gladstone Project.

After completion of the site selection study discussions have been held with known site neighbours to finalise the site boundaries. Some adjustments were made and negotiations to acquire the site from the Queensland Government have commenced.

In September 2008, Worley Parsons Limited have been commissioned to conduct the Environmental Impact Statement, which is progressing to plan. The final Initial Advice Statement (IAS) and the draft Terms of Reference (TOR) have been lodged with the Queensland Government Department of Industry and Planning. Whilst the TOR has not yet been approved a number of standard studies have been commenced in order to expedite the approvals process.

The Expressions of Interest document for the supply of the various plant units is 90% complete and initial discussions with suppliers and contractors started in January 2009.

The initial transport plan has been prepared and it is currently being discussed with the Gladstone Port Corporation, Queensland Rail and the Department of Infrastructure and Planning in order to be finalised.

Discussions continue with potential suppliers of utilities and raw materials. Many of these discussions have reached the contract stage.

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A number of third party arrangements are being discussed with key partners. Most of these arrangements have progressed to a stage where initial contracts are ready to be exchanged.

**2. Sharjah Finishing Plant Project, Sharjah, United Arab Emirates  
100% Boulder Steel Limited (through subsidiary – Boulder Steel [UAE] Limited)**

On 19 November 2008, the lease on the land in the Hamriyah Free Zone was extended for a further year to 18 November 2009.

Following the 2008 Annual General Meeting, the Sharjah Finishing Plant Project was put on hold, while the Company is currently evaluating several alternatives concerning the future of the project.

**3. Euro Forming Services GmbH (“EFS”)  
50% Boulder Steel Limited**

During the period under review, EFS’s total revenue was €1,712,423 (A\$3,424,846), down from €2,767,026 (A\$4,611,710) for the September quarter. The sharp fall in sales was due to cancellations of orders in the wake of the global financial crisis, which has affected the automotive industry in particular.

EFS – Quarterly Revenue during last 4 quarters			
1 <sup>st</sup> Quarter 2008	2 <sup>nd</sup> Quarter 2008	3 <sup>rd</sup> Quarter 2008	4 <sup>th</sup> Quarter 2008
€2,986,772	€3,003,507	€2,767,026	€1,712,423
A\$4,977,953	A\$5,005,845	A\$4,611,710	A\$3,424,846
-10.0%*	+0.5%*	-7.9%*	-38.1%*

\* Quarterly revenue changes, based on Euro figures.

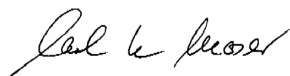
A\$/€ exchange rate for the first three quarters of 2008: 0.60

A\$/€ for the fourth quarter 2008: 0.50

**4. Statement of Consolidated Cash Flow and Changes in Interest in Mining Tenements**

These reports are attached.

Yours faithfully  
**Boulder Steel Limited**



Carl U Moser  
Director & General Manager

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# Appendix 5B

## Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001.

Name of entity

BOULDER STEEL LIMITED

ABN

009 074 588

Quarter ended ("current quarter")

31 December 2008

### Consolidated statement of cash flows

Cash flows related to operating activities		Current quarter \$A'000	Year to date (6 months) \$A'000
1.1	Receipts from product sales and related debtors	-	-
1.2	Payments for		
	(a) exploration and evaluation	-	-
	(b) development	(1,174)	(2,142)
	(c) production	-	-
	(d) administration	(1,971)	(2,750)
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature received	56	147
1.5	Interest and other costs of finance paid	(1)	(3)
1.6	Income taxes paid	-	-
1.7	Other (provide details if material)	-	-
	<b>Net Operating Cash Flows</b>	<b>(3,090)</b>	<b>(4,748)</b>
<b>Cash flows related to investing activities</b>			
1.8	Payment for purchases of:		
	(a) prospects	-	-
	(b) equity investments	-	-
	(c) other fixed assets	-	-
1.9	Proceeds from sale of:		
	(a) prospects	-	-
	(b) equity investments	-	-
	(c) other fixed assets	-	-
1.10	Loans to other entities	-	-
1.11	Loans repaid by other entities	-	-
1.12	Other (provide details if material)	-	-
	<b>Net investing cash flows</b>	<b>-</b>	<b>-</b>
1.13	Total operating and investing cash flows (carried forward)	<b>(3,090)</b>	<b>(4,748)</b>

	(3,090)	(4,748)
<b>Cash flows related to financing activities</b>		
1.14 Proceeds from issues of shares, options, etc.	-	-
1.15 Proceeds from sale of forfeited shares	-	-
1.16 Proceeds from borrowings	-	-
1.17 Repayment of borrowings	-	-
1.18 Dividends paid	-	-
1.19 Other	-	-
<b>Net financing cash flows</b>	-	-
<b>Net increase (decrease) in cash held</b>	<b>(3,090)</b>	<b>(4,748)</b>
1.20 Cash at beginning of quarter/year to date	5,859	7,517
1.21 Exchange rate adjustments to item 1.20	812	812
1.22 <b>Cash at end of quarter</b>	<b>3,581</b>	<b>3,581</b>

**Payments to directors of the entity and associates of the directors**

**Payments to related entities of the entity and associates of the related entities**

	Current quarter \$A'000
Aggregate amount of payments to the parties included in item 1.2	1,871
Aggregate amount of loans to the parties included in item 1.10	-

Explanation necessary for an understanding of the transactions

Directors fees, salaries and consulting fees includes retirement payment under employment contract and accrued leave of \$1,627,000.

**Non-cash financing and investing activities**

- 2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

- 2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

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### Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities		
3.2 Credit standby arrangements		

### Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	-
4.2 Development	1,000
<b>Total</b>	<b>1,000</b>

### Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.

	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	3,581	5,859
5.2 Deposits at call	-	-
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
<b>Total: cash at end of quarter (item 1.22)</b>	<b>3,581</b>	<b>5,859</b>

### Changes in interests in mining tenements

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1	Interests in mining tenements relinquished, reduced or lapsed			
6.2	Interests in mining tenements acquired or increased			

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**Issued and quoted securities at end of current quarter**

*Description includes rate of interest and any redemption or conversion rights together with prices and dates.*

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1 <b>Preference + securities</b> <i>(description)</i>				
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3 <b>+Ordinary securities</b>	481,803,953	481,803,953		
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs				
7.5 <b>+Convertible debt securities</b> <i>(description)</i>				
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7 <b>Options</b> <i>(description and conversion factor)</i>	8,150,000 6,387,067 5,500,000	- - -	<i>Exercise price</i> 20c 30c 60c	<i>Expiry date</i> 31-03-2011 30-06-2009 30-06-2009
7.8 Issued during quarter	-	-	-	-
7.9 Exercised during quarter	2,000	2,000	20c	30-11-2008
7.10 Expired during quarter				
7.11 <b>Debentures</b> <i>(totals only)</i>				
7.12 <b>Unsecured notes</b> <i>(totals only)</i>				

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## Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 4).
- 2 This statement does ~~does not~~\* (*delete one*) give a true and fair view of the matters disclosed.

Sign here: ..... Carl Moser.....  
(Director/~~Company secretary~~)

Date: ...30 January 2009....

Print name: ..... Carl Moser.....

## Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.  
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