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China Steel Australia (ASX:CNH)

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China Steel Improves Production Efficiency

China Steel Australia Limited (ASX:CNH) is pleased to report that the company has made successful changes to its production process to improve efficiency.

The company produces both nickel pig iron and merchant pig iron at its plant near the city of Linyi in China's Shandong Province.

China Steel CEO Mr Chen Lidong said the company had successfully incorporated the use of Anthracite coal in its production process. Anthracite coal or black coal is a harder compact variety of coal with a high carbon content.

"This supplements our use of coke as an energy source and it will improve our production efficiency and enable us to improve our product quality," he said.

"We are implementing these changes to ensure China Steel remains highly competitive in these uncertain times.

"It's a move that will help solidify our position as the market leader in nickel pig iron in China."

China Steel last month announced it had signed a one year letter of intent with Heng Feng Zheng Dao Trading Co. Ltd to supply 45,000 tonnes of nickel pig iron or 90 per cent of current production capacity

China Steel Australia, which listed on the ASX in February, 2008, is an enterprise with a licence to manufacture steel and iron in China.

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