

20th April, 1956.

C.H. Broadhurst, Esq.,
Australian Blue Asbestos Ltd.,
PERTH.

Dear Joe,

The points raised in your letter of 15th have been discussed and additional to my official letters, this is the position as we see it.

Dry Process Plant. The present aim will have to be for a dry process mill on our present site capable of 12,000 tons per annum in 1957 without assistance from the wet process plant.

The present mill capacity may be taken, we assume, as 160 tons per week and by operating an additional two shifts we could get a further 20 tons per week, making a total of 180 tons per week. The installation of another rod mill may provide another 20% increase or say 30 tons per week, making a total of 210 tons per week or a little over 10,000 tons per annum. On this basis other improvements would have to be found to bring the rate up to 240 tons per week, or 12,000 tons per annum.

The proposal to extend the bins to obtain additional operating shifts for an expenditure estimated at £10,000 is therefore agreed to in principle and you may also agree to proceed with other additions such as rod mills if the cost is up to £10,000 or £12,000. Please let us have details as soon as possible however.

Wet Process Plant. Work on the wet process should continue but work on the dry process must have complete precedence over the wet process and any production from the wet process is to be treated as additional to the 12,000 tons per annum, which is the production target for the dry process. We cannot be sure yet that the wet process will work nor can we be sure the fine fibre could be mixed with No.3 grade and still please the customers.

Dust Collection. As we are committed to continuing with the dry process we must take further steps to control the dust emission in the mill and we are considering obtaining the services of a Company experienced in this field, who would send a representative to Wittenoom to survey the plant and supply and install equipment on a contract basis. Please let us know what you think on this proposal.

A possibility on which we should like to have your comments is that the exhaust from the mill should be blown into the upper part of the old Wittenoom workings and allowed to settle there.

We have had some success in our factories in Sydney, where dust conditions prevail, in controlling the air borne movement of dust by building an enclosure around the dust areas and this method may be practicable at Wittenoom. With such a scheme each section of plant, such as the crushing rolls, the kubit mills and Nos 2 & 3 screens, and Nos 5 & 6 screens for example, would have a light sheet metal enclosure built around them with an access doorway and providing sufficient room between the enclosure and the plant for carrying out maintenance work. These enclosures would be exhausted by dust fans.

Correspondence. We have considered the possibility of a set up such as that existing with the refineries in the capital cities where all correspondence from the refineries passes through the Branch Manager to Head Office. As you will be absent from Perth a good deal we think it would be preferable to leave the arrangements regarding correspondence much as they are now, except that a copy of all correspondence from Wittenoom to Sydney and Sydney to Wittenoom would be sent to you. This would enable you to comment on any matter that you think necessary and will also enable the system to operate normally in your absence.

The principal matters now covered in correspondence between Wittenoom and Sydney concern

- (a) fibre quality and production
- (b) U.A. expenditure control
- (c) Staff matters.

It appears to us that we still need to know of all these matters in addition to receiving the 4 weekly operating report, and we suggest that arrangements be left as they are until some further experience is gained.

We would not want copies of correspondence between Wittenoom and Perth unless you consider there is something which requires our attention.

As regards sales and export of fibre, shipping arrangements are already looked after in Perth and we do not see that any change is necessary. Minerals Fibres write direct to Perth on matters concerning shipments. All other correspondence on fibre sales such as correspondence with Johns-Manville and correspondence with Minerals Fibres on matters concerning prices and contracts, we consider should continue to be directed to this office as at present.

No.1 & No.2 grade fibre. L.G.Hancock. We would be prepared to offer approximately 200 tons of spinning fibre on the basis suggested of payment of 90% of the contract selling price by irrevocable letter of credit with the remainder of 10% to be paid after acceptance tests at the destination of the fibre. We would require safeguards that no part of the 90% would be allowable in the form of a claim and before entering into a contract we should like to know to what purchase specification the material is to be supplied. We should like to know also if samples and price have already been submitted to the prospective buyer. Copy of Mr. Hancock's letter to you is enclose

As regards Central Asbestos we suggest that you advise them that an offer has been received for all of our long grades and ask them if they are still interested.

We do not see that any difficulty arises regarding payment of commission because Japan is not included in Minerals Fibres territory under the agreement we have with them and Carters do not have a sole agency in Japan because we have reserved the right to sell direct there.

Yours sincerely,