

SE Business  
HD Asia **Iron** sheds more staff amid losses  
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The axe has again fallen at Asia **Iron** only months after a dramatic shake-up that led to the departure of the bulk of its staff and long-term senior management.

It is understood Asia **Iron** has cut 10 to 12 former Forge Group employees called in to review earlier engineering and design work on its Extension Hill magnetite project. Sources suggest the decision was a result of moves to again curtail spending on the \$3 **billion** project.

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It is the second major shake-up in six months at Asia **Iron**.

After months of tension between its Australian management team and **Chinese** majority owner Chongqing **Iron** and Steel, the Mid West magnetite hopeful dumped the bulk of its executive team last November.

Casualties included long time managing director Bill Mackenzie and most of the executive team responsible for developing its \$3 **billion** Extension Hill project. The rest of its project team departed in January, replaced by the Forge Group employees.

Last year Asia **Iron** Australia chairman Guo Deyong told the **company**'s Australian staff its **Chinese** parent expected to be able to make a \$US240 **million equity** injection into the project by February. In late March, Asia **Iron** said a technical team had presented positive results from the new design work to senior executives of its parent **company** in **China**.

It is understood the promised **equity** injection did not arrive, with limited funds made available to the new team.

Sources say the latest group of Asia **Iron** staff were axed this month, just after the **Hong Kong**-listed arm of Chongqing **Iron** and Steel declared a \$127.8 **million** first-quarter operating loss.

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