

Rinehart ramps up contribution to mining at Roy Hill

Article by Ben Creagh Australian Mining



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Gina Rinehart's contribution to mining spans decades.

The recipient of the 2017 Prospect Awards BGC Contracting Contribution to Mining award has become one of the most well-known mining identities in Australia for her relentless commitment to growing the industry over this time.

Rinehart, as the chair of Hancock Prospecting, has led the development of major mines around Australia and has helped ensure these operations provide benefits for the country's economy and the local communities where they are based.

It is a challenge to single out the most significant contribution Rinehart has made to mining, but the progress made at the Roy Hill iron ore operations in Western Australia headline her most recent achievements.

Roy Hill hit a significant milestone this year by reaching its targeted 55 million tonnes per annum monthly rate, making it the fastest iron ore operation to achieve this.

Rinehart explained that Roy Hill, which has been in production since 2015, would also soon celebrate becoming the single largest iron ore mine in Australia.

But as Rinehart told *Australian Mining*, the significance of the \$10 billion operation extends much further than these production milestones, with more than 50,000 people being involved in its development.

“Such highlights have brought benefits to many related industries that depend on mining and has certainly seen benefits during construction and ramp up for the West Australian economy, and will keep delivering benefits for years to come,” Rinehart said.

“It has been a privilege to work on such a mega project and to see it from inception when Hancock found the ore at Roy after another company dropped the tenements, believing of little value, not having located the deposits Hancock’s exploration has.”

Rinehart said Hancock started “very small, with very little money to spend” when exploring in a remote area to find the deposits that now form the Roy Hill operations.

“We studied and progressed towards development despite all the thousands of government approvals, permits and licences and other significant risks and roadblocks placed in front of us, we brought in at the end of the bankable feasibility study, minor partners who are very proud of where our mega project is today,” Rinehart explained.

“We did this maintaining an above Pilbara and above West Australia industry average safety record and female participation rate, we have launched Australia’s first fleet of pink mining trucks, which we believe is also a world first, together with staff fundraising to assist breast cancer.”

Prior to the emergence of Roy Hill, Hancock’s major achievement in the iron ore industry was Hope Downs, which became a joint venture with Rio Tinto last decade.

Hope Downs, which produced its first ore in 2007, also continues to grow as an operation, with the joint venture now developing the site’s fourth mine – Baby Hope.

Rinehart’s focus on developing operations like Roy Hill and Hope Downs is matched by her passion to maintain the global competitiveness of the Australian mining industry.

A notable goal of Rinehart’s is to help ease the regulatory burden that exists around securing approvals for new mining projects and extensions.

Rinehart said Hancock had to secure more than 4000 approvals, permits and licences before construction of Roy Hill could even start.

“Our mining industry cannot operate sustainably if we are not internationally competitive,” Rinehart said. “One area that has not improved and significantly hampers our international competitiveness is government red tape and the costs of this and the compliance burden.

“Time-consuming and expensive government regulation and tape, and uncertainty of policies, uncertainties of extra government caused costs, such as whether a carbon tax in some unknown form or some form of emissions tax will be introduced, increasing taxes, such as in West Australia, make it very difficult for mining projects to be financed and to be able to proceed.”

“It’s important and should be a priority that we speak up for our industry and its need to be internationally competitive.”

Rinehart’s extensive contribution to the industry continues.