



## ATO Tax Transparency Data, FY2018

The corporate tax profile of Roy Hill is common, especially in the mining industry due to the nature of operations, where a significant amount of upfront investment and debt repayment is required prior to generating any meaningful production income, while at the same time its employees pay income tax, and the company pays state royalties, licence fees and other charges.

Roy Hill has continued to repay the approximate US\$7.2 billion in loans entered in to establish the project and is hence subject to available tax losses accumulated in the early economic phase of the project, making taxable income for the 2018 fiscal year nil, while continuing to pay other royalties and taxes.

Roy Hill can confirm that in only our first full fiscal year of name plate production, being 2019, Roy Hill has become taxable to a wider extent. Further, Roy Hill's fiscal contribution to the Australian economy continues to significantly increase in the form of other relevant federal and state taxes and royalties (referred to as other taxes and royalties herein). Between 2012 and 2019, Roy Hill has paid over \$824m in other taxes and royalties.

As a US\$10 billion mega iron ore project, Roy Hill has directly and indirectly employed over 50,000 people during its construction phase, who in turn provide taxation revenue. Further, Roy Hill continues to provide employment to more than 2,500 men and women now with the mine in full production and plans to move to 60 million tonnes per annum, generating additional taxes.

During the 2018 fiscal year, Roy Hill was focussed on ramping up its production, reaching its nameplate capacity of 55 million tonnes per annum, and achieving lender's completion. These milestones were completed during the 2018 year. Roy Hill has continued to utilise a significant amount of its cashflow to reduce debt levels by \$800 million in 2018, and \$1.7 billion in 2019 - which will increase taxable income going forward.

Roy Hill's majority owner Hancock Prospecting Pty Ltd (HPPL) paid Australian federal and state taxes during fiscal 2019 of \$1.1 billion, bringing the total taxes paid by HPPL for the last nine fiscal years to over \$6 billion, averaging more than \$670 million per year.

Mrs Gina Rinehart, personally and through the HPPL private group, pays more tax than any other Australian. Her private company, HPPL is amongst the ranks of Australia's largest corporate taxpayers, as reflected in the publications by the Australian Taxation Office, with further tax payable to state governments and via royalties.

Mrs Rinehart continues to primarily direct investment to Australia, paying substantial taxation in Australia, while providing employment opportunities for many thousands of Australians, both directly and indirectly.

**ENDS**

Please note: All amounts in A\$ (unless otherwise stated)

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**About Roy Hill**

[Roy Hill](#) is a world-class iron ore operation and the largest single ore mine in Australia.

Situated 344km south east of Port Hedland in Western Australia's mineral rich Pilbara region, Roy Hill is an independent iron ore operation with local majority ownership and chaired by Mrs Gina Rinehart.

With integrated mine, rail and port facilities producing 55Mtpa – Roy Hill is one of the world's major resource-based operations, which will deliver enormous benefits to the broader community for many years to come.

Roy Hill's first shipment of iron ore departed from Port Hedland on 10 December 2015 and has since loaded multiple shipments to its key markets in Japan, Korea, China and Taiwan. Roy Hill achieved many firsts, including the largest mainland resource debt funding in the world, from 19 of the world's largest banks, and five Export Credit Agencies.

Roy Hill operates some of the largest equipment in the world and in addition to having the fastest ramp up to 55Mtpa in the Pilbara, has maintained a focus on safety excellence.

In December 2015, Mrs Rinehart was recognised as "Miner of the Decade" by the Sydney Mining Club. She has also been awarded "Chairman of the Year" by CEO Magazine.

Roy Hill has been presented with a range of accolades, including:

- 2019 Diggers & Dealers Digger of the Year Award
- 2018 WA Training Awards WA Employer of the Year
- 2018 DMIRS Safety and Health Resources Sector Engineering Award
- 2018 Australian Mining Prospect Award for Community Interaction
- 2018 L&MH Mercury Awards Transport Solution of the Year: Rail
- 2017 Platts Global Metals Awards Rising Star Company Award
- 2016 Australian Mining Prospect Awards Excellence in Environmental Management Award
- 2016 Engineers Australia (WA) Australian Engineering Excellence in Engineering Distinction
- 2016 Engineers Australia (WA) Australian Engineering Excellence in Resource Development
- 2016 Engineers Australia (WA) Australian Engineering Excellence in Project Management
- 2016 Project Management Institute Project of the Year
- 2016 Railway Technical Society of Australasia Railway Project Award
- 2015 Mines & Money Asian Corporate Development Award
- 2015 IJ Global Asia-Pacific Project Mining & Metals Deal of the Year
- 2015 IJ Global Asia Pacific Deal of the Year
- 2014 FinanceAsia Magazine Project Finance Deal of the Year Award
- 2014 Finance International Magazine Asia Pacific Deal of the Year
- 2012 Diggers & Dealers Deal of the Year Award