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HD **Gina walks in Lang's footsteps**
BY PAUL GILDER
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THE nation's tightly held **iron-ore** fraternity has a brash new entrant after resources heiress Gina Rinehart yesterday announced her arrival as a legitimate, stand-alone player.

In securing final funding of almost \$8 **billion** for her Roy Hill project in Western Australia's Pilbara region, Mrs Rinehart, the daughter of **iron-ore** magnate Lang Hancock, has now all but realised her ambition of running a mine in her own right.

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Roy Hill's future became assured after Mrs Rinehart's Hancock Prospecting signed a \$US7.2 **billion** (\$7.98 **billion**) funding package in Singapore on Thursday with an international consortium of 19 banks, including Australia's big four.

The decade-long deal completes the debt equation for the \$US10 **billion** project, of which almost a third has been built.

Roy Hill chief executive Barry Fitzgerald said the financing was the biggest amount for a land-based **mining** project worldwide, solidifying the importance of **iron ore**, a key steelmaking ingredient, to the global growth picture.

Mrs Rinehart, who is also Roy Hill's chairwoman, is eyeing first export in September 2015 and predicting annual production of 55 **million** tonnes.

The project will be the first majority-owned by Hancock, which holds 70 per cent of the **equity** alongside Japanese steelmaker Marubeni Corporation (15 per cent), South Korean steel giant POSCO (12.5 per cent) and **China** Steel Corporation (2.5 per cent). Hancock is a joint partner with Rio Tinto at the nearby Hope Downs mine.

Roy Hill will also cement Mrs Rinehart as the Pilbara's fourth power behind **mining** titans BHP Billiton and Rio Tinto as well as Andrew Forrest's Fortescue Metals.

IG Markets market strategist Evan Lucas said the new entrant was unlikely to pose a threat to the trio in the short term. He said the impact of additional supply into **China** could affect pricing levels, but it was at least three years away.

"It's more likely to be an issue for Atlas **iron**, BC **iron**, those sorts of players," he said.

And Hancock would need to "ride the **iron ore** price fluctuations" like any other miner.

The spot price of **iron ore** has stabilised at around \$US110 after falling heavily from its early-December peak of \$US139 on weakening demand from **China**. Roy Hill mine is expected to have a life of more than 20 years. It will employ up to 3600 people during construction and a 2000 once operational.

CO hkpros : Hancock Prospecting Pty. Ltd.

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