

SE General
HD **\$10b ore** project takes shape
BY Peter Klinger
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Amid the doom and gloom that hangs over WA's **iron ore** industry, foundations are being poured, bridges built and rail tracks laid as construction of Gina Rinehart's \$10 **billion** Roy Hill project races towards the half-way mark.

With a target of first production by September next year, Roy Hill's construction is 43 per cent complete. The mine site 115km north of Newman, the 344km railway to the coast and a two-berth ship loading operation at Port Hedland are taking shape.

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More than 3500 workers are involved in Roy Hill's construction, a rare ray of sunshine in the State shaken by the cancellation of resources projects, scaling back of **operations** and endless productivity drives that have cost thousands of jobs. Low metals prices — **iron ore** prices are at a two-year low — and WA's persistently high construction and operating costs have caused the malaise.

Roy Hill also promises a fillip for WA coffers, which will swell with **millions** of dollars in royalties, based on the mine's annual production of 55 **million** tonnes of **iron ore**.

"We look forward to becoming a major **iron ore** producer on an international scale, and thank our partners for their steadfast support for this major Australian project," Mrs Rinehart said yesterday.

In a rarity for the industry, Mrs Rinehart's Roy Hill partners are not from **China**, which buys more of the steel-making ingredient than any other country.

Japan's Marubeni, South Korea's Posco and Taiwan's **China** Steel Corp have injected \$3.65 **billion** in return for a 30 per cent **stake** in Roy Hill, expected to become Australia's biggest single-site **iron ore** operation.

Roy Hill's processing site, which will include **ore** crushers and scrubbers, stockpiles and reclaimers, train loaders and conveyors linking it to the mine pits, is surrounded by a teardrop-shaped railway loop for trains to and from Port Hedland.

In full flight, Roy Hill's 1200-strong operational workforce will each year move 350 **million** tonnes of material before extracting 68mt of **iron ore** for processing and loading 55mt on to ships in Port Hedland.

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