

SE Finance
HD **Rinehart pauses for 60th birthday - EXCLUSIVE -**

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There's no time to stop with her dream so close to reality

GINA Rinehart's long-time friend, West Australian **mining** identity Ron Manners, marvels at the **billionaire's** work ethic and **energy** levels as she approaches her 60th birthday this weekend.

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"Her capacity is absolutely extraordinary," Manners tells The Weekend Australian. "She has to be on top of so much. Any one sector of her life would be more than a full-time challenge for the average person."

Even her estranged son, John Hancock, can't help but admire his mother's tenacity.

"The reality is we are proud of the vast majority of what my mother has done, particularly towards Australia's development and creating employment," Hancock says. "My mother has shown tremendous drive and determination."

Sixty tomorrow, there is no time to slow down. That's because her ultimate dream -- one that has transformed over the years into a single-minded obsession -- of owning and operating her own mine is now tantalisingly close to reality.

Her fixation is best captured in a comment Rinehart once made to her father's biographer. "Beauty is not neat squares of green land, or paintings, or jewellery or artefacts, or Paris boutiques," the then 22-year-old said. "Beauty is an **iron ore** mine."

Work on creating Rinehart's masterpiece -- the \$10 **billion** Roy Hill mine in Western Australia's rugged Pilbara region -- has already begun.

South Korean giant Samsung C&T, the project's **lead** construction contractor, has handed out more than \$3bn in contracts at the site.

The mine is meant to start production by September next year, but Rinehart -- whose Hancock Prospecting owns 70 per cent of the project and is the driving force behind it -- has still not secured all of the debt finance needed to announce a final investment approval.

For the idiosyncratic Rinehart, this is the biggest prize of her career, a chance to prove to her many doubters that she can succeed without the benefit of the tenements and royalty streams she inherited from her father, Lang Hancock, the rogue prospector who died in 1992.

John Hancock says Roy Hill is central to the family's legacy. "My grandfather would be absolutely thrilled to see Roy Hill nearing production, fulfilling his dream of a Hancock mine," he says.

Rinehart, who despises descriptions of herself as an heiress, has been at pains to point out that Hancock Prospecting discovered the Roy Hill tenements after Lang's death.

But she has not fully explained over the past 22 years why it has taken so long to have the project approved.

Rinehart and her executives at Hancock Prospecting have consistently missed targets to bed down the finance and move ahead with the project.

These delays have highlighted Rinehart's more cautious approach to business when compared with entrepreneurs such as her rival, Andrew Forrest, who

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began **iron ore** exports from the Pilbara in 2008, just five years after starting his own **company**.

A recent analysis of Roy Hill by investment bank JPMorgan suggested Roy Hill's delays in obtaining financing meant first production was not likely to occur until mid-2016 and the mine's full production rate would not be reached until late 2017.

Regardless of the schedule, Roy Hill will be one of the biggest **mining** projects undertaken in Australia, with a new mine capable of producing 55 **million** tonnes of **iron ore** a year, a 344km railway and a new port at Port Hedland.

"What a challenge it is," says Manners. "The average person has no idea of the scale of this operation. It's a mammoth operation and the whole state depends on it at this time. There's not a lot of new projects coming on, and this will fill an incredibly important gap in our development over here."

If Rinehart is planning a 60th birthday party this weekend, there was no evidence of any imminent celebration at her Perth riverfront mansion yesterday.

When Rinehart turned 58 in 2012, she put on a lavish garden party for dozens of guests at her Dalkeith home. Perhaps this year she is too busy.

Manners says Rinehart is working very long hours -- others say she rarely stops and is known to send emails to colleagues in the middle of the night -- as she attempts to manage the many varied and complicated aspects of her life. Besides the task of overseeing the final stages of Roy Hill's financing and the start of construction, Rinehart is also passionate about promoting her vision of boosting investment in Australia's north through lower taxes and easier access to foreign labour.

Manners, who chairs the Mannkal Foundation free-market think tank, claims other **mining** industry leaders are reluctant to campaign on such causes, leaving Rinehart with no choice but to take up the cudgels herself.

"She has taken this on by default from so many other **mining** executives," he says.

"The other guys refuse to comment or they're not fronting up to make any sort of statement -- they just do their job and go and play golf."

Another time-consuming task for Rinehart is the ugly and well-chronicled legal brawl with her adult children over control of a family trust worth **billions** of dollars.

Her eldest son, John, and daughter Bianca have led the charge against their mother, while youngest sister Ginia has sided with Rinehart. Another sister, New York-based Hope Welker, has pulled out of the dispute after originally aligning with her older siblings.

Last October, John and Bianca had a significant win over their mother when Rinehart relinquished her position as trustee of the trust, which was set up by Lang Hancock for the benefit of his grandchildren. The case has dragged on in recent months as the family has been unable to agree on a new trustee. If Rinehart is planning a party somewhere this weekend, it's clear John and Bianca have not been invited.

When approached this week to reflect on his mother's life and career, Hancock was at pains to be conciliatory, speaking of Rinehart's achievements with pride and hinting at an imminent resolution to the internecine brawl that has made headlines around the world.

The case returns to court in Sydney next week, but Hancock will not be drawn on whether a settlement may be finalised then.

“The matters of conflict are complicated and borne of a tough era for our family -- we all look forward to drawing a line and putting it in the past,” Hancock says.

“Hopefully, nearly there.”

GINA RINEHART AT 60: MILESTONES

1954 Gina Hancock born in Perth to Lang Hancock and wife Hope Margaret Nicholas

1973 Gina marries Greg Hayward; they have 2 children, John and Bianca

1981 Gina and Hayward divorce

1982 Gina marries Frank Rinehart; they have 2 children, Hope and Ginia

1990 Frank Rinehart dies

1992 Lang Hancock dies; Rinehart assumes chairmanship of Hancock Prospecting

1993 Exploration commences at Hope Downs; exploration tenements granted for Roy Hill

1992 Rinehart sues former stepmother Rose Porteous over Lang's death and his estate

2003 Coroner finds Lang died naturally; litigation with Porteous settled

2005 Hancock Prospecting enters 50:50 joint venture with Rio Tinto to develop Hope Downs mine

2008 Hope Downs begins exporting **iron ore**

2010 Rinehart invests in Ten Network

2011 Rinehart sells Queensland **coal** assets to India's GVK for \$1.1 **billion**

2011 Three of Rinehart's four children sue her over family trust

2012 Japan's Marubeni, South Korea's Posco and Taiwan's **China** Steel Corp acquire a combined 30 per cent **stake** in Roy Hill, with Hancock Prospecting retaining 70 per cent.

2012 Rinehart invests in Fairfax Media

2012 Rinehart's wealth peaks at \$29bn, according to BRW, making her the richest woman in the world at the time

2013 Roy Hill begins signing up lenders to finance the \$10bn Roy Hill project, expected to be producing **iron ore** by September 2015

2014 Rinehart turns 60; legal battle with over family trust returns to court, with settlement expected

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