

Speech by Mrs Gina Rinehart
Executive Chairman of the Hancock Prospecting Group and Roy Hill
Official Opening of the Baby Hope mine at Hope Downs
Friday, 5 October 2018, Pilbara, WA, Australia

*Baby Hope mine, part of the Hope Downs iron ore operation in the Pilbara,
West Australia*

Hello everyone,

It gives me great pleasure to be here with you all for the official opening of the Baby Hope Mine at Hope Downs, the fourth great mine to be successfully developed at Hope Downs since our two companies first entered into a joint venture in mid-2005.

As Hancock and some at Rio know, I have been pushing to see the development of Baby Hope, and I am excited that now the Baby Hope will be a welcome contributor to the future success of Hope Downs.

Thank you very much too each and every one of you for making this possible.

The opening of any new mine is always the result of a significant amount of effort and hard work from a team of people. But it's the people working in the hot sun in the Pilbara, who are at the 'coal face' so to speak, a very hot coal face at times, as they know, plus with thousands of flies to keep them company during the day.

From the Hancock Prospecting team, I would especially like to thank my long-term Executive Director Tad Watroba. Tad has been with me all the way through Hope Downs, since well before our joint venture with Rio Tinto. It was not an easy path for our then small company.

Hancock, had over years, completed a feasibility study, albeit with ore destined to go out not on Rio Tinto's infrastructure, but our money was very limited, and we couldn't do all we wanted to do at Hope Downs.

We needed a bigger company like Rio for investment.

Rio was a natural choice for us given our long history. My father first brought his Pilbara discoveries to the attention of Sir Val Duncan in London and Sir Val of the then relatively small Rio company, together with his mates at the then bigger Kaiser of the USA, backed dad with a royalty deal, in an area the government had declared there was no iron ore.

Yep, governments don't always know!

Although Val Duncan was criticised at times for doing the royalty deal, history should record otherwise, because utilising those discoveries of my fathers changed Rio from a relatively

small mining company into a very large one, where Pilbara iron ore has formed the jewel in Rio's crown for decades.

As Tad well knows, for more than a decade, all we at Hancock could do was trickle money into Hope Downs, and as you might imagine, and Tad well remembers, our camp conditions were then very tough and quite different to today.

Huge thanks also to Richard Pacquay, Former Chief Hancock Geologist, who headed our ground exploration for many years, and spent many, many nights in sleeping bags or hammocks at Hope Downs. Tad did too.

Thank you to everyone who has worked on Hope Downs since its inception, and who have worked to enable that Baby Hope and other Hope Downs mines, could be developed.

May we have a round of enormous applause for all these people please?

I hope everyone who has been involved along the way, whether that is Chris and his Rio team, or ourselves, are proud of our industry, and our contribution to the Pilbara and our state that Hope Downs makes.

The real story is fascinating. It has changed West Australia from being a mendicant or handout state, which couldn't support itself, to one which supports other states.

I hope Rio shows to all its staff, especially at mine openings, the documentary "*Dig a Million, Make a Million*" and perhaps, the more political one because even back then, government was too involved, "*Digger in a Million.*" I've asked Chris be sent copies of these documentaries and hope you find them of interest tonight.

It is rare that a Chairman is able to be with a project from its earliest exploration, all the way through to productive mines. Many outside the industry do not understand the years of work it takes, they think instead that the government hands you the 'privilege' of a mining license and hey presto, money flows, with little work or effort.

And not thinking about the many years and expense involved just to go through thousands of government approvals, permits and licences, even for the pin pricks of drilling.

With the official opening of Baby Hope, I have now had the opportunity and excitement to see this occur four times at Hope Downs.

Thank you to each one of you again.

Hope Downs is also very special, as hopefully many of you may know Hope Downs was named after a very special and beautiful lady, my mother Hope, a truly wonderful West Australian, who also had a truly special father, James Nicholas of Cobb and Co.

My father, Lang Hancock, whose flights of discovery entailed him risking his life many times, was responsible for finding a significant number of major iron ore deposits in the Pilbara, indeed about 10 of which now form major mines for Rio Tinto, plus Hope Downs.

Were my parents able to have been here with us all today, I know that they would have been so pleased and excited to see the mine you have built. I hope you can always feel extra pride to work on a Hope Downs project, with its very special unique Australian history.

But let's not rest here, we at Hancock have also been pressing for the joint development with your truly Aussie partner of Hope 5, right next to Hope 4, and Hope 2, which overlaps the rail close to Hope 1. So, we hope it's not too long before we can share more exciting news regarding this Chris!

Tom Albanese, who I caught up with recently, was the one who named "Baby Hope," when he was CEO of Rio Tinto. I've mentioned to him at times, the progress as exploration tonnages increased. Recently he said our project has now passed the baby Hope stage, indeed the toddler and teenager stage, what shall we call it? Great question! What do you think? Tom is also very happy to hear that baby Hope is now underway. Thank you Tom for your support for Hope Downs and for your enthusiasm over the years.

Before I leave you, I should add, because it is important, I continue to urge those in government to reduce the approvals process to welcome business to invest its capital in projects in Australia, so that Australians can continue to enjoy the living standards we currently enjoy.

I also urge all here to call for the same from those in government. Back in the 1970's, we had the socialist Whitlam government, when government policies were such that investment dried to a trickle.

What is rarely mentioned in our media is that current high levels of government red tape and other government burdens today mean that investment levels in Australia are on a par with investment levels during the anti-business Whitlam government days, and even rarer mention that our standards of living depend upon such investment.

Hence, investment is fundamental to and very important for our nation's future.

We now have three, even four generations of bureaucrats many miles from the Pilbara and other major mining centres, that are educated, live and work in Canberra, and see media concerning our industry in a generally unfavourable light.

Governments need to be reminded that developing such revenue providing mining projects, such as those in the Pilbara, help to fund our defence, police, public hospitals, and more.

Most exploration does not produce an orebody suitable for development into a mine. Such high-risk investment is challenging enough, but more so when Australian governments change rules after millions of dollars of investment has been poured in, and years spent, and when they add onerous tape burdens.

Many companies, not just multinationals, who move elsewhere when Australian governments get too burdensome, are preferring to invest offshore, to the long-term loss and detriment of Australia.

Next month on 22 November, we have National Mining and Related Industries Day. This initiative was something I started several years ago to celebrate our industry and the related industries that depend upon our industry, and to try to have them better understood. And to celebrates all of those who work in these important industries.

This year it will be held in Canberra for the first time, a few years ago it was held in Port Hedland. I hope that Chris and others from Rio Tinto would like to join us at the Governor-General's residence in Canberra to help celebrate our national day. It will be held in the evening, so we will probably have visiting kangaroos in the gardens there too.

Thank you very much again to Rio for investing in Baby Hope, and other Hope Downs mines too, as well as all your earlier investments in the Pilbara and Australia. A truly giant contribution, offering employment and more indirect employment and opportunities to many Australians over decades.

I'd hate to think how worse off our state and country would be without Rio's investment. I know we at Hancock were very happy when we signed the deal with you back in mid-2005 so that u would invest with us in Hope Downs.

I wish the Baby Hope project and you all success for the future, and, safe mining.

Three cheers for all of you, hip hip hurray, hip hip hooray, hip hip hooray!

Thank you.