

ACCEPTANCE SPEECH BY SANJIV MANCHANDA & MRS GINA RINEHART FOR THE 2016 RAILWAY PROJECT AWARD

SANJIV MANCHANDA

Good evening, it is an honour to receive on behalf of Roy Hill, a Railway Project Award for 2016 from the RTSA.

This would not have been possible without the vision and leadership of Hancock Prospecting and Roy Hill Chairman, Mrs Gina Rinehart, who pegged the leases after becoming chair, back in 1992, leases not thought of value by others.

Importantly Hancock Prospecting drilling and studies eventually showed differently, feasibility studies were undertaken with the final positive BFS completed in January 2011. Many years of risk, persistence, investment and hard work in doing the successful exploration, studies, planning and preparation including obtaining many, many government approvals is a testimony to the perseverance and efforts of Hancock Prospecting.

The EPC Contract for design and construct was awarded to Samsung C&T in April 2013 leading to commencement of ground clearing activities to commence construction in June 2013.

The project comprises 344km standard gauge heavy rail with 11 bridges, 17 million cubic meters of earth works, more than 500,000 rail sleepers and 55,000 tonnes of track steel and more than 800,000 tonnes of ballast.

In comparison with some major landmarks the tonnage of rail steel and sleepers is equivalent to 100 Sydney Harbour bridges.

To give you a further idea of the scale of the project, there have been 7 million hours spent for the recent rail component of the project which then equates to 700,000 room nights of accommodation. This means if all these people were staying at the Crown in Melbourne then we would have booked out 100% occupancy for more than a year to accommodate the personnel working on the rail project. Even more of course if you include the original work done by Hancock Prospecting.

The peak workforce employed was in excess of 1,500 staying at six different locations at any given time.

The project achieved net productivity track laying of just over 1,300 metres per day, exceeding the previous best achieved in Australia of 1,100m per day.

One of the major challenges for the project has been the multitudinous government approvals, permits, licences and obligations resulting from the approvals that the project has complied with.

The SRL for the construction of the rail was granted in mid-2011, and there are a further 156 primary and secondary approvals resulting in well over 3,000 conditions and obligations that we had to manage and comply with. This is in addition to the extensive legislative and regulatory requirements resulting from the Occupational Health and Safety requirements or Office of Rail Safety requirements.

To make this achievement possible I would like to acknowledge and thank the support from the shareholders Hancock Prospecting, and minority shareholders, POSCO, Marubeni and China Steel Corporation and the support and confidence placed in the team by our Chairman Mrs Rinehart and Executive Director Tad Watroba, and for their steadfast enthusiasm.

I would also like to thank my team members Darren Hardy Construction Manager, Craig Bloxham Delivery Director, Adrian Chapman Project Manager, Bruce Brymer Manager Rolling Stock, Mark Fletcher Manager Wayside Maintenance and Sam Bennett Project Director for WSP PB acting as PMC for the project for their hard work and contribution.

Thank you also to the contractor companies and suppliers led by the EPC Contractor Samsung C&T which include NRW Holdings, John Holland, Central Systems, Calibre Global, Ansaldo, UGL, Nippon Steel and China Southern Rail.

MRS GINA RINEHART

Thank you Sanjiv.

I'd like to add my sincere thanks for each and all those who made our high tech rail, and with fastest construction time in Australia, possible.

Of course this achievement couldn't have occurred without the support of 19 major banks and five Export Credit Agencies, continuing thanks.

Spiro Pappas from NAB, one of the projects largest backers, is here tonight, may I ask you to stand?

Thank you Spiro.

And thank you again Sanjiv.

It's pretty special to be an executive on a major project from start to finish, spanning decades, this doesn't happen usually, and then to get an award too, thank you RTSA.

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