

NOTE FOR FILE

VISIT TO ROY HILL

RAILWAY WHEELS FROM CHINA AND FRANCE

23 May 2018

**Company background**

1. Roy Hill Holdings Pty Ltd (Roy Hill) was established in the late 2000s as a subsidiary of Hancock Prospecting Pty Ltd to operate the Roy Hill iron ore mine in the Pilbara region of Western Australia. In 2012, a 30 percent interest in the company was sold to four companies (now three companies – Marubeni Corporation, POSCO and China Steel Corporation).
2. The Roy Hill mine project shipped its first ore in December 2015. Since that time the project has been going through a ramp up phase to reach its nameplate capacity of 55 million tonnes of iron ore production per annum.

**Rail operations**

3. Roy Hill has its own independently operated railway stretching 350 kilometres from the mine to Port Hedland. The railway infrastructure, including new rail cars, was provided by Samsung C & T. Roy Hill now operates between 2,500 and 3,000 iron ore wagons on its rail system.

**Railway wheel requirements**

4. Roy Hill explained that, due to the lengthy operational life of the railway wheels, it had to date had limited requirements for replacement railway wheels. The new railway cars had also been provided with some operational spares.
5. In October 2017, Roy Hill undertook a tender process to procure a small number of railway wheels (200). Eight potential suppliers participated in the process. Roy Hill advised that it had no association with any of the potential suppliers.
6. After a technical evaluation of the bidders and some of the bids being eliminated as non-conforming, Roy Hill selected **[redacted]** as the successful tenderer. Roy Hill declined a request to provide the Anti-Dumping Commission with documentation surrounding its evaluation of the tender as it is restricted from making such disclosures by contractual confidentiality obligations owed to its tenderers.
7. **[Redacted: contains confidential information concerning internal operations and plans]**
8. **[Redacted: contains confidential information concerning wheel requirements and future plans for tenders]**