UTILITIES

Australia

Roy Hill Power Supply Options, WA

Hancock Prospecting's Roy Hill project is approximately 300 kilometres south of Port Hedland in Western Australia's Pilbara region.

The project, to be developed by Hancock subsidiary Roy Hill Iron Ore Pty Ltd (RHIO), is based on an enormous iron ore deposit, estimated to contain more than 2.4 billion tonnes of low phosphorous Marra Mamba type iron ore resources. In addition to a 55 million tonne per annum open-cut hematite mine, Roy Hill will involve the development of associated port, rail, energy and processing infrastructure.

FACTS AND FIGURES

Client: Hancock Prospecting

E&P involvement: 2010 - 2011

Evans & Peck's role

Involvement with the Roy Hill project began in early 2010 when Evans & Peck was approached to review the potential for gas to fuel the proposed mine's electricity requirements at the site and in Port Hedland. Evans & Peck then assisted RHIO to assess a variety of power supply options including onsite diesel-fired generation, connection via high voltage transmission lines to a power station built on the coast, and construction of gas pipelines, before helping the project secure gas supplies and transportation.

Separately, Evans & Peck is also advising RHIO on the commercial aspects of power generation and purchase of power both at the mine site and for the facilities at Port Hedland.

Results

Evans & Peck's involvement on Roy Hill has delivered tangible outcomes for Hancock Prospecting, at the conceptual level and at the operational level.

Assessing a variety of power options available in the Pilbara

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