



**HAMERSLEY'S
FIRST DECADE**



ABOVE: 1965, King Bay campsite.
TOP RIGHT: 1965, Tom Price, drillers working on crusher access road.
RIGHT: 1966, Parker Point, construction of the rotary car dumper.
BELOW: The early construction stages of Karratha township.
BACK COVER, TOP: 1966, Tom Price, drilling at open cut mine.
BACK COVER, BELOW: 1966, Dampier, construction of wharf at Parker Point.





Anniversary Messages



SIR MAURICE MAWBY O.B.E.

Ten years is a brief moment in history.

Yet such has been the development record over the last decade that Hamersley's name already ranks in importance with Broken Hill, Mount Isa and Kalgoorlie, in Australia's mining history.

Hamersley, virtually unknown some ten years ago, is now one of the largest iron ore producers in the world.

Few, if any, companies earn greater export revenues for Australia than Hamersley Iron.

A once sparsely habited region now supports 13,000 people in four flourishing towns.

The doubters and cynics have been confounded.

The optimists have seen their visions come true.

Hamersley is the culmination of the efforts of many people both in Australia and overseas — in government and in private industry.

Without their dedication, this great natural asset could not have been created.

Despite the achievements of the last decade, 1966—1976 only represents the start of the Hamersley story.

Provided Australia remains competitive on international markets, the ore reserves held by the Company ensure a great future.

To all those currently associated with the Hamersley project, I extend my best wishes.



MR RUSSELL MADIGAN O.B.E.

Ten years ago, almost to the day, the Hamersley project was formally opened by the Premier of Western Australia, Sir David Brand. Since then, a comparatively short time ago, Hamersley has become a household word, associated with Australian development and decentralisation.

This has been a source of deep satisfaction for me, and I would like to thank personally all those who have worked so hard to achieve this result. A company's success inevitably depends on the loyalty and dedication of its employees. Some years ago I wrote that a company is a matter of men, and economics. Of these, the most important is men.

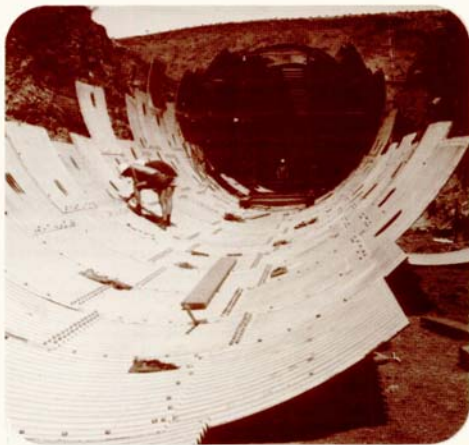
I wish to pay tribute to those who, through their work, technical skills and application, have contributed so much to the Company over this last decade. Hamersley operates in the big league of world economics where international co-operation is an important ingredient for success.

Thus the Japanese steel mills provided the essential long term sales contracts and the U.S. banks provided much of the finance required for development. The Western Australian, Commonwealth, and local Governments worked closely with us to ensure that speedy approvals were obtained for each phase of the project and that "bureaucratic red tape" did not strangle private initiative.



HAMERSLEY 'MILESTONES'

<i>December</i>	1960	<i>Commonwealth Government eased restrictions on iron ore exports</i>
<i>March</i>	1961	<i>W.A. Government announced that permits for the exploration and development of iron ore deposits will be granted.</i>
<i>September</i>	1962	<i>CRA geologists discovered deposit later known as Mount Tom Price.</i>
<i>October</i>	1962	<i>Hamersley Holdings and Hamersley Iron formed.</i>
<i>July</i>	1963	<i>Agreement covering the development of Mount Tom Price signed with W.A. Government.</i>
<i>January</i>	1965	<i>Construction at Mount Tom Price and Dampier started.</i>
<i>April</i>	1965	<i>No. 1 sales contract signed with Japanese steel mills.</i>
<i>June</i>	1965	<i>\$US120 million raised from North American banks to help finance construction of the Hamersley project.</i>
		<i>Earthworks for railway line started.</i>
<i>August</i>	1965	<i>Pellet contract signed with Japanese steel mills.</i>
<i>June</i>	1966	<i>Completion of mainline track. Construction of pellet plant at Dampier started.</i>
<i>July</i>	1966	<i>First trip of fully-loaded ore train travels from Tom Price to Dampier.</i>
<i>August</i>	1966	<i>First shipment of ore loaded at Dampier.</i>
<i>November</i>	1966	<i>Official opening.</i>
<i>May</i>	1967	<i>Hamersley Holdings Limited shares listed on Australian stock exchanges.</i>
<i>December</i>	1967	<i>One-hundredth ship loaded at Dampier.</i>
<i>February</i>	1968	<i>Pellet plant commenced operations at Dampier.</i>
<i>April</i>	1969	<i>Dredging completed to enable port to handle 100 000 tonne ore carriers.</i>
<i>August</i>	1969	<i>Development of Karratha in conjunction with W.A. Government started.</i>
<i>January</i>	1970	<i>Expansion of Mount Tom Price and development of Paraburdoo and East Intercourse Island initiated.</i>
		<i>Credit facility of \$US200 million (Eurodollars) arranged with the consortium of North American banks to help finance the expansion programme.</i>
<i>April 1</i>	1970	<i>First Australian public debenture issue of \$50 million closed fully subscribed.</i>
<i>July</i>	1970	<i>Causeway to East Intercourse Island completed.</i>
<i>March</i>	1972	<i>First shipment from East Intercourse Island shiploading berth.</i>
<i>February</i>	1973	<i>Paraburdoo Mine begins operation after delay caused by world recession.</i>
<i>July</i>	1973	<i>One hundredth million tonne of ore and pellets shipped.</i>
<i>September</i>	1973	<i>Hamersley Japan Limited incorporated.</i>
<i>May</i>	1974	<i>Hamersley Europe Pty. Limited incorporated.</i>
<i>September</i>	1974	<i>Price rises obtained from Japanese steel mills as part compensation for rapid cost escalation.</i>
<i>April</i>	1975	<i>Northern Cross Chartering Limited A/S incorporated.</i>
<i>November</i>	1975	<i>First U.S. institutional market debenture issue (\$35 million).</i>
<i>July</i>	1976	<i>Two hundredth million tonne of ore and pellets shipped.</i>
<i>November</i>	1976	<i>10 years since official opening. 211,215,854 tonnes shipped to November 4.</i>



ABOVE: 1966, Mount Tom Price, top to bottom, primary crusher, primary stockpile showing vaults 2M and 2AM, 2RV and 3RV crushers.
 TOP RIGHT: 1965, Mount Tom Price, load-out tunnel under construction and stacker bench alongside screening plant right centre.
 MID RIGHT: Rail load-out tunnel at Tom Price partially assembled.
 RIGHT: Paraburdoo Mine under construction showing the primary crusher tunnels in the foreground.

Alan Trengove, a well-known Australian journalist and historian, has written a book on Hamersley entitled 'Adventure In Iron — Hamersley's First Decade'.

The book will be published this month. The following extracts have been taken from one chapter in the two hundred and thirty page book.

Alan Trengove is the author of several best-sellers, including 'John Grey Gorton', an informal biography of the former Prime Minister and a recent book 'What's Good for Australia — The Story of BHP', which shared the 1976 ANZ Bank Moomba Award for local history.

Judges of this award were Professor Geoffrey Blainey and writer, Brian Buckley.

By September 11, 1962 two weary, sunburnt men had spent more than five months walking in the Pitbars Hamersley Ranges, a series of rolling hills and mountains 1000 kilometres by air north-east of Perth. Bill Burns and Ian Whitcher were on a mission not greatly different from those which, in the last century, led Paddy Hannan to unearth gold at Kalgoorlie and Charles Rasp to find silver at Broken Hill.

In the case of Burns and Whitcher the quest was for iron ore, a more mundane mineral.

But not any iron ore, because already on their walks they had discovered ore at the rate of millions of tonnes an hour.

What the two young geologists were seeking was the most valuable ore in the entire province: enriched hematite containing little phosphorus and silica or any of the other impurities that are a headache to steel-makers.

Unlike Hannan and Rasp, the two men systematically trekking the Hamersleys were trained geologists employed by a large and resourceful company.

Haddon Forrester King, the scholarly, Canadian-educated director of exploration for that company, Conzinc Riotinto of Australia Limited (CRA) had instructed them through their immediate boss Frank Hughes to search and geologically map an area of about 27000 square kilometres, nearly nine times as large as the area allocated to the company as temporary reserves by the Western Australian Government.

King's objective was to have every sizeable hematite body in the area located, outlined and evaluated.

Then the company would be able to choose the best deposit to probe thoroughly and hopefully to develop for export sales.

The assignment was formidable, but Hughes, Burns and Whitcher enjoyed advantages unknown to the explorers of another era.

For one thing, they operated from a small, modern camp at a site named Booloogda, near a large, though presently non-commercial deposit known as Brookman No. 1.

Here, there was a laboratory in which samples of ore collected either by the geologists or a drilling team could be analysed quickly.

From here, too, a chartered helicopter eventually carried Burns, Whitcher and occasionally Hughes far out into the scrub, where they would alight at different points and traverse 600 metre lengths of country before being hoisted by the helicopter to a laboratory in which samples of ore could be analysed.

As they walked down ridges, the explorers would squint at the terrain, consult overlapping aerial photographs that had been obtained from the Lands Department in Perth, and hammer at ground that took their interest.

On a transparent overlay on top of each photograph they marked significant geological features so that finally a detailed Hamersley Atlas might be constructed.

It was lonely and exhausting work, if not hazardous by comparison with the experiences of many nineteenth-century prospectors.

Each man carried a water bag, and could catch the attention of the helicopter pilot by reflecting the sun's rays off a mirror or by lighting the spinifex with a match.

By mid-afternoon on September 11, Burns had finished mapping on a batch of photographs covering a portion of the Mount Turner Basin, about fifty-six kilometres from Booloogda and seventeen kilometres from the nearest track.

The assignment was almost at an end, for this south-eastern limit of the Hamersleys was all that remained of the stretch of country that King had asked to be searched.

That day in fact might have seen the project completed if Hughes had joined them as he had intended.

At six o'clock that morning, however, Hughes had received a message that an unidentified person would be visiting the camp that day.

Worried by the risk of espionage, he decided to remain behind to meet the visitor, forgetting to pass to Burns and Whitcher the block of photographs that he had expected to work on himself.

Chain-smoking under his digger hat, Burns was relieved that his task was virtually finished.

He was thirty-four and physically fit, but the dawn-to-dusk search for six days a week since early June had left him nine kilograms lighter and eye-sore, and he missed his wife in Perth.

Surmising that Whitcher still had some ground to investigate in the northern part of the Mount Turner Basin, fifteen kilometres away, Burns asked the pilot to fly him on a reconnaissance of the land that lay between them and his colleague.

This was the land for which Hughes held the photographs, and which Burns hoped could be mapped speedily the next day.

Within a few minutes of becoming airborne he noticed a large, dark outcrop roughly of elliptical shape and extending for about six and a half kilometres—farther than from the Melbourne GPO to St Kilda Junction.

The mountain covered such a large area that he thought it might consist of canga, a low-grade iron ore.

After asking the pilot to make two circuits, Burns rejoined Whitcher.

They resolved to land on the mountain before returning to the camp.

A few minutes later, as they descended, they could see cliffs of rich, blue-black ore.

They spent a busy hour on the scrub-covered mountain, which already they knew to be the biggest deposit of high-grade ore they had seen in the Hamersleys.

They hacked off a lump of ore, and trying to conceal their excitement from the pilot, flew back to Booloogda.

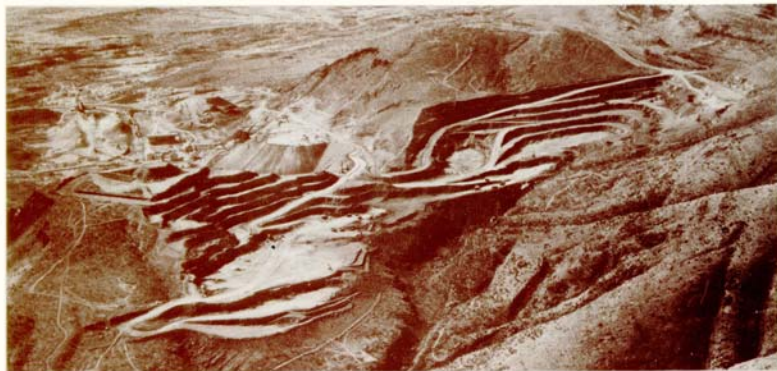
Hughes, a lean, wiry man whose two tours of wartime duty with the Pathfinder squadron earned him a DFC and Bar (honours of which many of his friends are unaware), has a dry sense of humour.

That night the twenty-eight-year-old Whitcher decided to test it.

Knowing that Hughes was an early bed-goer, he placed the lump of ore between the sheets of his boss's bed.

Hughes predictably stubbed his toes on the rock.

His indignation vanished when he realised the quality of the sample and heard his colleague's story.



Early the next morning Burns and Whitcher began mapping the deposit while Hughes gouged another sample of ore from the central section of the summit.

Before leaving they set fire to some of the spinifex, hoping that this might mislead any geologist in an aircraft into assuming the outcrop had been examined and found to be worthless.

By midnight the Boolegeda laboratory produced an assay showing the sample contained about 66 per cent iron and only 0.045 per cent phosphorus.

The ore could be classed among the richest in the world. If Frank Hughes, who was then thirty-eight, spent a sleepless night, that was understandable.

He knew the discovery might well prove to be the foundation for an immensely profitable mining venture, but the awkward fact was that it was forty kilometres outside the temporary reserves held jointly by CRA and the prospectors Lang Hancock and E.A. ('Peter') Wright, who two years earlier had attracted the Rio Tinto Mining Company of Australia Limited (RTMA) into the region.

Equally disturbing, other large companies had been exploring the Hamersleys.

For instance, in 1960 the Broken Hill Proprietary Company Limited (BHP) had begun a sweeping survey of the area and had compiled a regional geological map.

Moreover, in 1961, BHP had held a temporary reserve whose western boundary was only a kilometre away from the eastern limits of the wonderful prize that now had been located.

BHP's men also had used a helicopter and had camped briefly in the vicinity.

Hughes had an arrangement with Haddon King whereby he could report ordinary discoveries by telegram via the Flying Doctor network.

On September 13 he sent a telegram to King at his office in Collins Street, Melbourne, advising that he would telephone him at his home in the suburb of Canterbury on the fifteenth, a Saturday, at noon Melbourne time.

This message, he believed, would suffice to alert King to expect important news.

Hughes and Burns duly made the 480-kilometre journey by helicopter to Port Hedland, where Hughes put through the telephone call from the local Dalgaty office.

Told by King to be guarded in what he said on the telephone, Hughes described the discovery as being "of dimensions comparable with Brockman No. 4 and of a grade comparable with Mount Newman".

He gave the phosphorus content, but was forbidden by King to reveal the location.

Immediately afterwards, King rang CRA's director of operations in Western Australia, John Hohnen, asking him to inform the State's Under-Secretary for Mines, Bert Telfer, that a significant discovery had been made.

Only recently the Government had decided not to issue any further temporary reserves, since in recent months there had been a flood of applications.

Now, what would the Government's attitude be?

On the following Monday, before preparing to fly to the site, King noted in a memorandum:

Brockman No 4 is between three and four miles long, up to 4000 feet wide and is expected to contain some hundreds of millions of tons.

Mount Newman is in the Ophthalmia Ranges and is notable for its massive high-grade hematite....in the 63-65 per cent range.

*An ore body of the size of Brockman No 4 and the grade of Mount Newman would easily be the best in the area...**

His guess proved prophetic, for the enormous hump of iron ore which had been discovered was to prove one of the most astonishing deposits in the world.

It was to be named Mount Tom Price in tribute to an American engineer who had shown great enthusiasm for the potential of the Pilbara and who died on the day after Burns and Whitcher made their momentous discovery.

The mountain was crammed with at least 600 million tonnes of high-grade iron ore that was to earn Australia millions of dollars of export income, spread wealth around the continent and provide the reason for roads, a railway, port and towns to be built in the desolate region.

The odd thing was that this discovery alone almost doubled the official estimates that had existed only two years before of Australia's total reserves of high-grade iron ore.

**Hughes and King were referring to Mount Whaleback in the Mount Newman region.*

Copies of 'Adventure in Iron - Hamersley's First Decade' may be obtained from the Dampier, Karratha, Tom Price and Paraburdoo P & C Associations at below-retail cost. All proceeds from sales will be used to assist the associations in their work.

