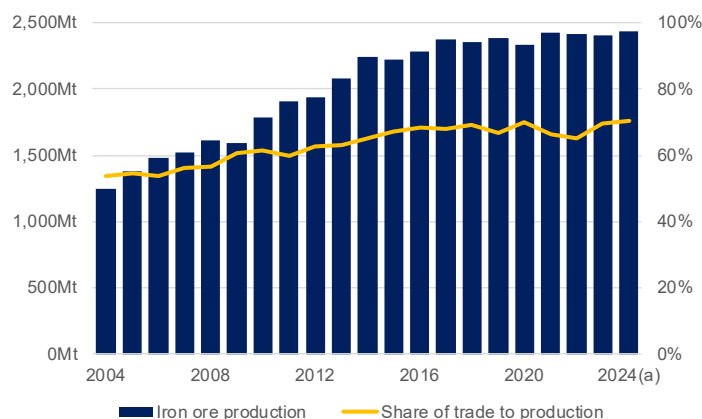




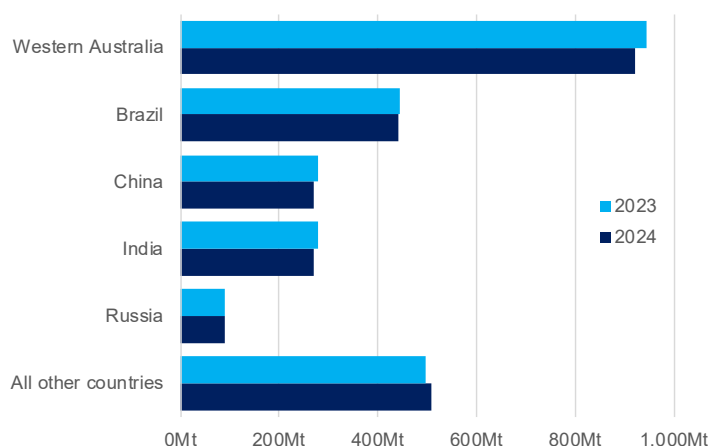
## WESTERN AUSTRALIA IRON ORE PROFILE –May 2025

### Global iron ore production and trade<sup>1</sup>



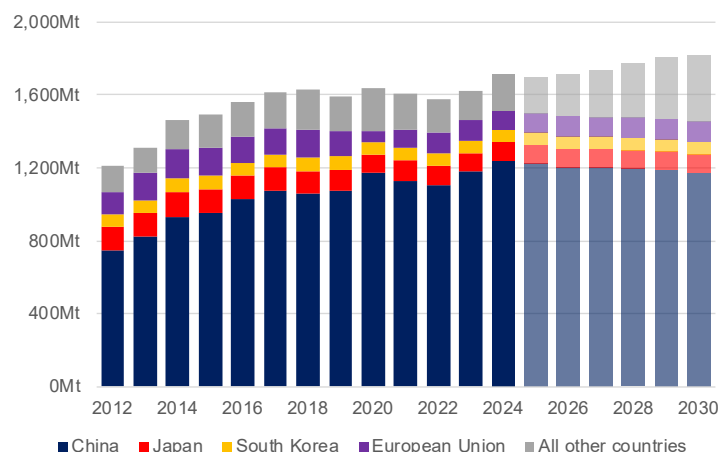
Mt = Million tonnes. <sup>1</sup> China's iron ore production adjusted to world average. (a) Preliminary.  
Source: Office of the Chief Economist – Resources and Energy Quarterly.

### Major global iron ore suppliers<sup>1</sup>



Mt = Million tonnes. <sup>1</sup> Iron ore mined production.  
Note: Western Australia's production has been calculated by applying its estimated share of Australia's production to the Australian total as reported by USGS.  
Source: USGS, Iron Ore Statistics and Outlook – Mineral Commodity Summaries – 2025.

### Iron ore imports by market



Mt = Million tonnes  
Source: Office of the Chief Economist – Resources and Energy Quarterly.

- The volume of global iron ore production increased rapidly from the early 2000s to the mid-2010s, largely in response to higher demand from China. Production volumes fell in 2020 due to the COVID-19 pandemic but then grew in 2021 as China's post-pandemic stimulus led to higher demand. Since 2021, annual global iron ore production has been relatively steady.
- Global iron ore production was 2,435 million tonnes in 2024, 0.2% higher than in 2021.
- The share of iron ore trade in global iron ore production has also increased since the early 2000s, as China sourced a greater proportion of its iron ore supply from imports.
  - The share of iron ore trade to global iron ore production increased from 54% in 2004 to 70% in 2024.
- Western Australia is the largest iron ore supplier in the world, followed by Brazil. China, India and Russia are other major global iron ore producers but retain most of the iron ore they produce for domestic steel manufacturing.
- Production grades for iron ore vary across countries. Production volumes can be standardised by equivalising the iron content of production to the world average. Under this method, Western Australia's mined production volumes are adjusted upwards as its average grade is higher than the world average, whereas China's mined production volumes are adjusted downwards as its average grade is lower than the world average.
- In 2024, iron ore supply (in standardised volumes) from:
  - Western Australia fell 2% to 920 million tonnes
  - Brazil fell 1% to 440 million tonnes
  - China fell 3% to 270 million tonnes
  - India fell 3% to 270 million tonnes
  - Russia rose 0.1% to 91 million tonnes.
- A significant increase in iron ore supply is expected to start from the Simandou project in Guinea in late 2025. The long-term production capacity of Simandou is potentially more than 150 million tonnes a year.

- China's share of global iron ore trade has increased over time as the volume of its imports has increased and the volume of Japan's imports has fallen. In 2024:
  - China imported 1,173 million tonnes (72% of global iron ore imports)
  - Japan imported 98 million tonnes (6% of global iron ore imports)
  - South Korea imported 72 million tonnes (4% of global iron ore imports).
- The Office of the Chief Economist forecasts that China's iron ore imports will fall from 2024, but that global iron ore trade volumes will increase as the fall in China's imports is offset by higher imports from other countries.



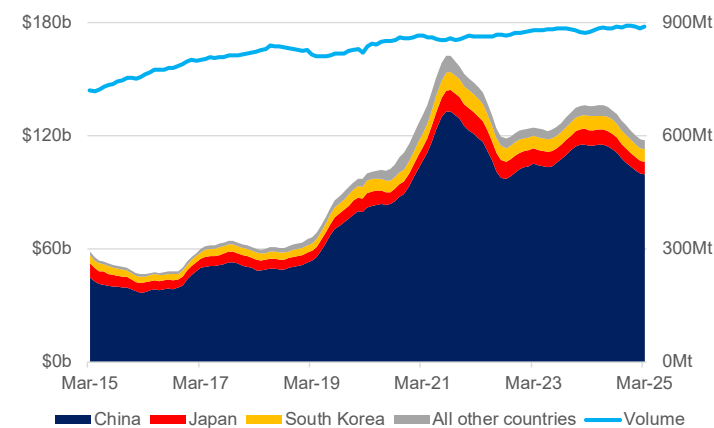
## Iron ore price<sup>1</sup>



<sup>1</sup> The monthly average benchmark (62% iron content) iron ore price delivered to China inclusive of cost and freight.  
Source: World Bank, Commodity Markets.

- The iron ore price trended down through the first nine months of 2024, with downward pressure on the price coming from a weakening in Chinese steel production, steady global iron ore supply and a build-up of port inventories in China. This trend was reversed in late-September 2024 after the Chinese Government announced a range of economic stimulus measures that led to the iron ore price increasing back over US\$100 a tonne.
  - The average monthly iron ore price was US\$97.24 a tonne in April 2025, 2.9% lower than the previous month, although 4.8% higher than the recent low in September 2024.
- The WA Government Pre-election Financial Projections Statement 2024-25 forecasts the iron ore price will average US\$98.0 a tonne in 2024-25 and US\$71.0 a tonne from 2025-26, reflecting a forecasting approach of the iron ore price returning to its long-term average.

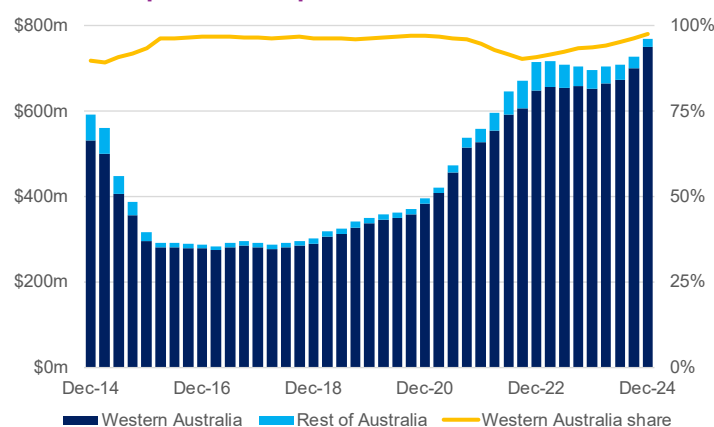
## Western Australia's iron ore exports<sup>1</sup>



<sup>1</sup> 12-month rolling total for both value and volume. Mt = Million tonnes.  
Source: Based on data from ABS International Trade in Goods and Services, Australia.

- Western Australia exported 889 million tonnes of iron ore in the 12 months to March 2025, 1.6% more than in the 12 months to March 2024.
- Western Australia exported \$117.7 billion of iron ore in the 12 months to March 2025, 13.3% less than in the 12 months to March 2024.
- In the 12 months to March 2025, the value of Western Australia's iron ore exports to:
  - China was \$99.3 billion (84.3% of the total)
  - Japan was \$6.9 billion (5.9% of the total)
  - South Korea was \$6.6 billion (5.6% of the total)
  - All other countries was \$4.9 billion (4.2% of the total).

## Iron ore exploration expenditure<sup>1</sup>

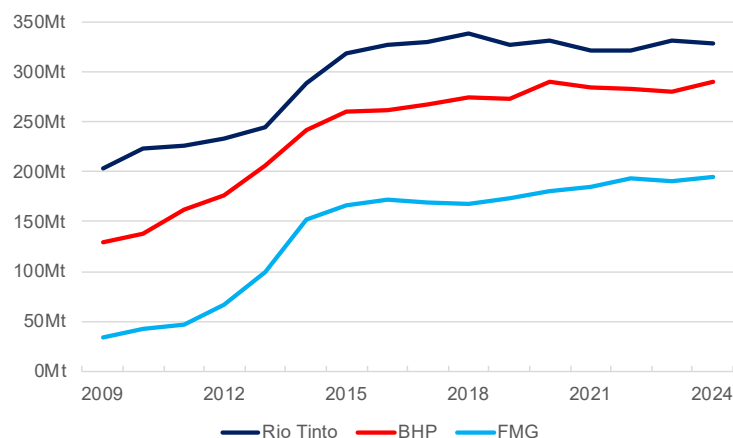


<sup>1</sup> Four-quarter rolling total.  
Source: Based on data from ABS Mineral and Petroleum Exploration, Australia.

- Higher iron ore prices in recent years and a need to replenish iron ore reserves have led to greater expenditure on iron ore exploration in Western Australia.
- In the four quarters to December 2024, expenditure on iron ore exploration in Western Australia was \$750 million, 15% higher than in the four quarters to December 2023.
- Western Australia accounts for nearly all of Australia's iron ore production and iron ore reserves, and therefore nearly all iron ore exploration expenditure in Australia.
  - In the four quarters to December 2024, Western Australia accounted for 97% of total iron ore exploration expenditure in Australia.



## Western Australia's iron ore sales by major producer<sup>1</sup>



Mt = Million tonnes. <sup>1</sup> Western Australian operation only. Inclusive of third-party tonnes. Wet tonnes.  
Source: Rio Tinto, BHP and Fortescue Metals Group Investor Information, Operations reports.

- Rio Tinto, BHP and FMG are the largest global iron ore producers behind Vale from Brazil.
- Rio Tinto's iron ore shipments from Western Australia fell 1.0% to 329 million tonnes in 2024. Guidance for shipments in 2025 is 323 to 338 million tonnes. Rio Tinto's rail and port capacity is 360 million tonnes a year and it is developing new mines to enable its production to meet this capacity.
- BHP's iron ore sales volumes from Western Australia increased 3.6% to 290 million tonnes in 2024. Production guidance for 2024-25 is 282 to 294 million tonnes. BHP is expanding its port capacity to 330 million tonnes a year.
- FMG's iron ore shipments from Western Australia increased 2.3% to 194 million tonnes in 2024. Guidance for shipments in 2024-25 is 190 to 200 million tonnes. FMG's port capacity is 210 million tonnes a year.

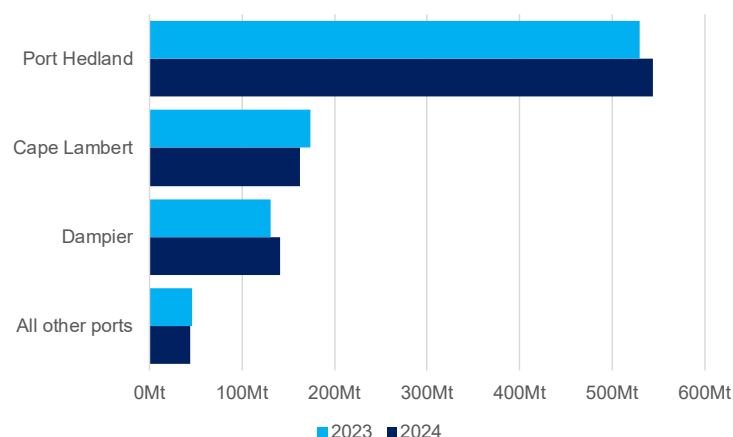
## Major iron ore projects<sup>1</sup> in Western Australia

| Operator                               | Mine/deposit              | Capex (\$m) | Capacity (Mtpa) | Fe content <sup>2</sup> | Start of operations |
|--|---------------------------|-------------|-----------------|-------------------------|---------------------|
| <b>Recently completed</b>              |                           |             |                 |                         |                     |
| FMG                                    | Eliwana                   | 1,800       | 30              | 60                      | 2020                |
| GWR Group                              | Wiluna West               | 200         | 10              | 60                      | 2020                |
| Atlas Iron                             | Sanjiv Ridge              | 53          | 5               | 57                      | 2020                |
| BHP                                    | South Flank               | 4,700       | 80              | 62                      | 2021                |
| Rio Tinto                              | West Angelas C+D          | 735         | n.a.            | 62                      | 2021                |
| Mt Gibson                              | Shine                     | 20          | 1.5             | 59                      | 2021                |
| Rio Tinto                              | Western Turner Syncline 2 | 1,000       | 30              | 62                      | 2021                |
| Rio Tinto                              | Gudai-Darri               | 4,300       | 43              | 59                      | 2022                |
| Rio Tinto                              | Robe Valley               | 1,200       | n.a.            | 62                      | 2022                |
| FMG                                    | Iron Bridge 2             | 5,600       | 22              | 67                      | 2023                |
| MRL                                    | Onslow Iron               | 2,500       | 30              | 58                      | 2024                |
| Rio Tinto                              | Western Range             | 3,000       | 25              | 62                      | 2025                |
| <b>Under construction or committed</b> |                           |             |                 |                         |                     |
| Atlas Iron                             | McPhee Creek              | 600         | 9.5 – 9.7       | 56                      | 2026                |
| BHP                                    | Western Ridge Crusher     | 943         | 25              | n.a                     | 2027                |
| Rio Tinto                              | Brockman Syncline 1       | 2,800       | 34              | 62                      | 2027                |
| BHP                                    | Ministers North           | 500         | 20              | 62                      | 2028                |

Mtpa = million tonnes per annum. n.a. – not available or not applicable. <sup>1</sup> Includes mines and rail and port infrastructure. <sup>2</sup> Product grade if available, otherwise reserve grade for direct shipping ores.  
Source: S&P Global Market Intelligence; CRU, Iron Ore Market Outlook – Project list; and company investor information (announcements, reports and presentations).

- Rio Tinto achieved first ore at its Western Range project in early 2025. The project will produce 25 million tonnes of iron ore a year at full capacity. Rio Tinto will begin construction on the Brockman Syncline 1 (BS1) project in 2025, which will produce 34 million tonnes of iron ore a year from 2027. BS1 is one of many replacement projects for Rio Tinto with total annual capacity of around 130 million tonnes (Western Range, West Angelas, Hope Downs 1, Greater Nammuldi and Brockman 4). Rio Tinto has also approved a \$110 million pre-feasibility study for the 40 million tonnes a year Rhodes Ridge project.
- BHP has approved the Western Ridge Crusher Project, expected to deliver 25 million tonnes of iron ore annually from 2027, replacing production volumes from other depleting orebodies around Newman. BHP is also developing the Ministers North project, which is a high grade, Brockman ore deposit located near Yandi. that will produce 20 million tonnes of iron ore a year from 2028.
- Atlas Iron received final approval to begin construction on the McPhee Creek project in September 2024. The project will produce close to 10 million tonnes of iron ore a year from 2026. Primary crushed ore will be hauled via road train from McPhee Creek to Roy Hill for processing.

## Western Australia's iron ore exports by port

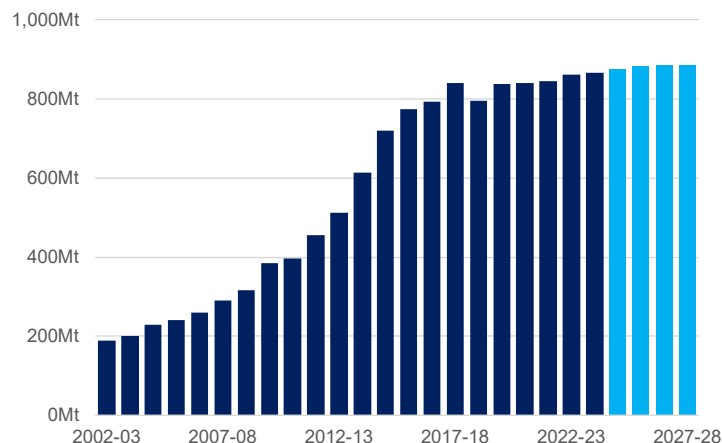


Mt = Million tonnes.  
Source: Based on data from ABS International Trade in Goods and Services, Australia.

- Port Hedland accounted for 61% of Western Australia's iron ore export volumes in 2024. The next largest ports in Western Australia for iron ore export volumes in 2024 were Cape Lambert (18%) and Dampier (16%).
- In 2024, the volume of iron ore exports from:
  - Port Hedland rose 3% to 544 million tonnes
  - Cape Lambert fell 6% to 163 million tonnes
  - Dampier rose 8% to 141 million tonnes
  - All other ports fell 4% to 44 million tonnes.
- The Port of Port Hedland is planning to increase iron ore export capacity to 660 million tonnes a year. FMG has approval to expand its material handling capacity at Herb Elliott Port to 210 million tonnes a year.



## Western Australia's iron ore sales volume



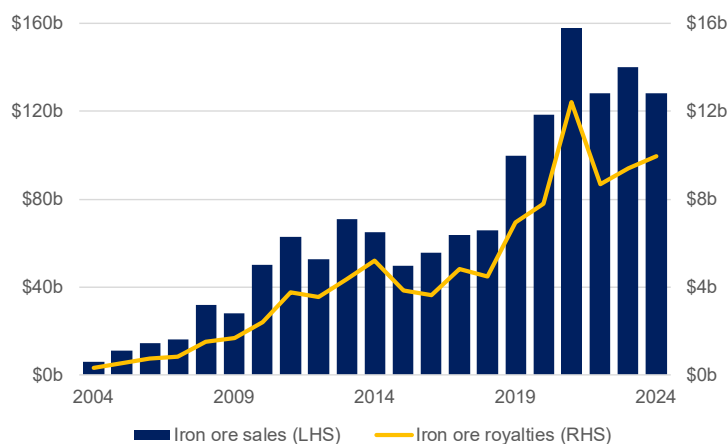
Mt = Million tonnes.

Source: WA Department of Energy, Mines, Industry Regulation and Safety, Resource Data Files; and WA Government Pre-election Financial Projections Statement 2024-25 (February 2025).

<sup>1</sup> S&P Global Market Intelligence.

- The volume of Western Australia's iron ore sales increased rapidly from the early 2000s and has settled at a high level.
- Western Australia's iron ore sales volumes were 866 million tonnes in 2023-24 and the WA Government Pre-election Financial Projections Statement 2024-25 forecasts sales will increase marginally over the next few years to 884 million tonnes in 2027-28.
- In 2024, Western Australia produced mainly iron ore fines (71%), followed by lump (26%) and concentrate (3%).<sup>1</sup>
- Production of iron ore products varied across Western Australia's major producers in 2024 as follows:
  - Rio Tinto: 66% fines and 34% lump.
  - BHP: 69% fines and 31% lump.
  - FMG: 98% fines and 2% concentrate.
  - Hancock Prospecting: 58% fines and 42% lump.
  - Mineral Resources: 88% fines and 12% lump.
  - CITIC Pacific and Karara Mining: 100% concentrate.

## Western Australia's iron ore sales and royalty receipts<sup>1</sup>

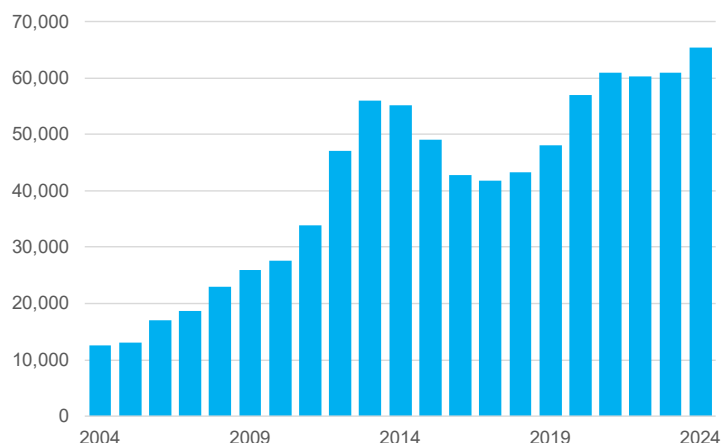


<sup>1</sup> Regulation 86A of the Mining Regulations 1981 requires that royalties be paid within 30 days following the end of a quarter. As a result, cash receipts are necessarily offset by one quarter. The value of royalty receipts is different to the value of royalty income published in State Budget papers, which is accounted for in the year the royalty liability is accrued, rather than paid.

Source: WA Department of Energy, Mines, Industry Regulation and Safety, Resource Data Files.

- The value of Western Australia's iron ore sales decreased 8% to \$128.1 billion in 2024.
  - The peak value of Western Australia's iron ore sales in a calendar year was \$157.8 billion in 2021.
- The Western Australian Government's iron ore royalty receipts increased 6% to \$9.9 billion in 2024.
  - The peak value of Western Australia's iron ore royalty receipts in a calendar year was \$12.4 billion in 2021.
- In 2024, Western Australia sold 866 million tonnes of iron ore at an average unit price of \$148 a tonne (US\$97 a tonne).
  - The peak values of Western Australia's iron ore sales and royalty receipts in 2021 coincided with 838 million tonnes of iron ore sold at an average unit price of \$188 a tonne (US\$141 a tonne).
- In 2024, iron ore royalties accounted for 88% of Western Australia's royalty receipts (excluding North West Shelf grants).
- The WA Government Pre-election Financial Projections Statement 2024-25 forecasts iron ore royalty income will decline to \$5.6 billion in 2027-28, based on the assumption that the iron ore price will return to its long-term average.

## Western Australia's iron ore industry employment<sup>1</sup>



<sup>1</sup> Direct employment. Full-time equivalent (average on site).

Source: WA Department of Energy, Mines, Industry Regulation and Safety, Resource Data Files.

- Direct full-time equivalent (FTE) employment in Western Australia's iron ore industry increased 7% to a record high of 65,359 in 2024.
- Iron ore accounted for 48% of direct FTE employment in Western Australia's minerals mining industry in 2024 (excluding exploration).
- Western Australia's largest employing iron ore mine sites in 2024 were:
  - FMG's East Pilbara Iron Ore (6,271 FTE) and Solomon (4,383 FTE)
  - BHP's Mining Area C (4,663 FTE)
  - Roy Hill Iron Ore (3,932 FTE)
  - Rio Tinto's Paraburdoo (3,695 FTE)
  - CITIC Pacific's Sino-Cape Preston Iron (3,352 FTE).