

Rio Tinto earns US\$4 Billion from Pilbara iron-ore

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Rio Tinto announced their 2015 full year results last week.

Rio Tinto has a portfolio of iron ore, aluminium, copper, coal and diamond mines across the world, but it is the iron ore mines in the Pilbara that continue to be the biggest contributor to the earnings of the international mining company.

Pilbara Iron Ore contributed US\$4 Billion out of the Company's total underlying earnings of US\$4.5 Billion. In the previous year, when iron ore prices were higher the Pilbara mines contributed US\$8.1 Billion out of the US\$9.3 Billion in earnings.

During the year, the Company increased the amount of Iron Ore mined by 11% to 327 million tonnes.

It also managed to reduce its cash cost per tonne of Iron Ore to just US\$13.80 (the current market price for iron ore is US\$47.14). The Company is forecasting the mining of 350 million tonnes of Iron Ore in 2016.

Rio operates sixteen iron ore mines in the Pilbara region of Western Australia, six of which are on Eastern Guruma country – Tom Price, Brockman 2, Marandoo, Nummuldi, Western Turner and Silvergrass.