

From: s 47F
To: s 47F; [Maloney, Matthew](#)
Subject: FW: Meeting request Fortescue | 27 Feb
Date: Wednesday, 28 January 2026 4:04:29 PM
Attachments: [image001.png](#)

Good afternoon s 47F and Matt –

Hope you are both well!

I was wondering whether you could assist me in arranging below meeting with Laura. You may recall that you suggested we speak with her as well. I had reached out but have yet to hear back – but of course appreciate that people are only just returning to the office.

Thank you!

s 47F

Fortescue
s 47F
[@fortescue.com](#)
www.fortescue.com



From: s 47F
Sent: Friday, 23 January 2026 12:38 PM
To: laura.berger-thomson@treasury.gov.au
Subject: Meeting request Fortescue | 27 Feb

Dear Ms Berger-Thomson,

My name is s 47F; I am s 47F.

Our s 47F, will be in **Canberra on Friday 27th February**. We were wondering whether you would be available for a meeting with s 47F and myself. We would greatly appreciate the opportunity to provide an overview of our industrial decarbonisation plans and discuss underlying policy. We have raised the challenge that the FTC poses for our decarbonisation business plan with colleagues from the Climate, Energy and Trade Insights Division in Treasury, and they suggested we also reach out to you.

I hope you have availability to meet on 27 February. At this stage, we are free all day except 11:30-12:00. Alternatively, s 47F will also be in Canberra on 10th February, available between 14:00 and 17:00.

I look forward to hearing from your office.

Kind regards,

s 47F

Fortescue

s 47F

[@fortescue.com](mailto:s47f@fortescue.com)

www.fortescue.com



From: s 47F
To: s 47F
Subject: RE: Request for Meeting Wednesday 4 February [SEC=OFFICIAL]
Date: Tuesday, 3 February 2026 9:32:49 AM
Attachments: [image001.png](#)
[image002.png](#)

Hi s 47F

I will be in Perth that week and wonder if 11am on Wednesday 18 February could work?

Otherwise I could do 1pm on Tuesday 17 February?

Best wishes

s 47F

From: s 47F @TREASURY.GOV.AU>
Sent: Tuesday, 3 February 2026 9:06 AM
To: s 47F @fortescue.com>
Subject: RE: Request for Meeting Wednesday 4 February [SEC=OFFICIAL]

OFFICIAL

These are also unavailable – can we organise a virtual catch up maybe in week commencing 16th February?

Thank you

Kind regards

s 47F

Matthew Maloney – First Assistant Secretary (A/g), Climate, Energy and Trade Insights Division

Penny Sirault – Assistant Secretary, Sustainable Finance Branch

s 47F Assistant Secretary (A/g), Climate and Energy Policy Branch

Climate, Energy and Trade Insights Division

s 47F

[treasury.gov.au](https://www.treasury.gov.au)

Langton Crescent, Parkes ACT 2600

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The Treasury acknowledges the traditional owners of country throughout Australia, and their continuing connection to land, water and community. We pay our respects to them and their cultures and to elders both past and present.

OFFICIAL

From: s 47F <[REDACTED]@fortescue.com>
Sent: Tuesday, 3 February 2026 8:57 AM
To: s 47F <[REDACTED]@TREASURY.GOV.AU>
Subject: RE: Request for Meeting Wednesday 4 February [SEC=OFFICIAL]

Hi s 47F

That is a shame.

I would be free at 1pm today or on Thursday at 3-30pm if either of those worked at all?

Best wishes

s 47F

From: s 47F <[REDACTED]@TREASURY.GOV.AU>
Sent: Tuesday, 3 February 2026 8:50 AM
To: s 47F <[REDACTED]@fortescue.com>; Maloney, Matthew <Matthew.Maloney@TREASURY.GOV.AU>; s 47F <[REDACTED]@TREASURY.GOV.AU>
Subject: RE: Request for Meeting Wednesday 4 February [SEC=OFFICIAL]

OFFICIAL

Unfortunately they are both unavailable at 1pm

Can we look to organise a VC call another time?

Thank you

Kind regards

s 47F

Matthew Maloney – First Assistant Secretary (A/g), Climate, Energy and Trade Insights Division

Penny Sirault – Assistant Secretary, Sustainable Finance Branch

s 47F – Assistant Secretary (A/g), Climate and Energy Policy Branch
Climate, Energy and Trade Insights Division

s 47F

s 47F

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OFFICIAL

From: s 47F <[REDACTED]@fortescue.com>
Sent: Tuesday, 3 February 2026 8:42 AM
To: s 47F <[REDACTED]@TREASURY.GOV.AU>; Maloney, Matthew <Matthew.Maloney@TREASURY.GOV.AU>; s 47F <[REDACTED]@TREASURY.GOV.AU>
Subject: RE: Request for Meeting Wednesday 4 February [SEC=OFFICIAL]

Hi s 47F

Thank you for your note.

We have a 3pm at Parliament House.

Would 1pm work?

Best wishes

s 47F

From: s 47F <[REDACTED]@TREASURY.GOV.AU>
Sent: Tuesday, 3 February 2026 8:40 AM
To: s 47F <[REDACTED]@fortescue.com>; Maloney, Matthew <Matthew.Maloney@TREASURY.GOV.AU>; s 47F <[REDACTED]@TREASURY.GOV.AU>
Subject: RE: Request for Meeting Wednesday 4 February [SEC=OFFICIAL]

OFFICIAL

Hi s 47F

I could put something in at 2:30 if that would work

Thanks

Kind regards

s 47F

Matthew Maloney – First Assistant Secretary (A/g), Climate, Energy and Trade Insights Division

Penny Sirault – Assistant Secretary , Sustainable Finance Branch

s 47F – Assistant Secretary (A/g), Climate and Energy Policy Branch

Climate, Energy and Trade Insights Division

s 47F

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OFFICIAL

From: s 47F <@fortescue.com>

Sent: Tuesday, 3 February 2026 8:38 AM

To: Maloney, Matthew <Matthew.Maloney@TREASURY.GOV.AU>; s 47F

<@TREASURY.GOV.AU>

Subject: RE: Request for Meeting Wednesday 4 February

Hi Matt and s 47F

Just following up my email to see if you have time tomorrow. Bron and I could meet at 1-30pm or 2pm if that were convenient for you?

Kind regards

s 47F

From: s 47F

Sent: Monday, 2 February 2026 1:23 PM

To: Maloney, Matthew <matthew.maloney@treasury.gov.au>; s 47F

<@treasury.gov.au>

Subject: Request for Meeting Wednesday 4 February

Dear Matt and s 47F

My director s 47F and I will be in Canberra for a quick visit on Wednesday following last week's media on fuel tax credits.

I wonder if you would have time to meet with us. Around 2pm would be great but let me know if other times would work better.

Thank you in advance.

Kind regards

s 47F

Fortescue

Perth

s 47F

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CLIMATE ENERGY FINANCE

Disclaimer

This analysis was conducted by **Climate Energy Finance**

<https://climateenergyfinance.org/>

For any questions related to this analysis, please contact **Climate Energy Finance** at:

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47F [@climateenergyfinance.org](mailto:tim@climateenergyfinance.org)

Matt Pollard

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47F [@climateenergyfinance.org](mailto:matt@climateenergyfinance.org)

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Table 1.

Estimated Impact to Iron Ore Unit Costs and Margins from FTC Scheme Reform

FY25 / 2025 - Equity Basis	BHP	Rio Tinto	Fortescue
C1 Cost (US\$/wmt)	17.3	24.3	18.0
Avg Realised Price (US\$/dmt)	89.3	89.4	84.8
Pilbara Equity Production (Mt)	246	280	201
Diesel Consumption (ML)	636	834	681
Diesel Intensity	2.58	2.98	3.39
Diesel Price w/ FTCS (\$/L)	0.86	0.86	0.86
Diesel Price w/o FTCS (\$/L)	1.37	1.37	1.37
Diesel Cost w/ FTCS (US\$/wmt)	1.45	1.67	1.90
Diesel Cost w/o FTCS (US\$/wmt)	2.30	2.65	3.01
Increase in C1 Cost (US\$/wmt)	0.85	0.98	1.11
Increase in Unit Cost	4.9%	4.0%	6.2%
Gross Profit Margin w/ FTCS	81%	73%	79%
Gross Profit Margin w/o FTCS	80%	72%	77%
Basis Point Decrease	95	110	131

FY24 / 2024 - Equity Basis	BHP	Rio Tinto	Fortescue
C1 Cost (US\$/wmt)	15.8	23.0	18.2
Avg Realised Price (US\$/dmt)	110.2	107.7	103.0
Equity Production (Mt)	244	278	190
Diesel Consumption (ML)	599	828	631
Diesel Intensity	2.46	2.98	3.32
Diesel Price w/ FTCS (\$/L)	1.04	1.04	1.04
Diesel Price w/o FTCS (\$/L)	1.45	1.45	1.45
Diesel Cost w/ FTCS (US\$/wmt)	1.66	2.01	2.24
Diesel Cost w/o FTCS (US\$/wmt)	2.31	2.80	3.13
Increase in C1 Cost (US\$/wmt)	0.65	0.79	0.88
Increase in Unit Cost	4.1%	3.4%	4.8%
Gross Profit Margin w/ FTCS	86%	79%	82%
Gross Profit Margin w/o FTCS	85%	78%	81%
Basis Point Decrease	59	73	86

Assumptions	Rate
Diesel (TJ/ML)	38.6
Diesel (ML/Mt-CO2-e)	369

Notes

Price is US\$/dmt FOB. For wmt reported figures, assumed 8% moisture content.

Rio Tinto cash cost is not reported as C1 cash cost, figure is unit cost reported over CY / Guidance.

Rio Tinto average realised price is calculated on half yearly results figures to align with prices of Fortescue and BHP in concurrent periods.

Rio Tinto equity production and diesel consumption is over CY periods. This analysis calculates economics of CY production using FY market prices to improve comparison with Fortescue and BHP.

Fortescue production and diesel is on 100% basis given dominance of hematite production relative to Iron Bridge. This allows unit economic calculations to be simplified.

Table 2.

Impact of Removal of FTC Income for Iron Ore Segmental Earnings

FY24 - USD	BHP	Rio Tinto	Fortescue
Revenues Iron Ore	27,952	31,855	18,129
Expenses Iron Ore	9,039	12,866	6,729
Underlying EBITDA Iron Ore	18,913	18,989	11,400
NPAT (Consolidated Group)	7,897	10,749	5,664
ROCE	83%	60%	31%
Est. Diesel Consumption	599	828	631
Est. FTCS Revenues	191	264	201
FTC Revenues After Tax	134	185	141
New EBITDA	18,722	18,725	11,199
New Consolidated Group NPAT	7,763	10,564	5,523

FY25 - USD	BHP	Rio Tinto	Fortescue
Revenues Iron Ore	22,919	26,651	15,460
Expenses Iron Ore	8,523	12,540	6,821
Underlying EBITDA Iron Ore	14,396	14,111	8,639
NPAT (Consolidated Group)	9,019	10,272	3,366
ROCE	64%	42%	19%
Est. Diesel Consumption	636	834	681
Est. FTCS Revenues	209	274	224
FTC Revenues After Tax	147	192	157
New EBITDA	14,187	13,837	8,415
New Consolidated Group NPAT	8,872	10,080	3,209

Chart Data - FY25 - USD	BHP	Rio Tinto	Fortescue
Revenues Iron Ore	22,919	26,651	15,460
Expenses Iron Ore	-8,523	-12,540	-6,821
Underlying EBITDA Iron Ore	14,396	14,111	8,639
Removal of FTC Income	-209	-274	-224
New EBITDA	14,187	13,837	8,415

Figures.

Impact of Removal of FTC Scheme Income to Iron Ore Segmental Earnings (EBITDA)

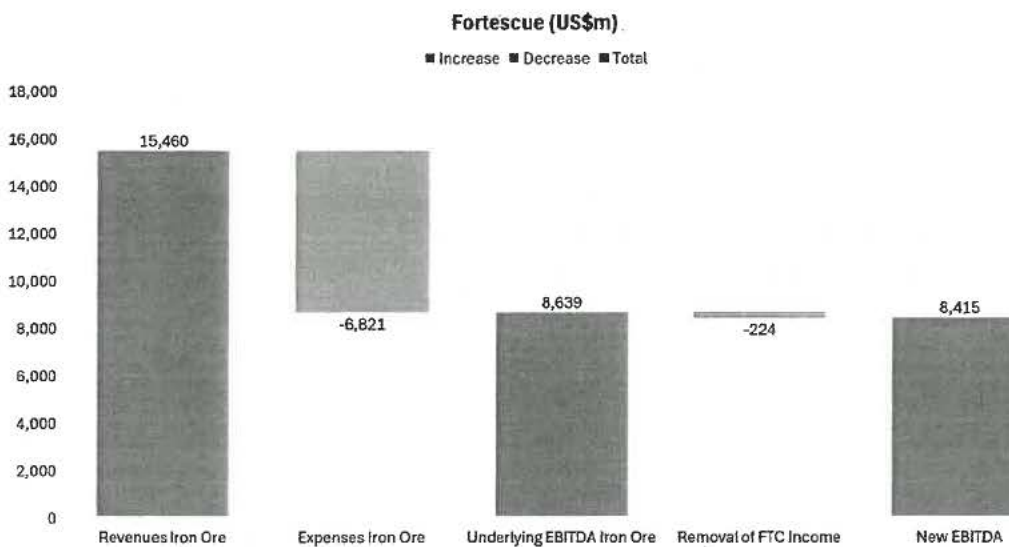
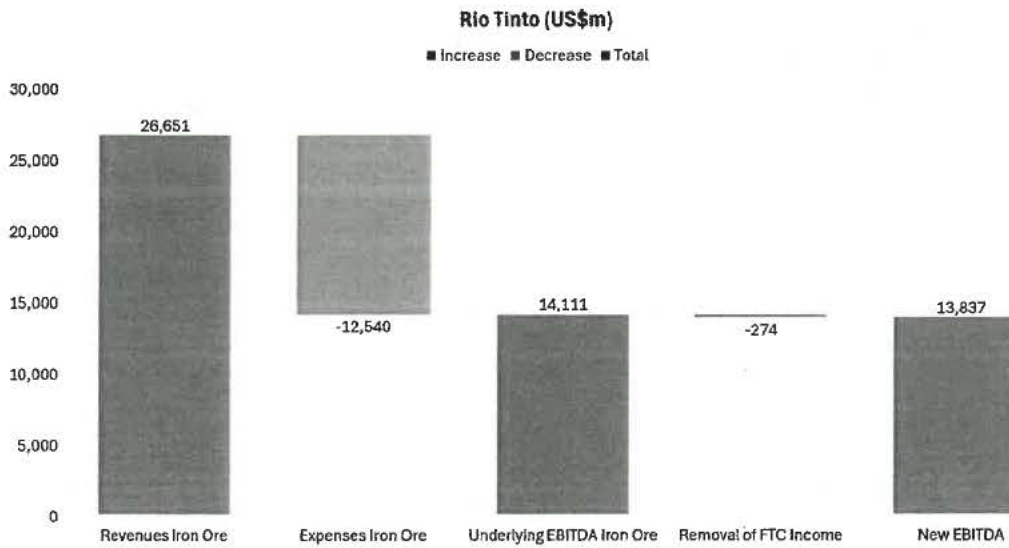
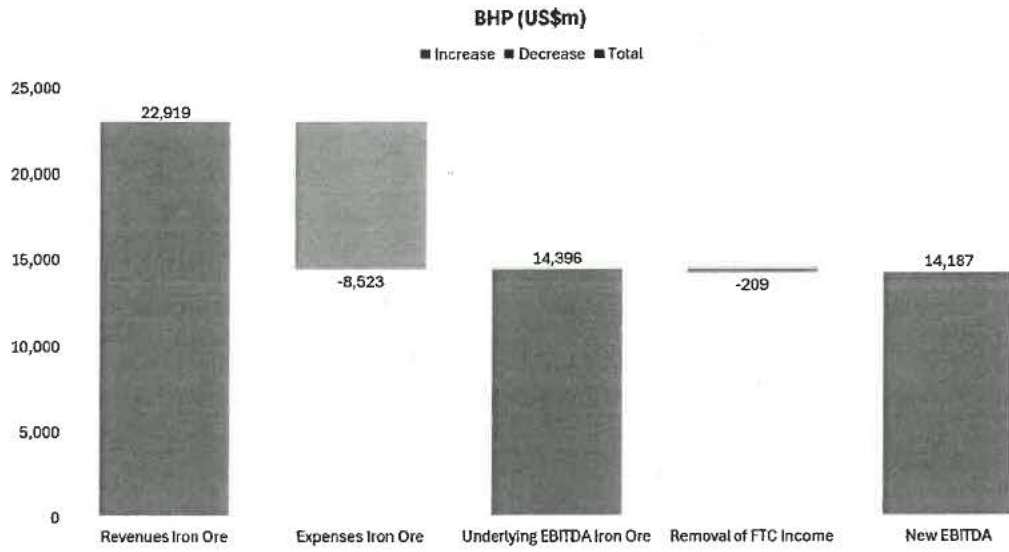


Table 3.
Comparison of Gross Margins of C1 Unit Costs to Realised Unit Prices

FY24/2024 Margin Comparison	Margin (no subsidy)	Margin Gain (with FTC subsidy)	Total Margin
BHP	85.0%	0.6%	85.6%
Fortescue	81.4%	0.9%	82.3%
Rio Tinto	77.9%	0.7%	78.6%
Vale	80%		80%
Anglo American	61%	0%	61%

FY25/2025 Margin Comparison	Margin (no subsidy)	Margin Gain (with FTC subsidy)	Total Margin
BHP	79.7%	1.0%	80.6%
Fortescue	77.5%	1.3%	78.8%
Rio Tinto	71.7%	1.1%	72.8%
Vale	79%	0%	79%
Anglo American	61%	0%	61%

Figure 1.
Comparison of Gross Margins of C1 Unit Costs to Realised Unit Prices

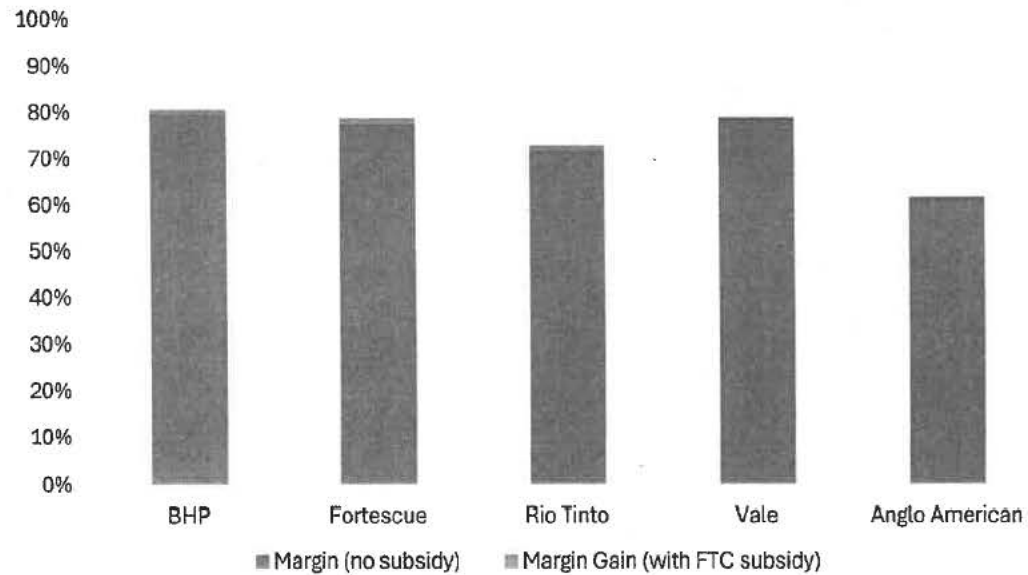


Table 4.
Return on Capital Employed for Iron Ore Segments

ROCE	BHP	Rio Tinto	Fortescue
FY21	89%	100%	66%
FY22	91%	62%	36%
FY23	67%	64%	27%
FY24	83%	50%	31%
FY25	64%	38%	19%

Note
Rio Tinto ROCE is reported on a CY basis. 2025 ROCE is for 1H2025.

Figure.
Return on Capital Employed for Iron Ore Segments

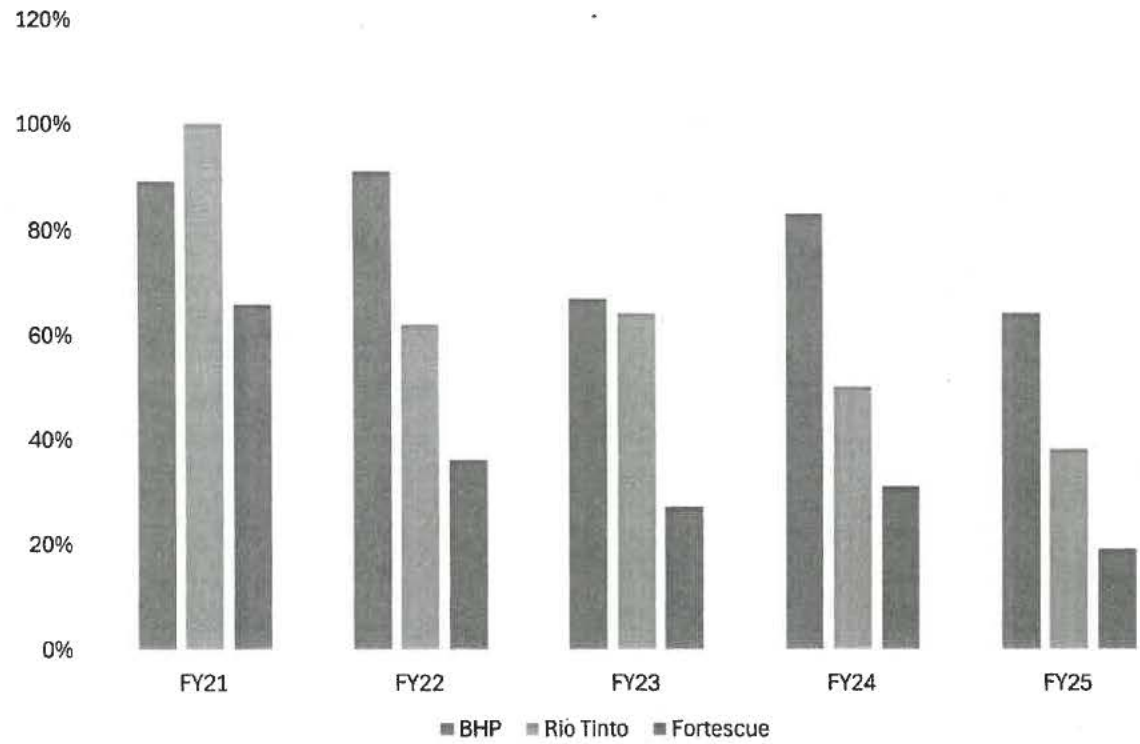


Table 5.

Rio Tinto Avg Realised Prices by Financial Year

Financial Years	FY24		FY25		FY26		
6M Periods	1H23	2H23	1H24	2H24	1H25	2H25	1H26
Pitbara FOB \$/wmt	98.7	100.7	97.3	81.9	82.5	83.1	
Pitbara FOB \$/dmt	107.3	109.5	105.8	89.0	89.7	90.3	

FY24 Avg	107.65
FY25 Avg	89.4

Source

Rio Tinto Annual Results and Half Year Results

Table 6.

Rio Tinto Iron Ore Segmental Financial Results

	1H25	1H24	1H24	2H23	1H23	FY24	FY25
Revenues Iron Ore	12,518	14,133	15,206	16,849	15,600	31,855	26,651
Underlying EBITDA Iron Ore	6,659	7,442	8,807	10,182	9,792	18,989	14,111
NPAT (Consolidated Group)	4,528	5,744	5,808	4,941	5,117	10,749	10,272
ROCE	38%	45%	55%	65.00%	63%	60%	42%

Table 7.

Vale Financial Year Margin Estimates

	3Q23	4Q23	1Q24	2Q24	3Q24	4Q24	1Q25	2Q25	FY24	FY25
C1 cash cost (US\$/t)	21.9	20.8	23.5	24.9	20.6	18.8	21.0	22.2	22.8	20.7
Iron Ore Fines (US\$/wmt FOB)	98.2	118.3	100.7	98.2	90.6	93.0	90.8	85.1	103.9	89.9
Iron Ore Fines (US\$/dmt FOB)	106.7	128.6	109.5	106.7	98.5	101.1	98.7	92.5	112.9	97.7

FY24 Margin	80%
FY25 Margin	79%

Source

Vale company accounts

Notes

Cash cost is for all iron ore production of Vale, inclusive of fines and pellets. However, fines dominate production volumes, so revenues are reported as realised prices for fines.

Table 8.

Australian Petroleum Statistics - Diesel Oil Import Value and Volume Data

Month	A\$m	ML	\$/L
Jul-23	2,711	2,868	0.95
Aug-23	3,199	2,826	1.13
Sep-23	3,111	2,603	1.20
Oct-23	3,082	2,603	1.18
Nov-23	2,482	2,324	1.07
Dec-23	2,474	2,521	0.98
Jan-24	2,492	2,573	0.97
Feb-24	2,384	2,302	1.04
Mar-24	2,210	2,153	1.03
Apr-24	2,501	2,473	1.01
May-24	2,681	2,790	0.96
Jun-24	2,472	2,639	0.94
Jul-24	2,714	2,925	0.93
Aug-24	2,098	2,311	0.91
Sep-24	1,983	2,437	0.81
Oct-24	2,121	2,568	0.83
Nov-24	2,131	2,520	0.85
Dec-24	2,504	2,854	0.88
Jan-25	2,498	2,650	0.94
Feb-25	1,709	1,847	0.93
Mar-25	2,187	2,513	0.87
Apr-25	1,900	2,317	0.82
May-25	2,076	2,562	0.81
Jun-25	2,026	2,528	0.80

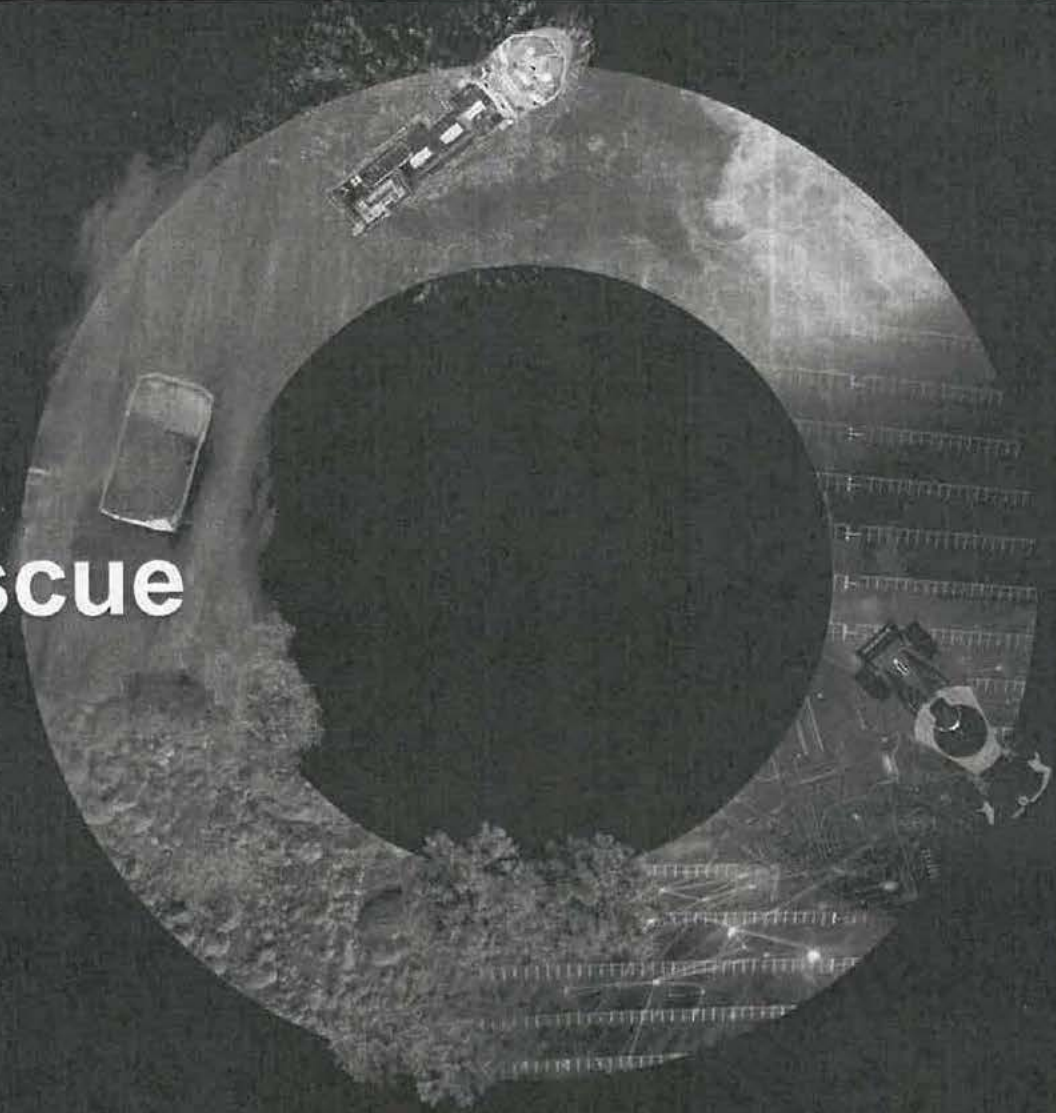
FY24	1.04
FY25	0.86

Source

<https://www.energy.gov.au/publications/australian-petroleum-statistics-2025>

Fortescue

FEBRUARY 2026



PILBARA WESTERN AUSTRALIA



ANTICIPATED INFRASTRUCTURE

- >1GW
- 1GW
- 4-5 GWh storage
- >620km high voltage transmission
- Green Metal Project

TRANSMISSION LINES

- Operational
- Under development

Dampier Bunbury Gas Pipeline

Goldfields Gas Pipeline

Dampier

Karratha

Roebourne

Port Hedland

HERB ELLIOTT PORT

Marble Bar

IRON BRIDGE

Blacksmith

Solomon

WESTERN HUB

Eliwana

Tom Price

Cloudbreak

NYIDINGHU

MINDY SOUTH

Nullagine

CHICHESTER HUB

Christmas Creek

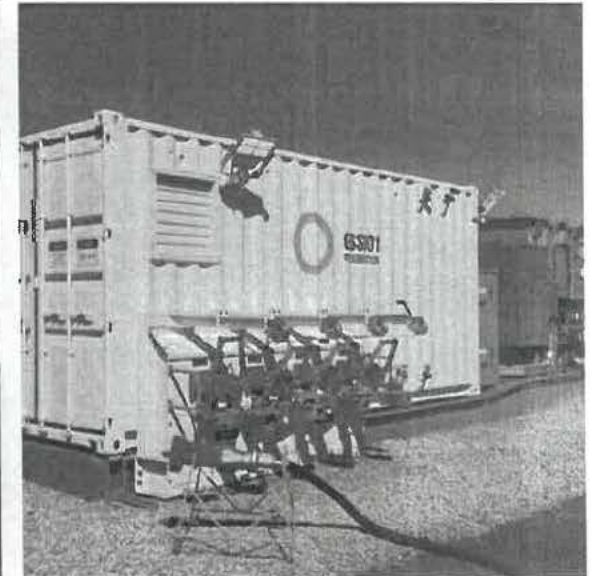
FORTESCUE | 2

Newman

TAKING ACTION NOW

Heavy Machinery and Equipment being delivered

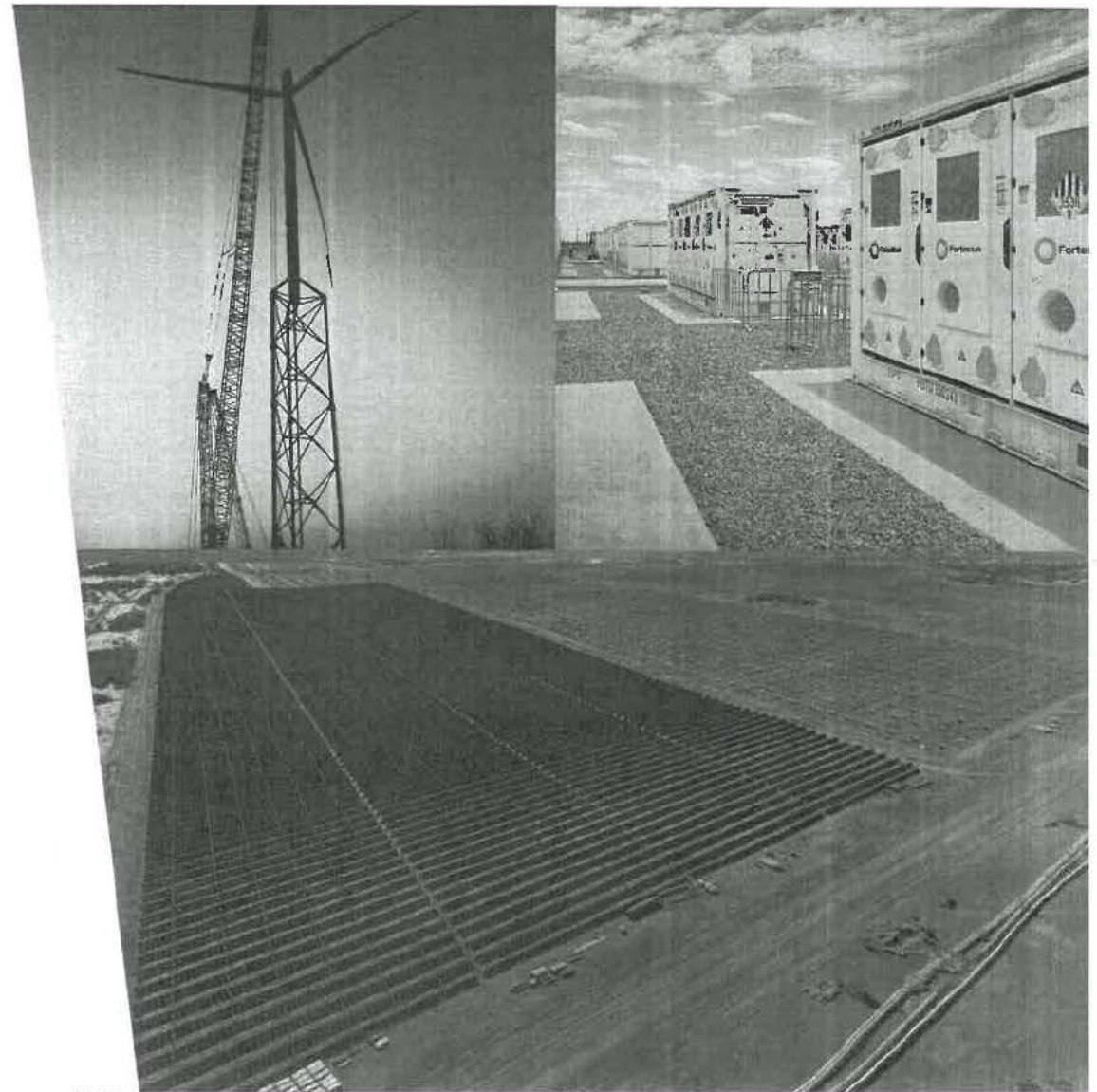
- Cabled excavators and drills in operation
- Two 14.5MWh battery electric locomotives built by Progress Rail delivered to the Pilbara
- XCMG Watercart, Wheel Dozer, Wheel Loader prototypes to be delivered in 2026
- First battery electric haul trucks in the Pilbara in 2026
- 6MW charger on-site 2026



TAKING ACTION NOW

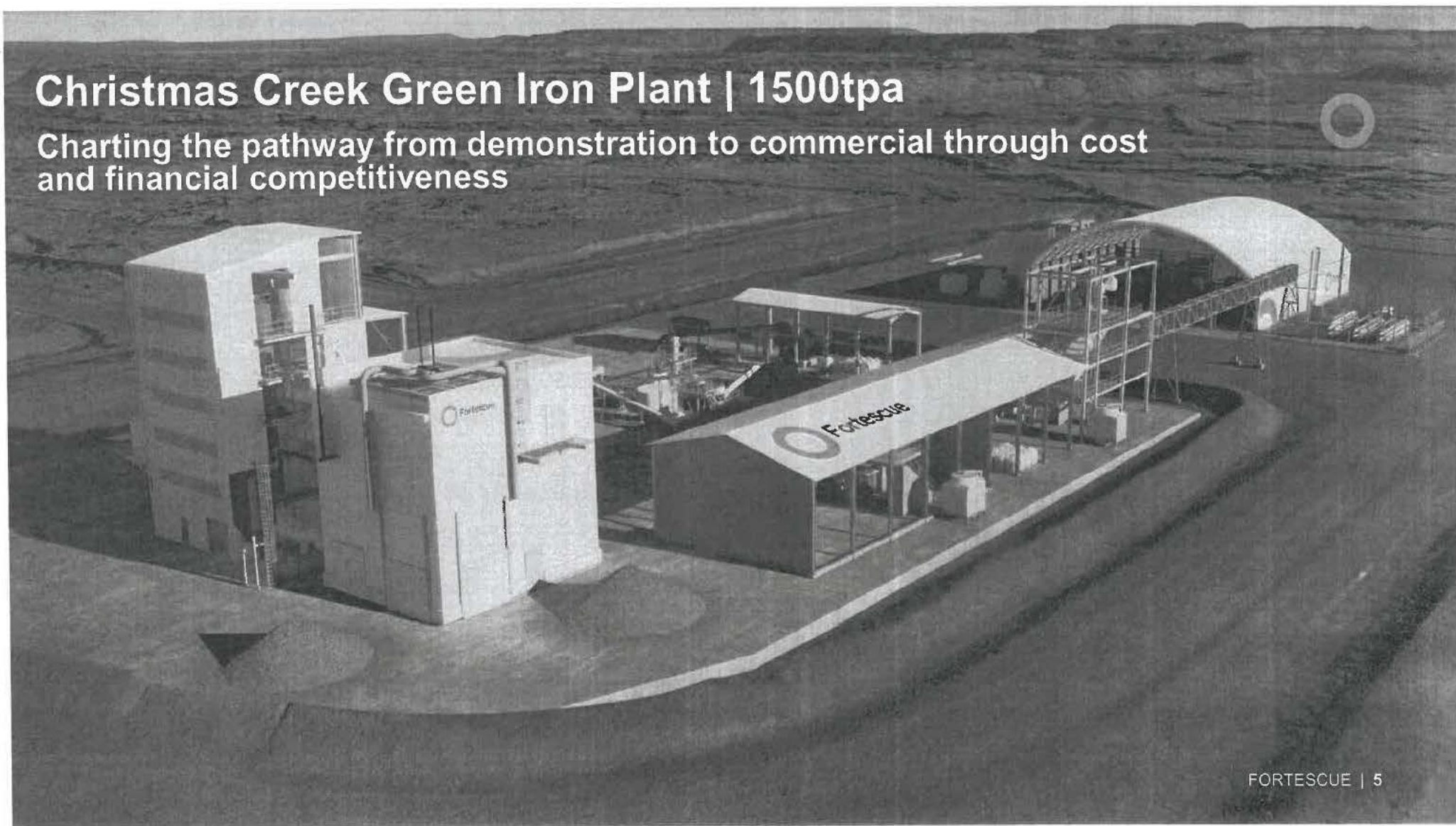
Green Power and Infrastructure

- 100MW solar farm commissioned in 2025
- 190MW solar farm under construction -
>300,000 panels installed
- 460km transmission network has been built to date (out of 629km total)
- 2x battery energy storage systems (BESS) to be commissioned in 2026 (100MWh, 250MWh)
- Nullagine Wind Project – 17 turbines, 133MW – construction commenced



Christmas Creek Green Iron Plant | 1500tpa

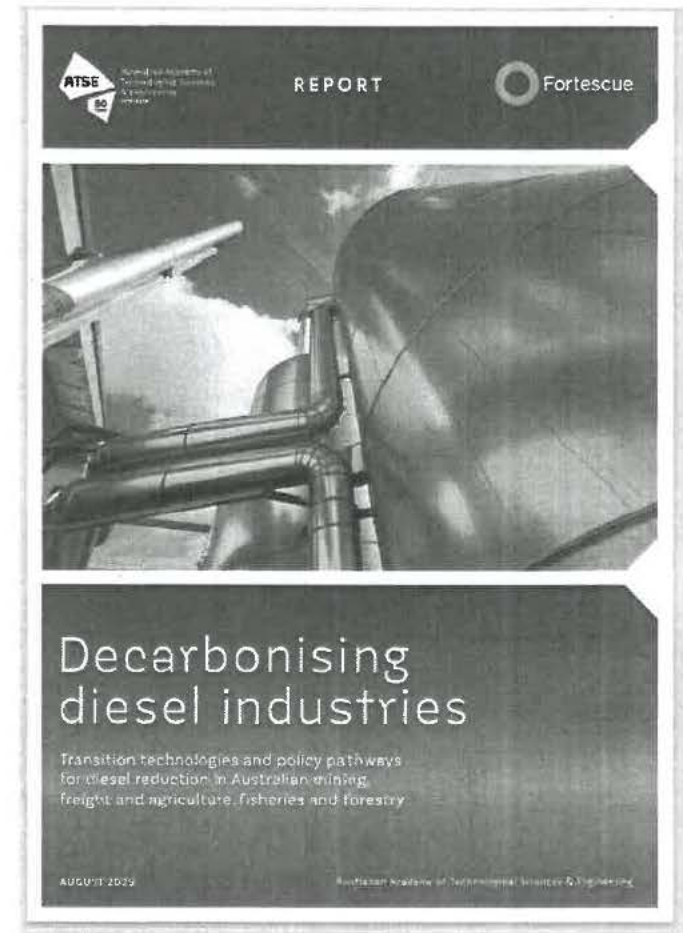
Charting the pathway from demonstration to commercial through cost and financial competitiveness



Diesel Use

Report by Australian Academy of Technological Sciences & Engineering

- Diesel contributes ~17% of Australia's total carbon emissions
- Annual imports of ~29B litres of diesel highlight Australia's reliance on international markets and reduced domestic refining capacity.
- Current policy settings support diesel use by subsidising fossil fuel consumption
- Results in delays to critical investment and adoption of cleaner technologies



Fuel Tax Refunds



- 2025/26
 - Fuel tax rate – 52.6 cents per litre since 2 February 2026
 - Total fuel taxes - \$25 billion
 - Total refunds - \$10 billion
 - Total refunds to mining industry - \$4.5 billion
- Disincentivising decarbonisation:
 - one ACCU = **\$30-\$40** vs FTCs of **\$194** per tonne of diesel CO₂-e

Proposed Reform

TURN DISINCENTIVE TO INCENTIVE



Climate Energy Finance - Cap and reinvest

- Fuel tax refunds capped at \$50 million per company per year
- Companies can get more than \$50 million back from the government where they invest in cheaper, cleaner more efficient energy in Australia
- Budget neutral clean energy investment
- Would not affect farmers, fishers or small miners
- Converts investment headwind into a tailwind

Top 15 claimants of DFTC in FY24

Analysis by Clean Energy Finance



2023-24 Equity Basis						
Entity	Primary Commodity	Diesel Use (ML)	FTCs Paid (\$m)	Effective TTI (\$m)	YoY vs FY23	
BHP	Iron Ore / Coal	1,278	627	577	31%	
Rio Tinto*	Iron Ore	849	416	366	20%	
Fortescue	Iron Ore	631	309	259	20%	
Hancock Prospecting	Iron Ore	262	128	78	21%	
Mineral Resources	Iron Ore	219	107	57	102%	
Glencore	Coal	742	364	314	36%	
Mitsubishi Development	Coal	293	144	94	22%	
Peabody Energy	Coal	193	95	45	22%	
Whitehaven Coal	Coal	201	99	49	71%	
Yancoal	Coal	309	151	101	27%	
Anglo American	Coal	185	90	40	20%	
Stanmore Resources	Coal	186	91	41	45%	
QCoal Group	Coal	131	64	14	-	
Pacific National	Coal and Commodity Freight	284	139	89	14%	
Aurizon	Coal and Commodity Freight	228	112	62	34%	
Total		5,991	2,938	2,188	43%	

*Rio Tinto figures are reported on calendar year energy and emissions data, applied to financial year FTC rates.
 Note: FY24 effective FTC rate of 49 cents per litre.

Clean Energy Finance Transition Tax Incentive: Reforming Fuel Tax Credits into a Decarbonisation Tailwind Aug 25_p28

Key Arguments Against Change



1 Fuel Taxes are Road Taxes

- No effective link between fuel taxes and road funding since 1992

(PBO Fuel Taxation in Australia)

- 2023/24 - fuel excise - **\$25b** less **\$9.6b** FTCs = net fuel taxes **\$16.4b**
 - all levels government spent **\$44 billion** on roads,
 - total road related revenue **\$36 billion**

(Australian Infrastructure and Transport Yearbook 2025)

- Hon John Anderson MP, Deputy Prime Minister and Minister for Transport and Regional Services 1 May 1999:

*... the Federal Government **does not consider diesel fuel excise to be a road user charge**. Fuel taxes and the revenue they generate have no correlation to the amount of funds provided whether to the states or nationally for roads. Fuel excise today is **a source of general revenue** just like income and other taxes.*

Fuel Tax Inquiry Report March 2002 pp 86-87

- Henry Tax Review

The existing structure of fuel tax, annual registration and other road-related taxes is designed primarily to raise revenue.

Key Arguments Against Change



2 Don't tax business inputs

- A principle that is not observed due to cost
- The 2002 Fuel Tax Inquiry found extending fuel tax credits to all business would have cost an extra \$4.5 billion
- Therefore all businesses driving vehicles <4.5t on public roads pay full fuel tax without any refund
- Under *Fuel Tax Act 2006* only off-road users and heavy vehicles >4.5t on public roads are eligible for refunds
- By choosing who is eligible the Act chooses which users to subsidise over others.

Key Arguments Against Change



3 Environment has no place in a taxing statute

- *Fuel Tax Act 2006* included provisions to help drive clean energy and emissions reduction, as highlighted in the second reading speech by then Minister for Revenue and Assistant Treasurer Peter Dutton:
 - fuel tax credit not available for on-road vehicles unless they met environmental criteria
 - large fuel users, receiving more than \$3 million per year in fuel tax credits, required to join Greenhouse Challenge Plus Programme (ended 2009 when ETS introduced)
 - Cleaner fuel grants – the Minister was able to reduce fuel tax credits to fund cleaner fuel grants (s43-10(1) – (2)) (removed 2015)
- Provisions Capping FTCs at \$50m per company and requiring balance to be spent on decarbonisation would be consistent with earlier inclusion of environmental considerations

never used

FAQs

Who pays what for diesel?

- Miners are paying less than \$1 per litre for diesel after tax refund
- Australian drivers are paying an average of \$1.81/L including 52.6 cpL fuel tax

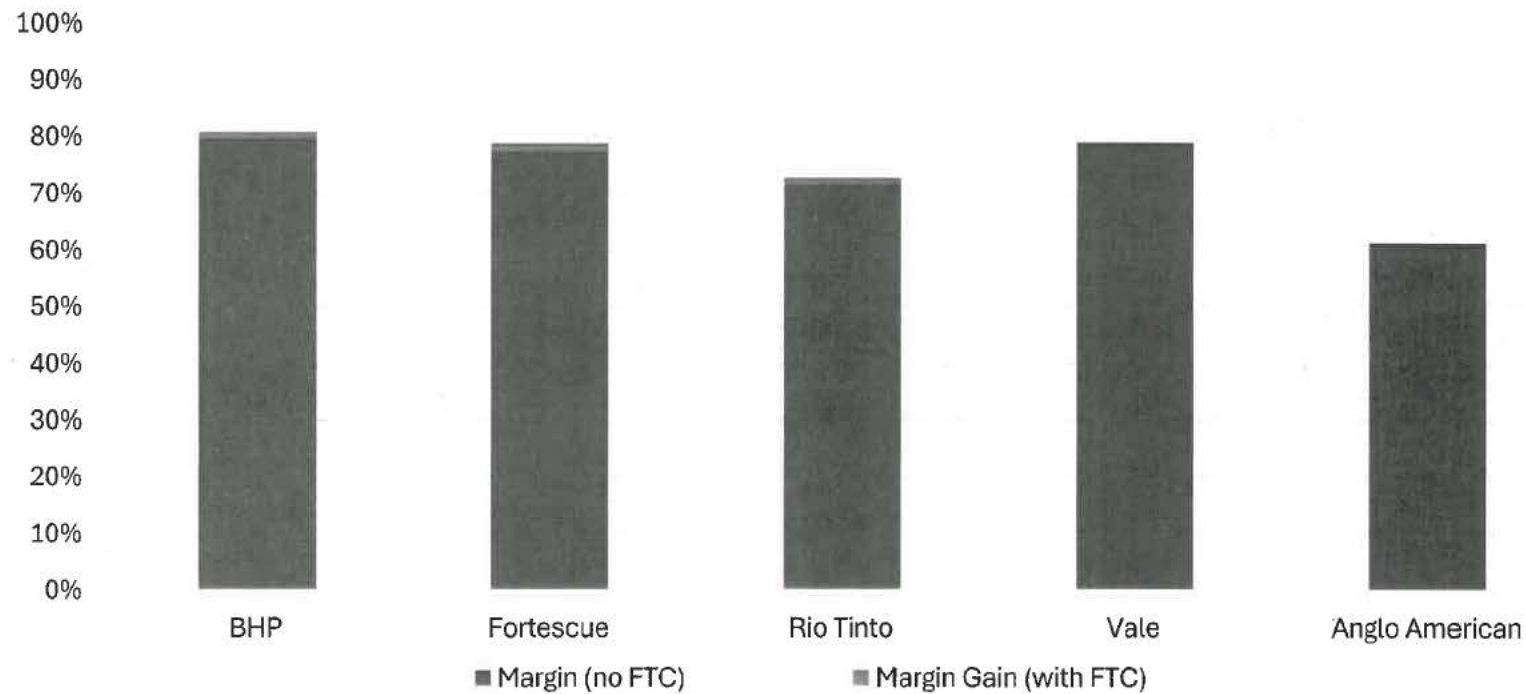
What percentage of mine operating costs is diesel?

- About US\$2/\$A3 per tonne or 10% of C1 operating costs*
- DFTC removal would add US\$1/\$1.50/t or 5-6%
- Decarbonisation removes these costs

* C1/unit costs published by each company

Removal of FTCs has limited impact on iron ore gross margins

Comparison of Gross Margins of C1 Unit Costs to Realised Unit Prices for Iron Ore Miners, FY25



CEF Analysis

Table 1.
Estimated Impact to Iron Ore Unit Costs and Margins from FTC Scheme Reform

FY25 / 2025 - Equity Basis	BHP	Rio Tinto	Fortescue
C1 Cost (US\$/wmt)	17.3	24.3	18.0
Avg Realised Price (US\$/dmt)	89.3	89.4	84.8
Pilbara Equity Production (Mt)	246	280	201
Diesel Consumption (ML)	636	834	681
Diesel Intensity	2.58	2.98	3.39
Diesel Price w/ FTCS (\$/L)	0.86	0.86	0.86
Diesel Price w/o FTCS (\$/L)	1.37	1.37	1.37
Diesel Cost w/ FTCS (US\$/wmt)	1.45	1.67	1.90
Diesel Cost w/o FTCS (US\$/wmt)	2.30	2.65	3.01
Increase in C1 Cost (US\$/wmt)	0.85	0.98	1.11
Increase in Unit Cost	4.9%	4.0%	6.2%
Gross Profit Margin w/ FTCS	81%	73%	79%
Gross Profit Margin w/o FTCS	80%	72%	77%
Basis Point Decrease	95	110	131

FY24 / 2024 - Equity Basis	BHP	Rio Tinto	Fortescue
C1 Cost (US\$/wmt)	15.8	23.0	18.2
Avg Realised Price (US\$/dmt)	110.2	107.7	103.0
Equity Production (Mt)	244	278	190
Diesel Consumption (ML)	599	828	631
Diesel Intensity	2.46	2.98	3.32
Diesel Price w/ FTCS (\$/L)	1.04	1.04	1.04
Diesel Price w/o FTCS (\$/L)	1.45	1.45	1.45
Diesel Cost w/ FTCS (US\$/wmt)	1.66	2.01	2.24
Diesel Cost w/o FTCS (US\$/wmt)	2.31	2.80	3.13
Increase in C1 Cost (US\$/wmt)	0.65	0.79	0.88
Increase in Unit Cost	4.1%	3.4%	4.8%
Gross Profit Margin w/ FTCS	86%	79%	82%
Gross Profit Margin w/o FTCS	85%	78%	81%
Basis Point Decrease	59	73	86

Assumptions	Rate
Diesel (TJ/ML)	38.6
Diesel (ML/Mt-CO2-e)	369

Notes

Price is US\$/dmt FOB. For wmt reported figures, assumed 8% moisture content.

Rio Tinto cash cost is not reported as C1 cash cost, figure is unit cost reported over CY / Guidance.

Rio Tinto average realised price is calculated on half yearly results figures to align with prices of Fortescue and BHP in concurrent periods.

Rio Tinto equity production and diesel consumption is over CY periods. This analysis calculates economics of CY production using FY market prices to improve comparison with Fortescue and BHP.

Fortescue production and diesel is on 100% basis given dominance of hematite production relative to Iron Bridge. This allows unit economic calculations to be simplified.

FTCs vs Profits



Company	Diesel*	FTCs*	Reported C1 Costs Iron Ore**	Total Revenue	Total Profit
BHP	1,278mL (inc coal)	A\$627m (inc coal)	US\$17.29/t	US\$51 billion	US\$9 b
Rio Tinto	849mL	A\$416m	US\$23/t	US\$53.7 billion	US\$11.6 b
Fortescue	631mL	A\$309m	US\$17.99 (hematite)	US\$15.54 billion	US\$3.4b
Vale (Brazil)	-	-	US\$21.8/t	US\$38.1 billion	US\$6.2b

*CEF Transition Tax Incentive Report 2025; Analysis for FY23/24 p28

**Includes ` \$US\$2/t for diesel

BHP Financial Results FY25

Rio Tinto Annual Report 2024 – reports unit costs

Fortescue Annual Report 2025

Vale Annual Report 2024

Decarbonisation creating Jobs



- Decarbonisation is driving investment and jobs
- Decarbonising Fortescue's Pilbara iron ore operations:
 - 2022 Board investment of US\$6.2 billion
 - Total peak workforce for decarb program = 1,500 – 1,800

Key Points

- The proposed change will only affect around 20 of the biggest companies in the mining industry.
- Not a single farmer, truckie or tradie will be impacted.
- These big mining companies will still be eligible for \$50 million in tax refunds.
- But to get more than \$50 million back from the government, they'll have to invest in cheaper, cleaner more efficient energy.
- At a time when Australian drivers are paying \$15 billion in fuel taxes, it's entirely reasonable that these taxpayers have questions about why mining companies are getting billions of fuel taxes refunded back to them.

Key Points



- When these tax refunds were set up, the aim was to help farmers, but over time big mining companies have gotten the vast majority of the funds.
- This is a modest change that helps put a bit more fairness back in the system and return it to the original purpose – helping farmers.
- By requiring that some of these refunds are spent on clean energy initiatives, we'll ensure more money stays in Australia – funding Australian projects, with Australian-made energy and Australian workers.
- That way, we can prevent funds from ending up in overseas investments.