

As Reported in the Global Investigations Review on 28 September 2020, **Payne Hicks Beach and Peter McRoberts, Partner and Head of the Employment department**, represented Richard Bowley in his dispute with Rio Tinto, first published in GIR online one 28 September 2020 and reproduced with kind permission.



**NEWS**



Peter McRoberts  
Partner and Head  
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# Rio Tinto and purported whistleblower settle employment dispute

[Sam Fry](#)

28 September 2020



A former Rio Tinto manager has withdrawn an employment claim alleging that the Anglo-Australian mining company fired him after he raised concerns that it misled investors about delays at a copper mine in Mongolia.

Richard Bowley, the former general manager of strategic projects in Rio Tinto's copper and diamonds business, said on Monday 28 September that he has reached an undisclosed settlement with his ex-employer.

“Rio Tinto and Mr Richard Bowley have reached an agreement to settle the dispute arising from the early termination without cause of Mr Bowley's fixed term employment in 2019,” Bowley said in an emailed statement. “The matter in terms of employment is settled,” he added.

A Rio Tinto spokesperson confirmed that a settlement has been reached. Neither party revealed the terms of the agreement.

Bowley [said in April](#) that the UK Serious Fraud Office (SFO), as well as financial regulators in the UK, Australia and Mongolia, had contacted him after he alerted the agencies to his allegations in March.

Since then, the US Securities and Exchange Commission (SEC) has also [reportedly](#) contacted Bowley about the matter. None of the agencies have said that they have opened investigations into Bowley's claims. Bowley filed the unfair dismissal suit in July 2019, claiming the company fired him in March that year after he raised concerns that Rio Tinto had violated its disclosure obligations by waiting too long to announce projected delays at its copper mine in Oyu Tolgoi, Mongolia.

According to a witness statement Bowley submitted to the employment tribunal, he told the vice president of HR in Rio Tinto's copper and diamond business in July 2018 that he believed the company's Oyu Tolgoi mine project was running \$300 million over budget and 12 months behind schedule.

Rio Tinto told investors in October 2018 that despite challenging ground conditions the Mongolian project was on target to meet its projected \$5.3 billion budget, as well as its 2020 completion date.

The mining company altered this projection in July 2019 when it said that the project's estimated budget was expected to rise by between \$1.2 billion and \$1.9 billion due to the forewarned ground conditions. Rio Tinto also pushed the mine's completion date back by between 16 and 30 months.

Rio Tinto instructed Baker McKenzie in 2019 to investigate Bowley's allegations that the company had been too slow to reveal the Mongolian mining delays to shareholders. Rio Tinto said in April that the law firm's investigation concluded that the company's Oyu Tolgoi disclosures did not mislead the market.

Rio Tinto previously challenged the jurisdiction of the UK tribunal to rule on Bowley's employment claim, arguing that the former manager was employed by the mining company's Singaporean subsidiary and worked in Mongolia. A three-day hearing on this issue was set to begin on Monday, the day Bowley announced the settlement agreement.

The Uyo Tolgoi copper mine is [reportedly](#) the subject of a number of ongoing investigations, including a probe by Mongolian authorities into claims a former finance minister illegally profited from the sale of mining

rights to Ivanhoe Mines, which later sold the rights to Rio Tinto, as well as a criminal investigation by Switzerland's Office of the Attorney General that centres on a bank account that was used to transfer \$10 million to the former minister. The former minister has denied the allegations against him.

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