



# Press Release

## Sandvik further adjusts operations due to ongoing difficult market conditions

**February 3, 2015:** As a result of the continuing difficult market conditions in the mining sector, Sandvik Mining has announced further adjustments to its Australian operations.

It will close its Wollongong site, allowing it to focus solely on providing a dedicated field service division in the NSW Illawarra and South Coast regions, while in Western Australia's Eastern Goldfields region, its Kalgoorlie site will now primarily operate as a field service division, warehouse and rock drills rebuild facility.

"Sandvik Mining in Australia continues to operate under very challenging market conditions, with the continued reduction in commodity prices and subsequent decline in the mining business," said Rowan Melrose, Country Manager for Sandvik Australia.

"As a result Sandvik Mining has undertaken a further review of the business and adjusted our Australian operations accordingly.

"With these latest changes, Sandvik will now carry out customer pre-deliveries and machine rebuilds and repairs to full original as-new condition for our Wollongong and Kalgoorlie customers from our Heatherbrae and Perth Productivity Centres respectively," he said.

"These two sites join Orange and Mackay as Sandvik's four strategically located Productivity Centres nationally – which have been developed to deliver industry leading levels of service and support.

"We have substantially upgraded these four facilities, with streamlined and improved work practices and processes to better service our customer's needs and set new standards for quality, safety and environmental performance, service efficiency and turnaround times," Melrose said.

"We would like to assure customers in these two regions that this decision will not interrupt our ability to supply customers with innovative, reliable and productive mining equipment, parts, tools and components, and that we will continue to provide industry-leading levels of service and support.

As a result of these changes, the company will make a further 63 roles redundant in Australia across the service and corporate services divisions.

"Unfortunately, these redundancies are necessary as a result of the continuing decline in market conditions," Melrose said.

"Sandvik is not alone in having to make these difficult decisions, with other suppliers of equipment and services, along with mining companies, announcing employment reductions and facing the same situation."

All Sandvik employees affected by this announcement will be offered Career Transitioning services and access to the company's Employee Assistance Program.

"We deeply regret the local impact these decisions will have on the individuals concerned, their families and the community," he said.

These changes reduce the overall Sandvik workforce in the region by approximately 4.5%.

Further information:

**Kate Bills**

Marketing and Communications Officer

[Sandvik Mining](#)

Office Phone: +61 7 3858 3275

Mobile: +61 459 810 317

E-mail: [kate.bills@sandvik.com](mailto:kate.bills@sandvik.com)

---

**Sandvik Group**

Sandvik is a global industrial group with advanced products and world-leading positions in selected areas – tools for metal cutting, equipment and tools for the mining and construction industries, stainless materials, special alloys, metallic and ceramic resistance materials as well as process systems. In 2011 the Group had about 50,000 employees and representation in 130 countries, with annual sales of more than 94,000 MSEK.

**Sandvik Mining**

*Sandvik Mining is a business area within the Sandvik Group and a leading global supplier of equipment and tools, service and technical solutions for the mining industry. The offering covers rock drilling, rock cutting, rock crushing, loading and hauling and materials handling. In 2012 sales amounted to about 37,800 MSEK, with approximately 14,000 employees.*