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Media Release:

Redundancies at Austar and Abel operations

Yancoal Australia has announced redundancies of up to 170 employees at its Abel underground mine and up to 55 employees at its underground Austar mine in the Hunter Valley.

The redundancies have been announced in response to the impacts of the continued downturn in the global coal market.

“This has been a difficult decision for the business and while we have taken every step over the last year to try and avoid today’s announcement, unfortunately we do not have any further options available at this time,” said Yancoal Australia Chief Executive Officer, Reinhold Schmidt.

“Our management teams are speaking with employees and ensuring they have access to the necessary external employment, redundancy and counselling services required to assist them throughout the process.”

Austar

Since the underground incident of April 2014, Yancoal has worked to try and develop new production options and retain or redeploy as many of our people as possible.

Unfortunately, the continued downturn in the global coal market has made the mine’s current situation unsustainable.

As a result, we have announced up to 55 redundancies across the Austar operation and will be moving the mine to a two Continuous Miner, seven days a week operation. The mine will continue to operate with 185 employees.

Abel underground mine

In response to continuing market pressures, the decision has been made to restructure the Abel underground operation, requiring the reduction of approximately 170 employees and the cessation of operations on weekends.

Employees will be notified of their redundancy or acceptance of voluntary redundancies on the completion of the selection process on Friday 7 August.

From 10 August, the mine will move to a five day a week operation, with the mine to continue to operate with a total 108 employees, including staff and shared resources.

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