

**HD** Report: Fortescue management undergoing restructuring

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Australian **iron ore** producer Fortescue Metals Group Ltd. has reduced its management team by three not long after announcing cuts to its 2015 financial year CapEx, according to a Dec. 3 report by The West Australian.

Peter Meurs is reportedly taking a two-month break from his role as development director, while shared services director Peter Thomas and health, safety, environment and security director Isak Buitendag will step down from their respective roles.

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According to The West Australian, it is not known what role Meurs, who vacated his position as managing director of WorleyParsons in 2010 to head Fortescue's expansion and development projects, will return to following his leave.

A spokesman confirmed the departures to the publication, saying it was "part of the normal evolution of our business and not a reaction to the market environment or performance related."

"We made the decision to restructure the senior levels of the organization in a way that will allow us to be even more flexible and adaptive moving forward," he said.

Fortescue revealed in late November that it lowered its capital expenditure expectations for the 2015 financial year to US\$650 **million**, from US\$1.3 **billion** previously.

The **company** maintained its production guidance at 155 **million** tonnes to 160 **million** tonnes shipped with a continued focus on maximizing production through its existing mines and infrastructure.

Fortescue is set to further reduce its headcount, with CEO Neville Power reportedly confirming more jobs will go in the coming months.

"I'm not sure exactly of the numbers, and that will happen progressively over a couple of months because we'll ... shut down that work at sensible places to stop it," he was quoted as saying by The West Australian.

Fortescue also wants to bolster its balance sheet with the **sale** of some of the **ore** carriers ordered from a **Chinese** shipyard at a cost of about US\$275 **million** earlier in 2014.

**CO** ambol : Fortescue Metals Group Ltd | woraus : Worleyparsons Limited

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