

# BULLETIN

ROBIT PLC CUSTOMER MAGAZINE 2/2021

Robit supports  
**Hilla's quest  
for the top**

 PINNACLE & ROBIT:

**Partnership  
poised to gain  
market share  
in Canada**

**New TH production  
line addresses  
increased demand**

**Robit**



# DEAR READER,

The prolonged Covid crisis continues to affect the daily lives of us all. Fortunately, our customers' business has returned to normal and there is a healthy demand for Robit's products. Hopefully, 2022 will be remembered as the year when the corona epidemic was overcome!

Our Top Hammer production is leaping to a new level. The new production cells, starting up at the turn of the year, will significantly increase capacity and allow us to provide more efficient and flexible customer service as of next year. These investments are a great step forward and a cause for celebration.

During the past year, we have been able to grow our business, especially in the mining sector. We are supplying more and more mines around the world with our high-performance tools. Together with our distributors, our top-skilled teams have found successful solutions to the drilling needs of new customers. This is something the Robit team is passionate about, and in 2022, we will be putting even more effort into it.

Product development with our customers is bearing fruit, with new products significantly improving energy and cost-efficiency. The launch of high-performance products for well drilling is a recent example.

This year, despite the challenging operating environment, we managed to take Robit a major step forward. I would like to thank the entire Robit team, our excellent partners, and our valued customers for their close cooperation. I look forward to the coming year and the countless opportunities to develop our cooperation further.

**Tommi Lehtonen, CEO**





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# NEW AFTON

## switched back to Robit Top Hammer tools

Two branches of the Thompson River run through the ruggedly picturesque landscapes of south-central British Columbia, to meet at the eastern end of Kamloops Lake. The town of Kamloops was founded there as a fur trading post 200 years ago. Today, Kamloops is a thriving city with rich copper and gold deposits nearby.





Afton mine, situated 10 km west of Kamloops, was originally an open-pit gold and copper mine, in operation throughout the 1980s and 90s. New Gold, a Canadian mining company, acquired the mine and restarted production in 2012, now as an underground mine called New Afton. Last year, New Afton produced 64,000 ounces (some 1,800 kg) of gold and about 33,000 tons of copper.

New Gold had been using Robit's Top Hammer (TH) tools in New Afton for years. However, in early 2019, through ownership changes at the supplier, New Afton switched to another brand of TH consumables. Over the course of the year, it became evident that the performance of the TH Tools did not meet the Mines expectations. In 2020, **Ryley Renneberg** and **Cody MacLeod** from the Sales Division of Pinnacle Drilling Products (Pinnacle), Robit's Canadian distributor, decided it was an opportune time to reach out to New Gold.

"We arranged an in-person meeting with New Gold's production mine manager. We listened to their problems with their new brand of TH tooling and discussed how we might be able to help out. New Gold had been happy with Robit before and they knew the production performance well, so this really helped progress things forward. It turned out to be the start of a great relationship between Pinnacle and New Gold", Ryley reminisces.

"We reassured we could have a seamless transition and were able to support New Gold through the ramp-up period, not to mention this pandemic situation and the global supply chain crisis."

For Robit, the first purchase order in the spring of 2021 meant a need for a serious production ramp-up of TH tools.

Says **Mikko Vuojolainen**, Robit's Vice President, North America: "It's always a critical period when a customer switches supplier. The new supplier must be able to deliver 100% availability. In this case, our TH production lines were already fully booked so we needed to get creative. We divided the products into two groups: those we can start delivering two months post order, and those we can start delivering four months post order. It worked out perfectly."

Since August 2021, New Afton is back to using Robit's TH tools in their underground operations. The New Afton deal can also help propel the Pinnacle-Robit business partnership forward.

"It brings us leverage into the mining industry within North America. I believe it's going to open many other opportunities for us to challenge the 'big three' in the market", says Ryley Renneberg.



*Kamloops Lake  
on a frosty  
winter day.*



# Ausdrill and Robit: a long-term relationship Down Under

**Mining has long been a key driver of the Australian economy. With more than 350 operating mines, it is one of the world's leading producers of iron ore, lithium, gold, lead, bauxite, uranium, and zinc, to name but a few, making it a very attractive market for a company like Robit.**

Thanks to the acquisition of Drilling Tools Australia (DTA) in 2016, the country is a domestic market for Robit, with customer relationships reaching back to the DTA days. One of these long-standing partners is Ausdrill, one of the largest drilling services providers in Australia, founded in 1987.

We talked to **Mark Hercik-Saul** who started with Ausdrill in 2003 as an Offsider, worked his way to Driller to Supervisor to Superintendent and is currently Project Manager for RC regional, looking after some ten RC (Reverse Circulation) drill rigs for various clients in Western Australia and South Australia. Mark has been using Robit's Down the Hole (DTH) hammers for years.

"Our preferred hammers of choice from Robit are the DR 55 and DR 53, mainly for their downhole reliability, performance, and durability to wear. We have continuous online and in-field support from Robit with any issues that may develop with any of their products. For quality products, the prices are also competitive", Mark says.

*In a busy market like Australia, availability must be a key issue when it comes to drilling consumables.*

*How has Robit been performing on that front?*

"We have been working closely with Robit to tailor our frequently ordered parts to meet the demand/supply to all of our sites. This has been challenging over the last couple of years with Covid-19 restrictions in play, but having local manufacturing close by, I feel the communication has grown stronger through this time", says Mark.

*From your vantage point, what's the future outlook for the Australian mining sector? What kind of role do you see Robit could play in it?*

"Mining is definitely booming, and since the Australian economy is strong at the moment, the demand to keep up supply for all drilling products is high.

I think Robit will have an important role in the future by keeping proactive with their site support, which to me is the key to having good relationships and trust between suppliers and companies. They also should be open to new innovations and designs combined with competitively priced products", Mark concludes.

*An Ausdrill RC drill rig at work at Woodie Woodie Manganese mine, Pilbara, Western Australia*



A view over the steppes  
from a chalk mountain in  
northern Kazakhstan.

# Distribution deal creating synergies in Central Asia



*George Apostolopoulos*

**As far as mineral reserves go, Kazakhstan is in the top twenty in the world, and mining comprises almost one-third of the country's export earnings. No wonder then that the competition in the sales of all mining-related goods, including drilling tools, is very tough. Robit secured a distribution deal with a key player in the region.**

As a major global exporter of minerals, Kazakhstan benefits from its central geographical location between Europe and Asia. This is also reflected in the name of the largest company supplying machinery and equipment for mining and construction in the area: Eurasian Machinery LLP.

With more than 600 employees, Eurasian Machinery provides customers with high-quality technical services through ten centers in Kazakhstan and Kyrgyzstan. Besides being the official distributor of Hitachi Construction Machinery – their spearhead product line – they also supply the industry with machinery and equipment from a host of other high prestige global brands. As of August 2021, these include Robit.

**George Apostolopoulos**, Robit's VP, Global Sales, is thoroughly familiar with the Central Asian market and sees great synergies for Robit in the exclusive distributor agreement with Eurasian Machinery.

"Eurasian Machinery have a strong reputation in the Kazakh market. They have done an excellent job with the Hitachi Construction Machinery brand and have placed themselves among the preferred suppliers for the country's mining industry. They are present with equipment and service contracts in most of the mines in Kazakhstan and Kyrgyzstan", George says.

"Customer satisfaction is driving their efforts and they are providing high-quality services to the industry. A high-tech Component Repair Center in Karaganda serves the purpose very well."

"This is a very significant deal for Robit as the Kazakh mining market is among the biggest in the world. It's the 2nd largest within our East sales area after Russia. It could provide significant leverage for our sales; big opportunities exist for our Top Hammer products both underground and surface, as well as our Down the Hole offering."

"There is some tough competition in this market not only from the traditional players but also from low-cost suppliers. This makes it particularly important for us to have a renowned and well-represented distributor in this market", George concludes.



# Robit supports **HILLA'S SKIING CAREER**

Hilla Niemelä is one of the rising young stars in Finnish skiing. Her main target for the current season is the Nordic Junior World Ski Championships in Norway in February 2022. A corporate supporter of sports, Robit signed a sponsorship and cooperation agreement with Hilla in late summer 2021.

The collaboration between Robit and Hilla is based on shared values and jointly produced media content that gives glimpses into Hilla's training, racing career, goals, current affairs and future expectations. Hilla kept a training diary for our readers in November 2021.





### Monday, Nov 1

The competition season is knocking at the door, with races for the next three weekends. The autumn training has gone well and I am looking forward to the races. I have only one race in the Vuokatti Finnish Cup, the freestyle sprint. In previous years, I've been in pretty good shape at the season start. After easing up the last couple of weeks, we're now training intensively, which might affect the upcoming sprint.

Whatever the race mood on Saturday, we have a good plan. On Friday I will do a preparatory training and it will indicate the race mood better. I've only skied outside a few times because the warm weather has made the track a bit softer and slower. In Vuokatti I can also ski on the tunnel, where the conditions are always the same. The track in the tunnel is a bit harder, which suits me better at the moment. However, the Saturday race will probably be quite soft and slow.

### Saturday, Nov 6

The race was exactly as I thought it would be. Legs were insensitive and skiing felt like a chore. Yesterday's power workout didn't bode well, but I felt better than yesterday. My coach and I came to the conclusion that I just hadn't done enough skiing in the mush to be successful today. However, so far so good, no need to make changes. Next up, more snow touch and aerobic training before the next race.

### Saturday, Nov 13

Today, national competition in free style, 9 km distance. It was my first race with the new pair of skis I got yesterday. They worked perfectly, but my performance was a bit sluggish. The ground was quite soft and it's the hardest for me to ski on. Still, first distance race of the season, and even with a weaker performance, I did alright compared to the others.

### Sunday, Nov 14

Today was the classic style sprint. Three years ago, this distance was very good for me, but since then I haven't been able to measure up my performance for lack of races. I was very nervous about the race, but in the end I really enjoyed it. It was great training for next week's Finnish Cup, where I'm competing in the same distance. I managed to do all four starts and now I'm much more confident for next week!

### Friday, Nov 19

Arrival in Taivalkoski. Tomorrow is my long awaited classic style sprint. This is also the qualifying weekend for the Ruka World Cup, so it's going to be an exciting race. Feeling good and confident for tomorrow's race.

### Saturday, Nov 20

Taivalkoski Finnish Cup sprint. Disappointment. Even though I qualified 17th, the skiing felt stiff and phlegmatic. The heat was a bit better, but still the skiing felt and looked bad technically. I was 15th in the final results, my best so far in the Finnish Cup, but my goal was to reach the semi-finals. It irks me that I couldn't give my everything the way I wanted. Tomorrow is another day though. I'm doing the classic style 10 km.

### Monday, Nov 22

No start for me on Sunday. Today the doctor prescribed antibiotics for an ear infection. Maybe that was the reason for Saturday's poor performance. Usually the body gives clear signals before getting sick. Now I'll just try and get better; my next start will be in early December at the Ruka Winter Games, if I'm well by then.

Luckily I got to see a doctor quickly and I'll defeat this illness as quickly as possible. The season is still young and I'm not worried, although falling ill is never a good thing. It's only after new year that I need to get up to full speed. Plenty of time to prepare! ;)





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## Geofluid

**Geofluid is a trade fair for geotechnical professionals, held every two years in Piacenza, northern Italy. The first Geofluid was held in 1978. Robit has participated several times; at the September 2021 event, Robit was represented by VP Geotechnical Ville Pohja.**

"Due to the coronavirus situation, the fair was a bit quieter than usual this time. Nonetheless, it was fairly well attended by professionals from the piling and drilling industry. Geofluid is a suitably focused event for our geotechnical business," says Ville.

"The equipment manufacturers presented drilling equipment for different types of foundation work and well drilling. For our part, we presented the Robit 4" WH hammer for well drillers, and the new generation of the Prime DTH product range for piling contractors."

"This time our booth was right next to our Italian distributor, which gave us more visibility. Our Italian distributor got new leads and contacts, and Robit had good meetings with potential and old customers as well as other distributors."

"We are a strong and recognized brand in geotechnical drilling. Geofluid is a good place to showcase our new, extensive, value-adding product portfolio to customers."

## MINExpo

**MINExpo, held every four years in Las Vegas, is widely regarded as the number one mining event in the world. Since the 1950s, MINExpo has showcased the latest equipment, tools and technologies in the industry. Mikko Vuojolainen, Robit's Vice President, Americas, gives an update on the mid-September 2021 event.**

"As expected, MINExpo suffered a loss of attendance due to the COVID pandemic. Almost all Europeans were absent, and attendance from other overseas countries was smaller than usual."

"From nearby countries such as Canada and Mexico, and of course the USA, attendance was almost as usual. For us, the event was just fine: what we lost in terms of the number of visitors, I think we made up for in terms of quality."

"We met with our distributors, especially from Canada and the USA, as well as new and old end-users of our products. As far as Robit products go, the Rbit series was the most talked about. Availability was another widely discussed issue."



# Robit boosts Top Hammer production

**A brand-new production facility was built in Lempäälä; South Korea is investing in new technology.**

In recent years, Robit's sales have particularly grown in the Top Hammer (TH) product line. In the second quarter of 2021, sales of TH products grew by no less than 22% year-on-year.

To ensure that supply continues to meet the growing demand, Robit decided to invest around EUR 6 million in new production facilities in Finland and South Korea.

Robit's production facilities in Lempäälä, Finland will grow by some 750 square metres – an increase of more than a quarter in the production area. TH and Down the Hole (DTH) production will be divided into separate production units as a result of the expansion.

The expansion includes several investments in equipment and automation. Although Robit's modern production technology is highly automated, the expansion has already brought a couple of new jobs to Lempäälä, and more people may be recruited during 2022.

The Hwaseong site in South Korea is also increasing capacity by investing in new machinery, robotics, and automation.

Production in the new Lempäälä premises will be in full swing by the end of 2021. In Hwaseong, full production capacity will be reached in early 2022.







# CAPITAL MARKETS DAY

is the investor's window to Robit's business

Robit's Capital Markets Day (CMD) was held on Thursday 23.9.2021. The event, aimed at analysts, investors, and the financial media, allows Robit management to provide up-to-date information on the company's value creation as part of sustainable development. The speakers also shared their insights into the latest market trends in the industry.

Speakers included **Tommi Lehtonen** (CEO), **Arto Halonen** (COO), **George Apostolopoulos** (VP Global Sales), and **Ville Pohja** (VP Geotechnical). The event was hosted by **Daniel Palander**.

CMD was again organized as a hybrid event: one could participate either on-site at Wanhassaatama in Helsinki or online via live broadcast. For the webcast, two-way communication was organized through chat service and conference calls.

The event was attended by some 50 people and received positive feedback. The CMD concept is a welcome change from conventional earnings announcements, which follow a predefined agenda and schedule. CMD allows investors and other participants to discuss and learn about interesting topics beyond the key figures of the company.



## Get to know **JUSSI JUHOLA**



**Jussi Juhola joined Robit in November 2021 with the title of Director, Supply Chain and Logistics. He transferred from a similar position at Nokian Tyres. Jussi lives in Pirkkala, Finland with his partner, two teenage daughters, and a Welsh Corgi named Heta. His free time is mostly occupied by family and outdoor activities, such as golf, padel, and in the winter, skiing.**

**You've made a long career in logistics management in another field. How did you end up with Robit?**

I had contemplated a career change earlier this year, and the idea of learning a whole new business matured last summer. So, the timing of this recruitment was quite perfect for me. Robit as a company, a global playing field, and the desire to grow and develop the supply chain matched my ideas of the next career challenge really well.

**Do you already have clear goals for developing Robit's supply chain and logistics?**

Before I started, projects had already been launched to improve demand management and to clarify supply chain policies, and I was able to jump in on the fly. The other aspects of the supply chain roadmap, to be started next year, are mainly to do with logistics, the order delivery process as well as supply & demand planning.

**Coming from a company an order of magnitude larger, how do you find Robit's corporate culture?**

My first impression is extremely positive. People are friendly and everyone seems to go out of their way to help. Business, sales, and customers seem to be very close to the day-to-day operations throughout the organization. It seems to me that Robit focuses on what counts most, or in sports terms, they "keep the eye on the ball" all the time. It has been a challenging year though and we have had to solve problems we haven't encountered before. However, we've been able to cope positively with them and, most importantly, the future looks very bright indeed.

**What's the industry outlook for the coming years from your perspective?**

The global transport market has been near a state of emergency for most of the year. At worst, freight rates have risen by more than tenfold compared to a year ago. Transport times have increased, and transport availability has been a constant struggle. Demand has outstripped supply, and the imbalance of global freight volumes has increased. The COVID pandemic has created further challenges through various restrictions and labour availability. On the positive side, this disruption is most likely temporary, and the situation will ease, possibly as early as next year.



# Robit ProTALK



**STEVE LANDRETH**  
VP, Australasia

## What do you think are the key market trends in the industry for the next few years?

"If the prices of commodities such as iron ore, gold, nickel, and copper remain high for the next 3-5 years, focus will certainly be on the mining industry. Exploration levels will also remain high, providing good opportunities in RC drilling consumables. There are also growing opportunities in the geotechnical field."



**JOSÉ CISNEROS**  
MD, Robit S.A.C.

"Mining will continue to be the most attractive segment in the region, particularly in Peru and Chile – countries with important copper mines. Recent market developments indicate rising demand for copper. Construction industry will depend on political stability, which is very uncertain at this moment."



**MIKKO VUOJOLAINEN**  
VP, North America

"Mining is expected to continue at a high level, even increasing. This should help us gain a steadier income and potentially grow our foothold. Construction will be more cyclical, responding heavily to political situations and investing cycles, thus a little more difficult to predict."



**FRANCO VAN DEVENTER**  
MD, Southern Africa

"Mining will remain the focus for Robit SA. As we are selling mainly to the direct market, we need to maintain a high quality and acceptable lead times. The demand for cost-per-ton and cost-per-meter contracts remains high on our customers' agenda, as this ensures a high level of involvement on the supplier side."



**PAVEL TIMOFEEV**  
VP, CIS & Eastern Europe

"Mining in the Vostok region is well developed and the trend continues. The main countries showing growth for us are Russia, Uzbekistan, and Kazakhstan. We also have a great desire to develop our presence in Ukraine."



**SEUNG KUY BACK**  
Regional Sales Director, Asia

"The mining and quarry businesses are expected to grow steadily. The tunneling business in developing regions is also expected to grow rapidly, especially in Southeast Asian countries such as Vietnam and Malaysia."





## What is Robit ProTALK?

Robit ProTALK is an ongoing series of articles on [robitgroup.com](https://robitgroup.com) where Robit executives share their insights on the industry and Robit's role in it. Here's part two; check out Robit Bulletin 1/2021 for part one.

### How can Robit best support their customers with their challenges?

"Through accurate forecasting, we need to ensure that required inventory levels can be guaranteed for fast-moving products. The market is constantly moving at a rapid pace, and we need to keep up with new product innovations, based on the customer needs."

"The grown capacity at our factories and product development are vital in achieving first-in-class availability and creating products that allow our customers to cut drilling costs. Constant training gives our sales and field support teams the knowledge necessary to gain the trust of our customers."

"New products often improve operational drilling efficiency; in this regard, we are in a very good position. Mining companies currently face pressure to cut operating costs and we should be able to benefit from this. Availability is critical when factories are far away from local customers. Our efforts to boost availability will hopefully allow us to gain an edge in this regard."

"Years of selling face-to-face with a firm product knowledge, being reliable, and never overcommitting availabilities have helped us build strong relationships. Mining is all about cost effectiveness. The implementation of new, game-changing products is essential as it will set us apart from our competition."

"We create strong relationships by always working close to the customer, understanding their needs and providing the required number of tools on time. This kind of partnerships are built to last as they benefit both parties."

"The widest range of top-quality products at competitive prices give us an edge in a market where many customers are fighting to survive and need cost savings; our products allow them to do that without sacrificing quality."

### How do you see the short-term outlook for Robit in your field?

"We need to be smart in how we play our strengths. Targeted use of limited resources is essential."

"We will continue to grow in the mining sector, thanks to our improved brand recognition. We will focus on improving local availability and ensure improved service levels. We continue to show the value of our offering to customers with product trials and field support. Our aim is to always be the supplier with the lowest sustainable cost per meter."

"Overall we keep improving our performance. Top Hammer sales have developed well and we are investing in more production capacity. Globally, and for us in North America, 2021 has been a good year."

"There have been big improvements over the past few years. That said, we continue to focus on improving our on-shelf availability levels and product performance."

"We are at the lead in the region today in DTH foundation applications; we plan on keeping this place. A sales boost is also to be expected in Top Hammer products. With the release of the new DTH product line, we foresee an increase in our presence in the region and in this field."

"In parts of the market it is still tough to boost our sales as construction has not yet returned to pre-Covid levels. Thankfully, we have managed to maintain a friendly online relationship with our distributors while we still can't make site visits and build rapport in person."



A heron with a long, sharp orange beak is shown in profile, facing right. It is holding a white LEGO Technic piece, which has a circular pattern of holes, in its beak. The heron's feathers are white and black, and its eye is yellow. The background is a textured, blue-grey surface.

You've seen the King of Top Hammer button bits.  
Wait till you see the little prince too.

**ARRIVING  
SOON**

**Robit**

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