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Media statement

24 January 2017

Sandalwood oil refinery opens in Boulder

- **Sandalwood oil refinery opens in Boulder by new joint venture**
- **Sandalwood restructure complete benefiting regional communities**
- **Native Sandalwood Industry Strategy released to ensure a sustainable industry**
- **A new sandalwood oil processing facility opened its doors in Boulder today, creating new tourism and Aboriginal employment opportunities in the Goldfields.**

Forestry Minister Mia Davies opened the Australian Dutjahn Botanical Products' sandalwood oil processing facility with representatives of the Dutjahn people, labelling it as a special day for the region.

"The Liberal National Government made a commitment to restructure the sandalwood industry with key objectives to create market stability, prioritise regional investment and open up opportunities for new industry entrants," Ms Davies said.

"As a result of the restructure this new processing facility is opening today, which will drive local employment and tourism opportunities. And of equal importance, it will see oil distilled in the Rangelands where the iconic species naturally grows.

"This is a great achievement by the Dutjahn people and will have wide benefits for the region and for the entire State."

The sales, marketing and processing structure for the sandalwood industry remained unchanged for 20 years before the State Government embarked on an industry review, which resulted in a new industry structure being introduced.

It includes the entry of an additional oil processor, splitting the processing and sales agent roles and maintaining a range of harvest and haulage contracts.

"The new structures are finalised and underpinned by \$245 million in contracts between industry and the Forest Products Commission across the supply chain," the Minister said.

"New long-term harvesting contracts will secure work for regional businesses, creating opportunities for pastoralists and Aboriginal communities through smaller contracts.

"We have also introduced new legislation increasing penalties for illegal harvesting of sandalwood, are funding additional position to enforce the legislation and will implement a Legal Verification Process that tracks sandalwood resource from harvest to sale."

Under new oil processing contracts, the Forest Products Commission will supply sandalwood to Mount Romance in Albany and Australian Dutjahn Botanical Products - a joint venture between Dutjahn Custodians and Australian Botanical Products.

The Minister also released the Native Sandalwood Industry Strategy which aims to achieve long-term profitability and sustainability of the industry.

Fact File

- **To view the strategy, visit <http://www.fpc.wa.gov.au/sandalwoodstrategy>**
- **The Forest Products Commission is the State agency responsible for the harvesting and sale of wild sandalwood from Crown land**
- **WA's sandalwood industry has two markets which include logs and powder blends for the agarbatti market and oil for cosmetic, perfumery and pharmaceutical markets**
- **WA has been exporting sandalwood since 1844 to Asian markets**

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