



12 September 2022

(EPIC: SRC / Market: AIM / Sector: Construction Materials)

SIGMAROC PLC
(‘SigmaRoc’, the ‘Group’)

ArcelorMittal joins forces with SigmaRoc to create a new player in the production of lime with a net-zero ambition

World steel leader ArcelorMittal and quarried materials group SigmaRoc have entered into a strategic joint venture agreement to create a new company.

The company will produce lime, an essential purifying additive used in steel production as well as numerous other industrial applications. The partners will leverage their materials and manufacturing expertise to produce 900,000 tons a year of a high-quality material.

The operations will be located close to Dunkirk’s harbour and the ArcelorMittal steelworks – who will be the main consumer of the lime produced – allowing for shorter transportation of the finished product.

To transform the quicklime production process, the new company aims at reusing heat recovered from the ArcelorMittal plant, and at using biofuels in its process to replace the use of natural gas in the production process and reduce its CO₂ emissions. Its strategic location will allow the company to be a part of Dunkirk’s CO₂ hub.

The combination of these CO₂ reduction initiatives will allow the company to offer net-zero lime.

Under the terms of the agreement, each of SigmaRoc and ArcelorMittal will take a 47.5% ownership stake in the Joint Venture. In the first phase of roll out, the new company will be responsible for the construction of three new lime kilns in Dunkirk. Initial planning has commenced on permitting and kiln specification for these operations, with final permitting approval expected toward the end of 2023 and commissioning in 2025. Long term supply and offtake agreements will be entered into between the Joint Venture partners.

Max Vermorcken, CEO of SigmaRoc, commented:

“We are delighted to have entered into this new partnership with ArcelorMittal. Through our subsidiary Nordkalk, a leader in lime in Northern Europe, we bring decades of experience in the production of this essential material which we will leverage to drive the success of this collaboration. We are confident this new venture will generate the targeted return on invested capital for SigmaRoc shareholders and estimate to make an equity contribution of c.€20m to the joint venture.”

For SigmaRoc, this represents another important milestone in establishing ourselves as a leading European specialist quarried materials group in addition to helping us further on the road to net zero by 2040. The Joint Venture is reflective of this ambition and represents one of a number of important initiatives, both organic and inorganic, that we are pursuing.”

Matthieu Jehl, CEO of ArcelorMittal France, commented:

“The creation of this joint venture is a great step forward for ArcelorMittal. We are securing our supply of high-quality lime, a key element in our current and our future steelmaking processes; and together with SigmaRoc, we will work to achieve net-zero lime production processes, in line with our CO₂ reduction targets.”

ArcelorMittal is the leader of the decarbonization of the steel industry and we have ambitious targets: - 35% CO₂ reduction in Europe in 2030 and carbon neutrality in 2050.”

For more information about ArcelorMittal please visit: corporate.arcelormittal.com

For more information about SigmaRoc please visit: www.sigmaroc.com

SigmaRoc plc
Max Vermorken

Tel: +44 (0) 207 002 1080

Liberum Capital (Co-Broker and Nominated Adviser)
Neil Patel / Jamie Richards / Ben Cryer

Tel: +44 (0) 203 100 2000

Peel Hunt (Co-Broker and Financial Adviser)
Mike Bell / Ed Allsopp

Tel: +44 (0) 20 7418 8900

Investor Relations
Dean Masefield

Tel: +44 (0) 207 002 1080
ir@sigmaroc.com