

STRABAG commences expanded €1bn contract for polyhalite mine in the UK

Facts & Figures

STRABAG COMPANY:
STRABAG AG, Vienna

CONTRACT VALUE:
approx. €1.0 billion. (Drive 1, 2 and 3)

STRABAG SHARE:
100 %

ORDER BACKLOG:
Q2/2019

SEGMENT:
International + Special Divisions

CLIENT:
York Potash Ltd.

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- **A further 24 km of mechanised tunnelling and construction of 37 km underground mineral transport system**
- **Start of construction for Drives 2 + 3 in late June 2019**
- **Mining of world's largest polyhalite deposit at Woodsmith Mine near Whitby in North Yorkshire, England, from 2021**

Vienna, 27 June 2019 The European construction group STRABAG SE has been issued a notice of commencement to begin two further tunnel construction contracts (Drives 2 and 3) on behalf of York Potash Ltd. for its North Yorkshire Polyhalite Project. The two drives between the shaft at Lockwood Beck and the Woodsmith Mine will have a total length of 24 km and a depth of 360 m.

STRABAG had already commenced the design-and-build contract for Drive 1, a 13 km section from the tunnel portal at Wilton to Lockwood Beck in the first quarter of 2018. The total amount commenced to date is about €1.0 bn from the contract awarded to STRABAG, which also includes the construction of the underground material transport system, the contract for which will commence later this year.

Thomas Birtel, CEO of STRABAG SE: "We are proud of the commencement of the extensive tunnelling contracts for Drives 2 and 3 and expect to continue working well with the customer. Sirius Minerals and STRABAG have partnered to find efficient solutions to the project's technical requirements. This contract also proves that, despite the unclear Brexit situation, significant investments in the UK are still being made and we were right in our decision to continue to see this market as a European market."

Underground mineral transport system: facts & figures

Polyhalite is a mineral which naturally contains four nutrients required for plant growth. Sirius Minerals, the parent company of York Potash Ltd., will extract and sell it as multi-nutrient fertilizer product POLY4. The Woodsmith Mine, located beneath a national park near Whitby in northeast England, is home to the largest polyhalite deposit in the world. The 37-km-long tunnel and conveyor system will be used to transport the mined polyhalite to Wilton, Teesside, for further processing in an environmentally sound manner.

STRABAG will engineer, procure and construct the fit-out of the mineral transport system, which is designed to handle a throughput of up to 20 million t a year. The tunnel will also contain maintenance rail and services, including a 66 kV power feeder from the Wilton industrial complex to the Woodsmith Mine. The tunnelling scope also includes the construction of the two launch caverns for the tunnel boring machines at Lockwood Beck and the Woodsmith Mine. Following the contract award for Drives 2 + 3 in September 2018 and the recent launch of Sirius Minerals' Stage 2 Financing, work scope of the Drives 2 + 3 will begin shortly.

Since site mobilisation in May 2018, the STRABAG team has already carried out a large number of infrastructural works in preparation of the arrival, assembly and commissioning of the first of a total of three tunnel boring machines. The first machine, weighing 1,775 t with a width of 6 m, was christened "Stella Rose" and officially launched on 12 April. The work completed so far covers 90 % of the planning services, a 300 m long tunnel ramp, a short start tunnel built using the sequential excavation method, and a production and storage facility for the tunnel lining segments.

More information, photos and videos about the North Yorkshire Polyhalite project are available at www.siriusminerals.com.

STRABAG SE is a European-based technology partner for construction services, a leader in innovation and financial strength. Our services span all areas of the construction industry and cover the entire construction value chain. We create added value for our clients by our specialised entities integrating the most diverse services and assuming responsibility for them. We bring together people, materials and machinery at the right place and at the right time in order to realise even complex construction projects – on schedule, of the highest quality and at the best price. The hard work and dedication of our more than 75,000 employees allow us to generate an annual output volume of around € 16 billion. At the same time, a dense network of numerous subsidiaries in many European countries and on other continents is helping to expand our area of operation far beyond the borders of Austria and Germany. More information is available at www.strabag.com.

Sirius Minerals Plc is focused on bringing large scale volumes of POLY4 to the global agriculture industry. POLY4 is the Company's trademarked name for its unique multi-nutrient fertilizer to be produced from the world's largest and highest grade polyhalite deposit located in North Yorkshire, United Kingdom, which can be used to increase balanced fertilization around the world. Sirius Minerals' shares are traded on the Premium List of the London Stock Exchange. Its shares are also traded in the United States on the OTCQX through a sponsored ADR facility. Further information on the Company can be found at: www.siriusminerals.com.



Images:

The TBM "Stella Rose" ready for action at Wilton



Polyhalite fertiliser

Image credits: Sirius Minerals Plc.