

PRESS RELEASE

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FRANCIS FLOWER ACQUIRES SCUNTHORPE GGBS PLANT FROM HANSON

Francis Flower, the mineral resources company, has today announced the acquisition of the Scunthorpe Ground Granulated Blastfurnace Slag (“GGBS”) facility from Hanson Cement.

GGBS is an environmentally friendly low CO₂ cement produced from a by-product of the steel industry. The business is capable of producing more than half a million tonnes of GGBS every year and supplies customers in the Midlands and North of England.

GGBS complements Francis Flower’s existing range of high quality powdered minerals, which originate as by-products from various industries reducing the need for mineral extraction and landfill delivering sustainable environmental solutions for its customers.

The acquisition reflects both Francis Flower’s commitment to developing its range of products and services in this sector and the credibility it has for making the most of mineral resources.

Speaking about the acquisition, Adrian Willmott, Chairman and CEO of Francis Flower, said:

“We are absolutely delighted and very excited to announce this new acquisition. GGBS is an excellent fit to our existing product range and will help further our longstanding relationships in this sector.”

“We have a proven track record of making the most of mineral resources, reducing the need for mineral extraction as well as landfill and delivering sustainable solutions for our customers.”

“We are very much looking forward to working with the team in Scunthorpe and developing the opportunities in the GGBS market as the UK construction sector continues to grow.”

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NOTES TO EDITORS:**About Francis Flower**

Francis Flower is family business that has been trading for more than 60 years and provides a range of high quality powdered minerals which include anhydrite binder (Gypsol) for flowing screeds, limestone powders for concrete and asphalt filler, super-fine white marble powders for paints, plastics and pharmaceuticals and now GGBS for concrete. Uniquely, the thread between its products is that they originate as by-products from industrial processes reducing the need for mineral extraction and landfill, delivering sustainable environmental solutions for the future.

The Company's Head Office is located in Somerset, with manufacturing sites in Cheshire, Somerset, Cumbria, Cambridgeshire and now Lincolnshire.

For more information visit www.francisflower.co.uk

About GGBS

GGBS is produced from a by-product (Slag) of the steel industry and is used as a cement replacement in the production of ready-mix and pre-cast concrete. Slag is taken from the iron blast furnace then quenched and granulated to produce Granulated Blastfurnace Slag (GBS). The Scunthorpe plant dries and mills GBS into a fine cementitious powder (GGBS).

The plant can produce more than 500,000 tonnes of GGBS a year and employs 25 people, all of whom will transfer to Francis Flower.

GGBS can replace more than 70% of the Portland Cement content in ready-mix and pre-cast concrete. The manufacture of GGBS requires less than 20% of the energy and produces less than 10% of the carbon dioxide emissions compared to Portland Cement production. It also eliminates the need for mineral extraction and landfill delivering sustainable environmental solutions for the future.

GGBS also has many technical product advantages to standard cement including:

- Better workability, making placing and compaction easier
- Higher durability
- Lower early-age temperature rise, reducing the risk of thermal cracking in large pours
- Elimination of the risk of damaging internal reactions such as ASR
- Resistance to chloride ingress, reducing the risk of reinforcement corrosion
- Resistance to attack by chemicals
- A whiter appearance

About the Acquisition

Francis Flower was advised on the acquisition by the Bristol-based corporate teams of PwC (Gary Partridge and Tom Ayerst) and TLT (Andrew Webber and Jon Stewart). Debt funding was provided by Santander's corporate and commercial banking team (Nigel Irvine and Simon Whyatt).

The purchase of the Scunthorpe GGBS plant follows a study by the Competition and Markets Authority into the British aggregates, cement and ready-mix concrete markets, which concluded that Hanson should sell one of its three GGBS plants. Following a competitive bidding process Francis Flower was approved by the CMA as the purchaser of the Scunthorpe facility.