
Hughes Hubbard & Reed

Firm Smooths Way for Unimin Merger With Fellow Sand Miner

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June 27, 2018 — Hughes Hubbard helped lay the groundwork for a merger between Unimin, a subsidiary of Belgium's SCR-Sibelco NV, and fellow frac sand miner Fairmount Santrol.

On June 1, the companies announced the completion of their merger, which creates an industrial mineral company with approximately \$2 billion in annual revenue. The combined company is capable of producing up to 45 million tons of industrial-use sand each year with over 1 billion tons more in proven resources. The new name for the combined company is Covia Holdings Corp.

"As we make our debut as Covia, the strong foundation built by our two highly complementary legacy organizations underpins an industry leader, strongly positioned to serve customers' needs through our broad array of high-quality products, distinctive technical capabilities, and the industry's most comprehensive production and distribution network," said Jenniffer Deckard, president and CEO of Covia.

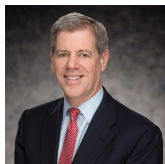
Under the terms of the agreement, Fairmount shareholders received \$170 million in cash and own 35 percent of Covia, with Sibelco owning the remaining 65 percent. Sibelco also retained control of Unimin's high-purity quartz business, which mainly serves semiconductor chip manufacturers in Asia.

The companies received all approvals required to complete the merger in May, including, most recently, regulatory approval in Mexico. HHR served as legal advisor to Unimin in the merger and secured antitrust clearance in the U.S., which included three presentations to the U.S. Justice Department to successfully dissuade regulators from making a burdensome second request for more information.

Fairmount, based in Chesterland, Ohio, distributes sand-based products for the oil and gas and industrial sectors. Unimin, located in New Canaan, Conn., is the leading producer of industrial sands in the U.S.

Robert Bell led the HHR team, which included Amanda Butler, Shep DiCesare, Alyssa Johnson, Laura Vittet-Adamson, Nicole Sarrine, Kristin Millay, Madison Arent and Vivian Wang.

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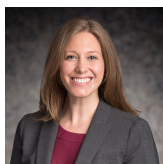
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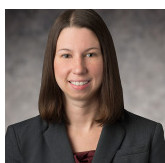
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