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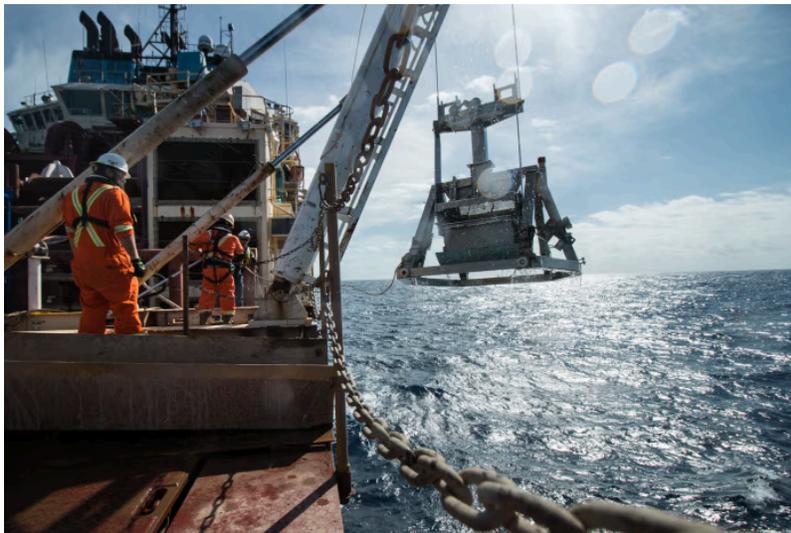
EXCLUSIVE SUSTAINABLE BUSINESS

# Shipping Giant Maersk Drops Deep Sea Mining Investment

Maersk is selling its stake in The Metals Company, the latest big name to divest itself of its seabed mining interests

By Yusuf Khan

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Maersk said it now holds less than 2.3% of TMC and is in the process of selling all of its shares. PHOTO: A.P. MOLLER-MAERSK

Shipping company [A.P. Moller-Maersk](#) is selling its stake in deep-sea mining firm [The Metals Company](#), even as the legal process to allow seabed mining approaches its final stages.

Maersk told [The Wall Street Journal](#) that it now holds an interest of less than 2.3% in TMC and is in the process of selling all of its shares. The shipping company held more than 9% of TMC in 2021, according to data from [FactSet](#) and has been an investor in the company since 2017.

TMC is one of the biggest proponents of deep-sea mining and is the most active company within the space, being the first to complete pilot testing. In June 2021, the company along with the Republic of Nauru set in motion talks for deep sea mining to be legalized when it applied to the UN-backed International Seabed Authority to mine in the Pacific Ocean. It triggered a rule that required the [ISA to establish a code](#) that would [allow mining of deep-sea resources by July 2023](#), even if, as is expected, no code will have been agreed upon.

The practice has garnered attention because of the potential to harvest battery metals such as cobalt and nickel from rocks on the seafloor. Seabed mining raises the prospect of additional supplies to alleviate expected shortfalls while proponents also argue it could mitigate concerns from other sources, such as humanitarian issues with [cobalt mining in the Congo](#) and environmental issues with [nickel mining in Indonesia](#).

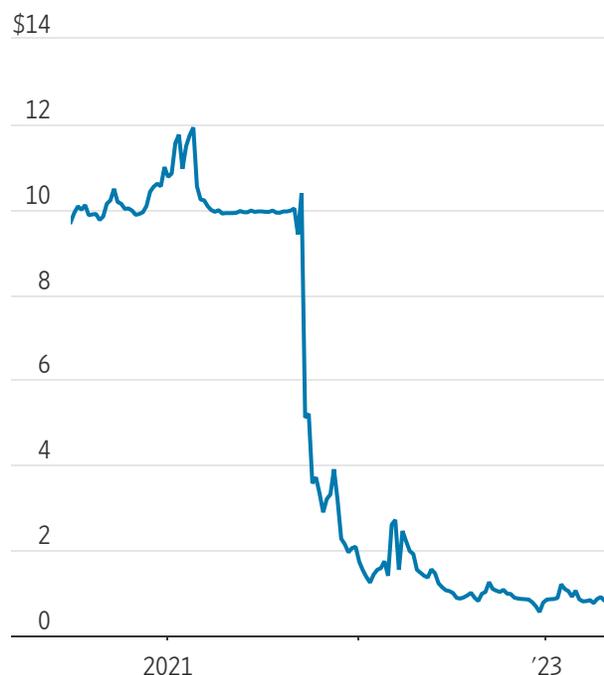
Maersk said it entered into a contract with TMC five years ago, under which it would provide shipping services to the company. Maersk said direct payment from TMC wasn't possible at the time and so payment for the contract was provided in the form of shares that it is in the process of selling.

TMC said in 2022 that Maersk didn't have a vessel suitable for TMC's mining operations, so the miner instead signed a contract with engineering firm Allseas Group. "We remain good friends [with Maersk] and grateful for their important contribution in getting this industry moving in the right direction," TMC Chief Executive Gerard Barron said.

In March, [Lockheed Martin](#) sold UK Seabed Resources, which holds the licenses for two seabed exploration contracts in the Pacific Ocean. Norway's Loke Marine Minerals purchased UKSR for an undisclosed fee.

TMC and other deep-sea mining firms have come under fire over worries that the practice will harm the seabed environment. TMC had previously said it aimed to start seabed mining in the second half of this year but is now willing to wait until a mining code has been finalized, which is also the Republic of Nauru's official position.

TMC's stock, [listed through a SPAC](#) on the Nasdaq exchange, has lost more than 90% of its value since going public in 2021. It currently trades at roughly 82 cents. In December of last year, the company received a delisting notice from Nasdaq after it had traded below \$1 for more than 30 days. The notice was removed in February after

**TMC the metals company Inc.**

Source: FactSet

the stock traded above \$1 for 10 days, but a fresh one was issued in April for the same reason as in December.

The ISA and member states previously met in March of this year and failed to come to an agreement as to what the terms of seabed mining should be and how it should be regulated, with worries over royalty-payment splits and environmental harm of key concern. The next meeting has been set for late July with another scheduled for October.

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**Corrections & Amplifications**

UK Seabed Resources was a wholly owned subsidiary of Lockheed Martin before it was sold to Norway's Loke Marine Minerals. An earlier version of this article incorrectly said Lockheed Martin sold its stake in UK Seabed Resources. (Corrected on May 3)

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