

## NEWS RELEASE

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*FOR IMMEDIATE RELEASE*

### **MagIron Produces First Direct Reduction Grade Pellets**

GILBERT, MN, May 24, 2024 – MagIron LLC (“MagIron” or the “Company”) is pleased to announce that it has produced, in laboratory testing, Direct Reduction (“DR”) grade iron ore pellets made from Minnesota hematite and goethite mineral resources.

The pellets were produced in a mini-pot tester at the Natural Resources Research Institute (“NRRI”) of the University of Minnesota from iron ore concentrate made using legacy iron-bearing materials representative of stockpiles and tailings basins controlled by MagIron in the Canisteo mining area of Itasca County, Minnesota. Importantly, these DR pellets were produced using biochar, rather than the traditional coke breeze or other coals, creating a green credentialed DR grade iron ore pellet useful for natural gas or hydrogen furnaces that produce direct reduced iron, a critical enabler to decarbonize steel production.



*MagIron DR grade pellets*



These results build on the test work completed over the last 20 months to demonstrate that MagIron concentrate will produce pellets with high iron and low gangue content, superior physical properties and excellent iron making characteristics. The pellet test work was performed under MagIron’s direction by independent experts at the NRRI.

Composition	MagIron DR pellets	DR specifications
Fe	67%	Min. 67%
SiO <sub>2</sub>	2.6%	
Al <sub>2</sub> O <sub>3</sub>	0.3%	
SiO <sub>2</sub> + Al <sub>2</sub> O <sub>3</sub>	2.9%	Max 3.0%
Sulfur	0.003%	Max 0.008%
Phosphorus	0.04%	Max 0.06%
Average CCS (kg/pellet)	268	Min 250
CCS <150 kg (%)	0%	Max 3%
Tumble Index (%+6.3mm)	97.8	Min 95.0

Larry Lehtinen, CEO of MagIron said, “The successful production on a laboratory scale of our first DR grade pellets is another significant leap forward in MagIron’s transformation and restart of the Plant 4 iron concentrator facility in Minnesota. These excellent results demonstrate that MagIron’s exceptionally high-quality DR grade concentrate has the potential to be converted into top tier iron ore pellets that should be keenly sought by operators of direct reduction furnaces in the US and abroad.”

He added, “High quality raw materials such as MagIron’s concentrate and pellets are increasingly important to end users seeking to increase productivity, reduce costs and curb emissions in the steel-making process. This trend is likely to be more pronounced in coming years as several industry commentators are forecasting an impending shortage of DR grade iron ore pellets. MagIron is well positioned to benefit from this trend given the very large endowment of over 1 billion tonnes of DR grade feedstock in close proximity to our Plant 4 facility, which supports a multi-decade business plan. By using legacy iron ore units as feed for our concentrator, MagIron will be recycling waste material into a high-quality DR grade iron ore product, which itself is a key ingredient for green steel. We continue to make advancements in financing, engineering and permitting and we look forward to providing further updates on our progress shortly.”

MagIron, LLC.

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## **About MagIron**

MagIron was established to support and accelerate the decarbonization of the steel industry by becoming a key supplier of high quality, low carbon iron units which will be critical for the future success and decarbonization of the US steel industry. The Company is focused on the restart of Plant 4, a modern, past-producing iron ore concentrator benefiting from over \$170 million of prior investment. The facility has previously operated at an annualized run-rate of approximately 2.0 million tonnes per annum (“mtpa”) of BF grade concentrate and was designed to expand to 3.0 mtpa relatively quickly and at low capital intensity. Plant 4 is designed to process previously discarded waste materials from historical mining operations and convert such feed materials into high grade, low impurity iron ore concentrate. Given the significant historical mining operations across the Mesabi Iron Range in northern Minnesota, there are vast amounts of waste material close to Plant 4, which are suitable as feedstock to support a multi-decade business plan.