

News release

## **Blastr Green Steel strengthens strategic partnerships and raises development financing for ultra-low CO2 steel value chain**

Helsinki, Finland, 26 June 2024. **Blastr Green Steel (Blastr) has successfully executed a financing round with strategic partners, advancing the development of a European integrated ultra-low CO2 steel value chain with its flagship steel plant in Finland.**

Global steel industry leader Cargill Metals, Germany-based steel trader INTERFER Group, Tesi, Finland's state-owned venture capital investment company, and Blastr's founder Vanir Green Industries participated in the equity financing round. The proceeds will be used to progress development planning for the steel plant in Inkoo, Finland, and a facility in Northern Europe designed for producing 6 million metric tonnes (Mt) of high-quality low-carbon DR pellets feedstock annually. The funding will also support organisational ramp-up aligned with commercial and supply chain activities.

"This successful early financing round represents a significant step towards realising Blastr's multi-billion Euro investment program for production of pellets, sponge iron and steel at global scale," said Mark Bula, the CEO of Blastr Green Steel. "Together with our partners, we are set to materially contribute to transforming how the world's most important engineering and construction material – steel – is made. The confidence from our development partners is a validation of Blastr's unique competitive advantages and position within the global steel industry."

Lee Kirk, Managing Director, Cargill Metals, said, "It is increasingly urgent that the global steel industry delivers on its decarbonisation commitments. We are therefore very pleased with the strong momentum and progress made by the new Blastr leadership towards the realisation of an ultra-low CO2 steel value chain in Europe as part of developing a more sustainable ferrous industry."

Gerold Lorenz, CEO of INTERFER Edelstahl Group, added, "Our customers are increasingly focusing on low-carbon steel products, and we are committed to bringing green steel solutions to the market at scale. Our investment in Blastr reflects our strategy of establishing stable and trusting partnerships with suppliers and manufacturers worldwide."

Esa Koponen, Investment Director at Tesi, commented, "Blastr Green Steel fully aligns with Tesi's industrial scale-up strategy aimed at promoting economic growth, innovation and investments. We look forward to providing our long-term support to the project which will create significant economic activity in Finland by leveraging our rapidly growing local renewable energy industry to

offer new competitive solutions for reducing global emissions and drive the clean and green transition."

As part of the next development phase, Blastr is establishing framework agreements covering the entire green steel value chain from the supply of steelmaking technology and working with Cargill Metals to finalise the supply of raw materials and feedstock for pellet production, to sales of surplus pellets, HBI (hot briquetted iron) and low-cost, ultra-low CO<sub>2</sub> steel products utilising greener logistics. These agreements will form the basis for construction financing discussions with strategic and financial partners with the ambition of making final investment decision for both the pellet plant and the steel plant by early 2026 and commencing production before 2030.

Blastr is creating a low-carbon mine-to-gate steel value chain with 90% lower CO<sub>2</sub> emissions than conventional steelmaking by using hydrogen instead of coal in the iron production process and feedstock made with carbon-free energy. This mine-to-gate model enables a differentiated and profitable business model with a low carbon footprint.

Completion of the partner financing round is conditional upon the approval by the general meeting of Blastr on the 28<sup>th</sup> of June 2024. SEB acted as financial advisor to Blastr and BHR was legal advisor. Capiant AS acted as strategic capital markets advisor.

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**About Blastr Green Steel**

Blastr aims to decarbonise the steel industry, by creating an integrated green steel value chain leveraging Nordic advantages. By utilizing local raw materials and carbon-free energy and applying a circular economy thinking throughout the value chain, the company aims to produce 2.5 million tonnes of cost-competitive, ultra-low CO<sub>2</sub> steel, with ~90% lower scope 1-3 emissions than conventional steel production. We will establish production facilities in the Nordic Region, with its ambitious political energy transition agenda, deep ice-free ports giving access to the attractive European markets, and highly qualified workforce. Blastr Green Steel will be one of the largest industry start-ups in the Nordic region. Blastr Green Steel is part of Vanir Green Industries. For more information, visit [www.blastr.no](http://www.blastr.no).

**About Cargill**

Cargill is committed to providing food, ingredients, agricultural solutions, and industrial products to nourish the world in a safe, responsible, and sustainable way. Sitting at the heart of the supply

chain, we partner with farmers and customers to source, make and deliver products that are vital for living.

Our 160,000 team members innovate with purpose, providing customers with life's essentials so businesses can grow, communities prosper, and consumers live well. With 159 years of experience as a family company, we look ahead while remaining true to our values. We put people first. We reach higher. We do the right thing—today and for generations to come. For more information, visit [Cargill.com](http://Cargill.com) and our News Center.

### **About Cargill Metals**

Headquartered in Singapore, Cargill's metals business provides value-adding services and solutions along the global ferrous supply chain. Combining 160 years track record of risk management in global commodities markets with more than 40 years unique insights in the ferrous industry, we provide our customers the support they need to thrive. We connect iron ore miners around the world with steel mills in key markets and provide a broad range of services from technical marketing to customized risk management solutions along the supply chain including to end users of steel.

With over 150 dedicated experts, an established global network and hubs in China, Singapore and United Kingdom of Great Britain and Northern Ireland to serve our customers, Cargill Metals operates across over 25 ports and more than 50 warehouses globally, providing physical and financial solutions to over 2,500 customers in 40 countries. Each year we move around 50 million tons of physical iron ore and 6 million tons of physical steel globally. For more information, visit <https://www.cargill.com/metals/>.

### **About INTERFER Edeltahl Group**

INTERFER Group ensures the availability of steel according to customer requirements. With over 35 years in the market, INTERFER is a key importer of steel bars to Europe, providing reliable supply and delivery routes for long and flat products as well as alloys and materials for the steel production. Whether for the automotive or construction industry, mechanical engineering sector, the wind energy sector or other industries, the INTERFER team offers comprehensive solutions based on experience and negotiating skills, ensuring timely and well-financed delivery. As a completely customer-oriented steel trader on the international steel market, INTERFER's mission is the continued business success and satisfaction of its clients. For more information, visit [www.interfer.de](http://www.interfer.de).

**About Tesi**

Tesi (officially Finnish Industry Investment Ltd) is a state-owned, market-driven investment company that invests in venture capital and private equity funds and directly in Finnish startups and growth companies.

**About Vanir Green Industries (VGI)**

VGI is a Nordic business builder and investment company that builds and scales leading, sustainable, robust, and profitable companies that will help accelerate the energy transition. VGI was founded by Tore Ivar Slettemoen, who also founded NYSE-listed Freyr Batteries. In addition to Blastr, the VGI portfolio consists of Removr developing solutions for capturing and storing CO<sub>2</sub>; Freija developing technology for producing green methane, and Njordr focusing on onshore wind and solar projects in the Nordics. Njordr's subsidiary Nordi develops renewable energy projects in Finland.