

Press release

Blastr Green Steel signs a Letter of Intent with Redcar Bulk Terminal to explore the development of a pellet plant in Teesside, UK

Oslo, Norway, July 10, 2023. Blastr Green Steel (Blastr) has signed a Letter of Intent (LOI) with Redcar Bulk Terminal (RBT) at Teesside, United Kingdom, to explore the opportunity for RBT becoming the location for Blastr's pellet plant for supplying feedstock to its steel plant being developed in Inkoo, Finland.

Redcar Bulk Terminal port, Teesside, UK, has been selected as a potential location to be developed for Blastr's pellet plant for converting iron ore pellet feed into direct reduction pellets (DR pellets). Blastr will produce 6 Mt high-quality DR pellets as feedstock for Blastr's ultra-low CO₂ steel plant planned in Inkoo, Finland. Approximately half of the pellet volumes will go to Blastr's steel plant at Inkoo, while the rest will be sold by Cargill Metals for distribution to the growing world market for DR pellets.

Blastr has previously announced it was exploring Gildeskål municipality in Norway as location for its pellet plant. This option has stalled after the Norwegian grid authority confirmed that Blastr will be unable to receive the grid capacity in the required time frame. Blastr, therefore, continues to explore alternative locations for its pellet plant in both Norway and the UK.

Blastr Green Steel CEO Hans Fredrik Wittusen commented: "RBT is an attractive location, offering access to a deep-water port, good grid connection, and access to the required utilities. The Teesside industrial region offers potential synergies with companies developing green industries, including near-term projects to expand offshore wind, hydrogen, and the development of the Net Zero Teesside industrial cluster."

Blastr plans to decide on the pellet plant location during the second half of 2023 to enable detailed engineering and permitting to commence. Blastr expects to make the final investment decision for the plant, estimated at over £1 billion, in 2025, subject to relevant permits and agreements, with a tentative plan to start operations in 2027. The plant and port operations will employ approximately 150 persons, in addition to providing significant indirect employment opportunities and economic benefits for the Teesside region.

Shaun Casey, General Manager of RBT said: "RBT is keen to attract the project to our site which is directly adjacent to the port. We see an opportunity to bring highly skilled jobs and regeneration to the area through the construction of a modern pellet plant and the redevelopment of the port."

Jerry Hopkinson, PD Ports Executive Chairman commented: "This project sits right at the heart of the green revolution currently taking place as the world develops cleaner manufacturing processes for fundamental commodities such as steel. PD Ports is looking forward to working with and supporting Blastr, RBT, and Cargill to seek to bring this huge investment to Teesside."

Tees Valley Mayor Ben Houchen said: "The decision by Blastr to shortlist the Redcar Bulk Terminal site in Teesside as a potential location for its pellet plant is exciting news. This could be the catalyst for Teesside to attract new low-CO2 iron and steelmaking and shows how we are working hard to put in place the building blocks for a future of green steel industry in the region. This announcement is the culmination of a huge amount of work to make this happen and I look forward to supporting Blastr further to help bring high skilled jobs to the region. "

Blastr and RBT will be working with Cargill on developing the pellet plant in line with the framework agreement between Blastr and Cargill announced on July 4. This agreement covers the supply of iron ore to the pellet plant, offtake and sales of DR pellets and ultra-low CO2 hot briquetted iron (HBI) and steel products as well as other services.

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About Blastr Green Steel

Blastr aims to decarbonize the steel industry, by creating an integrated green steel value chain leveraging Nordic advantages. By utilizing local raw materials and fossil-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 CO₂ steel, with ~90% lower scope 1-3 emissions than conventional steel production. 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

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 Battery. In addition to Blastr, the VGI portfolio consists of Removr developing solutions for capturing and storing CO₂; Freija developing technology for producing green methane, and Njordr developing onshore and offshore wind power projects.

About Redcar Bulk Terminal

Redcar Bulk Terminal Limited operates a deep-water terminal on the South bank of the River Tees, capable of handling Cape Size vessels with drafts up to 17 metres. The riverside quay is equipped with one gantry crane, with both bulk and hook capability, offering bulk discharge rates in excess of 20,000 tonnes per day. The adjacent 325-acre Terminal is HMRC approved and is part of the Teesside Freeport. The terminal offers

the rapid loading of rail freight traffic and enjoys direct access to both the UK rail and road networks with links to the A66, A19 and A1(M). The terminal offers 24/7 working which is provided by its own flexible and highly motivated staff. Visit www.redcarbulkterminal.co.uk

PD Ports

PD Ports is the owner, operator, and statutory harbour authority for the Port of Teesport and Hartlepool. It is headquartered in Middlesbrough, operates at 12 locations in the UK, and employs around 1500 people connecting inbound and outbound cargo with the rest of the world.