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والمعرض الدولي للحديد والصلب  
17<sup>th</sup> Arab Steel Summit  
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# Mesabi DR Pellets



ESSAR Group - Green Steel



 **MESABI**  
METALLICS

**ESSAR** Group - Green Steel



# Essar Group: Introduction

## Essar Overview

- **Essar Global Fund Limited (EGFL)** is a global investor promoted by the **Essar Group**, controlling assets across Energy (oil refinery, upstream oil & gas, and power), Infrastructure (marine ports, refinery infrastructure and projects), Metals & Mining and Technology & Retail (IT, green mobility, retail).
- Essar is headquartered in Mumbai, India which serves as the backbone of the company and is increasingly becoming the largest talent hub in India.
- Over 50 years of experience specializing in the development and operation of large-scale projects exceeding \$20 billion across various sectors.
- Essar invests long-term capital and holds near 100% stake in all its investments.
- The fund has a keen eye for “off the front page” opportunities and a proven track record of building, acquiring and unlocking the true value of portfolio assets that become attractive propositions for third party investors.

## Current Business Portfolio

<b>15</b> KEY BUSINESSES	<b>\$30bn</b> ASSETS MONETISED	<b>7,000+</b> EMPLOYEES	<b>\$15bn +</b> ANNUAL REVENUE	<b>\$9bn +</b> ASSET VALUATION
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## Group History

- Founded by two brothers - Shashi and Ravi Ruia
- Demonstrated operational history of 5 decades



## Track Record

- Set-up India's **2<sup>nd</sup> largest** single location refinery (20 MT) in Vadinar, Gujarat
- Set-up India's **largest** single location steel facility (10 MT) in Hazira, Gujarat
- Setting up Iron Ore pellet plants in: USA (7 MT) and India (14 MT)
- Operated India's **2<sup>nd</sup> largest** private ports capacity (110 MTPA) across 4 locations on East and West coast
- Set-up and Operated more than **4.7 GW** of operational thermal power capacity across India
- Acquired Royal Dutch Shell's Stanlow Refinery (9 MT), **one of the largest in the UK** controlling over 18% market share

# Mesabi: Pellet Plant

## Pellet Plant Overview

- Mesabi is establishing a world-class, fully integrated facility of 23 MTPA mining and 7 MTPA of concentrate and 7 MTPA pellets in Nashwauk, Minnesota.
- The iron ore will be beneficiated, and the concentrate shall be consumed for the manufacture of Direct Reduction (“DR”) grade pellets enabling the production of green steel through EAF-based steel making which has significantly lower carbon emissions as compared to Blast Furnaces.
- The project is expected to be completed by the end of Q4 2025.
- Commencement of operations is anticipated in Q1 2026.
- Mesabi has invested \$1.7 billion of equity into the project, with an additional \$550 million planned for investment.

## Investment Highlights

1 Strategic location with low-cost resource base

2 World class investor with strong parent support

3 Efficient risk allocation

4 Robust Financials

## Key Results in Recent Years

- 40+ years available resources
- Renewed a significant taconite mineral lease with private parties by extending the term of the contract
  - Entered into lease with a private party for a taconite mineral lease
  - Purchased lands from private parties which are valuable for taconite minerals
  - Purchased other lands of c.3200 acres within project boundary.
- Secured significant legislative and local government support for the project





# Mesabi: Pellet Plant

## Mining & Pellet Plant

- Located on the historic Iron Range in Minnesota
- Future opportunities for increasing the resource base.
- Mesabi Metallics aims to operate the most sustainable mining operations in the US.
- The goal is to provide a long-term supply of high-quality iron ore pellets.
- Iron ore pellets will be shipped from the heart of the US.
- The project aims to minimize environmental impact.
- Contributes to the carbon reduction goals of customers.

Commencement of operations

**Q1 2026**

Total investments to date

**\$1.7bn**

## DR Grade Iron Ore Pellets

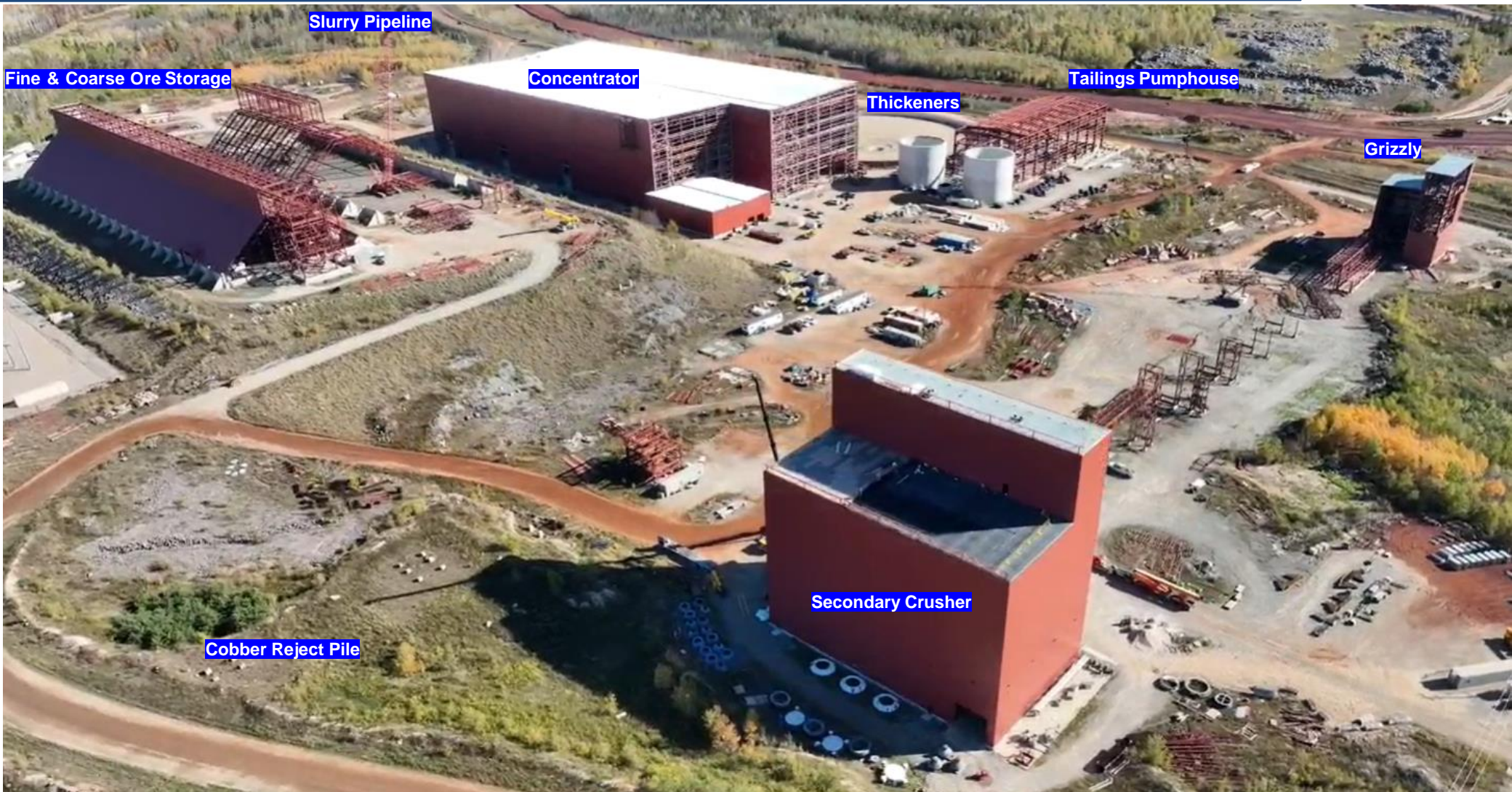
- **Source:** The pellets are processed from high-quality magnetite mineral resources.
- **Technology Implementation:** We are utilizing proven, state-of-the-art technology to produce high-quality DR grade pellets
- **Reliability:** Our processes are designed to consistently deliver products as promised
- **Quality Attributes:** Mesabi's DR-grade pellets are competitive with the best DR-grade pellets available worldwide.
- **Quality Characteristics:** DR grade pellets are of high quality.

Mesabi DR Pellets Composition	Expected (%)
Fe	67.50 to 68.00
SiO <sub>2</sub>	1.75 to 2.00
Al <sub>2</sub> O <sub>3</sub>	0.1 to 0.15

# Mesabi: Current Site Photographs – South Side (May '23)



# Mesabi: Current Site Photographs – South Side (Oct '24)





# Access to Substantial Existing Infrastructure

## Road & Rail

### Road

- Project is located adjacent to an all-weather road providing easy access across Minnesota
  - All required road infrastructure within Project site for construction operations already exists

### Rail

- 9 miles of rail lines constructed in the project area plus 4 miles of additional sidings
- No capacity constraints for full 7.0 mtpa of pellets
- Product loading rail loop is the only outstanding infrastructure item
- Supports transportation of two Class 1 rail carriers (BNSF and CN) to site and ports

### Minnesota Regional Rail Network



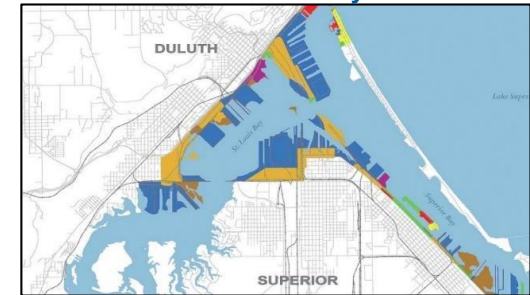
## Ports

- The Project is located ~120 miles via rail from two major Great Lakes ports on Lake Superior with a combined capacity of 35 mtpa: Duluth port in Minnesota and Superior port in Wisconsin
  - Both ports are owned by Duluth Seaway Port Authority and contain all the required infrastructure
- Equipped with winter season storage options
- Access to the St. Lawrence seaway allows for export to international markets

### Twin Ports Aerial View



### Twin Ports Layout



## Power

- All power will be supplied from the existing Minnesota transmission grid
- Two main substations already exist at site (constructed and owned by a third party)
- Internal power distribution systems will be owned by Mesabi

## Water

- The Project will be 'water neutral' with all requirements met from onsite sources
  - Plant site run-off from production areas
  - Nashwauk PUC will provide required potable water and sewage collection systems

## Natural Gas

- All natural gas will be supplied via the existing Northern Natural Gas pipeline system
- Gas distribution within the Project site will be via underground piping
- Capability to source natural gas from multiple vendors

# Committed to Environmental, Social, And Governance Principles



## Environment

- We expect Mesabi’s plant design and latest technology will limit adverse environmental impact and make it the most modern on the Mesabi range
  - Installation of best available control technology to minimize pelletizing furnace air emissions and other greenhouse gas emissions
  - Mesabi will be a zero-surface liquid discharge facility through use of ground and storm water naturally flowing through the area and zero wastewater discharge through dry air pollution control technology
- Apart from its compliance with environmental permitting, Mesabi has made investments in land and wetland credits



## Social

- Mesabi is one of the largest investment projects in the State of Minnesota which is expected to yield a positive impact on the local economy
  - Over the life of the iron ore mine, the mine is expected to contribute significant economic value in the form of royalties to the State of Minnesota, taxes to local and federal governments, and payments to local utilities
  - Estimated to have 1,600 construction workers deployed during peak construction period

### Local Community Leaders Demonstrated Overwhelming Support for the Project During the Executive Council Hearing

*“While there will be jobs created by the construction in Nashwauk, there’ll be significant long-term benefit to the community as well...It’s also projected over the life of Mesabi Metallics will pay \$300 million for the local and federal taxes.”*

*– President of Iron Range Building and Trade*

*“This is a huge economic engine for our region, not just for Itasca County... Thousand construction jobs, 350 good paying jobs with benefits when the plant starts production, and who knows, hundreds of jobs in spin offs across Northeast Minnesota.”*

*— County Commissioner of Itasca County*

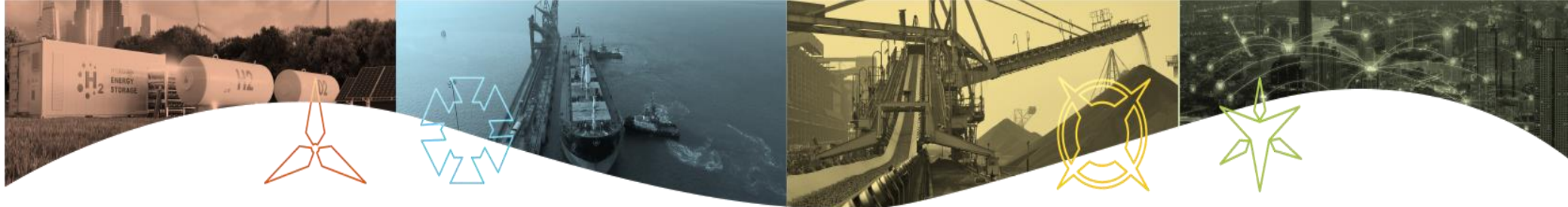


## Governance

- Separation of economic ownership and management/control during the construction period by implementation of a Trust

# Mesabi: Project has significant local elected support





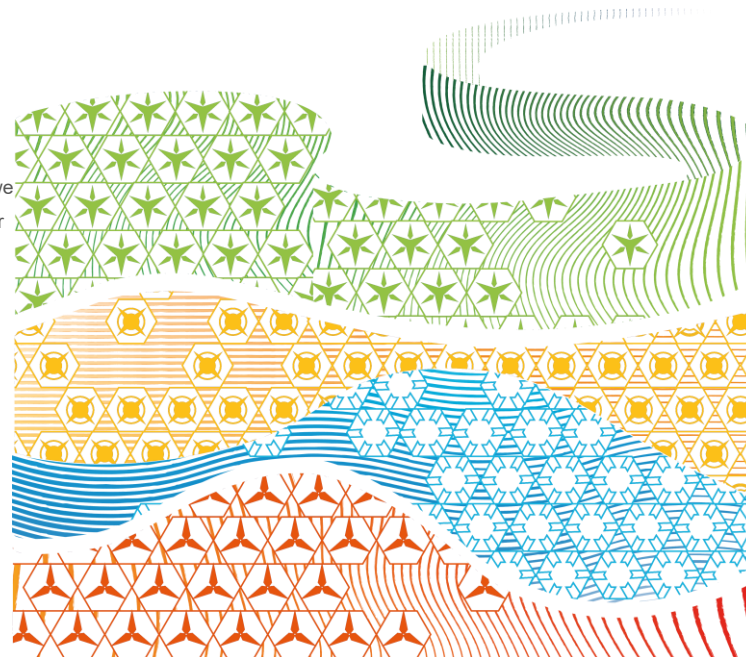
# Thank You #GreenBlueprint

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