

TOSYALI SULB Awards Order to Midrex and SMS group for DRI Complex

First phase with 2.5 Million Tons of CDRI Capacity in Libya

CHARLOTTE, NC, USA (February 25, 2025) – Libya intends to become a supplier of direct reduced iron (DRI) in the Mediterranean basin and beyond with the announcement of a DRI complex based on MIDREX Flex[®] technology to be built in the Benghazi region. TOSYALI SULB Steel Industries, which was formed by TOSYALI and Libya United Steel Company for Iron & Steel Industry (SULB) to lead the development of the iron and steel sector in Libya, will immediately commence the first phase with construction of a 2.5 million ton cold DRI (CDRI) plant.

TOSYALI SULB will utilize MIDREX[®] technology similar to what equips the two DRI plants owned and operated by TOSYALI Algeria in Bethioua (Oran), Algeria. With MIDREX Flex, the plants can operate initially with natural gas and transition to using hydrogen, as it becomes available, making them leading contributors to green steel production. The Libyan plant will supply CDRI to meet the needs of the nearby region. When this investment is completed, TOSYALI SULB will be one of the key suppliers of DRI in the world.

Fuat Tosalı, Chairman of TOSYALI Holding, said:

"We are excited to use our expertise in DRI plant operation and value-added steel production to transform the Libyan steel industry into an ecosystem that produces high-quality green steel products with low carbon emissions. At TOSYALI, we place environmental sustainability at the core of our operations and work tirelessly to develop innovative solutions that reduce carbon emissions. With MIDREX technology, we will leverage the flexible use of natural gas and hydrogen to support the production of low-carbon, high-quality steel, creating value for both the region and the world. As TOSYALI SULB, we are committed to leading the way in green steel production while building a sustainable future."

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Ahmed Gadalla, Chairman of Libya United Steel Company for Iron and Steel Industry (SULB), said:

"TOSYALI SULB's first project will greatly expand the DRI export capability of Libya and position the nation as a significant contributor to green steelmaking and decarbonization. This investment is not just a production facility but a strategic contribution to Libya's economic development and industrial infrastructure."

The DRI plant will be supplied by Midrex Technologies, Inc. (Midrex) and its consortium partner, Paul Wurth, part of SMS group, which supplied both HDRI (hot DRI)/CDRI plants for TOSYALI Algeria. TOSYALI 1 commenced production in November 2018 and TOSYALI 2 began production in December 2024.



TOSYALI SULB Contract Signing Pictured (left to right): Guido Bonelli, Paul Wurth Italia; Fuat Tosityali, TOSYALI Holding; K.C. Woody, Midrex



TOSYALI SULB Contract Signing Pictured (left to right): Alp Topcuoglu, TOSYALI Holding; Guido Bonelli, Paul Wurth Italia; Fuat Tosyali, TOSYALI Holding; K.C. Woody, Midrex; Dr. Suhat Korkmaz, TOSYALI Holding

K.C. Woody, President & CEO of Midrex, said:

"We are thankful for TOSYALI's trust in our company and our technology as we continue our partnership in another investment. Midrex is proud of our market leadership in the production of green iron and looks forward to conducting another project with TOSYALI. Midrex remains committed to helping our clients succeed in their decarbonization goals."

Thomas Hansmann, Chief Technology Officer of SMS group, said:

"Being part of this new project is a privilege for SMS group. It acknowledges the strong collaboration between our teams. This marks our third project with TOSYALI, highlighting our long-standing partnership. As we continue to turn metals green, we remain committed to advancing sustainable practices in the industry."

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Midrex Technologies, Inc.

Midrex is the world leader in direct reduction ironmaking technology and aftermarket solutions for the steel industry. As developer of the MIDREX® Process, Midrex has designed, built, and serviced direct reduced iron (DRI) plants for 50-plus years. MIDREX Plants produce approximately 80% of the world's low CO₂ DRI. The MIDREX Process is highly flexible in reductant sources, iron oxide feed, and product discharge options. Plants can be configured to operate on natural gas, natural gas with hydrogen addition (MIDREX Flex®), and 100% hydrogen (MIDREX H2™). Iron oxide pellets and lump ores, regardless of their Fe content, can be transformed into either cold DRI (CDRI), hot DRI (HDRI), or hot briquetted iron (HBI). Plants can be designed for cold and hot discharge at the operator's discretion, and proven options are available for transporting and charging HDRI into an EAF.

For more information, please visit www.midrex.com.

SMS group

SMS group is renowned worldwide for its future-oriented technologies and outstanding service for the metals industry. The company applies its 150 years of experience and its digital know-how to provide the industry continuously with innovative products and processes – even beyond its core business – and generates worldwide sales of around 3.1 billion euros. SMS is the right partner for challenging projects and supports its customers throughout the lifecycle of their plants, enabling profitable and resource-efficient value creation chains. Paving the way for a carbon-neutral and sustainable metals industry is the company's stated goal. As a global player with German roots, SMS takes responsibility for its more than 14,000 employees.

TOSYALI

TOSYALI has nearly 50 facilities across 3 continents and approximately with 15,000 employees which has been creating economic and social value for 70 years. Producing nearly 15 million tons of liquid steel annually, TOSYALI is Türkiye's global green steel manufacturer.

According to the World Steel Producers Association data, Tosalı ranked 63rd among global steel producers in 2023. The group, renowned for its product diversity in the iron and steel sector, meets the needs of many industries, from automotive and white goods to energy and



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construction, with thousands of products in 150 different categories. Tosyalı group has investments abroad in Algeria, Angola, Senegal, Libya, and Spain.

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