

For Immediate Release
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Mesabi Metallics Hires Industry Veteran Larry Sutherland as President, COO

Also reports on funding and project status

NASHWAUK, Minn., May 16, 2021 — Mesabi Metallics Co. LLC is delighted to announce the appointment of Lawrence Sutherland as President and Chief Operating Officer, effective May 15. Sutherland brings to the position the experience of a broad and successful 45-year career in the iron and steel industry, much of it in the Mesabi Range. Early in his career he was employed at the predecessor Butler Taconite facility as a millwright until 1985. Sutherland retired from U.S. Steel in 2020 after managing its Minnesota Ore Operations at Minntac and Keetac since 2013. Most recently he served as the CEO of Prairie River Minerals.

Sutherland will be responsible for day-to-day leadership on the site, and will ensure the mine and plant are properly and efficiently built and commissioned so they are operationally ready when construction is complete. His long experience on the Mesabi Range will be important in ensuring that the business meets best practices in all aspects of health, safety, environment and community relations. Mesabi Metallics looks forward to Sutherland's contributions to the project's mission of becoming a leading producer of high-grade iron ore pellets, providing jobs for the long term, and helping provide steel for America.

"I am excited to join Mesabi Metallics's journey to complete the largest investment program in the history of Minnesota at the former Butler Taconite Mine, where I started my iron ore and steel career about 40 years ago," Sutherland says. "I look forward to being part of an enterprise that will create multi-generation jobs at Nashwauk, from the construction phase through decades of ongoing operations."

In addition, Mesabi Metallics is pleased to report that new and significant project activities are beginning on site in May. The company also expects to conclude a number of key construction contracts for steel works and other key activities in the coming weeks. As of this week, there are expected to be around 40 workers on site. This number is expected to increase substantially soon, following contractor mobilization and site readiness.

These developments follow a May 1 submission by Mesabi Metallics to the Minnesota Department of Natural Resources (DNR) satisfying conditions laid out in the December 2020 Amendment to the state leases. These conditions related to, among other things, cash payment to the DNR and Itasca County of approximately \$25 million, binding offtake agreements for the pellets and committed financing facilities to complete the project.

Mesabi Metallics believes that it has met all material conditions necessary for the 2020 agreement to be fully effective. The company has received \$100 million in cash out of the \$200 million expected, which is more than adequate to progress construction activities for the coming months, and has signed binding and enforceable financing commitments for a total of \$850 million required to complete the project. The financier had sought some additional time to fund the remaining \$100 million required by the amendment on the grounds of significant disruption caused in travel and working conditions by the COVID-19 pandemic resurgence in several countries and particularly in India.

For these reasons, Mesabi Metallics has formally notified the DNR that it disputes the existence of a proper legal basis for issuing any termination notices in respect of the State Leases.

In the meantime, Mesabi Metallics remains fully committed to the project and is continuing to increase jobs on the site as it develops the mine for the benefit of Nashwauk and Northern Minnesota.

Mesabi Metallics is grateful for the local support and backing the project has in Nashwauk and its surrounding communities, and it looks forward to ramping up more 1,000 well-paid construction jobs over the coming months, and 325 well-paid operating jobs and more than 800 spin-off jobs once construction is complete and bringing substantial socio-economic benefits to the surrounding counties, and a major boost to the entire services sector in the area, immediately.

About Mesabi Metallics Co. LLC

Mesabi Metallics is building a 7-million tons per annum taconite mining and pelletization project in Nashwauk, Minn. This is the first such project in the Mesabi Range in the last few decades and one of the largest investments ever in Minnesota. Mesabi Metallics has already invested more than \$1.5 billion into this project, which was unfortunately disrupted in 2016 due to circumstances beyond the company's control. This project is more than 50 percent completed with substantial construction works already carried out and the majority of equipment either installed or stored at the work site. The project is expected to be commissioned well before May 2024, as agreed with the state.

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