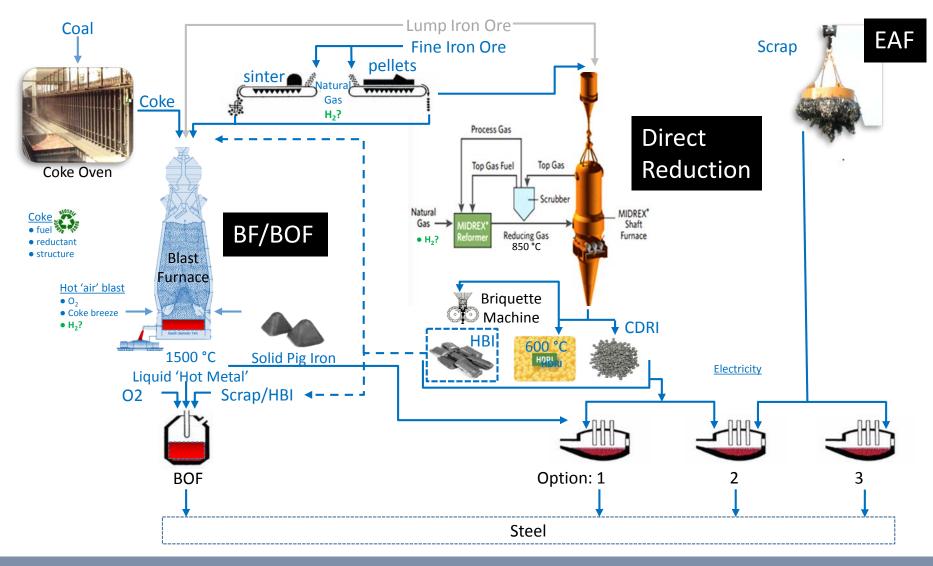
Hydrogen uses in ironmaking





Overview of the steel production process



MIDREX

CO₂ Emissions from steelmaking

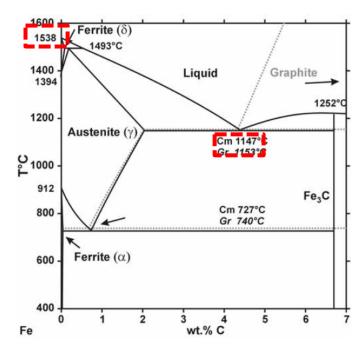
- Steel accounts for 4-5% of the total CO₂ emitted
- Emissions strongly depend on boundary
 - Majority of CO₂ emissions come from power generation, conversion of iron ore to iron and re-heating
 - Emissions varies based on how electricity is generated (e.g. coal or nuclear)
- BF-BOF route:
 - \circ 1,600 2,000 kg CO₂/ton HRC
 - Limited potential to reduce further (mature technology)
 - Capture / re-use if possible
- EAF (scrap) route :
 - \circ 500-600 kg CO_2 / ton HRC
 - EAF can be misleading: scrap / OBM were previously converted from iron ore
- EAF+DR route:
 - 1,100 − 1,200 kg CO₂ / ton HRC for 100% HDRI charge
 - Lowest commercially proven CO₂ emissions from ore



Carbon in Iron & Steelmaking

Role of carbon in steelmaking:

- Reduces melting point
- Provides energy (with oxygen)
- Steel products contain carbon as alloying element
- \rightarrow Carbon-free steelmaking is very unlikely but significant reductions in CO_2 emissions can be achieved with H_2

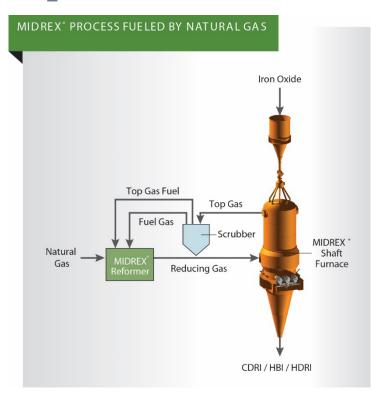


Source: Durand-Charre M. The Microstructure of Superalloys. 1999



Midrex® NG process

- First plant built in 1969
- Over 70 units constructed worldwide
- Over a billion tons of iron produced by the MIDREX® process
- Iron ore is reduced to metallic iron in the MIDREX® Shaft Furnace by Hydrogen and CO
- MIDREX Reformer reducing gas composition is typically 55% H₂ and 36%CO (ratio ~1.5)
- Midrex plant with SMR has operated since 1989 ~75% hydrogen

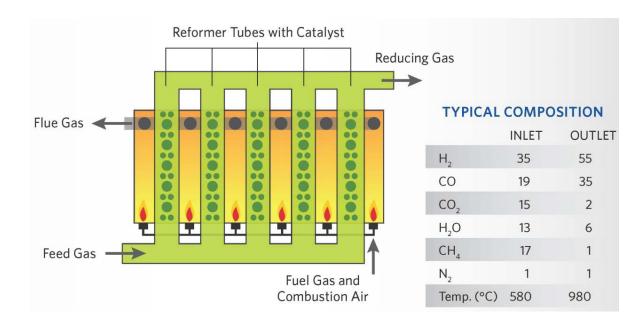


Reactions (w/ Hydrogen only)	Heat	<u>Description</u>
$Fe_2O_3 + 3 H_2 \leftrightarrow 2 Fe + 3 H_2O$	Endothermic	Reduction by H ₂
3 Fe + CH ₄ \leftrightarrow Fe ₃ C + 2 H ₂	Endothermic	Carburization
3 Fe + CO + H_2 ↔ Fe ₃ C + H_2 O	Exothermic	Carburization



Midrex® NG process

- Reducing gases are generated in MIDREX® Reformer.
- Process can use any Natural Gas source regardless of sulfur or heavy hydrocarbon content
- NG consumption ~2.35
 Net Gcal / ton DRI



Reactions (w/ Hydrogen only)	Heat	Description
$CH_4 + CO_2 \leftrightarrow 2CO + 2H_2$	Endothermic	CO ₂ reforming
$CH_4 + H_2O \leftrightarrow CO + 3H_2$	Endothermic	H ₂ O reforming
$CH_4 \leftrightarrow C + 2H_2$	Endothermic	Methane cracking
$CO + H_2 \leftrightarrow C + H_2O$	Exothermic	Beggs or Water/carbon shift
$CO + H_2O \leftrightarrow CO_2 + H_2$	Exothermic	Water/gas shift



Newest MIDREX® Plants in North America

Voestalpine (Corpus Christi, Texas USA)

- 2.0 MTPA HBI
- Performance test passed February 19, 2017



Cleveland-Cliffs (Toledo, OH USA)

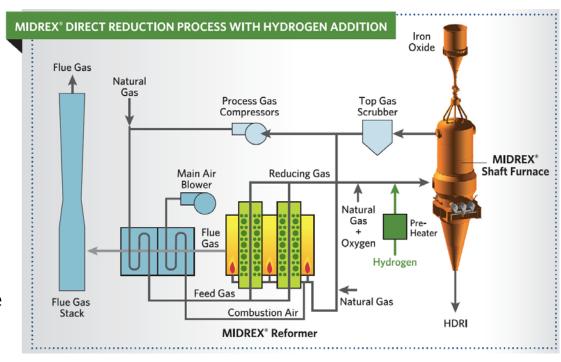
- 1.6 MTPA HBI
- Completion: 2020





MIDREX® NG with H₂

- Up to 30% of NG can be substituted by Hydrogen without changing the process
- Hydrogen may need to be preheated depending on quantities added
- Rough calculations for Cleveland- Cliffs:
 1.6 MTPA (200 ton/h), up to 16,000Nm³/h of NG* can be replaced by 48,000Nm³/h of H₂
- Hydrogen can be increased in the process as it becomes available

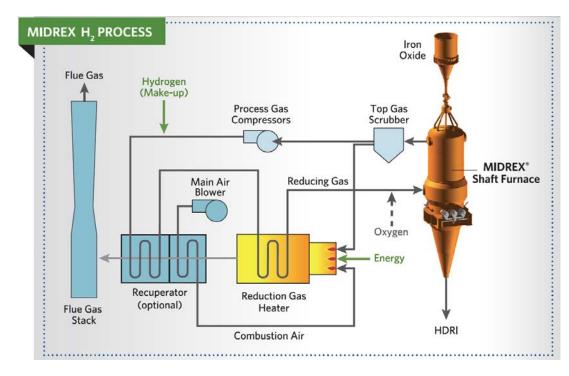


 $^{^{*}}$ Assumes net heating value 8800 kcal/Nm 3



MIDREX® H₂TM

- Bustle gas composition is ~90% hydrogen, balance CO, CO₂, H₂O and CH₄ (for 1.4% carbon in DRI)
- Hydrogen consumption is approx. 650 Nm³/t DRI (54kg/t)
- For a Midrex plant the size of Cleveland-Cliffs, that's approx.
 130,000Nm³/h of H₂
- ~650MW per Midrex plant (at 200Nm³/h of H₂ per 1MW)





Conclusions

- MIDREX-NG® is a proven technology for industrial production of iron, using "fossil" hydrogen at scale. The process can reduce CO_2 emissions by 50%-80% over traditional BF-BOF.
- Direct reduction can be a bridge technology for ironmaking as Hydrogen becomes available at scale
 - New plants can be built or existing plants can be converted to 100% H₂ as the Hydrogen economy evolves
- Green hydrogen production volumes need to increase by 50x 125x to supply one MIDREX® plant
 - Scale up to Demonstration plant will be needed
- Hydrogen production costs must be competitive: steelmaking is a very competitive business with small margins
- European steelmakers are very active