03 IMPLEMENTATION OF THE HBI INDUSTRY IN THE STATE OF PIAUÍ ECOBRIQ METALS

01 BRIEF DESCRIPTION OF THE PROJECT

The project includes a **Hot Briquetted Iron (HBI)** plant that will use **green hydrogen** as a reducing agent for iron ore, meeting global decarbonization targets and the growing market for low-carbon steel. As well as reducing emissions, the initiative **verticalizes mining in Piauí**, adds local value and creates skilled jobs. The plant will be connected to the regional production of green H_2, **waterways** and the **Port of Luís Correia**, creating logistical constructive collaboration and consolidating a **sustainable and competitive industrial hub** on the international stage.

02 JUSTIFICATION AND OPPORTUNITY

In 2024, Piauí was already the **sixth largest producer** of iron ore in Brazil, and, with new investments and drilling, it could increase production **fivefold** in the next five years. The main mine plans to extract **1,500 Mt in 2025**, a volume that requires higher value routes. At the same time, abundant sunshine, constant winds, and vast open areas make the state a natural hub for **renewable energy and green hydrogen**, attracting players willing to sign long-term contracts for HBI.

This scenario dialogues with two global forces: the **high energy consumption** of conventional steelmaking and the race for **decarbonization**. Mills in North America and Europe are already setting strict CO_2 targets and looking for low-impact inputs, while the supply of **"green" steel** is growing more slowly than demand.

Produced in Piauí with natural gas and, gradually, green hydrogen, HBI reduces emissions by up to **80%** compared to the blast furnace, captures a premium of **+US$ 80/t** over concentrate and reaches customers via the Port of Luís Correia with lower freight than ports in the Southeast. In this way, the **Piauí HBI Project** converts the state's new mineral scale and clean energy potential into **industrial value**, **public revenue**, and **climate leadership**, in line with global low-carbon steel targets.

03 INVESTMENT NEEDED

Company	EcoBriq Metals
Energy source	H2V
Investment	US$ 1.8 bn
Capacity	2,5 Mtpa

* The project includes a mining unit, a pelletizing plant and an HBI facility.

04 EXPECTED RETURN

IRR 17,3%
Payback 6 years
Revenue Projection US$ 0.9 billion/year
(~U$10/t HBI >generates an impact of~US$ 20 Mi)

05 SOCIAL AND ENVIRONMENTAL IMPACT

The EcoBriq Metals Project will be a lever for inclusion and climate: it will generate 1,800 construction jobs, 600 operational jobs and 6,800 indirect jobs, injecting R$ 300 million a year into the local economy. By transforming ore into HBI, it converts royalties into strong revenue - tens of billions of reais over 20 years - and anchors works such as new accesses, the expansion of the Port of Luís Correia and the 230 kV line that benefit the entire region. Environmentally, the DRI-H_2 route avoids up to 3 Mt CO_2/year, which is equivalent to removing 830,000 cars or supplying 500,000 homes, consolidating Piauí as a green steel hub and eligible for global carbon credits.

CONTACTS

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