



NEWS RELEASE

Midrex Technologies, Inc
2725 Water Ridge Parkway, Suite 100
Charlotte, North Carolina, 28217 USA
Phone: 704-373-1600

Midrex Signs Agreement with CERI to Develop DRI Projects in China

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Charlotte, NC – Midrex Technologies, Inc., Midrex Metallurgical Services (Shanghai) Limited (MSL) and Capital Engineering and Research Incorporation Limited (CERI) have announced that the three companies have signed a Cooperation Agreement to work together to market, develop, design, erect and commission MIDREX® Direct Reduction Plants in China. These future ironmaking plants will produce direct reduced iron (DRI) by utilizing the nation's vast indigenous resources including iron ores, natural gas and coal, in addition to off-gas produced by China's existing and proposed coke ovens.

DRI is a high-purity product for use in steelmaking and can be used to make steel in electric arc furnace as well as blast furnace and basic oxygen furnace steelmaking to improve production. The use of DRI in steelmaking operations greatly reduces carbon emissions, increases capacity and improves the quality of steel produced.

Midrex Technologies, Inc. (Charlotte, North Carolina, USA), a wholly owned subsidiary of Kobe Steel Limited, is the world leader in DRI technology. In 2011, 80 percent of the 64 million metric tons of DRI produced in the world via the shaft furnace route was produced utilizing the MIDREX® Direct Reduction Process. More than 11 million tons of new MIDREX® annual capacity will be commissioned and started up within the next two years. Midrex maintains, develops, sells and supports MIDREX® Direct Reduction Technologies worldwide with strategic partners to provide innovative and proven solutions for today's steel industry. For more information on Midrex or its direct reduction technologies, please visit www.midrex.com.

Capital Engineering and Research Incorporation Limited (Beijing) is the leading company within the Chinese metallurgical industry. CERI has completed more than 6,000 projects over the past 50 years. CERI has an array of businesses including engineering, procurement and construction of major capital projects; equipment and material manufacture; and real estate resource development. Areas of expertise and experience include mineral, metallurgical, chemical, power and highway construction industries.

Midrex Metallurgical Services (Shanghai) Limited is a wholly owned subsidiary of Midrex Technologies, Inc. Midrex's Shanghai based operation offers the complete line of MIDREX® Technologies and services to the Chinese market, bringing on-site valuable expertise and resources to the region.