

Contact: Niklas Johansson, Vice President Communication and Climate
Telephone: +46 10 144 52 19
Email: Niklas1.johansson@lkab.com

LKAB invests MSEK 700 in preparations for sponge iron in Gällivare

LKAB's Board of Directors has today decided to invest in works within its industrial area in Malmberget/Gällivare in preparation for the world's first industrial-scale plant for hydrogen-produced sponge iron.

"In order not to lose time in our transformation, we want to get started and free up land for the demo plant and associated buildings. The aim is to start production in 2026," says Jan Moström, President and CEO LKAB.

The Hybrit technology that LKAB has produced together with SSAB and Vattenfall is to be industrialised starting in Gällivare, where the first plant is to be ready in 2026. The capacity increase that LKAB is now planning for will mean the equivalent of another three such plants in Gällivare within just a few years of the first. Right now, work is in progress on a comprehensive environmental permit application for all of LKAB's operations in and around the mine in Malmberget/Gällivare, including the new plant.

"The environmental permit application will be submitted this year and we hope that it will be processed efficiently with a prompt decision. The IPCC reports from the UN regarding the climate situation show that there is no time to lose in transforming our society and cutting emissions of greenhouse gases – which is why we are already now investing in the preparatory work, in order to keep up the pace," says Jan Moström.

The size of the demo plant means that land needs to be freed up and prepared to accommodate the new structure within LKAB's industrial area. Existing buildings, roads and infrastructure need to be moved before

construction work can start. The investment decision made also includes freeing up land for future sponge iron plants.

“Our plan was already ambitious when we launched our new strategy in 2020, and recently we raised the bar even higher. Our transformation will take place faster – all production in Gällivare is to be carbon-free by the early 2030s, for example – and in addition we will increase production by 20–30 percent. We will cut global carbon emissions by 40–50 million tonnes a year, which is equivalent to greenhouse gas emissions for the whole of Sweden. That’s why we need to roll up our sleeves and get on with the work right now,” says Jan Moström.