Press release

Blastr Green Steel to explore pellet plant site in Norway to optimize integrated decarbonized steel value chain

Oslo, Norway, August 24, 2023. **Blastr Green Steel (Blastr) has signed a Letter of Intent (LOI) with Lutelandet Offshore Site & Drydock and Htwo-Fuel to explore Lutelandet on the west coast of Norway as an alternative location for Blastr's pellet plant, supplying feedstock to its ultra-low CO2 steel plant being developed in Inkoo, Finland.**

Blastr has selected Lutelandet industrial area on the west coast of Norway, as a potential location to be developed for the company's pellet plant for converting iron ore pellet feed into direct reduction pellets (DR pellets). The LOI announced today includes an area sublease agreement between Blastr and Lutelandet Offshore Site & Drydock (LLOF), and cooperation between Blastr and Htwo-Fuel to secure grid and power capacity. The plant will employ around 120 people and generate a substantial number of indirect jobs and economic activity in the surrounding area.

The pellet plant is a key part of Blastr's integrated green steel value chain which has the potential to deliver more than 90% reduction of Scope 1-3 CO_2 emissions compared to conventional steelmaking. Blastr's integrated value chain currently being developed will enable a unique, profitable business model with a record low CO_2 footprint for industrial-scale steel production and a platform for further growth.

"Lutelandet is a highly attractive site for the production of feedstock to our steel plant with industrial infrastructure already in place, access to a North Sea deepwater port, and clean renewable energy from hydropower and nearby wind farms," commented Hans Fredrik Wittusen, the CEO of Blastr Green Steel. "We look forward to cooperating with our site partners and the surrounding community to further develop the Lutelandet option in order to accelerate the implementation of our pellet plant and optimize our integrated value chain for ultra-low CO_2 steel products."

"Blastr is a great fit for Lutelandet and will accelerate the development and cooperation between new green industries at our site. A pellet plant of this type and scale brings new competence, jobs, and significant investments to Lutelandet and the region. It also fosters synergy potential for collaboration among different industrial initiatives co-located in the area," commented Tor Gjertsen, Chairman of LLOF Site & Drydock.

Blastr aims to produce 6 million tonnes (Mt) annually of high-quality DR pellets as feedstock for its ultra-low CO2 steel plant planned in Inkoo, Finland. Approximately half of the pellet volumes will go to its Inkoo steel plant, while the rest will be sold to Cargill Metals for distribution to the growing world market for DR pellets.

In July, Blastr signed an LOI with Redcar Bulk Terminal (RBT) at Teesside, United Kingdom, as another potential location for the pellet plant. By considering two sites in parallel, Blastr maintains optionality during the development process to optimize the value chain.

Blastr will work closely with its partners and relevant stakeholders at both Lutelandet and Teesside before making a final site selection, targeted by the end of 2023, and immediately followed by detailed engineering and permitting processes. The final investment decision for the pellet plant is expected in 2025, with estimated investments of over EUR 1 billion, subject to relevant permits and agreements. The target for production to start is in 2027.

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About Blastr Green Steel

Blastr aims to decarbonize the steel industry, by creating an integrated green steel value chain leveraging Nordic advantages. By utilizing local raw materials and fossil-free energy and applying a circular economy thinking throughout the value chain, the company aims to produce 2.5 million tonnes of cost-competitive, ultra-low CO_2 steel, with ~90% lower scope 1-3 emissions than conventional steel production. We will establish production facilities in the Nordic Region, with its ambitious political energy transition agenda, deep ice-free ports giving access to the attractive European markets, and highly qualified workforce. Blastr Green Steel will be one of the largest industry start-ups in the Nordic region. Blastr Green Steel is part of Vanir Green Industries. For more information, visit www.blastr.no

About Vanir Green Industries (VGI)

VGI is a Nordic business builder and investment company that builds and scales leading, sustainable, robust, and profitable companies that will help accelerate the energy transition. VGI was founded by Tore Ivar Slettemoen, who also founded NYSE-listed Freyr Batteries. In addition to Blastr, the VGI portfolio consists of Removr developing solutions for capturing and storing CO_2; Freija developing technology for producing green methane, and Njordr focusing on onshore and offshore wind power projects. Njordr´s subsidiary Nordi develops renewable energy projects in Finland.

About LLOF Site & Drydock (LLOF)

LLOF develops and manages the Lutelandet industrial site and harbor. In addition, the company focuses on logistic activities towards the renewable market in the offshore industry. As part of the development of the large green hub, LLOF also leases land to industrial businesses that will work together in an industrial symbiosis, as well as develop the harbor and its services.

About Htwo-Fuel

Established in 2021, HTWO-Fuel AS aims to make hydrogen available as fuel for maritime shipping traffic along the west coast of Norway and produce green ammonia. The company´s objective is to be the preferred supplier of climate-friendly fuel to consumers who make an early commitment and establish themselves in a market that is investing commercially in the transition to reduce emissions.