

Press release

Blastr Green Steel and Cargill sign a pioneering framework agreement to accelerate the radical decarbonization of the steel value chain

Oslo, Norway, 4th July, 2023. Blastr Green Steel AS (“Blastr”), a leading developer of ultra-low CO₂ steel products, and Cargill, a leading player along the global ferrous supply chain, have today signed a strategic framework agreement (the “Agreement”) reflecting a strong joint commitment to realize the Blastr Green Steel Project to radically decarbonize steel production. The Agreement covers multiple parts of Blastr’s integrated value chain, including supply of iron ore, offtake, products sale, logistics, and financial services, as well as a USD 10 million equity commitment by Cargill in Blastr’s planned Series A financing round.

The Agreement builds on the close relationship developed between Cargill and Blastr over the past year, centered on Blastr’s plan for an integrated green steel value chain which has the potential to deliver more than 90% reduction of Scope 1-3 CO₂ emissions* per tonne of steel. It will enable a unique, profitable business model with a record low CO₂ footprint for industrial-scale steel production and a platform for further growth. Blastr is initially developing a 6 million tons (Mt) DR-grade pellets plant and a 2.5 Mt direct reduced iron (DRI-EAF) steel plant with own green hydrogen production.

The Agreement covers the supply of iron ore to the Blastr Pellet Plant, offtake and selling of Direct Reduction (DR) pellets, Hot Briquetted Iron (HBI) and ultra-low CO₂ steel products, scrap sourcing, green shipping and logistical solutions, and working capital and risk management services.

“Today’s Agreement demonstrates our shared ambition of realizing Blastr Green Steel vision to enable significant reductions of CO₂ emissions along the steel value chain. We are very pleased to further strengthen our collaboration with Cargill and enter into a long-term strategic collaboration, with them also becoming a shareholder. Cargill’s access to raw materials and end-customers, combined with innovative trading, shipping, and offtake solutions, bring us a giant leap forward in realizing green steel production at scale”, says **Blastr Green Steel CEO, Hans Fredrik Wittusen**.

As part of the Agreement, Blastr and Cargill have signed a convertible loan agreement for USD 3 million, which brings the Cargill equity investment in Blastr’s Series A financing, planned for the second half of 2023, to a total of USD 10 million. Cargill will further support Blastr in developing

and commercializing ultra-low CO₂ steel products for the European market, and the Parties will continue to apply their respective capabilities to accelerate the development of Blastr Green Steel.

Lee Kirk, Managing Director, Cargill Metals commented, "Cargill is pleased to be partnering with Blastr on the development of this transformational project. This Framework Agreement across the supply chain is a significant step forward to provide solutions to our customers and a demonstration of Cargill's commitment to accelerate the development of new process routes that will enable the transition to a steel industry with lower CO₂ emissions and high ESG credentials. Cargill will be working with Blastr across the supply chain from raw materials to steel enabling the development of transparent certified supply chains and creating strategic flows to steel end customers in the growing green steel segment of the market. This brings us one step closer to our goal of shaping a responsible and sustainable ferrous supply chain that helps the world thrive."

Over the next few months, Cargill and Blastr will finalize definitive agreements, covering the areas included in the strategic collaboration, while continuing to work closely together to realize the shared ambition of bringing ultra-low CO₂ steel to global customers.

For further information, contact:

Hans Fredrik Wittusen, CEO, Blastr Green Steel

Tel. +47 901 80 944

hfw@blastr.no

Bridget Christenson, Director, Media Relations and Issues Response, Global Communications, Cargill

Tel. +1 952 742 0052

bridget_christenson@cargill.com

*Scope 1 emissions are direct emissions that a company causes by operating the things that it owns. Scope 2 emissions are indirect emissions created by the production of the energy that an organization buys. Scope 3 emissions are those indirect emissions that are not produced by the company itself but cover those produced by customers using the company's products or those produced by suppliers making products that the company uses. (Source: World Economic Forum).

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 CO₂ 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.

For more information, visit 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 CO₂; 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 Cargill

Cargill helps the world's food system work for you. We connect farmers with markets, customers with ingredients and families with daily essentials—from the foods they eat to the floors they walk on. Our 160,000 team members around the world innovate with purpose, empowering our partners and communities as we work to nourish the world in a safe, responsible, sustainable way.

From feed that reduces methane emissions to waste-based renewable fuels, the possibilities are boundless. But our values remain the same. We put people first. We reach higher. We do the right thing. It's how we've met the needs of the people we call neighbours and the planet we call home for 157 years—and how we'll do so for generations to come.

For more information, visit Cargill.com and our News Center

About Cargill Metals

Headquartered in Singapore, Cargill's metals business provides value-add services and solutions along the global ferrous supply chain. Combining over 150 years track record of risk management in global commodities markets with more than 40 years unique insights in the ferrous industry, we provide our customers the support they need to thrive. We connect iron ore miners around the world with steel mills in key markets and provide a broad range of services from technical marketing to customized risk management solutions along the supply chain including to end users of steel.

With around 150 dedicated experts, an established global network and hubs in China, Singapore, U.K. and Vietnam to serve our customers, Cargill operates across over 25 ports and more than 50 warehouses globally, providing physical and financial solutions to over 2,500 customers in 40 countries. Each year we move around 50 million tons of physical iron ore and 6 million tons of physical steel globally. For more information, visit Cargill Metals or Cargill.com.