

Elkem receives Enova financial support for planning the battery materials industrial plant

Elkem has received NOK 10 million in financial support from Enova to fund the initial planning of the potential large-scale battery materials plant in Norway, named Northern Recharge. The project aims to supply the fast-growing battery industry through a competitive production process and make batteries greener with lower CO₂ emissions.

“A positive investment decision requires competitive public support mechanisms and supportive government policies. Elkem is also inviting industrial and financial partners to participate. Securing this initial support from Enova is an important step as we progress towards a final investment decision,” says Elkem’s CEO, Michael Koenig.

Enova is owned by the Norwegian Ministry of Climate and Environment, and supports the development of energy and climate technology, among other responsibilities.

“Batteries will undoubtedly play an important role in a future low-emission society. The production of batteries, however, is energy-consuming, so we need to see production processes that are more energy-efficient in the future, such as the innovative synthetic graphite production technology Elkem has developed. We therefore appreciate the opportunity to support their upcoming initial study, in order to increase the probability that this energy-efficient technology can one day be adopted on a full scale,” says Enova’s Director of Markets, Øyvind Leistad.

Elkem recently selected Herøya, one of the biggest industrial parks in Norway, as the project site. The company will now continue to progress the Northern Recharge project towards a final investment decision in 2021.

“The market for better and greener batteries is growing fast. We believe Elkem and Norway are uniquely positioned to be among the leaders in this industry,” says vice president for Elkem Battery Materials, Stian Madshus.

“Our Northern Recharge project competitively positions us for large-scale and cost-effective material science solutions for the rapidly developing European battery industry. Elkem brings significant industrial processing experience and by utilising efficient and renewable Norwegian hydropower, our product portfolio developments will be uniquely positioned for today’s EV requirements and tomorrow’s next generation advancements for rapid-charging and longer range. We truly appreciate the support from Enova on our journey towards more sustainable and energy efficient battery materials production,” says Madshus.

The project will produce synthetic graphite and composites, which are the leading anode materials in lithium-ion battery cells. Graphite demand is expected to increase more than ten times from today’s level to 2030. In terms of weight, graphite as an anode material typically represents around 10 percent of the total battery weight. Today, most of both battery cell and graphite production takes place in Asia.

Using Elkem’s technology and renewable hydropower, the project can potentially reduce CO₂ emissions by more than 90 percent compared to conventional production, while potentially reducing energy consumption by around 50 percent.

Elkem is currently constructing an industrial scale pilot plant for battery graphite in Kristiansand, Norway. Commissioning in early 2021, the pilot aims to conclude processing routes and enhance the product qualification process with customers. This project is supported by Innovation Norway.

Elkem also continues to carry out research on silicon-graphite composite materials for improved battery performance. This year, the company is joining the Hydra and 3beLiEVe research projects on next generation lithium-ion batteries, coordinated by SINTEF and the Austrian Institute of Technology, respectively. Both projects have received funding from the European Union's Horizon 2020 research and innovation programme.

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About Elkem

Founded in 1904, Elkem is one of the world's leading suppliers of silicon-based advanced materials with operations throughout the value chain from quartz to specialty silicones, as well as attractive market positions in specialty ferrosilicon alloys and carbon materials. Elkem is a publicly listed company on the Oslo Stock Exchange (ticker code: ELK) and is headquartered in Oslo. The company has more than 6,700 employees with 31 production sites and an extensive network of sales offices worldwide. In 2019 Elkem had revenues of NOK 22.7 billion. To learn more, please visit www.elkem.com