

Elkem signs MoU with FREYR for supply of battery materials

Elkem and FREYR have signed a Memorandum of Understanding (MoU) for the potential commercial supply of battery materials from Elkem to FREYR's lithium-ion battery cell facility under development in Mo i Rana, Norway.

Under the MoU, Elkem and FREYR will work together to establish long-term active anode material supply agreements, including battery graphite and high-content silicon battery materials, for FREYR's initial pilot production line, the 2-25 GWh fast-track facilities and the subsequent 2-phase 32 GWh giga-factory. The agreement also includes joint development and industrial scale testing of new high-performance active anode material and new technologies to provide battery cells with higher energy density, improved safety at significantly lower cost. The agreement is non-binding, and non-exclusive.

"The market for better and greener batteries is growing rapidly. Elkem aims to take a competitive position in this market, contribute to a strong European battery industry and build new Norwegian export industry based on renewable hydropower. We experience strong interest in the market from several battery cell producers across the European continent, as well as the emerging battery industry in Norway. We are pleased to sign an MoU with FREYR to explore the potential for a future commercial supply agreement from Elkem and scaling up Elkem's new silicon-graphite composite materials," says Stian Madshus, Vice President and General Manager Europe in Elkem Advanced Battery Materials.

[Elkem recently 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 Northern Recharge project aims to supply the fast-growing battery industry through a competitive production process and make batteries greener with lower CO2 emissions. In August, [Elkem selected Herøya](#), one of the biggest industrial parks in Norway, as the project site.

Elkem now continues to progress the Northern Recharge project towards a final investment decision in 2021. A positive investment decision requires competitive public support mechanisms and supportive government policies. Elkem is also inviting industrial and financial partners to participate.

"We are very pleased to include Elkem in our rapidly expanding eco-system of suppliers and customers. Long-term supply of high-performance, competitive active anode materials to our battery cell production facilities in Northern Norway is a core catalyst to competitive battery cell production. By combining secure, stable long-term supply of high performance active anode materials, state-of-the art manufacturing technology and 100% renewable energy, we are continuing to enable FREYR to deliver the most efficient, cost effective and environmentally friendly battery cells to all market segments", says Tom Einar Jensen, the CEO of FREYR.

Elkem continues to carry out research on silicon-graphite composite materials for improved battery performance. This year, the company is joining the Hydra and 3beLiVe 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.

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

About FREYR

A Norwegian company in the process of developing, financing, constructing and operating an initial 2-25 GWh +32 GWh annual capacities worth of lithium-ion based battery cell facilities and a 600 MW wind park in the municipalities of Rana and Nesna in Nordland, Norway. The company will supply sustainably produced, cost competitive battery cells to the rapidly growing market for electric vehicles and energy storage in Europe and globally, as well as develop other markets within the segments of marine transportation, aviation and offshore oil through cluster-based R&D initiatives with leading Norwegian and European institutions and companies. For more information, see the home page at: freyrbattery.com

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