

Q3 2020 presentation

QUANTAFUEL ASA

CEO Kjetil Bøhn

13 November 2020



QUANTAFUEL



DISCLAIMER - IMPORTANT NOTICE



THIS DOCUMENT IS NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION, IN WHOLE OR IN PART, DIRECTLY OR INDIRECTLY, IN OR INTO OR FROM THE UNITED STATES OF AMERICA, ITS TERRITORIES OR POSSESSIONS, AUSTRALIA, CANADA, JAPAN OR SOUTH AFRICA OR TO ANY RESIDENT THEREOF, OR ANY JURISDICTION WHERE SUCH DISTRIBUTION IS UNLAWFUL. THIS DOCUMENT IS NOT AN OFFER OR AN INVITATION TO BUY OR SELL SECURITIES.

This presentation (the "Company Presentation") has been prepared by QuantaFuel ASA, reg. no. 915 119 484 (the "Company", and together with its consolidated subsidiaries, the "Group").

This Company Presentation has been prepared for information purposes only, and does not constitute or form part of, and should not be construed as, any offer, invitation or recommendation to purchase, sell or subscribe for any securities in any jurisdiction, and neither the issue of the information nor anything contained herein shall form the basis of or be relied upon in connection with, or act as an inducement to enter into, any investment activity. This Company Presentation does not purport to contain all of the information that may be required to evaluate any investment in the Company or any of its securities and should not be relied upon to form the basis of, or be relied on in connection with, any contract or commitment or investment decision whatsoever. This presentation is intended to present background information on the Company, its business and the industry in which it operates and is not intended to provide complete disclosure upon which an investment decision could be made.

This Company Presentation is furnished by the Company, and it is expressly noted that no representation or warranty, express or implied, as to the accuracy or completeness of any information included herein is given by the Company. The contents of this Company Presentation are not to be construed as financial, legal, business, investment, tax or other professional advice. Each recipient should consult with its own professional advisors for any such matter and advice. Generally, any investment in the Company should be considered as a high-risk investment.

This Company Presentation is current as of 16 September 2020. Neither the delivery of this Company Presentation nor any further discussions of the Company with any of the recipients shall, under any circumstances, create any implication that there has been no change in the affairs of the Company since such date. This Company Presentation may contain forward-looking statements relating to the business, financial performance and results of the Company and/or the industry in which it operates. Forward-looking statements concern future circumstances and results and other statements that are not historical facts, sometimes identified by the words "believes", "expects", "predicts", "intends", "projects", "plans", "estimates", "aims", "foresees", "anticipates", "targets", and similar expressions. Any forward-looking statements contained in this Company Presentation, including assumptions, opinions and views of the Company or cited from third party sources, are solely opinions and forecasts which are subject to risks, uncertainties and other factors that may cause actual events to differ materially from any anticipated development. The Company provides no assurance that the assumptions underlying such forward-looking statements are free from errors and does not accept any responsibility for the future accuracy of the opinions expressed in this Company Presentation or the actual occurrence of the forecasted developments.

The distribution of this Company Presentation by the Company in certain jurisdictions is restricted by law. Accordingly, this Company Presentation may not be distributed or published in any jurisdiction except under circumstances that will result in compliance with any applicable laws and regulations. This Company Presentation does not constitute an offer of, or an invitation to purchase, any securities.

IN RELATION TO THE UNITED STATES AND U.S. PERSONS, THIS PRESENTATION IS BEING FURNISHED ONLY TO INVESTORS THAT ARE "QIBs", AS DEFINED IN RULE 144A UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "U.S. SECURITIES ACT"). THE SHARES HAVE NOT BEEN, AND WILL NOT BE, REGISTERED UNDER U.S. SECURITIES ACT OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION IN THE UNITED STATES, AND MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES, OR TO OR FOR THE ACCOUNT OR BENEFIT OF A U.S. PERSON, EXCEPT PURSUANT TO AN APPLICABLE EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE U.S. SECURITIES ACT AND IN COMPLIANCE WITH ANY APPLICABLE STATE SECURITIES LAWS.

This Company Presentation is subject to Norwegian law, and any dispute arising in respect of this Company Presentation is subject to the exclusive jurisdiction of Norwegian courts with Oslo District Court as first venue.



- ✓ Start-up of production in Skive
- ✓ Ongoing optimisation process to get one line up to full capacity
- ✓ Selection of Esbjerg as location for our new large-scale plant
- ✓ Acquisition of Replast to establish a full-scale chemical and mechanical recycling facility in Kristiansund
- ✓ Establishment of Quantafuel R&D in Sweden through the purchase of certain IP- and licensing rights from Hulteberg
- ✓ Non-cash financial cost of NOK 308 million relating to the BASF convertible loan. Will be fully reversed on the day of conversion
- ✓ Successfully raising NOK 852 million

SKIVE PROGRESS REPORT (I)





- ✓ We are able to reduce impurities and upgrade products
- ✓ All production to date can be used by BASF
- ✓ All safety systems works well
- ✓ Ongoing optimisation process to ramp up one line to full capacity



Production challenges in ramping up:

- ✓ High amount of non-condensable gas (NCG) produced in the pyrolysis reactor due to high reactor temperature and low plastic feed rate.
- ✓ On set of wax production due to low plastic content and increased residence time of pyrolysis gas in reactor.
- ✓ Amount of NCG higher than downstream capacity



Progress and process:

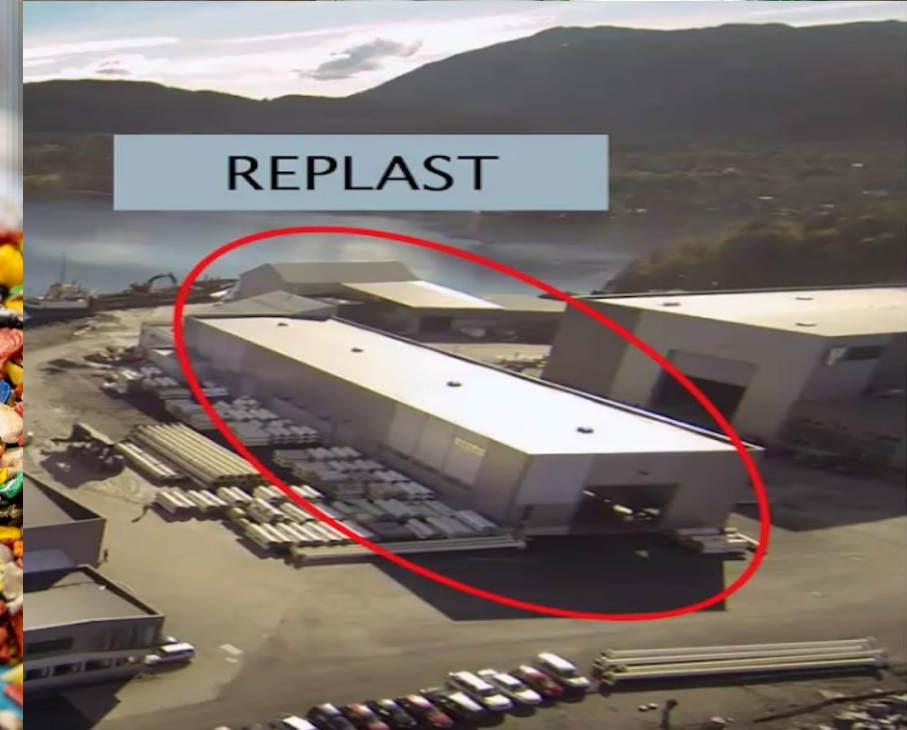
- ✓ NCG reduced from 80% to 40%
- ✓ Process line rebuilt to allow for higher amount of NCG (100%)
- ✓ System to cool first part of reactor installed
- ✓ Changed operations to decrease time within the reactor in the build up phase
- ✓ Changes are time consuming, but we will get there



- ✓ Distilled fractions are within the BASF acceptance specification at this stage
- ✓ Sulphur and chlorine are decreased in the liquids produced
- ✓ Ash and other impurities are removed
- ✓ Distribution between lighter and heavier fractions is as anticipated
- ✓ The output confirms the core and the uniqueness of the proprietary Quantafuel technology
- ✓ Further improvements expected at full capacity

REPLAST – COMPANY PROFILE

- ✓ Based in Kristiansund, Norway
- ✓ Together with Quantafuel, facilities will be scaled for both mechanical and chemical production up to 20,000 ton/yr
- ✓ Infrastructure and access to own harbour
- ✓ In operation – producing plastic feedstock/pellets from mechanical sorting process
- ✓ Established in market- and end-product segment



REPLAST - SPECIALISED SORTING OF PLASTIC WASTE FROM DIFFERENT ORIGINS



- Experienced working with difficult and mixed plastic waste fractions



- Proven feedstock, production and quality of sorted material



- Already tested and approved produced quality of chemically recycled oil-products from feedstock-material made by Replast



- Goal to achieve markets highest level of recycling with combination of chemical and mechanical end-products

TAKING CONTROL OF THE FEEDSTOCK VALUE CHAIN

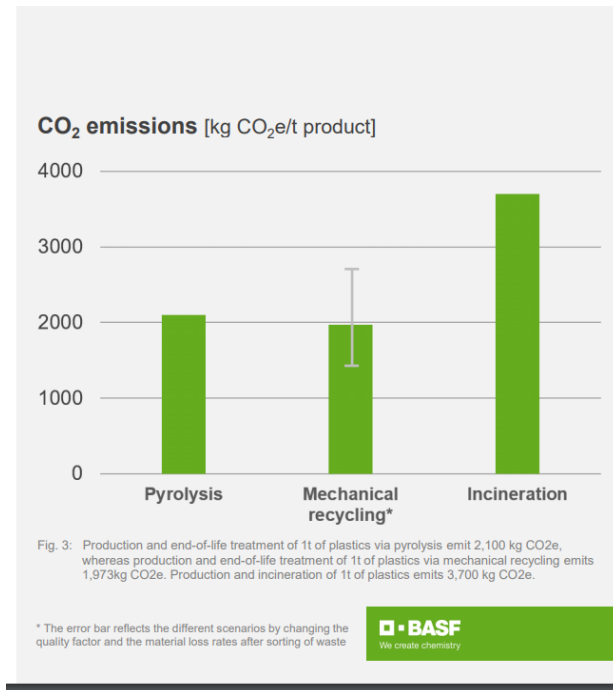
- ✓ Feedstock project with Grønt Punkt & Geminor yields invaluable experience
- ✓ Quality control drastically reduces risk of unwanted material e.g. PVC, Lithium batteries
- ✓ 3,500 tons received in Karlskrona of Norwegian household waste
- ✓ High potential in receiving high gate fee levels



CHEMICAL RECYCLING IS CLIMATE FRIENDLY AND RESOURCE EFFICIENT



► Climate friendly



2020 LCA by BASF show that chemical recycling and mechanical recycling have a similar CO₂ footprint. QuantaFuel aims for less than 1,000 kg CO₂



► Resource efficient

- 80% of plastic feedstock becomes liquid product
- 10% ash fraction, can be used by cement industry as GHG reducing measure
- 10% non-condensable gas (NCG), used to power our process



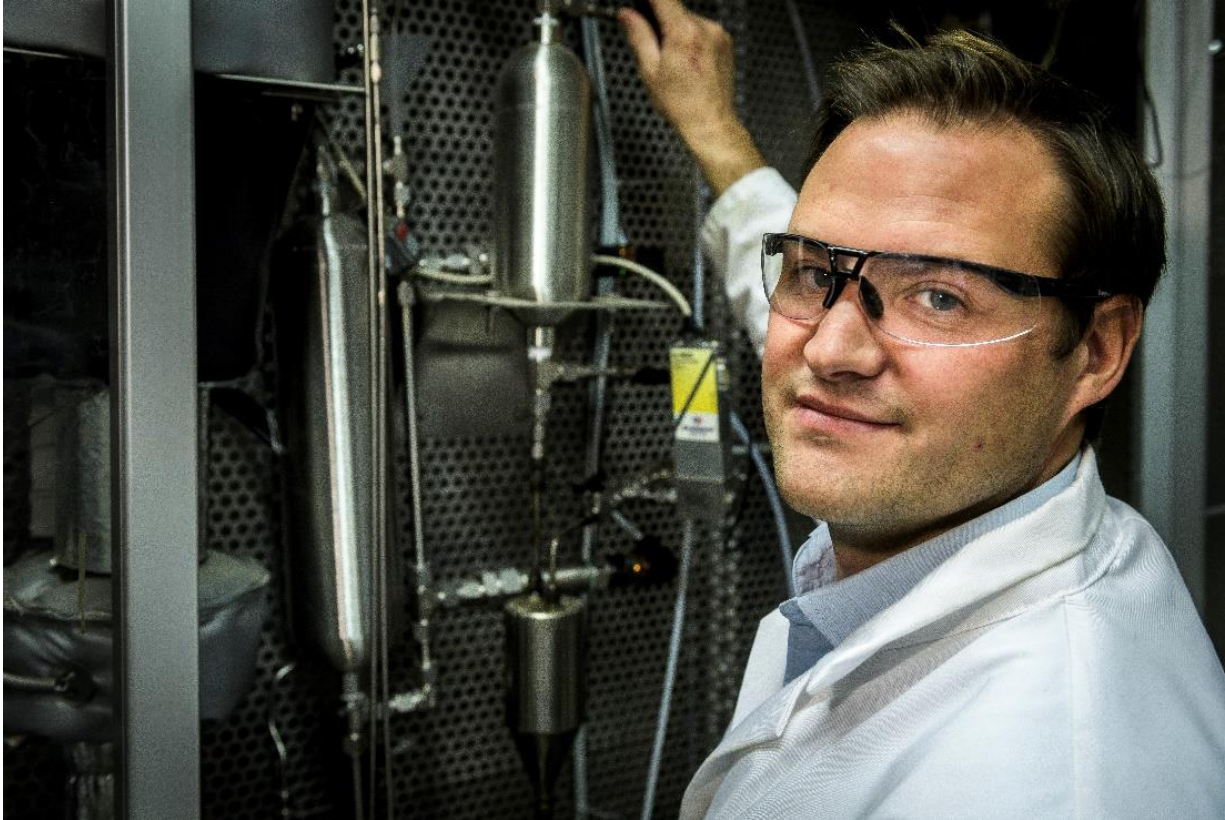
► Circular

- All of our liquid product upgraded to new plastic, none used as fuel
- Helps Europe achieve recycling goals



SECURING AND GROWING INTELLECTUAL PROPERTY

Establishment of a Quantafuel R&D entity in Malmö through purchase of rights



Prof. Christian Hulteberg

*PhD Chemical Engineering
MSc Business Administration*

- ✓ Transferring intellectual property rights from Hulteberg Chemistry & Engineering to Quantafuel
- ✓ Establish a R&D company which shall manage the continued cooperation between Hulteberg and Quantafuel
- ✓ Even stronger dedication to development of technology within
 - PtL catalysis & BtL catalysis
 - Purification
 - Upgrading



- ✓ One installation for gas phase catalytic experiments
 - Range from micrograms to grams catalyst load
 - 1 – 25 bar(a)
 - T_{max} 600 °C
- ✓ Autoclave reactors for screening experiments

FEED STUDY FOR LARGE-SCALE PLANTS

Progressing on schedule and budget



- ✓ Started FEED with Rambøll in Aug 2020 after completing internal study
- ✓ Design of fully integrated, scalable plant, prepared for international roll/out
- ✓ FEED report ready for FID in Dec 2020
- ✓ Yearly production capacity of 80,000 tons
- ✓ Aiming for production start ultimo 2022

PLOT LOCATED IN ESBJERG

Everything in place to start preparations



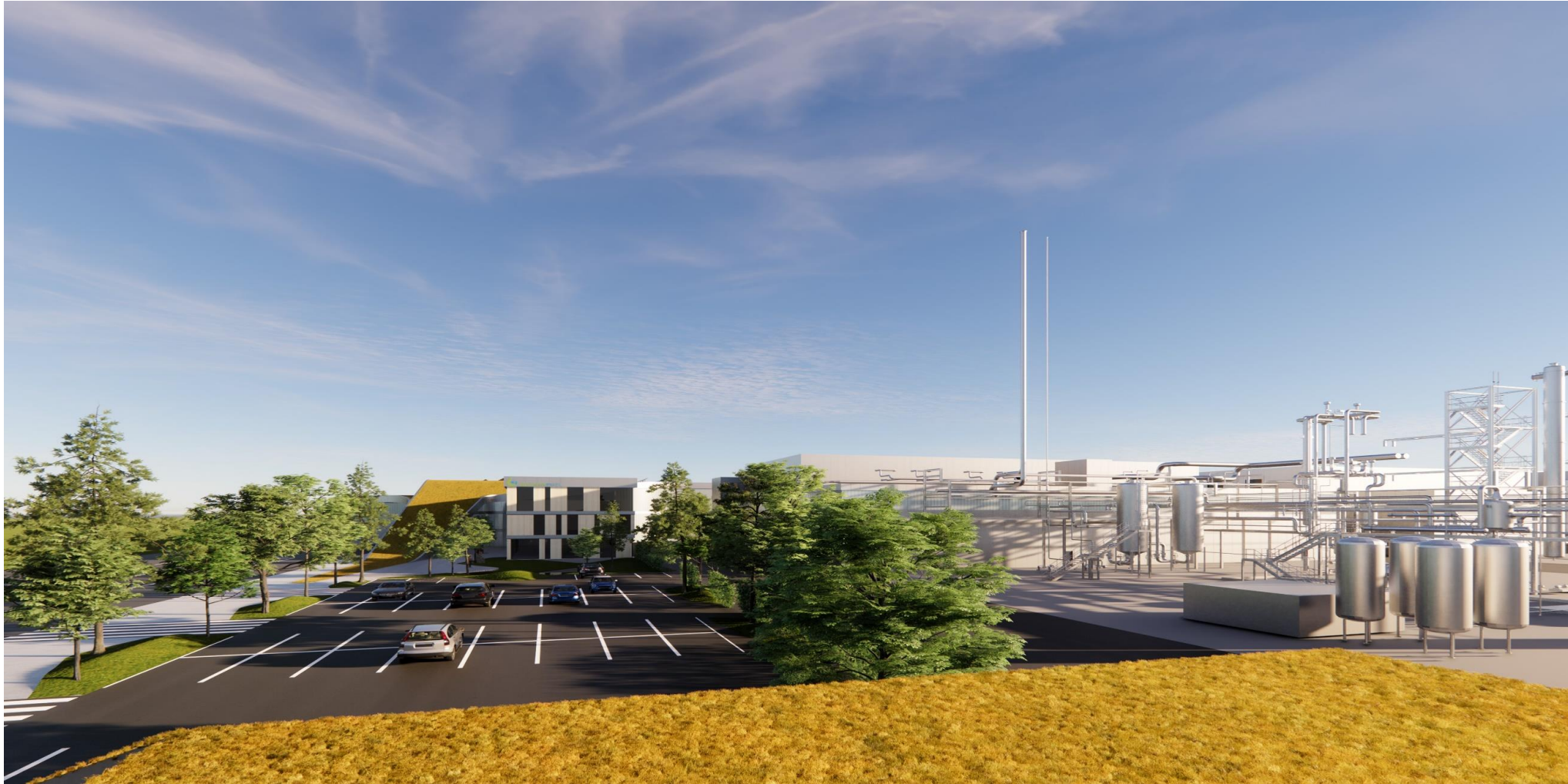
- ✓ Signed exclusive right to purchase plot in Esbjerg
- ✓ Chosen after thorough analysis conducted in co-operation with Rambøll and Geminor
- ✓ Superb infrastructure with easy access to port, railway and highway
- ✓ Good availability of qualified work force
- ✓ A proactive and cooperative local administration with a clear green vision

FEED STUDY – 3D MODEL (I)

Modular and scalable

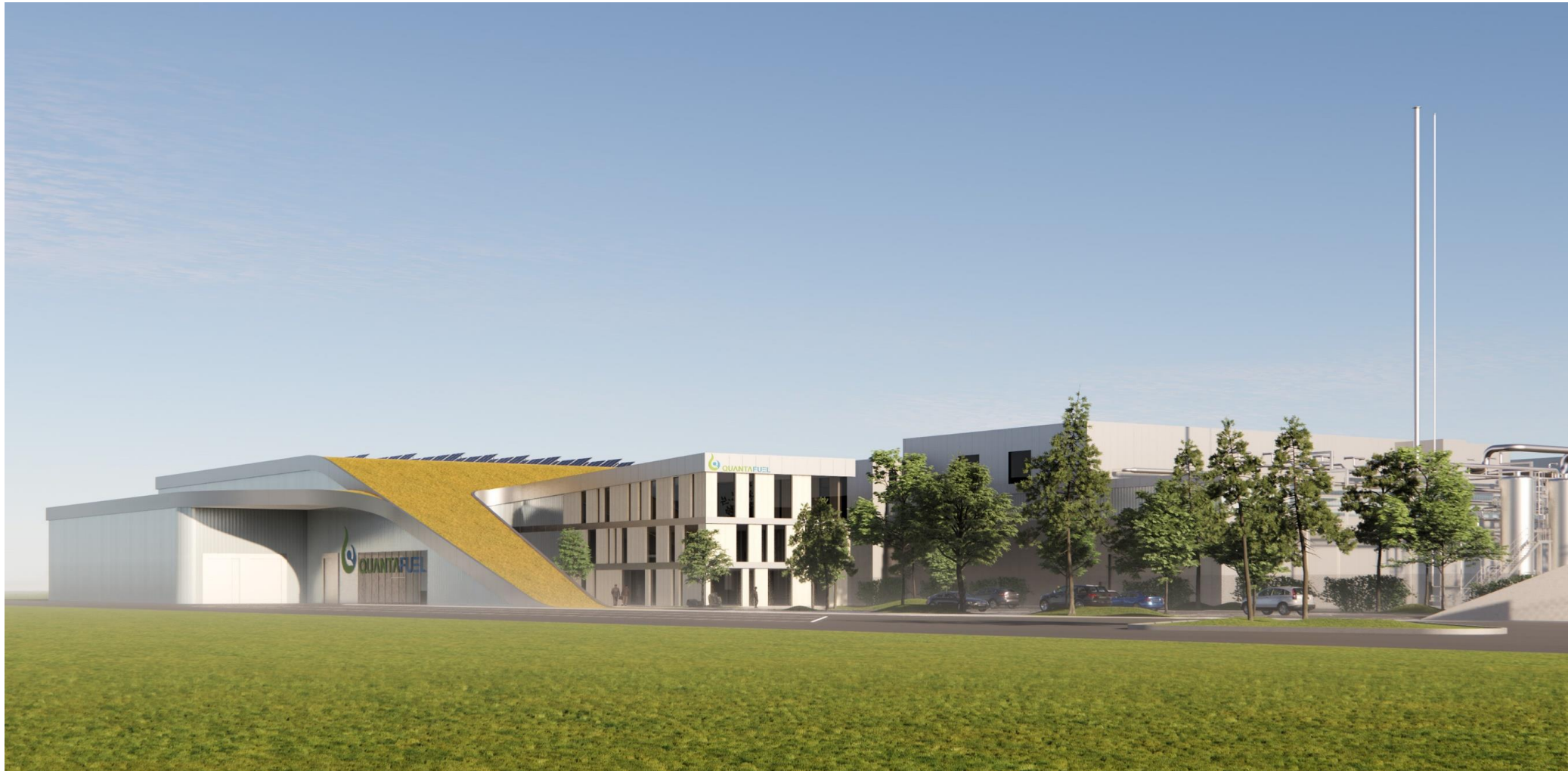


QUANTAFUEL



FEED STUDY – 3D MODEL (II)

Modular and scalable

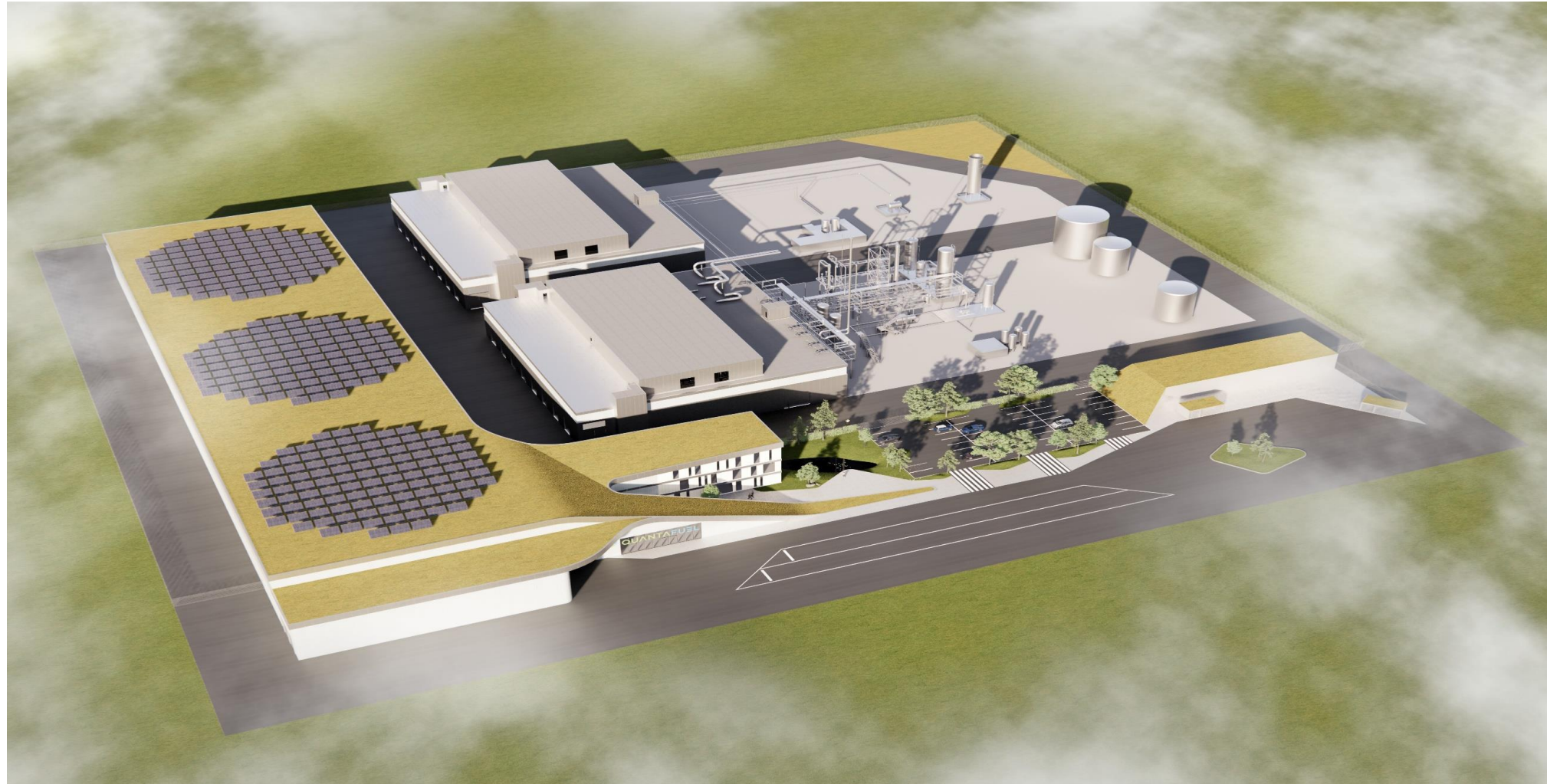


FEED STUDY – 3D MODEL (III)

Modular and scalable

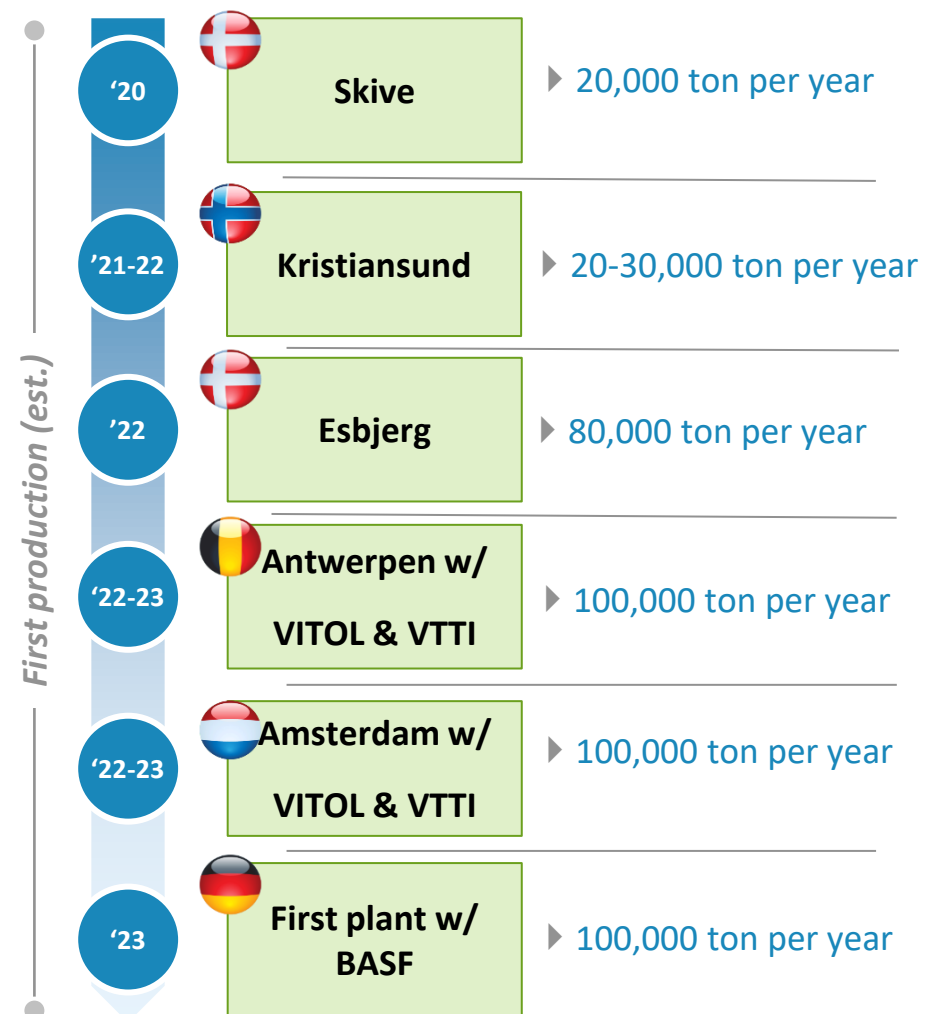


QUANTAFUEL

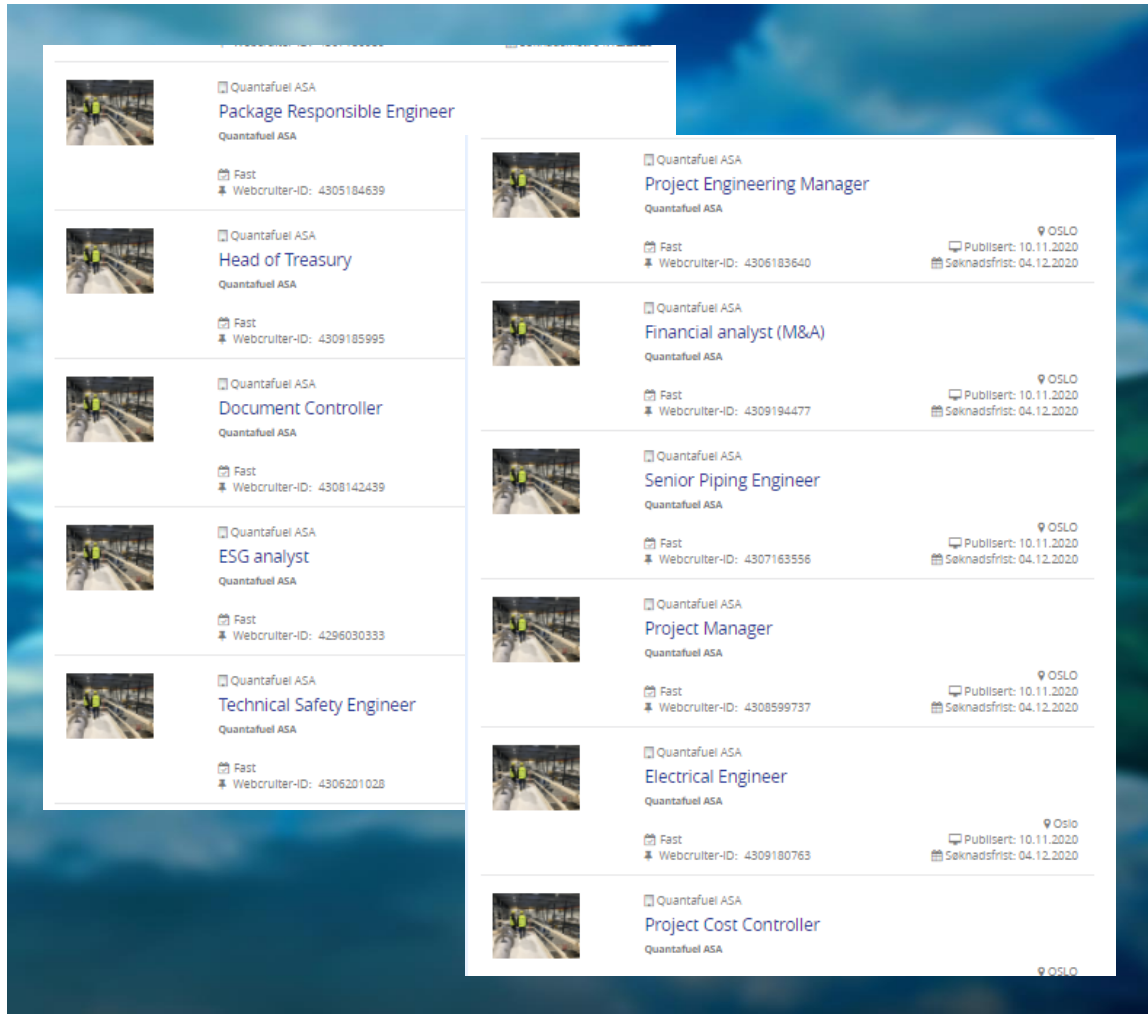


PRODUCTION PLANTS AND PIPELINE PROJECTS

Several additional production plants planned with existing partners



SUMMARY



- ✓ Ramping up production in Skive remains our number one priority
- ✓ Establishing plant in Kristiansund through the acquisition of Replast
- ✓ FEED study for Esbjerg progressing well, also preparing the Amsterdam and Antwerp studies
- ✓ Launched the first campaign to recruit new colleagues – planning to hire a total of 50-60 persons to our Norwegian headquarter
- ✓ Organic growth – and selectively pursuing opportunities to strengthen our leading position
- ✓ Securing and developing Intellectual Property



www.quantafuel.com

IR@quantafuel.com