Accelerating the transition to a carbon negative future

FEARNLEY RENEWABLE & CLEAN-TECH CONFERENCE, 30 NOVEMBER 2022

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Ready-to-scale carbon capture solutions

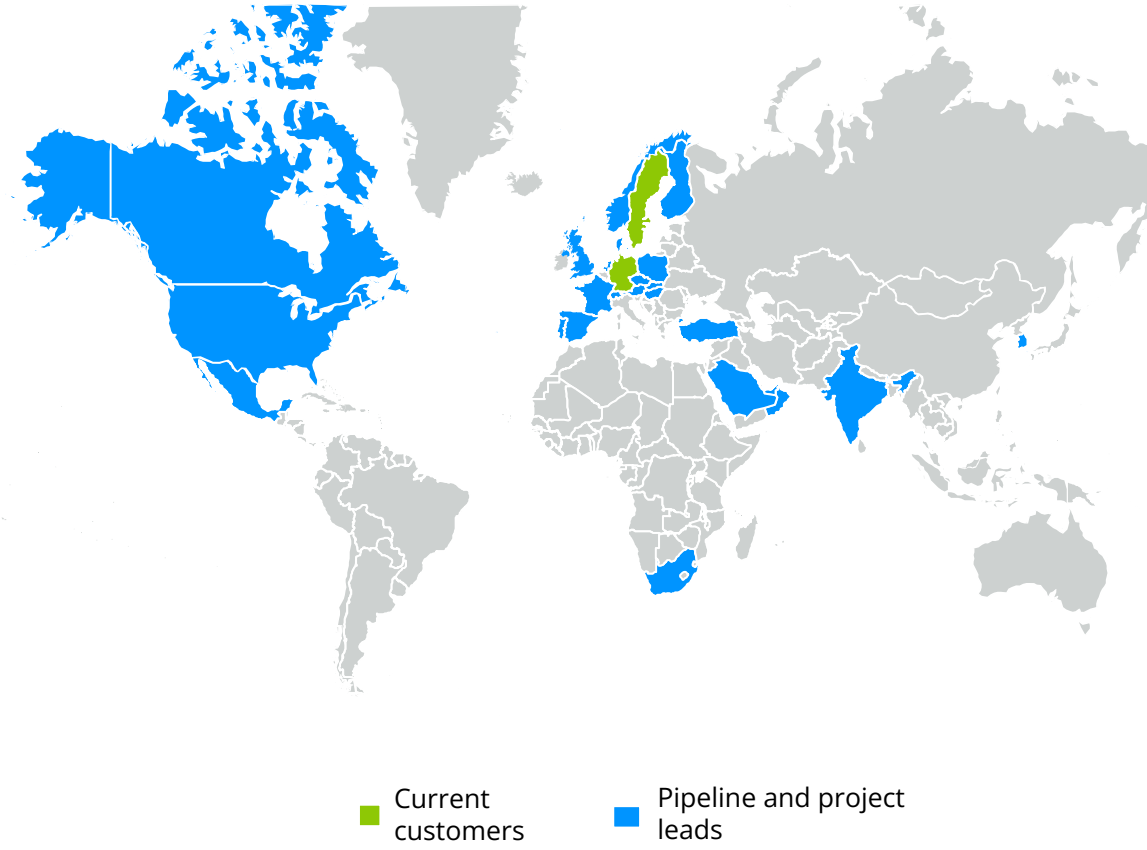
A safe and cost-effective carbon capture technology developed and commercialised since 2003

Our solutions are licensed out, either directly to customers or through global distribution partners

The process is based on a potassium carbonate solvent and applicable to all CO_2-intensive industries

Key target segments are cement, biomass, energy-from-waste, power generation and industrial plants

Listed on Euronext, market cap of NOK ~600 million



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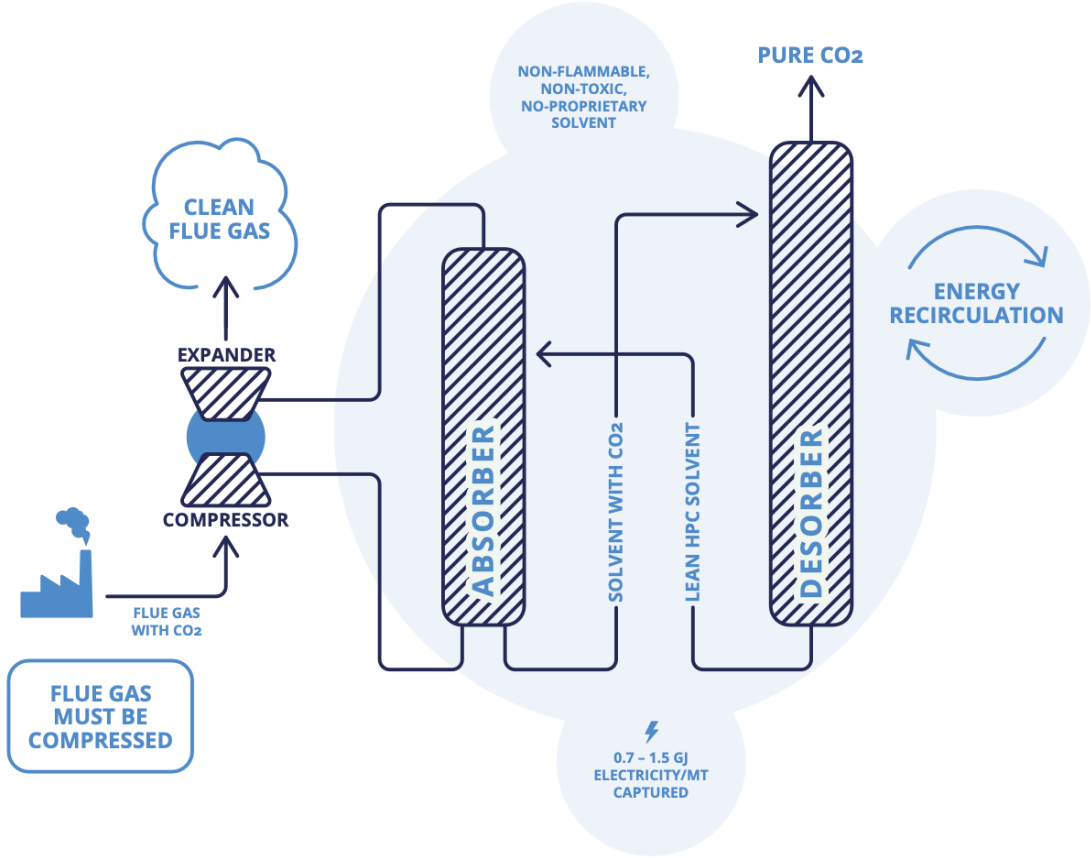
Our capture process is based on reusing energy

Patented heat recuperation process with potassium carbonate

- CO2 Capsol's technologies maximise efficiency of the absorption/desorption process
- Near zero emission to air and no amine degradation products
- The captured carbon dioxide – high-purity CO_2 – can be liquified and further processed

Tested through successful projects and campaigns

- Three pilots completed with 90-95% CO_2 capture efficiency[1]
- Ongoing demonstration campaign with CapsolGo™ at Östersundskraft's energy-from-waste plant in Helsingborg



1): Coal plant in the US, bio plant in Sweden and a Stockholm Exergi plant

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Competitive solutions in an attractive business model

Reduced energy consumption and capture cost

- ~40% lower capture cost vs comparable solutions[1] due to patented energy recuperation reducing energy consumption
- Potassium carbonate is a cheaper solvent compared to amines

Low installation risk and safe operations

- Potassium carbonate as CO_2 solvent used in 750+ industrial plants globally[2]
- Safe and environmentally friendly. No need for shut-downs

Capital light business model with expected greater returns over time

- Technology licensed out globally through leading partners
- Highly scalable, limited capex element and ability to adjust opex vs commercial development

1) Based on company estimates and studies (Swedish Energy Agency report "Conceptual study for Bio-CCS within Stora Enso's Swedish kraft pulp mills" and Sintef report "Reducing the Cost of Carbon Capture in Process Industry"). 2) KH. Smith, N.J. Nicholas, G.W. Stevens (2016), Inorganic salt solutions for post-combustion capture

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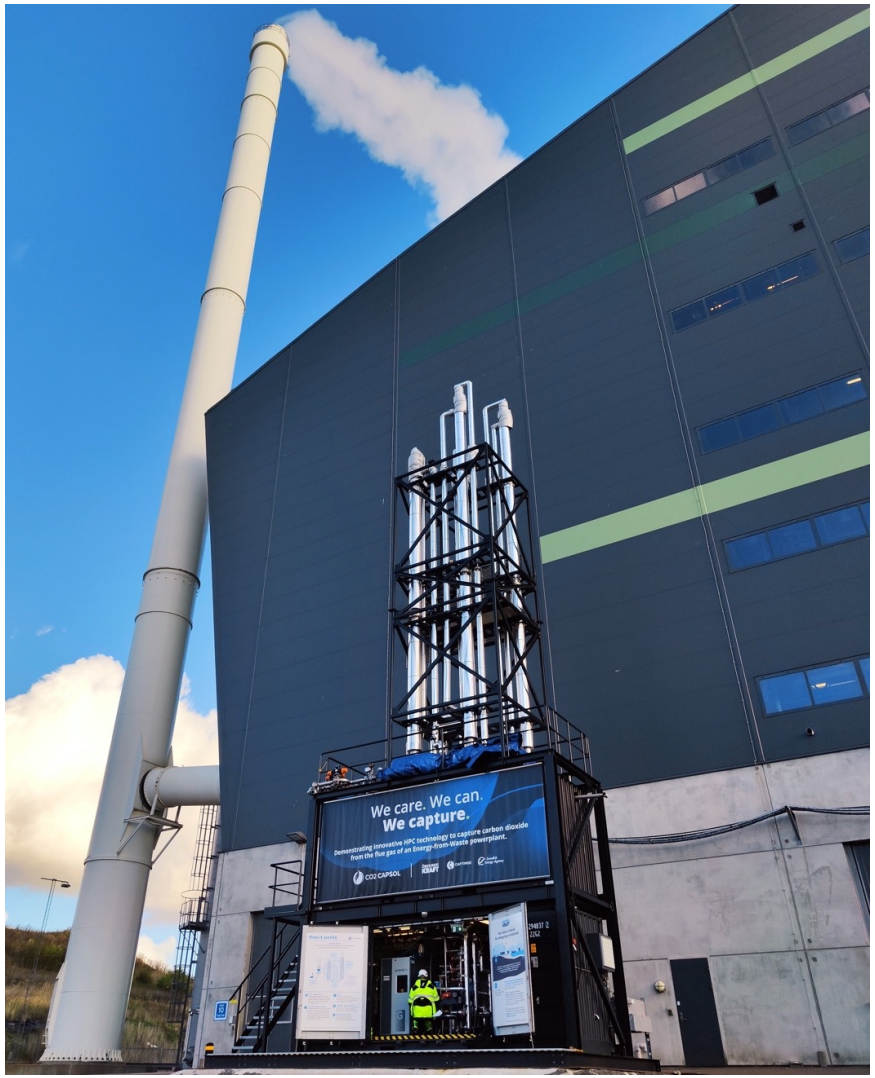
Proven technology gaining traction

- ✓ First large-scale project won: 800,000 tonnes CO_2 per year
- ✓ 1 ongoing CapsolGo™ demonstration campaign
  Full-scale deployment of 210,000 tonnes CO_2 per year
- ✓ Further 2 demonstration campaigns secured for 2023
- ✓ First debt financing secured
- ✓ 50+ active leads totaling 30+ million tonnes of CO_2



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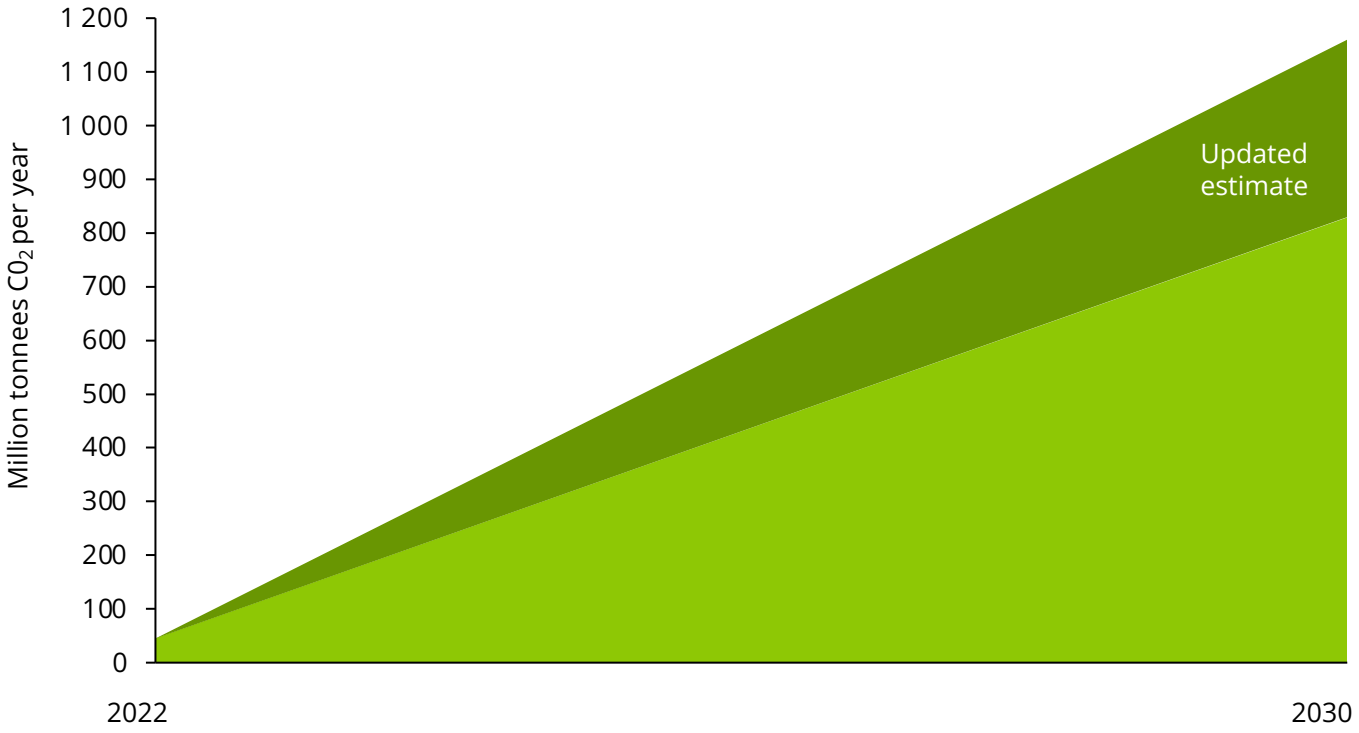
50% annual growth in CO_2 capture required by 2030

CO_2 capture capacity in IEA's net zero emissions scenario



Required 2030-2050

CO_2 capture capacity growth required annually 2030-2050

13%

6,200 million tonnes of CO_2 capture capacity required in 2050

Source: IEA World Energy Outlook 2022

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Building a leading global carbon capture tech provider

Long-term targets

- 5% technology licensing market share
- EUR 7-12/ton per capacity installed
- 40-60% pre-tax profit margin

Illustrative

Addressable market 2030 – in tonnes of CO_2 capture capacity	Technology licensing opportunity 2023-30	Order book potential at 5% market share in the period	Pre-tax profit potential in order book at 50% margin
1,160 million	**EUR 21 billion**	**EUR 1.1 billion**	**EUR 0.5 billion**

Source: IEA World Energy Outlook 2022, company estimates. Note: The estimated licensing opportunity is defined as potential order book based on FID two years prior to start of operations.

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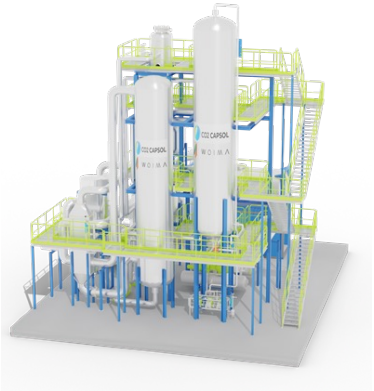
Three main offerings to support all kinds of industries

CapsolGo™ demonstration units

700 tonnes CO_2/year

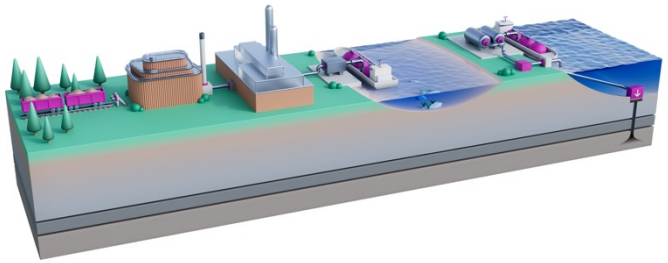
First unit in operation in Sweden. Secured 12-month contract for second unit to biomass and energy-from-waste projects in Germany from January 2023



Small-scale

+/- 100,000 tonnes CO_2/year

MoU for small-scale project together with Woima for Westenergy´s waste-to-energy plant in Mustasaari, next to Vaasa, in 2023-35



Large-scale

250,000+ tonnes CO_2/year

First large-scale project won for BECCS (bio-energy carbon capture and storage) project in Sweden (Stockholm Exergi) with final investment decision expected in 2023

CO2 Capsol's target segments are cement, biomass, energy-from-waste (EfW), power generation and large industrial facilities

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Roadmap for establishing a leading market position

Winning initial projects

2022-2023

- 2 mobile demonstration units in operation
- Secured 4 small projects or more
- Secured 2 or more large-scale projects
- Secured key industrial and global commercial partners

Capturing market share

2024-2025

- Additional demonstration units
- Secured 8 small projects or more
- Secured 4 or more large-scale projects
- Consider implementing new business scopes with complementary revenue

Scaling revenue

2026-2030

- Reach 5% market share
- Consider extending scope per project and explore delivery of tailor-made key equipment
- Consider full value chain service together with partners
- Consider financing entity with partners

Build organisation, key partnerships and proof of application

Grow order book and revenue

Grow margin and explore new business models

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Investment highlights

50% annual growth in CO_2 capture capacity required by 2030	• Path to net zero calls for minimum EUR ~21bn of carbon capture technology capex to be sanctioned next eight years • Cement, power generation and chemicals are key drivers
A competitive solution and an attractive business model	• Attractive solution: Proven, safe and ~40% lower capture cost[1] • Capital light business model: Limited risk and expected superior returns
Building a leading global carbon capture tech provider	• Targeting 5% market share, EUR 7-12/ton revenue[2] and 40-60% margin[3] • Based on commercial terms currently being negotiated, CO2 Capsol's current business plan could deliver pre-tax profit of NOK 1 billion+ in 2030
Investing to establish leading position early	• Investing in test units, team and distribution to capture market share early • Test units deployed for proof of application
Experienced management team dedicated to create value	• Management team with 10-40 years energy and industry experience • Dedicated professionals highly incentivized to create shareholder value

Source: IEA estimates, company estimates – Final Investment Decision (FID) 2 years before operations on average. Illustrative PTP (pre-tax profit) potential in 2030 based on midpoint of targets and payment over 3 years from FID. 1) According to Swedish Energy Agency study comparing CO2 Capsol's HPC solution with competing amine solutions. 2) Revenue per installed capacity. 3) Pre-tax profit margin.

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Appendix

Demonstration unit deployed for Öresundskraft

In September 2022, CO2 Capsol´s CapsolGo™ demonstration campaign started. Operation at Öresundskraft's energy-from-waste plant in Helsingborg, Sweden

- The independent test operator will be Captimise and the demonstration campaign is estimated to 4-5 months
- The demonstration project has received funding from the Swedish Energy Agency

Valuable data on effectivity, flexibility and safety

- The campaign will be delivered as a service with a flexible testing and validation program, helping to accelerate the decision processes towards a full-scale carbon capture plant
- In addition, the CapsolGo™ demonstration unit serves as a showcase to stakeholders and helps them to win public approval

Full-scale deployment of 210,000 tonnes of CO_2 per year

"Signing up for a demonstration campaign with the CapsolGo™ HPC carbon capture technology is part of our long-term strategy for sustainable energy production and negative carbon emissions from our production of heat and power." Anders Östlund, CEO of Öresundskraft

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First large-scale project won with Stockholm Exergi

In July 2022, CO2 Capsol signed a license agreement for Europe's first large-scale negative emissions plant with Stockholm Exergi

- Stockholm Exergi provides power, district heating and cooling. Owned 50% by the City of Stockholm and 50% by long-term investors led by APG
- The plant will make Stockholm the first carbon neutral capital of the world and is supported with EUR 180 million from the EU Innovation Fund

CO2 Capsol's technology selected as the preferred solution due to:

- Highly competitive economics
- Ease of CO2 Capsol´s end-of-pipe (EoP) installation
- Proven technology and safety of HPC compared to amines
- Opportunity to recover carbon capture process heat for district heating

Full-scale deployment of 800,000 tonnes of CO_2 per year with operations to begin in 2026

"This project is proof of our scalable technology platform and could accelerate the CCS value chain development across Northern Europe."
CO2 Capsol CEO, Jan Kielland

Note: As a first mover to install CO2 Capsol's proprietary technology, Stockholm Exergi received more favorable terms than CO2 Capsol expects to achieve on following projects. The patent license agreement will generate satisfactory returns with income for the company no later than in 2024, as the full payments will be made when Stockholm Exergi makes the Final Investment Decision (FID) for the carbon capture facility.

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Achieved milestones and near-term targets

Achieved milestones | **Near-term targets**

2003

Conceptual idea and preparation of first patent by Sargas

2008

Successful test at the Värtan power plant in Stockholm

2015

CO2 Capsol was established; taking on patents and technical staff from Sargas

2019

Selected as preferred capture solution for Stockholm biomass power plant pilot

2020

Growing organization on marketing and business development

2021+

Broad global deployment of CO2 Capsol´s technology

- Strong global partnerships
- Building organization and broadening business scope
- First revenue
- Deployment of modular test units

2022

2023

First sanctioning(s) for large scale projects

2024

Positive cash flow from core business model

19 years and NOK ~500m invested in testing and developing a highly competitive and patented market ready carbon capture solution

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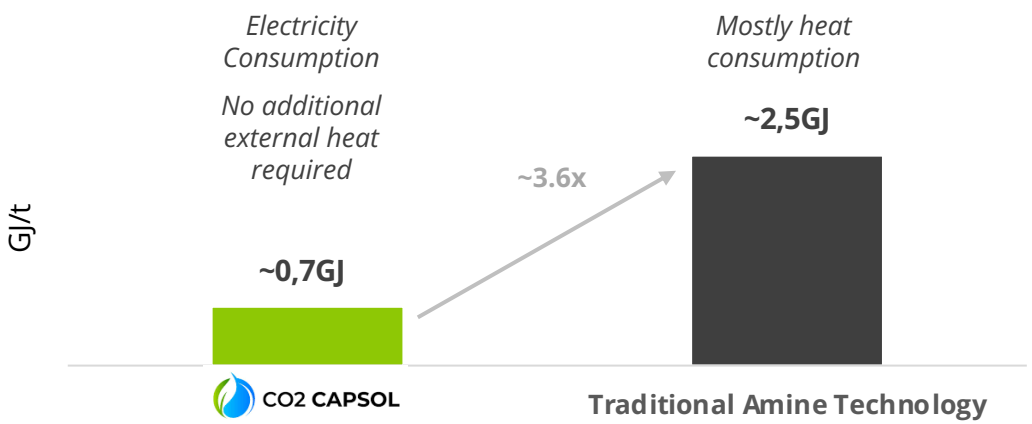
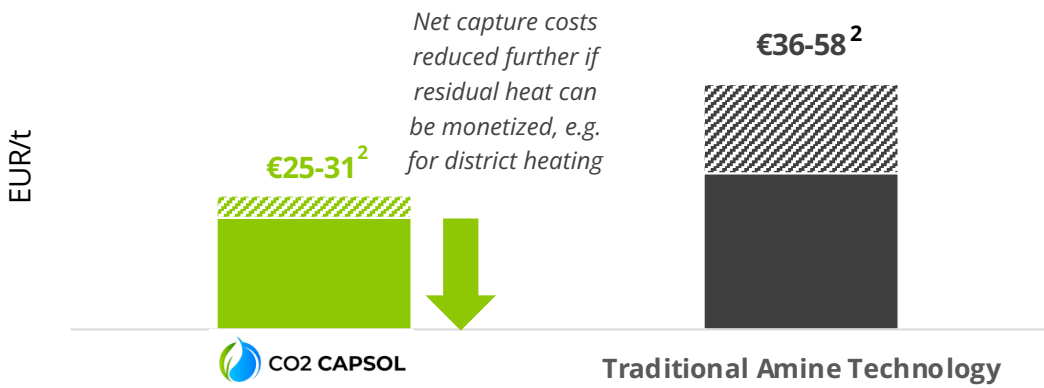
Leading on energy consumption and capture cost

Lower energy consumption [1] and...



...~40% lower capture cost than traditional amine technology



1) Capture only – excludes liquefaction. 2) Based on company estimates and studies (Swedish Energy Agency report "Conceptual study for Bio-CCS within Stora Enso's Swedish kraft pulp mills" and Sintef report "Reducing the Cost of Carbon Capture in Process Industry")

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Patents value generation – reuse of energy

HPC

Hot potassium carbonate widely used to capture CO_2 in post combustion processes due to safe handling and proven operation

However, regarded as **energy demanding** and costly due to the need to pressurize the flue gas for the chemical reaction between HPC and CO_2 to be effective), and hence often disregarded as an economic carbon capture solution

Patented Technology

Capsol EoP is a HPC technology that **recuperates most of the energy** in the process, making it very energy efficient and hence cost competitive

CO2 Capsol's proprietary technology takes HPC from "safe and proven" to **"safe, proven, and cost effective" due to the re-use of energy within the system**

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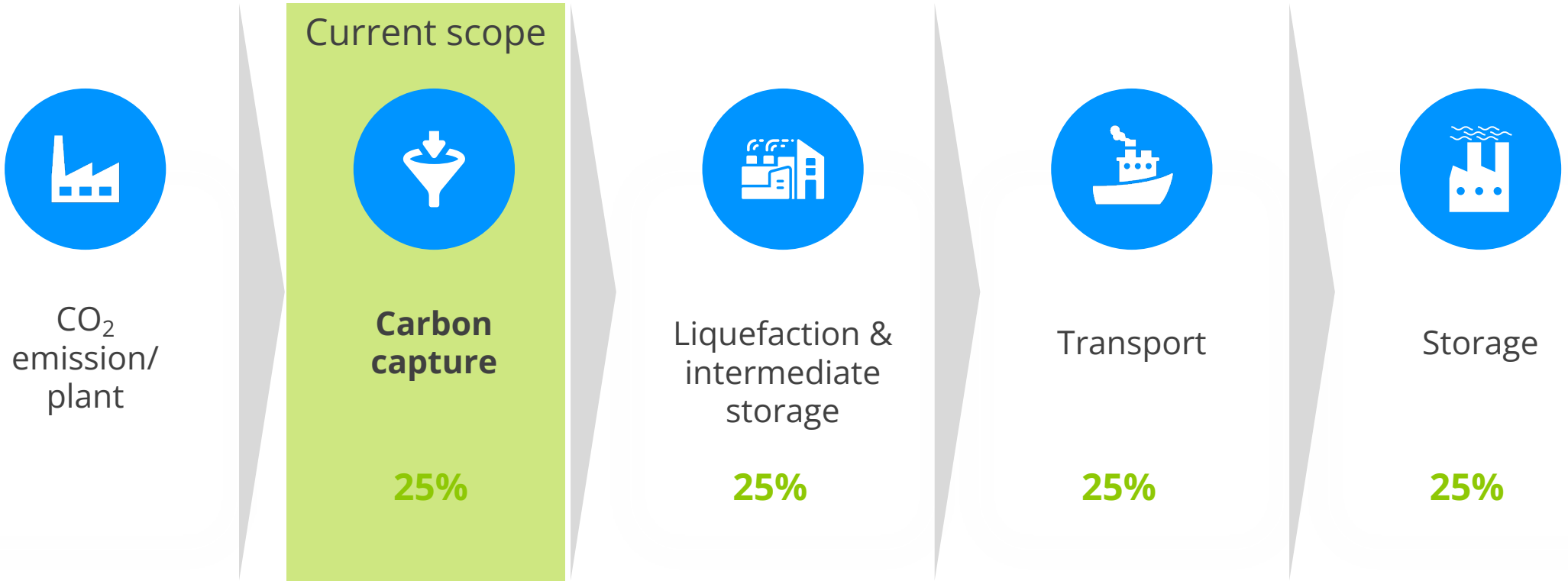
Carbon capture and storage value chain



Full-cycle capture cost estimated to EUR 25-30 per ton with CO2 Capsol's solution

Source: Company information. Note: Percentages are meant to illustrate the relative difference in cost (on a general basis) in the carbon capture and storage value chain. Will differ from project to project.

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Continuously expanding patent portfolio

Patent family 1: Low emission thermal powerplant

Patent family 2: Combined storage solution for natural gas and CO2

Patent family 3: Method and plant for transport of rich gas

Patent family 4: Thermal power plant with CO2 sequestration

Patent family 5: Purification of flue gas from marine diesel engines

Patent family 6: Oil sand production without CO2 emission

Patent family 7: Heat integration in CO2 capture

Patent family 8: Method and plant for CO2 capture

Patent family 9: Heat recovery for CO2 capture (pending)

Patent family 10: Method and plant for CO2 capture from a district heating plant (pending)

Patent family 11: Energy integration of CO2-capture with a powerplant (pending)

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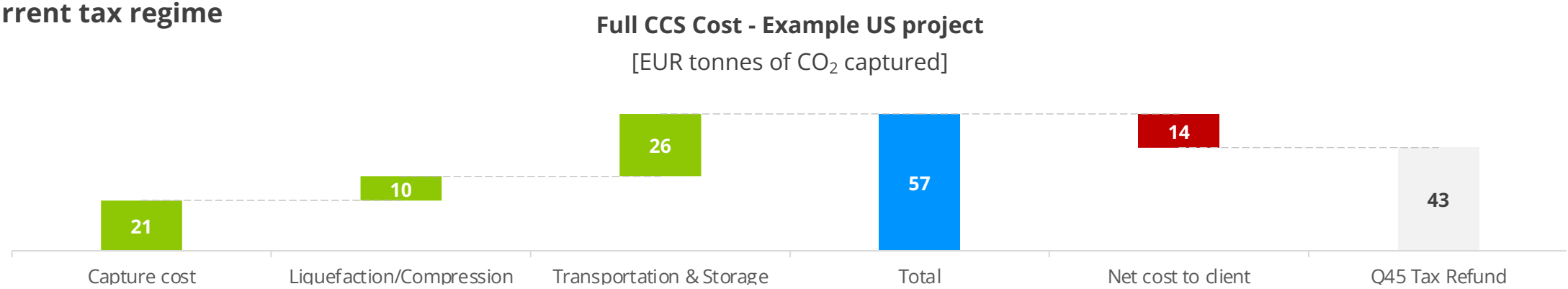
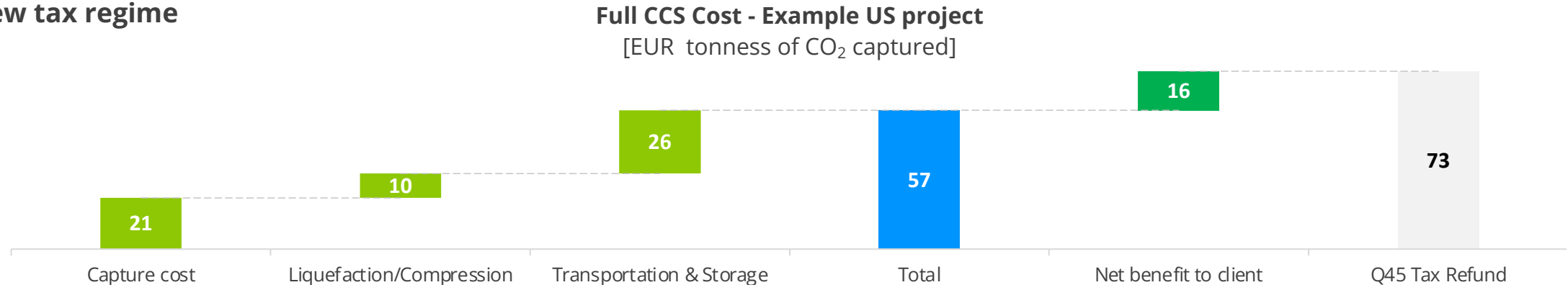
New US tax regime is turning capture into a benefit

Current tax regime



New tax regime



Current €14/ton all-in net capture cost can be changed to € 16/ton economic benefit under new US Tax Regime

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An active approach to identifying and mitigating risks

Key risk factors	Mitigating actions
Small player	• Licensing model highly scalable with limited resources • Partnering with big global players to greatly extend reach, capacity and capability • A clear strategic roadmap for organic growth and opportunistic approach to inorganic growth • Highly capable and incentivised team
Competitors developing better technologies	• Prove cost competitiveness and continue to implement learnings from executed projects • Sound strategy and routines for patent protection implemented, continue to invest in R&D • Consider to establish projects with long cash flows • Opportunistic approach to acquiring promising new technologies

Annual review to identify risk factors and implementing mitigating actions overseen by the board of directors

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