



Circa Group to present at Cleantech Seminar

Circa Group, a company owned 27.7% by Norske Skog, will present their unique biochemical technology at the virtual Oslo Børs and Pareto Securities' Cleantech Seminar today at 12:20 to 12:40 CET. Circa Group is an Australian-based biochemistry company converting waste biomass into advanced biochemicals through its patented Furacell process. Its unique product portfolio is experiencing significant attention in the industry as fossil and toxic chemicals are being replaced with biochemicals at an ever-increasing speed.

In a consortium with ten partners, Circa Group has established the "ReSolute" project which aims to build a first-of-its-kind industrial plant for the production of green biochemicals with annual capacity of 1,000 tonnes. The ReSolute project has been recognised as an EU Flagship project, and it has recently received a EUR 11.6 million grant from the EU funding programme for research and innovation, Horizon 2020. In second quarter 2020, Norske Skog increased, subject to FIRB approval (foreign investment review board in Australia), its ownership stake in Circa Group from 10.0% to 27.7%.

"Norske Skog has worked closely with Circa Group since 2015, when we joined forces to build a 50 tonnes pilot plant at our Boyer mill in Tasmania, Australia. At the end of Q2 2020, we significantly increased our position in order to support Circa Group during the coming scale-up phase. Receiving the EU grant is a key milestone for the company, and we are very excited to follow the company going forward," says Norske Skog Chief Executive Officer Sven Ombudstvedt.

"We started developing our proprietary Levoglucosenone (LGO) production process, the Furacell process, more than 10 years ago in an effort to discover high value uses for waste biomass. LGO is a uniquely bio-privileged platform chemical that can be used for sustainable and high quality production of medicines, electronics, polymers and much more. Cyrene is one of the LGO derivatives that is receiving significant commercial attention, and this biochemical forms the basis for the ReSolute project," says Circa Group Chief Executive Officer Tony Duncan.

The ReSolute project is addressing the need for bio-based, higher-performing and safer chemicals in Europe. By converting wood biomass, mainly sawdust, into Cyrene, a novel, non-toxic and biodegradable solvent with wide application potential, the project will have a positive environmental impact. Circa was first able to successfully produce Cyrene at lab-scale back in 2009 together with the University of York. Since then, Circa has worked to scale the production from a few grams to several tonnes through five pilot plants. In parallel, Circa has worked closely with universities, research agencies and multi-national companies to develop the commercial market. The ReSolute project will take place in France, and draws on more than a decade of technical and commercial experience globally.

"The ReSolute project marks the culmination of both our ability to scale production successfully and the commercial interest for industrial scale volumes. To receive funding through the Horizon 2020 programme is very difficult, so the recognition by the EU to support the project is a highly appreciated milestone," says Tony Duncan.

The Cleantech Seminar can be registered for and accessed through Oslo Børs and Pareto Securities' websites.

About Norske Skog

Norske Skog is a world leading producer of publication paper with strong market positions and customer relations in Europe and Australasia. The Norske Skog Group operates four mills in Europe of which two will produce recycled containerboard following planned conversion projects. In addition, the Group operates two publication paper mills and a pellets facility in Australasia. Norske Skog aims to further diversify its operations and continue its transformation into a growing and high-margin business through a range of promising fibre projects. The Group has

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approximately 2,300 employees in five countries, is headquartered in Norway and listed on the Oslo Stock Exchange under the ticker NSKOG.

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