



FREYR Battery Begins Preparatory Work in Vaasa, Finland

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NEW YORK & OSLO, Norway & LUXEMBOURG & VAASA, Finland--(BUSINESS WIRE)-- FREYR Battery (NYSE: FREY) ("FREYR"), a developer of clean, next-generation battery cell production capacity, has signed an agreement with the City of Vaasa, Finland, for the temporary lease of 130 hectares (1,300,000 m²) of land in the GigaVaasa area. This plot is the future site of FREYR's planned battery cell production plant and part of the company's [strategic collaboration](#) with the City of Vaasa to develop industrial scale battery technology and production in the country.

In 2021, FREYR signed a non-binding memorandum of understanding ("MoU") with the City of Vaasa, providing FREYR with an exclusive right to a site for a potential battery cell plant with the aim to explore opportunities for joint site-development to accelerate supply of clean batteries in Finland. The temporary land lease agreement of the Vaasa plot is 40 hectares larger than the area FREYR reserved in the initial MoU, to increase the company's efforts to accelerate supply to meet the expected increasing demand for localized and decarbonized battery solutions.

The agreement now enables FREYR to begin soil investigation and preparatory work as a prelude to potential construction. The lease is valid from May 1, 2022, until December 31, 2023, with the option for a one-year extension.

"This lease grants us use of 1.3 million square meters of space in Vaasa, an area that we have previously identified as ideal for our future planned Gigafactory in Finland. There is an ample supply of affordable, renewable energy in this region and convenient proximity to raw materials. That, combined with the country's highly competent workforce, makes this land lease an important step on the path to potential development," said Axel Thorsdal, Senior Vice President, Project Development at FREYR.

Mayor of Vaasa, Tomas Häyry, shared his perspectives on the contract and the ongoing planning efforts. "We are developing the GigaVaasa area and the battery value chain in stages, and naturally, the progress of the cell plant project is particularly significant. At the same time, road and rail line connections are being developed in the area."

Prior to this land lease, FREYR commenced an [Environmental Impact Assessment \(EIA\)](#) for its Vaasa project. The EIA is an essential step towards understanding the impact that the proposed factory may have on the local environment. The target is to conclude the assessment procedure before the end of 2022 with a subsequent potential investment decision in Finland's first Gigawatt hour scale battery cell facility.

"With this agreement, we can now begin the work to clear routes for our ground investigations, which include assessing the soil and the local environment, prior to any potential construction. This is a critical step in our battery development strategy in Finland," Thorsdal adds.

About FREYR Battery

FREYR Battery aims to provide industrial scale clean battery solutions to reduce global emissions. Listed on the New York Stock Exchange, FREYR's mission is to produce green battery cells to accelerate the decarbonization of energy and transportation systems globally. FREYR has commenced building the first of its planned factories in Mo i Rana, Norway and announced potential development of industrial scale battery cell production in Vaasa, Finland and the United States. FREYR intends to deliver up to 43 GWh of battery cell capacity by 2025 and up to 83 GWh annual capacity by 2028. To learn more about FREYR, please visit www.freyrbattery.com.

Cautionary Statement Concerning Forward-Looking Statements

All statements, other than statements of present or historical fact included in this press release, including, without limitation, statements regarding (i) the development, timeline, capacity and other usefulness of FREYR's planned battery cell production plant, Gigafactory and battery development strategy in Finland and the Vaasa site, (ii) the timeline for FREYR's supply of clean batteries in Finland, (iii) any potential benefits of the Vaasa site for FREYR, including its ample supply of affordable, renewable energy and convenient proximity to raw materials and (iv) any potential benefits of FREYR's battery development strategy in Finland are forward-looking and involve significant risks and uncertainties that could cause the actual results to differ materially from the expected results.

Most of these factors are outside FREYR's control and difficult to predict. Information about factors that could materially affect FREYR is set forth under the "Risk Factors" section in (i) FREYR's Registration Statement on Form S-1 filed with the Securities and Exchange Commission (the "SEC") on August 9, 2021, as amended, (ii) FREYR's annual report on Form 10-K filed with the Securities and Exchange Commission on March 9, 2022 and (iii) in other SEC filings available on the SEC's website at www.sec.gov.

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