Making Earth Green Again

– to foster the prosperity of life

DESERT CONTROL

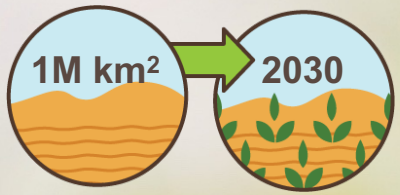
H2 2021 Operational Update

Operational Updates for the second half 2021

Desert Control AS

MAKING EARTH GREEN AGAIN

to foster the prosperity of life



Cultivate and green 1oo Million Hectares of degraded land and desert by 2030

Contribute to sustainable social impact, immense water savings and balanced climate with carbon sequestering

Establish a social impact initiative throughout Sub Sahara by 2025 to reduce poverty and hunger

ABOUT DESERT CONTROL

HIGH-LEVEL COMPANY OVERVIEW | FOCUS AND SOLUTION AREAS

FOCUS

- Desert Control specializes in climate-smart agriculture technology to combat desertification, soil degradation, and water scarcity

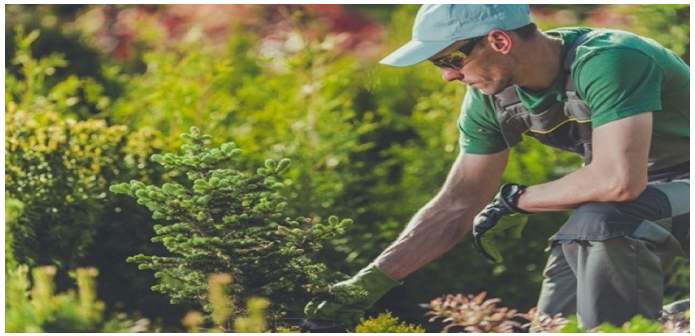
12 million hectares of fertile land perish to desertification and droughts annually

Less than 60 years left for global agriculture if soil degradation continue at current pace

1.8 Billion people will suffer absolute water scarcity by 2025

SOLUTION

- Liquid Natural Clay (LNC) restores and protects soil, reduce water usage, and increase yields; for agriculture, forests, and green landscapes



AGENDA | H2 2022

H2 2021 OPERATIONAL UPDATE | COMPANY PRESENTATION

HIGHLIGHTS AND OUTLOOK

Ole Kristian Sivertsen
Chief Executive Officer

QUESTIONS AND ANSWERS

Q&A

Moderator
Webcast Session

HIGHLIGHTS | H2 2021

FROM START-UP TO SCALE-UP BACKED BY A SOLID FINANCIAL POSITION

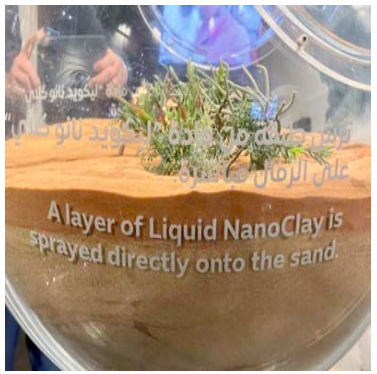
CORPORATE DEVELOPMENT

- Established Desert Control Americas as a wholly owned company in the U.S.
- Hired first employees in the U.S.
- Reached agreement to establish a new sales and distribution company in partnership with Mawarid in the UAE
- Grew the organization 5X (from 10 to 51 employees)

TECHNOLOGY AND OPERATION

- 3X increase in LNC production capacity
- Gained significant experience running the first LNC production cluster
- Operational team for the first cluster are prepared as trainers for new hires to streamline onboarding and ramp-up
- Established new R&D center and innovation lab in Norway
- Started building first LNC unit in the U.S.

COMMERCIAL AND MARKET



- Successfully executed stage two of the MoU with Abu Dhabi based Mawarid Holding Investment
- Ready for commercialization in the UAE
- Gained global awareness at EXPO 2020
- Concluded final agreement with the University of Arizona for the first pilot on American soil (launching in Q1 2022)
- Identified multiple leads in the U.S.

EXPANSION TO THE U.S.

CALIFORNIA, ARIZONA, NEVADA, AND NEW MEXICO AS INITIAL TARGET MARKET

THE MAWARID DESERT CONTROL PARTNERSHIP

STRATEGIC PARTNERSHIP IN THE MIDDLE EAST

THE MAWARID DESERT CONTROL PARTNERSHIP

STRATEGIC PARTNERSHIP TO SERVE THE ENTIRE UAE MARKET AND WIDER MIDDLE-EAST, NORTH AFRICA REGION

ABOUT MAWARID

- Manage agriculture, forests, green landscapes and natural resources on large scale
  - 11,000 employees
  - 3,000 vehicles, specialty equipment, and machinery for their forest management and agriculture operation which includes;
  - 200,000 hectares of cultivated land and areas of nature conservation
  - 160,000 km of irrigation pipelines
  - 438 forests
  - 13 million forest trees
  - 630,000 date palms
  - 80 private farms and 30 organic farms
  - A range of nurseries with a combined capacity of 25 million seedlings per year
- Mawarid is dedicated to strategic initiatives for national food security, climate resilience, and sustainability in the UAE and MENA region

موارد القابضة
MAWARID HOLDING

براري للموارد الطبيعية
BARARI NATURAL RESOURCES

موارد للخدمات
Mawarid Services

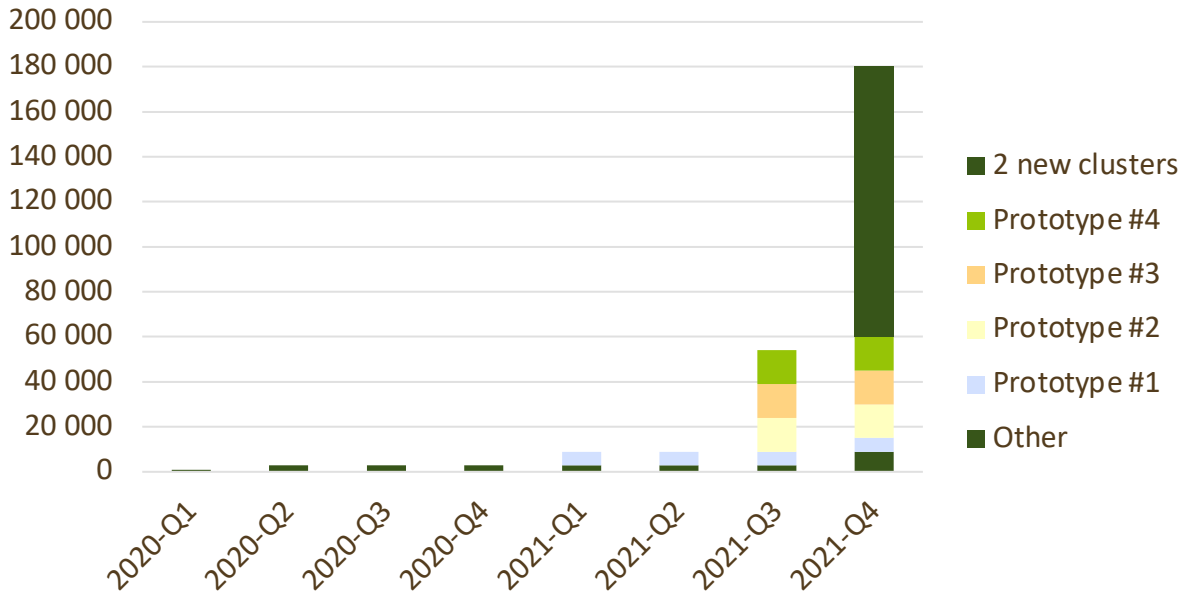
TECHNOLOGY AND OPERATION

3X INCREASE IN LNC PRODUCTION CAPACITY

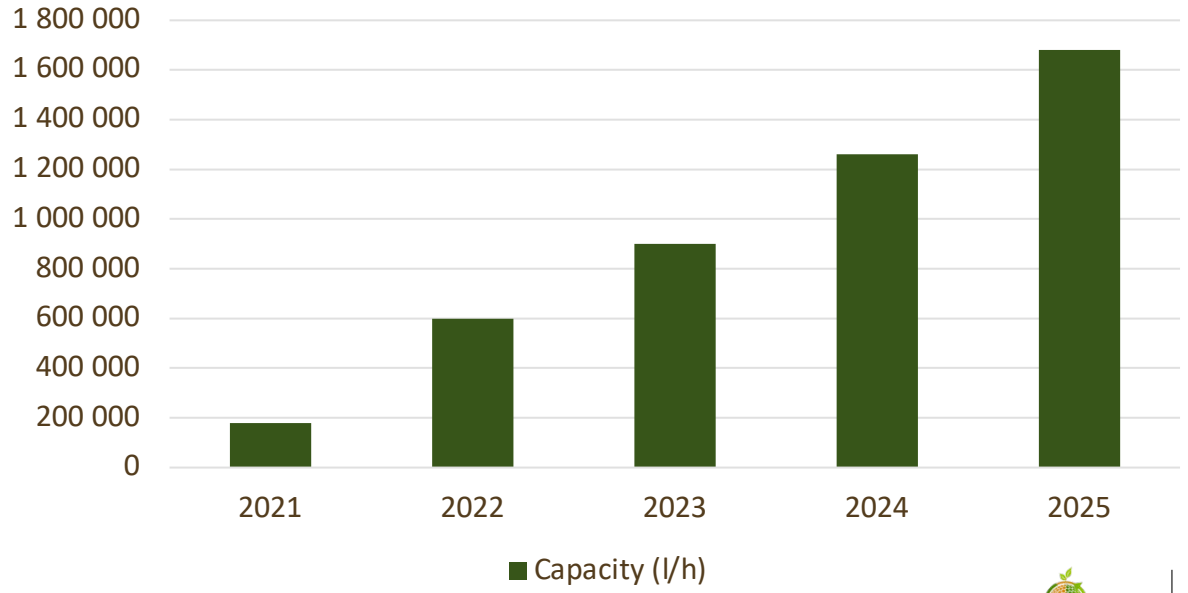
DEFINITIONS

- **LNC production unit:** mobile factory for in-situ LNC production
- **Cluster:** 4 units
- **Capacities:**
  - 15,000 l/h per unit
  - 60,000 l/h per cluster

PRODUCTION CAPACITY DEVELOPMENT



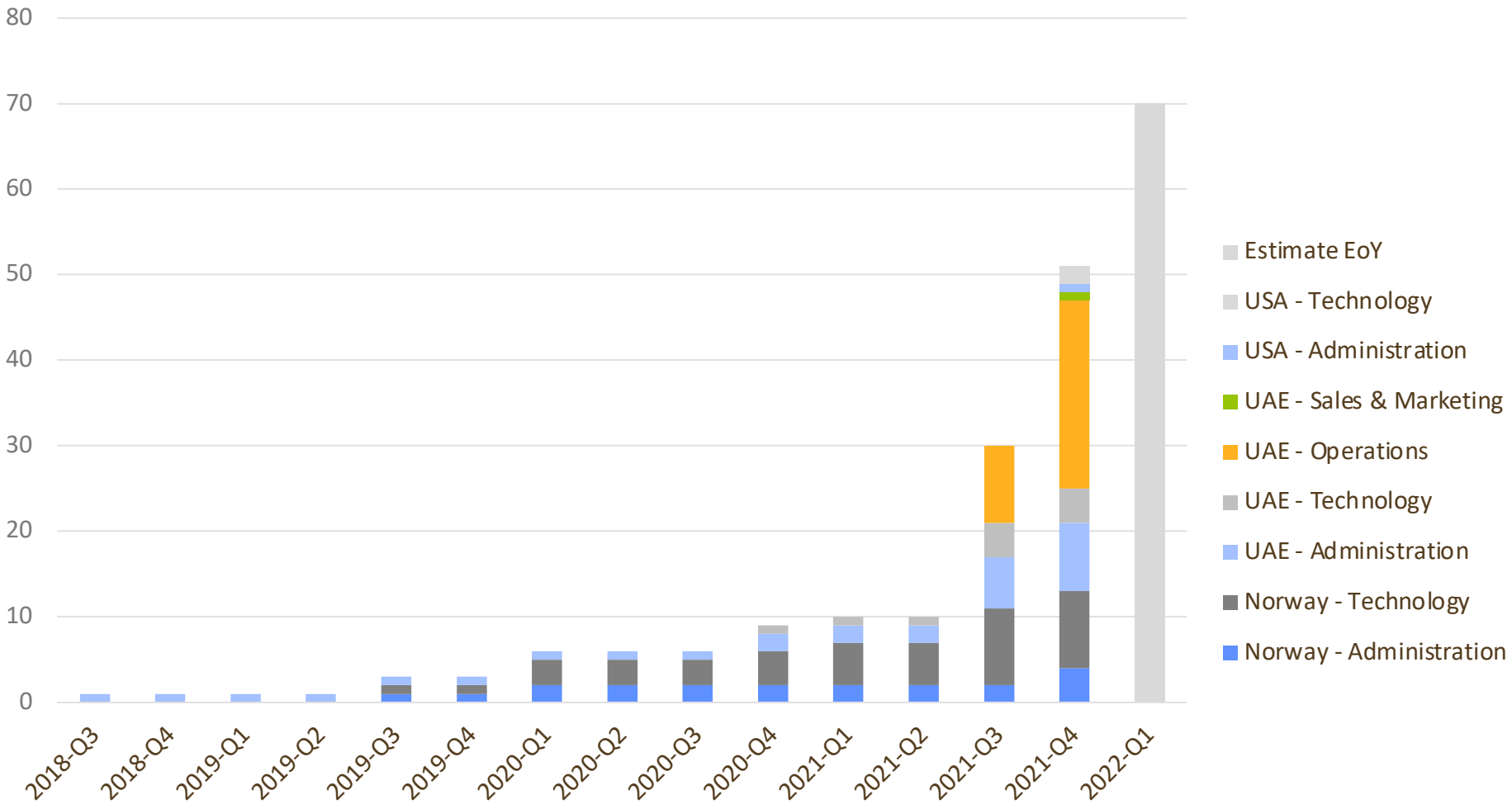
PRODUCTION CAPACITY FORECAST (EOY)



ORGANIZATIONAL DEVELOPMENT | H2 2021

5X GROWTH OF THE ORGANIZATION

FTE DEVELOPMENT



NEW R&D CENTER IN NORWAY

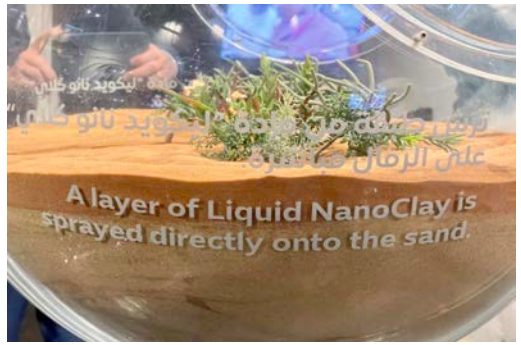
THE CENTER WILL SERVE AS THE COMPANY'S GLOBAL INNOVATION LAB

EXPO 2020 HIGHLIGHTS

DUBAI, UNITED ARAB EMIRATES, 1 OCTOBER 2021 – 31 MARCH 2022

DESERT CONTROL AT EXPO 2020

- Desert Control is featured at the “Good Place Pavilion” in the Opportunity District
- The “Plantar Project” is a specific landscaping plot in the “Good Place Pavilion” allocated to Desert Control for LNC application showcasing
- Demos with LNC kits featured at the Sustainability Pavilion for the full six months of EXPO 2020
- Desert Control is one of 140 selected Global Innovators
- Significant leads and opportunities as well as global awareness



OUTLOOK | FOCUS AND AMBITIONS FOR H1 2022

CONTINUED OPERATIONAL SCALE-UP TARGETING FULL-SCALE COMMERCIALIZATION IN 2022

KEY OBJECTIVES FOR THE FIRST HALF INCLUDE:

- **Successfully establish the new sales and distribution company in partnership with Mawarid**
- **Convert pilots and strategic opportunities in the UAE into commercial contracts**
- **Complete the first pilot projects on American soil in collaboration with the University of Arizona**
- **Launch additional LNC collaboration initiatives with Universities in the U.S. and execute the first paid pilots**
- **Continue increasing production capacity aligned with business plan and market demand**
- **Strengthen Desert Control's corporate leadership by attracting a world-class Chief Commercial Officer and Chief Operations Officer**
- **Build organizational capabilities to support the next stage of full-scale commercialization**

AGENDA | H1 2021

H1 2021 REPORT AND FINANCIAL RESULTS | COMPANY PRESENTATION

HIGHLIGHTS AND OUTLOOK

Ole Kristian Sivertsen
Chief Executive Officer

QUESTIONS AND ANSWERS

Q&A

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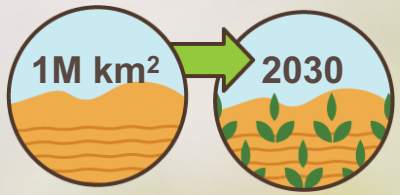
MAKING EARTH GREEN AGAIN

to foster the prosperity of life



Cultivate and green 1oo Million Hectares of degraded land and desert by 2030

Contribute to sustainable social impact, immense water savings and balanced climate with carbon sequestering

Establish a social impact initiative throughout Sub Sahara by 2025 to reduce poverty and hunger

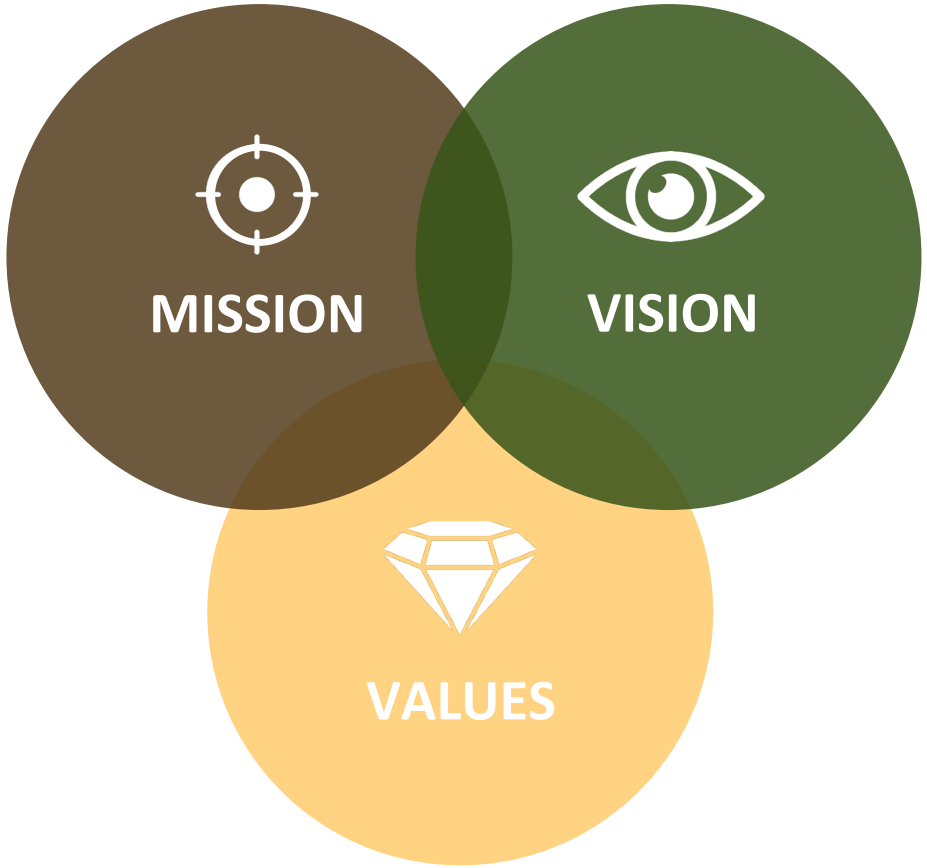
DESERT CONTROL
COMPANY PRESENTATION

VISION, MISSION & VALUES

OUR PURPOSE | THE REASON WHY WE EXIST AND OUR VALUES

OUR MISSION

- Our mission is to combat desertification, land degradation, and water scarcity
  - Restore and protect vital topsoil
  - Make desert land fertile and arable
  - Reduce water consumption
- To foster climate resilient agriculture, forestry, and green landscapes



OUR VISION

- Our vision is making earth green again
  - Desertification, loss of fertile soil, and growing water scarcity are threats to all life on earth, further accelerated by climate change and overexploitation of natural resources
- What drives us is making earth green again to foster the prosperity of life

Leadership
Inspirational pro-active execution

Growth-mindset
Curious and solution oriented

Innovation
Challenge status-quo | create value

Integrity
Keep promises | strong relationships

Contribution
Desire to make everything better

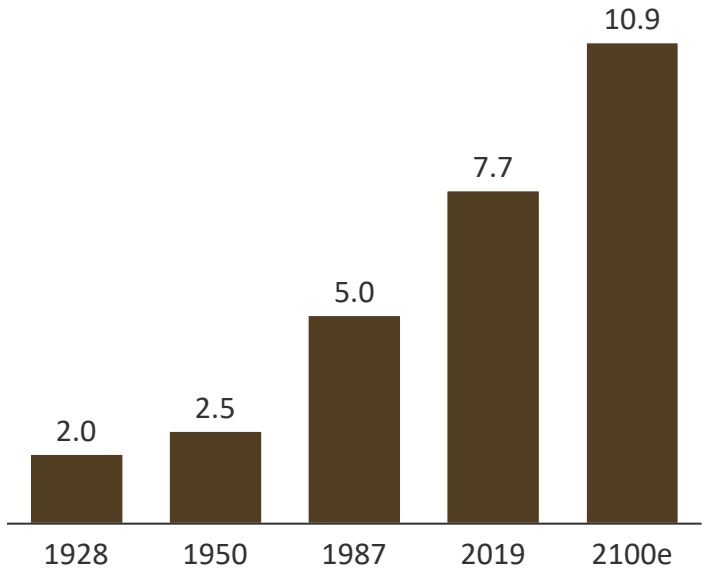
Diversity
Inclusive | open-minded | respectful

POPULATION GROWTH DRIVING INCREASED DEMAND FOR FOOD AND WATER

WATER DEMAND EXPECTED TO EXCEED RELIABLE WATER SUPPLY BY 40% IN 2030

INCREASING POPULATION…

(billion people)



…NEEDS MORE FOOD AND WATER…

Food production required to increase by

60-70%

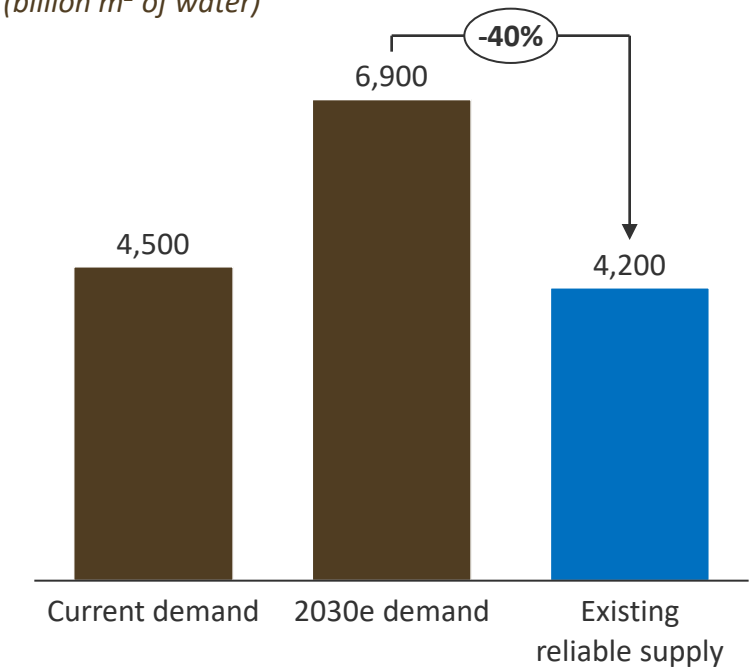
by 2050 and water demand estimated to increase by

50%

to feed the growing population

…WATER SHORTAGE EXPECTED TO BE SUBSTANTIAL

(billion m^2 of water)



By 2025, 1.8 billion people will experience absolute water scarcity, and 2/3 of the world will be living under water-stressed conditions

United Nations Convention to Combat Desertification

Source: Our World Data; Food and Health Organization; Water 2030 Global Water Supply and Demand model; agricultural production based on IFPRI IMPACT-WATER base case

UNITED NATIONS HAS DECLARED DESERTIFICATION AND LAND DEGRADATION THE GREATEST ENVIRONMENTAL CHALLENGE OF OUR TIME

110
Countries exposed to desertification and land degradation

1.3Bn
People trapped on degrading agricultural land

12m
hectares productive land becomes barren every year

20%
Of Earths drylands degraded

52%
Of agricultural land affected by soil degradation

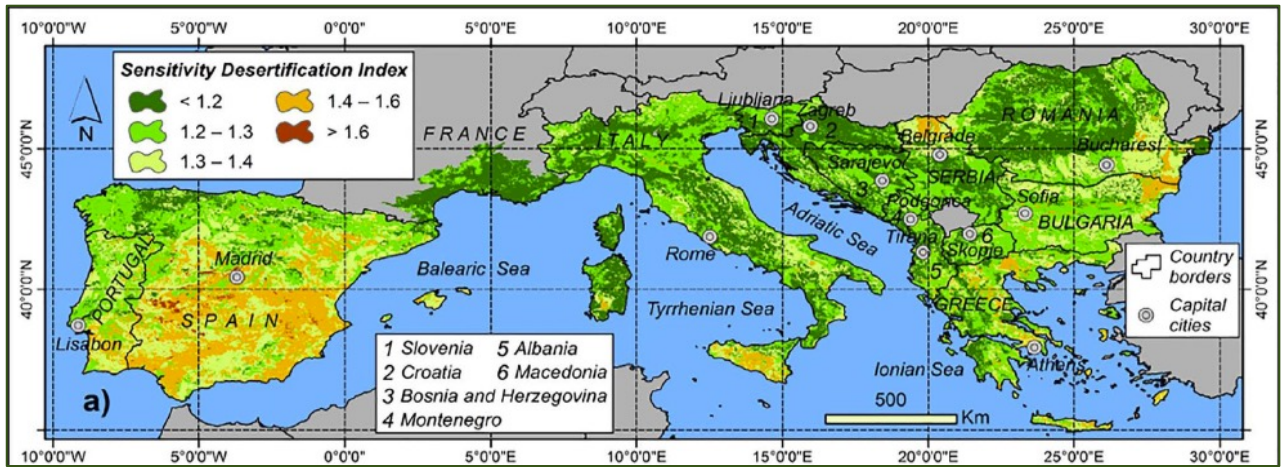
<60 years
Farming left at current degradation rate

$490Bn
annual cost world-wide

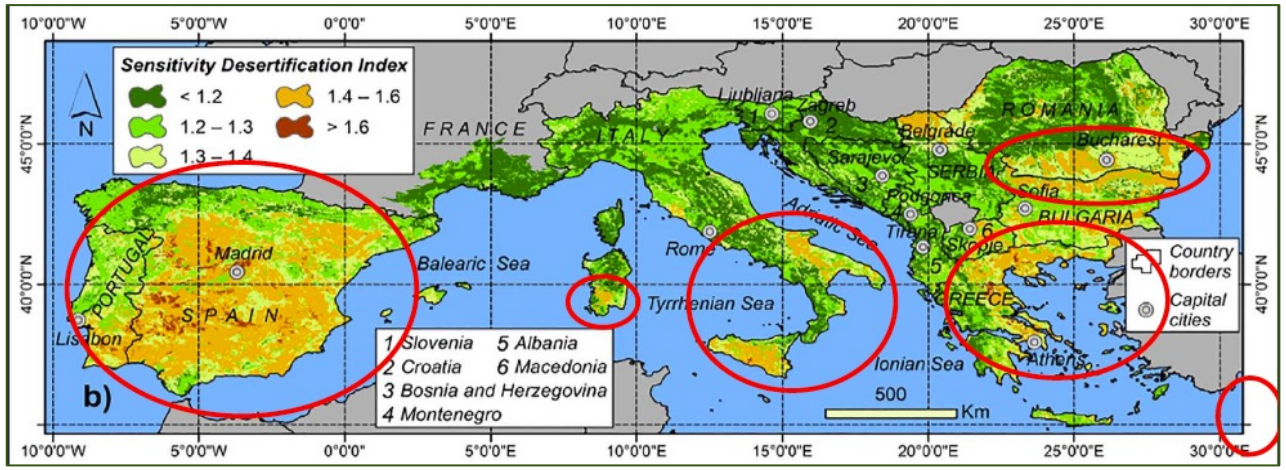
Source: Global Land Outlook, United Nations Convention to Combat Desertification (UNCCD), http://www.sustainabilitylabs.org

PROBLEM – IMPACT WAY BEYOND THE “TRADITIONAL DESERTS”

2008



2017



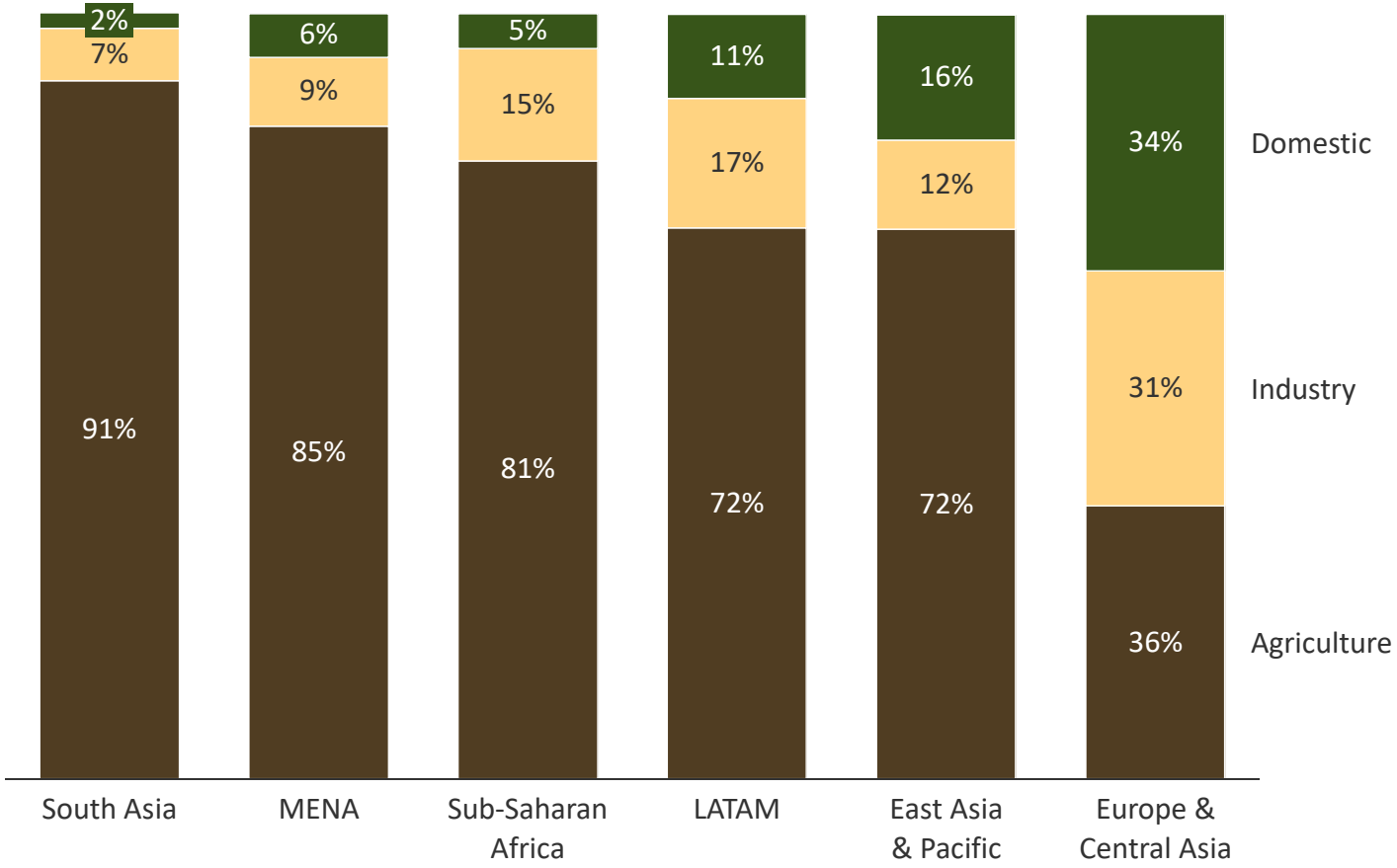
- 59% of territory with a higher or medium sensitivity to desertification
- 74% of territory at risk of desertification
- +50% of mainland at risk of desertification
- 99% of territory vulnerable to desertification

Source: Pravalieet al., Quantification of land degradation sensitivity areas in Southern and Central Southeastern Europe, 2017

70% OF FRESHWATER IN THE WORLD IS USED FOR AGRICULTURE

CURRENT APPROACHES IN AGRICULTURE YIELD LOW WATER EFFICIENCY GAINS

SHARE OF FRESHWATER WITHDRAWLS BY SECTOR (%)



- The shortfall between demand and supply of water is estimated to be 40% by 2030
- Approx. 1/3 of the population will live in areas where the deficit is >50%
- The agriculture industry represents the single largest consumer of water in the world, accounting for ~70% of water withdrawals
  - Water challenges are therefor closely tied to food provisions and trade

1. Water 2030 Global Water Supply and Demand model; agricultural production based on IFPRI IMPACT-WATER base case

DESERT CONTROL'S LNC TREATMENT IS PART OF THE SOLUTION

ENRICHES THE FERTILITY CAPABILITY IN DESERT SAND – LOWER WATER USAGE AND IMPROVED SOIL HEALTH

1. *UNIQUE FORMULATION PROCESS*

Clay is processed into a liquid compound

2. *SPRAY ON*

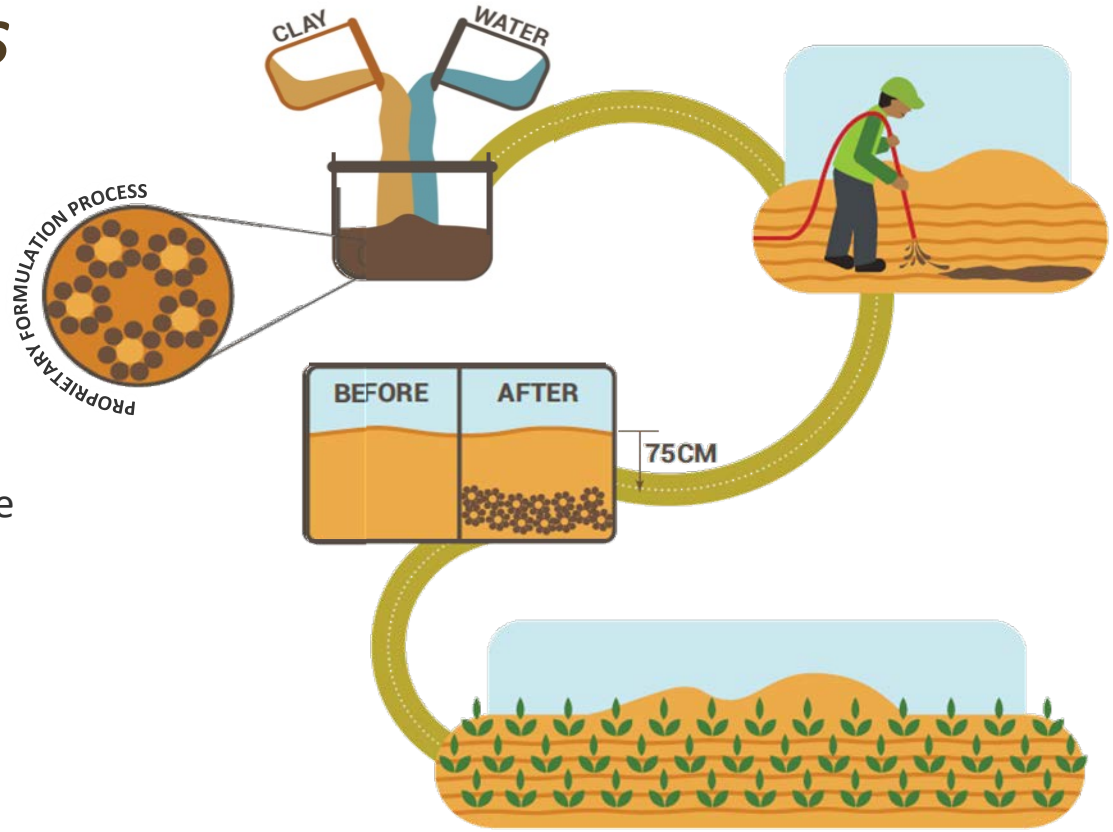
Applied directly to sand or arid soil

3. *EFFECT*

Forms a soil structure that retains water like a sponge

4. *RESULT*

- 20-50% water and fertilizer savings
- Increased crop yields and carbon uptake



PATENTED PROCESS BASED ON 12 YEARS RESEARCH

LIQUID NATURAL CLAY («LNC»)

PREMISE

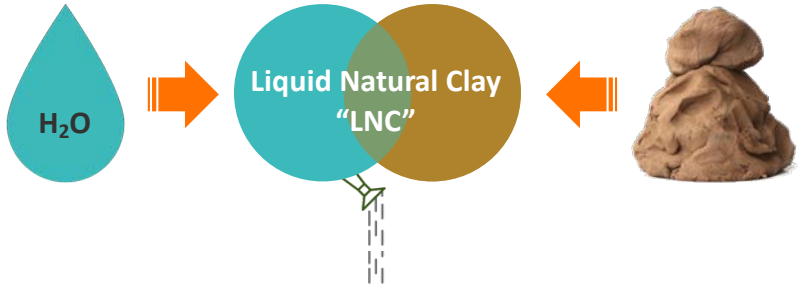
Clay-rich soil retains water effectively and has high resilience to droughts

Working clay into the soil, however, is challenging

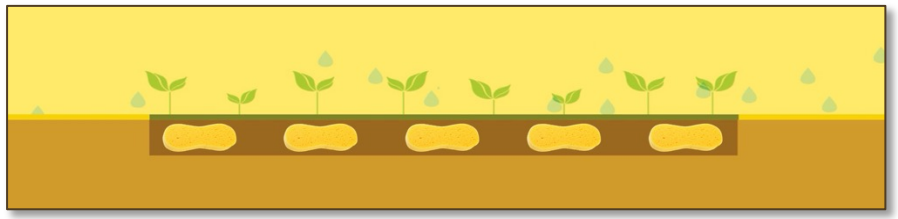
Up to 100 kg of clay needed per m^2

DESERT CONTROL'S PATENTED LNC PROCESS

Natural clay is turned into a liquid nearly as thin as water



Liquid is applied onto the surface, and percolates down to form a soil structure that retains water like a sponge

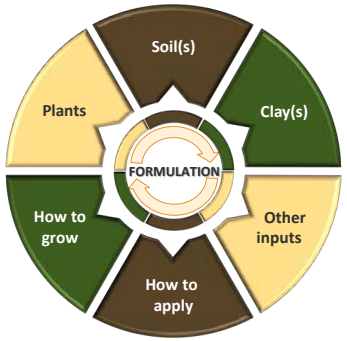


KNOWLEDGE BASED STRATEGY

- Each clay type has unique properties
- Different soils require custom liquid compositions
- Plants have different preferences

LNC is made scalable:

- Automation
- Formulation
- Data Analytics
- AI & Machine Learning



Unique nano-technology reduces the clay consumption from 100 kg to less than 1 kg per m2

UNIQUE PRODUCT OFFERING WITH NO DIRECT COMPETITOR

SUBSTITUTES AND OTHER METHODS FOR SOIL ENHANCEMENT ARE INTRUSIVE, TIME CONSUMING AND COSTLY

DESERT CONTROLS LNC PROCESS IS THE ONLY NON-INTRUSIVE SOIL ENHANCEMENT OPTION

INTRUSIVE
(mechanical/manual intervention)

Solid form soil amendment

VS.

NON-INTRUSIVE
(self-percolating into the soil)

Liquid soil amendment

Intrusive soil enhancement treatments are costly, time consuming and to a large extent less effective

LNC'S ADVANTAGES

- Immense water savings: Up to 50%
- Possible to Spray or Inject
- Uniform Application
- Natural Product
- Applied using existing systems
- Can be applied on existing greenery

x2-3

Returns of 2X – 3X per investment cycle

Up to 5 YEARS

One application lasts up to 5 years

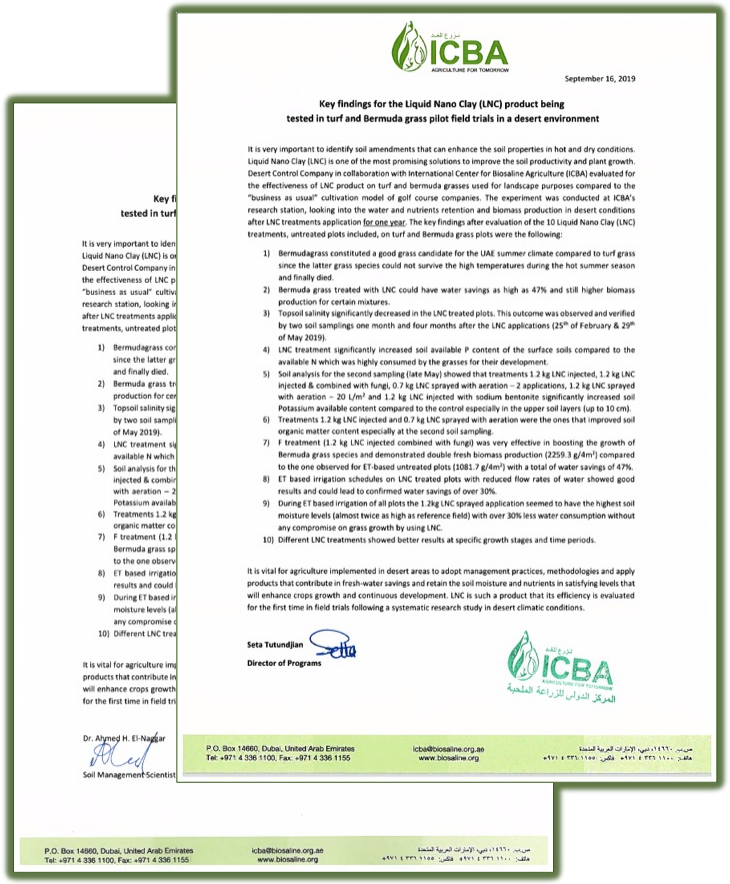
PROVEN, VALIDATED AND PATENTED

MULTI-YEAR FIELD TRIALS

EGYPT - BEFORE AND AFTER APPLICATION OF LNC

UAE, AL AIN AFTER APPLICATION OF LNC

SCIENTIFIC ACCREDITATION BY ICBA



ICBA

September 16, 2019

Key findings for the Liquid Nano Clay (LNC) product being tested in turf and Bermuda grass pilot field trials in a desert environment

It is very important to identify soil amendments that can enhance the soil properties in hot and dry conditions. Liquid Nano Clay (LNC) is one of the most promising solutions to improve the soil productivity and plant growth. Desert Control Company in collaboration with International Center for Biosaline Agriculture (ICBA) evaluated for the effectiveness of LNC product on turf and bermuda grasses used for landscape purposes compared to the "business as usual" cultivation model of golf course companies. The experiment was conducted at ICBA's research station, looking into the water and nutrients retention and biomass production in desert conditions after LNC treatments application for one year. The key findings after evaluation of the 10 Liquid Nano Clay (LNC) treatments, untreated plots included, on turf and Bermuda grass plots were the following:

1) Bermudagrass constituted a good grass candidate for the UAE summer climate compared to turf grass since the latter grass species could not survive the high temperatures during the hot summer season and finally died.
2) Bermuda grass treated with LNC could have water savings as high as 47% and still higher biomass production for certain mixtures.
3) Topsoil salinity significantly decreased in the LNC treated plots. This outcome was observed and verified by two soil samplings one month and four months after the LNC applications (25th of February & 29th of May 2019).
4) LNC treatment significantly increased soil available P content of the surface soils compared to the available N which was highly consumed by the grasses for their development.
5) Soil analysis for the second sampling (late May) showed that treatments 1.2 kg LNC injected, 1.2 kg LNC injected & combined with fungi, 0.7 kg LNC sprayed with aeration – 2 applications, 1.2 kg LNC sprayed with aeration – 20 L/m² and 1.2 kg LNC injected with sodium bentonite significantly increased soil Potassium available content compared to the control especially in the upper soil layers (up to 10 cm).
6) Treatments 1.2 kg LNC injected and 0.7 kg LNC sprayed with aeration were the ones that improved soil organic matter content especially at the second soil sampling.
7) F treatment (1.2 kg LNC injected combined with fungi) was very effective in boosting the growth of Bermuda grass species and demonstrated double fresh biomass production (2259.3 g/4m²) compared to the one observed for ET-based untreated plots (1081.7 g/4m²) with a total of water savings of 47%.
8) ET based irrigation schedules on LNC treated plots with reduced flow rates of water showed good results and could lead to confirmed water savings of over 30%.
9) During ET based irrigation of all plots the 1.2kg LNC sprayed application seemed to have the highest soil moisture levels (almost twice as high as reference field) with over 30% less water consumption without any compromise on grass growth by using LNC.
10) Different LNC treatments showed better results at specific growth stages and time periods.

It is vital for agriculture implemented in desert areas to adopt management practices, methodologies and apply products that contribute in fresh-water savings and retain the soil moisture and nutrients in satisfying levels that will enhance crops growth and continuous development. LNC is such a product that its efficiency is evaluated for the first time in field trials following a systematic research study in desert climatic conditions.

Seta Tutundjian
Director of Programs

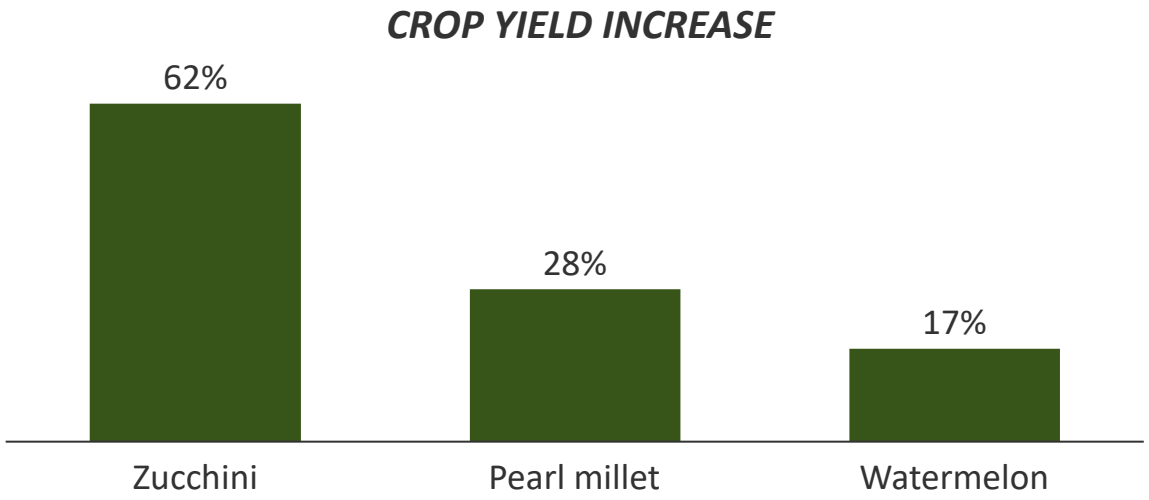
ICBA
المركز الدولي للزراعة الملحية

P.O. Box 14660, Dubai, United Arab Emirates
Tel: +971 4 336 1100, Fax: +971 4 336 1155
icba@biosaline.org.ae
www.biosaline.org

Source: International Center for Biosaline Agriculture; https://www.biosaline.org

THE RESULTS – UAE DESERT EXAMPLE

- ✓ *Less than 1kg of clay per m^2*
- ✓ *Water and fertilizer savings (20-50%)*
- ✓ *Increased crop yields (17-62%)*
- ✓ *Improved soil, biodiversity, and carbon uptake*



LNC IDENTIFIED AS A POTENTIAL IMPACT SOLUTION BY THE UNITED NATIONS

THE GREATEST CHALLENGE OF OUR TIME: THE GREAT GREEN WALL

RECEIVED OVER $14 BILLION IN DONATIONS TO REGREEN THE SAHEL – WORLD BANK AMONG DONORS

- RESTORE **100 MILLION HECTARES** OF DEGRADED LAND
- SEQUESTER **250 MILLION TONNES** OF CARBON
- CREATE **>10 MILLION GREEN JOBS** IN RURAL AREAS

DESERT CONTROL

+

AFRICAN UNION

FAO

gef

Liberté • Égalité • Fraternité
RÉPUBLIQUE FRANÇAISE

IUCN
INTERNATIONAL UNION FOR CONSERVATION OF NATURE (IUCN-PACO)

The World Bank

CILSS
PERMANENT INTER-STATE COMMITTEE FOR DROUGHT CONTROL IN THE SAHEL

EUROPEAN UNION

Royal Botanic Gardens Kew

SAHARA AND SAHEL OBSERVATORY

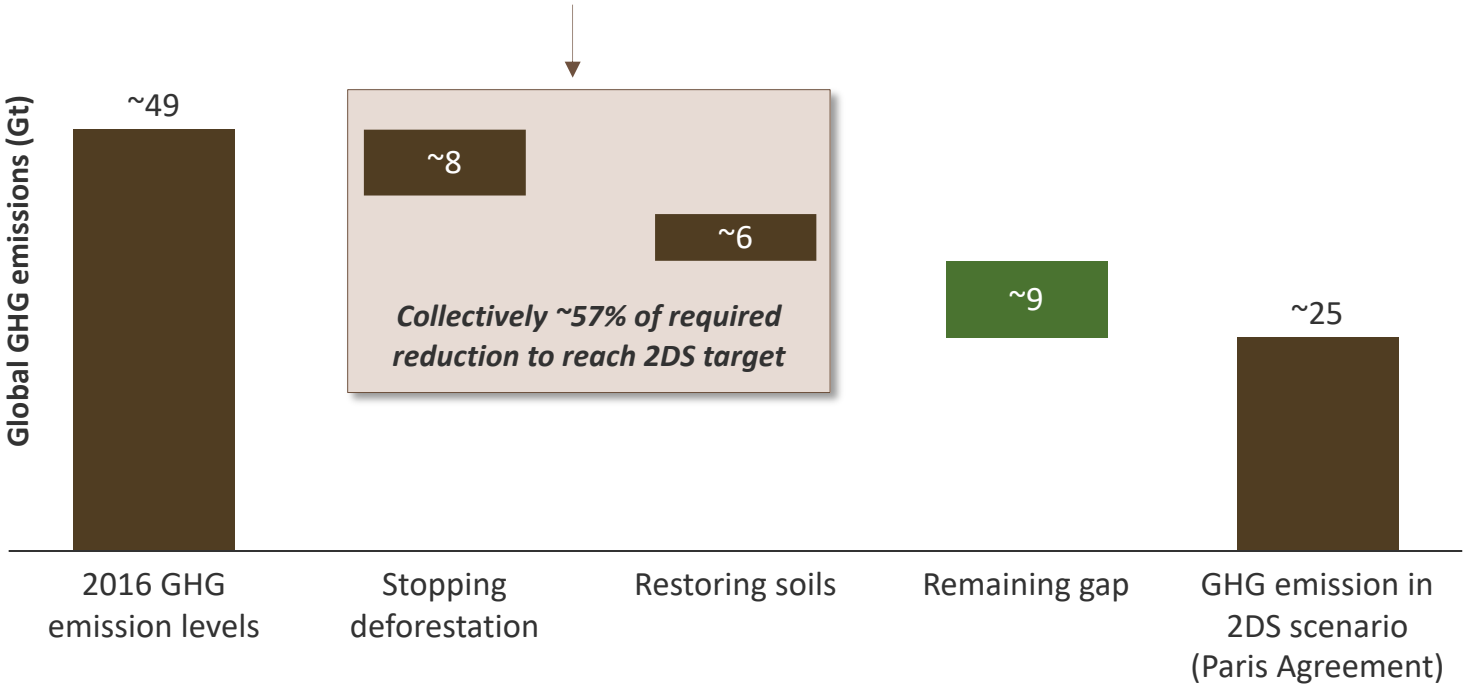
United Nations
Convention to Combat Desertification

Source: UN; The Great Green Wall – www.greatgreenwall.org

LIQUID NATURAL CLAY | ESG AND IMPACT POTENTIAL

EXPECTED TO PLAY A VITAL ROLE IN SUSTAINABLE DEVELOPMENT FROM A FINANCIAL AND AN ESG PERSPECTIVE

In a conservative estimate of $20 /t this translates to $280Bn of annual cost



Stopping deforestation, restoring forests and improving forestry practices could cost-effectively remove 7 billion metric tons of carbon dioxide annually – equivalent to eliminating 1.5 billion cars, more than all of the cars in the world today

ADDRESSING KEY UN SUSTAINABLE DEVELOPMENT GOALS

Source: World Research Institute, UN, Carbon brief, Climate Interactive

ESG AND IMPACT

IMPACT ON EXTERNAL ENVIRONMENT AND SUSTAINABILITY

Liquid Natural Clay (LNC) can reduce water consumption for agriculture, forests, and green landscapes by up to 50%. The amount of water required to produce LNC is recovered within 2-3 weeks (offset by irrigation water savings). Increased crop yields with improved water efficiency contribute significantly to the United Nations Sustainable Development Goals (SDGs), including reducing hunger and securing access to clean water. Arid regions using energy-intensive desalination of seawater can further significantly reduce CO2 and greenhouse gas (GHG) emissions.

LNC enables sandy soil and desert land to retain water and nutrients. Reduction of water consumption further allows for reducing fertilizer usage. Reduced leaching of fertilizers and pesticides through the soil can further minimize the risk of chemical run-off reaching through to natural water systems and oceans. Stopping fertilizer and pesticide leaching can further improve life below the water by reducing ocean acidification and eutrophication.

According to the Intergovernmental Panel on Climate Change (IPCC), restoring degraded soil ecosystems can globally offset 5-6 Gt of CO2 annually. Even degraded soils have degrees of stored carbon. When tilling or mechanically working amendments into the ground, carbon exposed to oxygen may turn into CO2 and escape into the atmosphere. LNC can be applied directly to the surface of the ground without intervention to the soil. LNC percolates into the ground in a non-intrusive way without exposing any carbon to surface air oxygen; safeguarding the carbon storage of soil ecosystems and fostering increased carbon sequestration.

Non-intrusive soil treatment is further gentle to fragile soil-ecosystems, which is the home of 95% of all biological species on earth. Reclaiming and protecting soil is therefore critical to preserve and restore essential biodiversity.

Mining clay and the production of LNC requires energy. Logistics and transportation of material, equipment, and personnel, and manufacturing of equipment also require energy. Desert Control strives to reduce energy consumption in all stages of the process and facilitate the use of renewable energy sources wherever available. These negative impact factors are, by far, surpassed by the sum of positive impact from stopping and reversing desertification and soil degradation, reducing water consumption, and other environmental benefits.

LNC has no adverse impact on any of the 17 United Nations Sustainable Development Goals (SDGs). Further, LNC has a significant direct positive impact on 9 of the SDGs.

Powered by operational data, an updated ESG and impact reporting framework will be under development during Q4 to align with ESG reporting standards for investors and stakeholders.

ABOUT DESERT CONTROL

COMPANY OVERVIEW

Desert Control is a company specialized in climate-smart agri-tech solutions to combat desertification, soil degradation, and water scarcity. Its patented Liquid Natural Clay restores and protects soil, reducing water usage for agriculture, forests, and green landscapes.

Liquid Natural Clay (LNC) enables sand and degraded soil to retain water and nutrients. LNC increases crop yields while reducing water and fertilizer consumption by up to 50%.

Desert Control's business model is service-based and targets turnkey projects for LNC treatment of land areas, vegetation, crops, plants and trees etc. LNC is produced on-site at customer locations using mobile factories. Further, the LNC is applied across the customer's land areas using existing irrigation systems and techniques. LNC is sprayed or applied directly onto the surface and percolates into the ground forming a soil structure that retains water and nutrient like a sponge. One LNC treatment may last 3-5 years, followed by periodic top-up to maintain the optimal ability to retain water and nutrients. The Company's revenue model is pre-paid project deliveries direct (B2B) to customers within the segments; agriculture, forestry, and landscaping. Project pricing considers size of land, type of vegetation, crops, number of trees, etc. Additional revenue sources may come from (1) periodic maintenance and (2) digital subscription services related to soil health monitoring, water management optimization, and digital farming services for precision agriculture and sustainable land management.

Desert Control AS is a private limited liability company incorporated under the laws of Norway. The Group has active subsidiaries in Abu Dhabi and Dubai, the United Arab Emirates.

United Arab Emirates is Desert Control's first geographic market, to be followed by broader expansion in the Middle East region. In 2022 the Company aims to expand operations to the United States, focusing on California, Arizona, and Nevada. More than 110 countries worldwide suffer accelerating desertification, loss of fertile soil, and water scarcity. Desert Control's ambition is to develop a global business with its vision of making earth green again.