



DSRT: Desert Control reaches MOU with Mawarid Holding Investment in Abu Dhabi

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Desert Control AS (“Desert Control” or the “Company”) has reached a Memorandum of Understanding (“MOU”) with Mawarid Holding Investment and its subsidiaries, including Barari Natural Resources (“Mawarid”).

The MOU is the first deal of this kind for Desert Control. The deal's first stage is a pilot, where Desert Control's Liquid Natural Clay (“LNC”) will be used on several Mawarid managed forests and agricultural properties in the United Arab Emirates (“UAE”).

“Today, by signing this agreement between Mawarid Holding Investment L.L.C and Desert Control AS, which is the basis for a long term partnership, is important because it aligns with our goals to maintain the legacy of His Highness the late Sheikh Zayed ‘May God have mercy on his pure soul’ and the vision of our president His Highness, Sheikh Khalifa Bin Zayed Al Nahyan and his crown Prince His Highness Sheikh Mohamed Bin Zayed Al Nahyan by greening the desert and securing our own Food security resources,” says Managing Director of Mawarid, His Excellency Mr. Abdul Jaleel Al-Blouki

. “With this new initiative we are reducing the water demand, increasing energy use efficiency, protecting our resources and safeguarding the biodiversity of our ecosystems and improving our food security strategy. All of which are bringing us one step closer to achieving the objective of securing a sustainable future for UAE in general and Abu Dhabi in particular.”

“The MOU follows only two months after Desert Control’s successful listing on Euronext Growth Oslo and is a testament to the strategic decisions made by the Company and a strong recognition of our product,” says CEO Ole Kristian Sivertsen. “We are proud to be allowed to work together with Mawarid, and with this agreement we are in an excellent position to elevate and accelerate our vision of making earth green again.”

The first stage of the MOU is a pilot project that consists of reversing soil degradation and reducing water consumption within agriculture, forestry and nature conservation, and will be completed during the period until mid-October 2021. The project has a contract value for the Company of USD 375 000.

“We, at Mawarid Holding, are driven to create value by learning about new innovations in sustainable practices and adopting them to reduce the bad impacts on the environment, while driving profitable growth,” says Mawarid Holding CEO Eng. Ayman El Gayar. “Liquid Natural Clay (LNC) technology is the latest addition to our arsenal since it enables us to save water, reduce fertilizers, improve desert soils, fight desertification, and reduce costs. Furthermore, by signing the Agreement with Desert Control SA, we will have an excellent environmental impact in UAE and a lot of countries in GCC and MENA region.”

Subject to the outcome of the pilot project, it is Desert Control and Mawarid's intention to establish a partnership for development of further projects and deployment of Liquid Natural Clay in large scale operations in UAE. It is contemplated that the Company will continue the development and production of Liquid Natural Clay, while the partnership – Desert Control and Mawarid collectively – will develop the go-to-market channel and specialize in application solutions to provide LNC treatment for agriculture, forestry, ecosystem restoration and nature conservation. Desert Control has a global market for Liquid Natural Clay, and, under the MOU and subject to the final terms of the partnership, Mawarid is granted exclusive rights for UAE and a potential to expand the relationship with priority partnership for areas in other jurisdictions across the Middle East and North Africa.

Mawarid and its subsidiaries, including Barari Natural Resources, have vast experience in many diversified domains, including forest management business, landscaping, and other agriculture business in the UAE, and across the Middle East and North Africa. Mawarid is further charged with the management of UAE nature, wildlife reserves, forests, and food security.



The pilot project is for the parties a joint feasibility initiative that aims to prove the potential for reducing water consumption and thereby strengthen the sustainability of forestry and agriculture in the UAE, and to serve as a sustainability reference for the harsh Middle East climatic conditions.

Desert Control has already proven this in several validation programs by independent research organizations in the UAE. However, this project aims to expand this further and build a platform for accelerated scalability through a powerful partnership.

The initial joint project between the parties will focus on enabling sustainable agriculture in the UAE desert environment and reducing the amount of water required to maintain and cultivate trees, forests and natural landscapes. Further it aims to enable sustainable reforestation with planting of new trees.

Based upon the successful development of this initiative, the parties wish to commit to accelerating industrialization and mass-scale deployment of Desert Control's LNC in the UAE and potentially for the wider MENA region.

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About Desert Control AS

Agriculture and food production consume more than 70% of all available freshwater. When topsoil degrades, water consumption increases further as it permeates through sandy soils like a sieve. Simultaneously, population growth drives the need for more food over the next 40 years than was produced in the last 500 years, putting even more pressure on scarce resources such as water. This is the problem Desert Control is determined to solve. There are tremendous growth opportunities in a market that is growing rapidly. Annually, 12 million hectares of fertile land perish to desertification.

Desert Control is a climate technology company specialized in reclaiming degraded soil and turning desert sand into fertile soil. The patented product LNC (Liquid Natural Clay) is a liquid clay compound that enables sand and degraded soil to retain water and nutrients. LNC thus increases crop yields, while consumption of water and fertilizer decreases by up to 50%.

About Mawarid Investment Holding L.L.C

Mawarid Investment Holding L.L.C is a reputable holding company that has wide experience, through its subsidiaries, in many diversified domains including but not limited to Agricultural, Industrial, Services, Hospitality and other related business in the United Arab of Emirates and in the region.

Furthermore, Mawarid is specialized in identifying, creating, and managing services in accordance with the highest international standards. Within its current portfolio of diversified group of companies, Mawarid has certain subsidiaries which core business are of an agricultural nature, including Barari Natural Resources, Mawarid Services and Mawarid Nurseries, thus it is worth to mention that Mawarid, through its subsidiaries, is one of the leaders in landscaping field as well as the conservation with management of 438 forest and reservations in the Emirates of Abu Dhabi covering over 200,000 Hectares comprising of 13 million forestry trees and 400,000 date palm trees.

It worth mentioning that MHI employees over 11,000 personnel working within different industries across the UAE and outside.

Important Notice:

This information is considered to be inside information pursuant to the EU Market Abuse Regulation and is subject to the disclosure requirements pursuant to Section 5-12 the Norwegian Securities Trading Act.



This stock exchange announcement was published by Erling Rasmussen, Chief Financial Officer of Desert Control AS on 8 June 2021 at 2000 CEST.

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