

Nel ASA: Enters into exclusive NOK 450 million industrial-scale power-to-gas framework agreement with H2V PRODUCT, a French company focused on massive carbon-free hydrogen production

(Oslo, 13 June 2017) Nel ASA (Nel, OSE:NEL) announced today it has entered a framework agreement with H2V PRODUCT, a subsidiary of Alain Samson owned SAMFI-INVEST Group, for the design, construction and maintenance of industrial-scale turnkey renewable hydrogen production plants. Nel will serve as a supplier to H2V PRODUCT, as a part of their major industrial power-to-gas program in France, which aims to reduce CO2 impact with H2V PRODUCT's green hydrogen plants to inject hydrogen as a substitute to natural gas into the natural gas pipelines. The first 100 MW hydrogen plant represents a contract value of approximately NOK 450 million, increasing to a minimum of around NOK 3 150 million for six other H2V PRODUCT plants (total of 700 MW) in France.

“We are excited to announce this agreement with H2V PRODUCT for the largest industrial-scale power-to-gas project ever seen. Under the contract, Nel will design, construct and maintain a hydrogen production facility with an initial power target of 100 MW and 40 electrolyzers. The carbon free hydrogen will be injected into the main gas pipeline that distributes natural gas throughout France, making the natural gas greener. This is truly a milestone agreement for Nel,” says Jon André Løkke, CEO of Nel.

The H2V PRODUCT green hydrogen plants will be built in Les Hauts de France and Normandie Régions, next to the natural gas pipelines, where the site and exclusivity already are secured by the property prospector team of H2V PRODUCT.

“Our projects are developed by H2V PRODUCT in collaboration with the general services of the SAMFI-INVEST and locals engineering offices partners, as well as with the technology support from the Norwegian manufacturer Nel. Their large-scale electrolyzers are proven to be the world's most efficient and reliable, making them a perfect fit for our important industrial development. We are looking forward to working with Nel to furnish, install and ensure the maintenance of 40 electrolyzers in our first H2V PRODUCT hydrogen plant, with a planned expansion to six other plants in France towards 2025”, says Lucien Mallet, founder and CEO of H2V PRODUCT.

The first H2V PRODUCT hydrogen plant will be developed from 2018-2020, for a total contract value of approximately NOK 450 million. The site of the hydrogen production facility can hold significantly more capacity and the target is to continue to add additional lines in the period between 2020-2025 for a total contract value of minimum around NOK 3 150 million.

“Aside from the initial contract announced today, the partnership itself represents significant opportunities for further extensions. Through this partnership, we are in a pole position for taking advantage of the existing natural gas infrastructure in France and bringing renewable hydrogen production to unparalleled industrial levels,” says Løkke.

The parties are expected to reach a final agreement on the delivery schedule during the second half of 2017. In order to comply with the contract, Nel would be required to expand its production capacity. Formal investment decision related to capacity expansions is expected to be made towards the end of 2017 and as soon as the initial, non-refundable, pre-payment has been received.

“We are now preparing to expand our production capacity at Notodden, Norway, during 2018, with supporting production capacity in France. By adding production equipment and increasing number of operator

shifts, Nel Electrolyser can increase its production capacity by 7 to 8 times with relatively limited investments,” says Løkke.

Nel will host an investor and analyst conference call today in English at 15:00 CET. Please join the event conference 5-10 minutes prior to the start by using the number and confirmation code below:

- * NORWAY: +47 2350 0296
- * FRANCE: +33 (0)1 76 77 22 57
- * UK: +44 (0)330 336 9411
- * USA: +1 719 457 1036

Confirmation code: 5473675

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About Nel ASA | www.nelhydrogen.com

Nel is a global, dedicated hydrogen company, delivering optimal solutions to produce, store and distribute hydrogen from renewable energy. We serve industries, energy and gas companies with leading hydrogen technology. Since its foundation in 1927, Nel has a proud history of development and continual improvement of hydrogen plants. Our hydrogen solutions cover the entire value chain from hydrogen production technologies to manufacturing of hydrogen fueling stations, providing all fuel cell electric vehicles with the same fast fueling and long range as conventional vehicles today.

About SAMFI-INVEST | www.samfi-invest.fr

SAMFI-INVEST is a private French family holding company based in Normandy, France, that develops and invests in renewable energy power plants. The company is involved in transportation through the MALHERBE Group, the third largest French freight forwarder, as well as energy storage, real estate, and renewable energy. SAMFI-INVEST owns subsidiaries specialized in the development, commissioning and operation of large-scale energy projects. SAMFI-INVEST currently employs a staff of 40 high-skilled employees, mainly engineers and lawyers.

About H2V PRODUCT | www.h2vproduct.net

H2V PRODUCT was founded by Lucien Mallet and Alain Samson in 2016 to develop, build and operate green hydrogen production plants in the world. The company is focused on applications for the massive use of carbon-free hydrogen and its industrial objective is to produce and inject biogas and green hydrogen into the main natural gas pipeline in order to reduce CO2 impact and to store renewable energy production in the major gas transportation networks.

About Lucien MALLET Founder and CEO of H2V PRODUCT

Over 30 years of infrastructure experience, expert in project realisation. Lucien manage power plant construction in Europe. Overseeing O&M operations and EPC negotiation monitoring and due diligence. Graduate from the “Ecole des Mines”, specialized in energy and storage solutions.