

Nel ASA: Awarded multi-billion NOK electrolyzer and fueling station contract by Nikola

(Oslo, 28 June 2018) Nel ASA (Nel, OSE: NEL) has been awarded a contract for delivery of 448 electrolyzers and associated fueling equipment to Nikola Motor Company (Nikola) as part of Nikola's development of a hydrogen station infrastructure in the US for truck and passenger vehicles. Under the multi-billion NOK contract, to be deployed from 2020, Nel will deliver up to 1 GW of electrolysis plus fueling equipment. The company reiterates a potential major expansion of the production capacity at Notodden to accommodate the contract order.

"We are immensely proud of announcing this 1 GW electrolyzer contract with Nikola for the exclusive delivery of 448 electrolyzers and supporting fueling equipment as part of their groundbreaking development of a hydrogen station infrastructure across the US. The multi-billion NOK contract is by far the largest electrolyzer and fueling station contract ever awarded. It will secure fast and cost efficient fueling of Nikola's fleet of hydrogen trucks, delivering support to major customers like Anheuser-Busch, as well as a growing fleet of Fuel Cell Electric Vehicles. We look forward to working with Nikola on developing the world's largest, most efficient network of low-cost hydrogen production and fueling sites," says Jon André Løkke, Chief Executive Officer of Nel.

Nikola and Nel announced late 2017 an exclusive partnership aimed at developing low-cost, renewable hydrogen production and fueling sites as part of a nationwide network of hydrogen stations, supporting Nikola's vision of replacing the current fleet of diesel trucks in America with zero-emission hydrogen trucks.

"The future for zero-emission trucks has never been brighter. Nel's electrolyzers are efficient and reliable, making them a natural backbone for our station infrastructure. We'll begin fleet testing the Nikola hydrogen electric semi-trucks in 2019. The first two stations will be installed in Arizona and California depending on permit timelines. The next 28 stations will be installed on each route outside of Anheuser-Busch's Breweries or their distribution centers. Each station will produce 700 bar and will be compatible with class 8 trucks and consumer cars. This is an incredibly exciting time and we have now contractually set in motion the largest network of hydrogen in the world," says Trevor Milton, Chief Executive Officer of Nikola.

Under the contract, Nel will deliver 448 electrolyzers and supporting fueling equipment to Nikola, the rollout is expected to start in 2020. The contract includes an initial order for a pre-engineering package of around USD 1.5 million, where Nel will develop a station design, including electrolyzers, specifically made for fast fueling of Nikola trucks. Nel will continue to work, in collaboration with Nikola, to finalize the detailed station design and other technology elements to be deployed for the commercial stations. Nikola has already placed an initial order amounting to more than USD 9 million for two demo-stations for which delivery will commence towards the end of 2018.

Early in May, Nikola announced that Anheuser-Busch has placed an order for up to 800 Hydrogen-Electric Powered Semi-Trucks. To support the Anheuser-Busch fleet of trucks, Nikola and Nel would need to deploy around 28 stations. This order volume alone will have a revenue potential for Nel of more than USD 500 million.

The electrolyzer stacks will be manufactured in Norway and fueling equipment in Denmark. However, other supporting components and sub-systems will be sourced locally in the US to reduce costs and minimize transportation needs.

"We're looking at a total contract volume which is many times higher than the current annual production capacity at Notodden. While we have not reached any conclusions on an expansion to accommodate the order, we want to reiterate our plans to develop the Notodden facility into the world's largest electrolyzer stack manufacturing facility, aiming at a cost reduction of around 40 percent," says Løkke.

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ABOUT NEL ASA

Nel is a global, dedicated hydrogen company, delivering optimal solutions to produce, store and distribute hydrogen from renewable energy. They 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. The company's 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. www.nelhydrogen.com

ABOUT NIKOLA MOTOR COMPANY

Nikola Motor Company designs and manufactures electric vehicles, vehicle components, energy storage systems, and electric vehicle drivetrains. NMC is led by its visionary CEO Trevor Milton ([Twitter: @nikolatrevor](https://twitter.com/nikolatrevor)), who has assembled one of the most talented teams in the country to bring the Nikola products to market. The company is privately-held. For more information, visit nikolamotor.com or [Twitter: @nikolamotor](https://twitter.com/nikolamotor).