

Conditional trading in the shares of Elkem ASA from 22 March 2018

NOT FOR DISTRIBUTION OR RELEASE, IN WHOLE OR IN PART, DIRECTLY OR INDIRECTLY, IN OR INTO THE UNITED STATES OF AMERICA (INCLUDING ITS TERRITORIES AND POSSESSIONS, ANY STATE OF THE UNITED STATES OF AMERICA AND THE DISTRICT OF COLUMBIA) (THE "UNITED STATES"), AUSTRALIA, CANADA OR JAPAN, OR ANY OTHER JURISDICTION IN WHICH THE DISTRIBUTION OR RELEASE WOULD BE UNLAWFUL.

Oslo, 22 March 2018. Trading in the shares of Elkem ASA ("Elkem", the "Company", OSE ticker: "ELK") on the Oslo Stock Exchange will commence on an "if issued/if sold" basis on 22 March 2018, while unconditional trading in the shares is expected to commence on 26 March 2018. In the period from and including 09:00 (CET) 22 March 2018 to and including 23 March 2018 at 17:00 (CET), all trading in the shares of Elkem will be conditional upon (i) the force majeure events listed below not occurring and (ii) no termination of the underwriting agreement upon a default by a Manager or several Managers (defined below) as described below.

The Managers have the right to terminate the Underwriting Agreement prior to 17:00 (CET) on 23 March 2018, on basis of force majeure if any of the following events occurs:

- 1 a suspension or material limitation in trading in securities generally on the Oslo Stock Exchange, the New York Stock Exchange or the London Stock Exchange;
- 2 a general moratorium on commercial banking activities declared by the federal, state or local regulatory authorities of Norway, the United Kingdom or any other member State of the European Union or the United States, or a material disruption in commercial banking or securities settlement or clearance services in Norway, the United Kingdom or any other member State of the European Union or the United States;
- 3 an outbreak or escalation of hostilities or acts of terrorism involving Norway, the United Kingdom or any other member State of the European Union or the United States or a declaration by Norway, the United Kingdom or any other member State of the European Union or the United States of a national emergency or war; or
- 4 any other calamity or crisis or any material adverse change in financial, political or economic conditions in Norway, the United Kingdom or any other member State of the European Union or the United States,

if the effect of any such event specified in clauses (1) through (4) above makes it impossible, in the judgment of ABG Sundal Collier ASA and Morgan Stanley & Co. International plc acting in good faith, taking into account general market conditions as a result of such events and the interest of investors in the Offer Shares, to proceed with the sale or delivery of the Offer Shares on the terms and in the manner contemplated in the Prospectus, provided that ABG Sundal Collier ASA and Morgan Stanley & Co. International plc shall, to the extent reasonably practicable under the circumstances, act in good faith and consult with the Company and Bluestar Elkem International Co., Ltd. S.A. (the "Selling Shareholder" or "Bluestar") before terminating the underwriting agreement.

Further, the underwriting agreement may be terminated prior to 17:00 (CET) on 23 March 2018 upon default by a Manager or several Managers with respect to its or their obligation to purchase and pay for an agreed number of offer shares, and the aggregate number of such offer shares exceeds one-tenth of the total number of offer shares that the Managers, combined, are obligated to purchase and pay for under the underwriting agreement, and arrangements satisfactory to ABG Sundal Collier ASA, Morgan Stanley & Co. International plc, the Company and the Selling Shareholder for the purchase of such offer shares have not been made.

The Managers may not invoke the above termination provisions after 17:00 (CET) on 23 March 2018.

Should the underwriting agreement be terminated, any trades in the shares carried out in the conditional period including clearing transactions and, as the case may be, any settlement and settlement transactions made for trading in the shares, will be cancelled. In such case, any payments for the shares will be returned, however, without interest or any other compensation.

Investors wanting to trade in their allocated shares through an internet account prior to commencement of the unconditional trading may be prevented from such trading until the shares are registered on the respective investor's VPS account following settlement of the Offering. Investors wanting to trade in their allocated offer shares through an internet account prior to commencement of unconditional trading are therefore urged to confirm the possibility of this with their own account operator.

ABG Sundal Collier ASA and Morgan Stanley & Co. International plc are acting as Joint Global Coordinators and Joint Bookrunners, Carnegie AS, Citigroup Global Markets Limited and Nordea Bank AB (publ), filial i Norge are acting as Joint Bookrunners, in connection with the IPO (collectively, the "Managers").

Advokatfirmaet Thommessen AS and Linklaters LLP are acting as legal counsels to Elkem and Bluestar. Advokatfirmaet Schjødt AS and Shearman & Sterling (London) LLP are acting as legal counsels to the Managers.

For further queries, please contact:

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About Elkem

Founded in 1904, Elkem is one of the world's leading suppliers of silicon-based advanced materials with operations throughout the entire value chain from quartz to specialty silicones, as well as attractive market positions in specialty ferrosilicon alloys and carbon materials. Headquartered in Oslo, the company's 27 production sites (including a plant under construction) and extensive network of sales offices and agents around the world ensure proximity to customers and access to attractive end markets. Elkem's over 6,000 skilled employees and significant R&D activities provide a solid basis for further technology-driven growth and optimization. Helge Aasen has been the CEO since 2009.

About Bluestar

Bluestar is a leading company in the new chemical materials, basic chemical engineering, animal nutrition and environmental science sectors. It is a subsidiary of China National Chemical Corporation, a state-owned company that is one of China's leading chemical companies.

IMPORTANT INFORMATION

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The shares mentioned herein have not been, and will not be, registered under the United States Securities Act of 1933 (the "Securities Act"), and may not be offered or sold in the United States absent registration or exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. There is no intention to register any shares referred to herein in the United States. Any shares sold in the United States will be sold only to qualified institutional buyers (as defined in Rule 144A under the Securities Act) pursuant to Rule 144A or another exemption from registration under the Securities Act.

This communication is directed only at (i) persons who are outside the United Kingdom or (ii) persons who have professional experience in matters relating to investments falling within Article 19(2) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended from time to time (the Order) or (iii) high net worth entities, and other persons to whom it may lawfully be communicated, falling within Article 49(2) of the Order or (iv) certified high net worth individuals and certified and self-certified sophisticated investors as described in Articles 48, 50, and 50A respectively of the Order or (v) persons to whom this communication may otherwise be lawfully communicated (all such persons together being referred to as "relevant persons"). Any investment activity to which this communication relates will only be available to and will only be engaged with, relevant persons. Any person who is not a relevant person should not act or rely on this document or any of its contents.

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This announcement does not constitute a prospectus and nothing herein contains an offering of securities. No one should purchase or subscribe for any securities in the Company, except on the basis of information in any prospectus published by the Company in connection with the potential offering and admission of such securities to trading and official listing on Oslo Børs. Copies of any such offering memorandum will, following publication, be available from the Company's registered office.

The Managers and their affiliates are acting exclusively for the Company and no-one else in connection with the intended offering. They will not regard any other person as their respective clients in relation to the intended offering and will not be responsible to anyone other than the Company for providing the protections afforded to their respective clients, nor for providing advice in relation to the intended offering, the contents of this announcement or any transaction, arrangement or other matter referred to herein.

In connection with the contemplated offering, the Managers and any of their affiliates, acting as investors for their own accounts, may subscribe for or purchase shares and in that capacity may retain, purchase, sell, offer to sell or otherwise deal for their own accounts in such shares and other securities of the Company or related investments in connection with the contemplated offering or otherwise. Accordingly, references in the prospectus, if published, to the shares being issued, offered, subscribed, acquired, placed or otherwise dealt in should be read as including any issue or offer to, or subscription, acquisition, placing or dealing by, such Managers and any of their affiliates acting as investors for their own accounts. The Managers do not intend to disclose the extent of any such investment or transactions otherwise than in accordance with any legal or regulatory obligations to do so.

Solely for the purposes of the product governance requirements contained within: (a) EU Directive 2014/65/EU on markets in financial instruments, as amended ("MiFID II"); (b) Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593 supplementing MiFID II; and (c) local implementing measures (together, the "MiFID II Product Governance Requirements"), and disclaiming all and any liability, which any "manufacturer" (for the purposes of the MiFID II Product Governance Requirements) may otherwise have with respect thereto, the Shares have been subject to a product approval process, which has determined that they each are: (i) compatible with an end target market of retail investors and investors who meet the criteria of professional clients and eligible counterparties, each as defined in MiFID II; and (ii) eligible for distribution through all distribution channels as are permitted by MiFID II (the "Target Market Assessment"). Notwithstanding the Target Market Assessment, distributors should note that: the price of the Shares may decline and investors could lose all or part of their investment; the Shares offer no guaranteed income and no capital protection; and an investment in the Shares is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom. Conversely, an investment in the Shares is not compatible with investors looking for full capital protection or full repayment of the amount invested or having no risk tolerance, or investors requiring a fully guaranteed income or fully predictable return profile.

The Target Market Assessment is without prejudice to the requirements of any contractual, legal or regulatory selling restrictions in relation to the Offering.

For the avoidance of doubt, the Target Market Assessment does not constitute: (a) an assessment of suitability or appropriateness for the purposes of MiFID II; or (b) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to the Shares.

Each distributor is responsible for undertaking its own Target Market Assessment in respect of the Shares and determining appropriate distribution channels.

Matters discussed in this release may constitute forward-looking statements. Forward-looking statements are statements that are not historical facts and that can be identified by words such as "believe", "expect", "anticipate", "intends", "estimate", "will", "may", "continue", "should", and similar expressions. The forward-looking statements in this press release are based upon various assumptions, many of which are based, in turn, upon further assumptions. Although the Company believes that these assumptions were reasonable when made, these assumptions are inherently subject to significant known and unknown risks, uncertainties, contingencies and other important factors which are difficult or impossible to predict and are beyond its control. Such risks, uncertainties, contingencies and other important factors could cause actual events to differ materially from the expectations expressed or implied in this release by such forward-looking statements.

The information, opinions and forward-looking statements contained in this announcement speak only as at its date, and are subject to change without notice.