



STOCK EXCHANGE RELEASE
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Hexagon enters into long-term agreement with leading oil & gas player

Hexagon Composites' subsidiary Hexagon Lincoln has entered into a long-term agreement with Certarus Ltd. for the sale of Mobile Pipeline® modules to the resurgent oil and gas exploration & production industry. As part of the agreement that runs through 2020, Hexagon Lincoln has received an initial order for TITAN® 4 modules from Certarus with a total value of USD 20.6 million (around NOK 177 million).

With this order Certarus, a leading provider of fully integrated compressed natural gas (CNG) delivery solutions, is expanding its already large TITAN® fleet, which serves the oil and gas, industrial and commercial sectors.

The recovering oil and gas market is exploring all options to reduce costs of operations. The use of CNG in the oil field continues to increase due to higher flexibility than LNG and lowest distributed cost compared to diesel. Lower CNG prices relative to diesel, paired with higher transport efficiency, improve competitiveness of Mobile Pipeline® operators.

"We see an increasing adoption of natural gas to displace diesel, propane and burner oil to promote cost savings and reduce the environmental footprint. Certarus operates the largest bulk CNG trailer fleet in North America. We serve customers in every major oil and gas play in Canada and the United States and we are increasingly supporting customers outside oil and gas that can benefit from the large scale Certarus mobile pipeline. Hexagon designs some of the highest pressure, highest volume transport trailer systems available and proves to be ideal for our applications," says Curtis Philippon, President & CEO of Certarus Ltd.

"Certarus remains the leader in the industries they serve," says Jack Schimenti, President of Hexagon Lincoln. "They have shown such an entrepreneurial business approach within the oil and gas industry that has resulted in significant cost savings to their customers. Certarus' delivery solution uses the ideally configured TITAN® 4 solution to deliver clean and affordable fuel in extremely challenging environmental conditions."

Deliveries are scheduled to commence in second quarter of 2017 and continue through first quarter of 2018.

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**About Certarus**

Certarus Ltd is a leader in providing a fully integrated compressed natural gas (CNG) solution for the North American commercial and industrial markets. The primary business is the creation of a "Virtual Natural Gas Pipeline" through the compression, transportation and integration of CNG for the energy services, mining, forestry and industrial sectors.

About Hexagon Composites

Hexagon Composites ASA is a publicly listed company with its headquarters in Aalesund, Norway. The Group develops and produces composite pressure cylinders and systems for storage and transportation of various gases. www.hexagon.no

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