

RECOMMENDATIONS BY THE NOMINATION COMMITTEE OF ELEMENT ASA

TO

THE ORDINARY GENERAL MEETING TO BE HELD ON 28 JUNE 2019

The Nomination Committee of Element ASA currently consists of the following members:

- Jon Ola Frankplads
- Per Johnny Bråthen
- Odd Aarhus

All of the members of the Nomination Committee were elected at the Company's ordinary general meeting held on 29 June 2018.

Pursuant to the Company's articles of association, the Nomination Committee shall be structured in order to represent a broad range of shareholder interests. The Nomination Committee shall propose candidates to the Board of Directors and remuneration to the members of the Board of Directors.

The Nomination Committee has the following proposals to the ordinary general meeting 2019:

1 Election of members to the Board of Directors

The Nomination Committee has been informed that directors Frode Aschim and Mona Lynne Eitzen wish to resign from their positions as directors of the Company. Chairman Thomas Christensen and director Kari Mette Toverud are not on election at the ordinary general meeting.

The Nomination Committee has therefore identified 1 new candidate as director and propose that this candidate is elected as replacements for Frode Aschim and Mona Lynne Eitzen.

Please see brief biography for the new candidate below:

- Kris Gram -

5 years as strategy consultant with Capgemini. 10 years investment banking experience from Pareto, where off the last 4 years as partner and responsible for the mining business segment. Broad working experience from equity capital markets and debt capital markets as well as M&A. Over the last 4 years Mr. Gram has managed a family investment company. Mr. Gram is a graduate from University of St. Andrews, Scotland.

If the general meeting elects this candidate, the Company's Board of Directors will consist of the following directors:

- Thomas Christensen, with an election period up to the ordinary general meeting in 2020;
- Kari Mette Toverud, with an election period up to the ordinary general meeting in 2020;
- Kris Gram, with an election period up to the ordinary general meeting in 2021.

2 Remuneration to the Board of Directors

The Nomination Committee proposes that the general meeting approve remuneration of the members of the Board of Directors for the period up to the ordinary general meeting 2020 in accordance with the following:

- Chairman: A cash amount of NOK 500 000, and a grant of 50 000 share options in the Company.
- Other Board members: NOK 350,000, and a grant of 25 000 share options in the Company.

The Board of Directors has in 2018 held 21 board meetings and had a work-load which significantly exceeds the work load normally related to a board position. Taking into account the lean management structure of the Company and the projects undertaken by the Company, the Nomination Committee expects that the work load of the board will continue to be high in the period until the next ordinary general meeting.

To compensation the Chairman for the additional work expected, the Chairman will be compensated with NOK 1700 pre hour for ad hoc work performed, outside of Board meetings and which does not fall in under the normal duties of a Chairman of the Board.

The Nomination Committee recommends that the cash remuneration to the Board of Directors is paid in advance of each quarter, and that the share options are subject to the terms and conditions of the "2019 Option Program" proposed by the Board of Directors in its statement regarding the guidelines for determining salaries and other compensation for executive management.

3 NOMINATION COMMITTEE

The Election term of Per Johnny Bråthen, Jon Ola Frankplads og Odd Aarhus expires at the ordinary general meeting in 2020. Nomination Committee member Jon Ola Frankplads has expressed wishes to be replaced. The Nomination Committee therefore propose that Odd Ivar Lindland is elected as new member of the Nomination Committee:

If the general meeting elects the proposed new candidate, the Company's Nomination Committee will consist of the following directors:

- Per Bråthen with an election period up to the ordinary general meeting in 2020;
- Odd Aarhus, with an election period up to the ordinary general meeting in 2020; and
- Odd Ivar Lindland, with an election period up to the ordinary general meeting in 2021.

The Nomination Committee proposes that the members of the Nomination Committee are remunerated as follows for the period up to the ordinary general meeting 2020:

- Chairman of the committee: NOK 20,000;
- Other members: NOK 15,000
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The Nomination Committee of Element ASA

Jon Ola Frankplads

Per Johnny Bråthen

Odd Aarhus