

CORPORATE NEWS

NASCO Lands Financing Deal – Helium Production to Double Starting in 2017

- Financing secured for over USD 32 million
- Existing working interest tripled to 60 percent
- Workover for expansion successfully started
- On target with new strategic focus on helium

Hamburg, Germany, October 13, 2016. The oil and gas specialist NASCO Energie & Rohstoff AG, which is located in Hamburg, Germany, and active in the USA, has secured over USD 32 million in financing from Riverstone Credit Partners, L.P., a dedicated energy credit fund managed by U.S. based Riverstone Holdings LLC. The backing will be used to purchase the working interest and to expand helium production. NASCO now holds 60 percent of the working interest for the helium gas field in Arizona. Up until now, the company has held 21.37 percent. After purchasing working interest rights and doubling its helium production, the company will, over the medium term, have the capacity to contribute a significant portion to the USA's annual helium production.

NASCO's CEO, Jan Warstat, explains: "Purchasing working interest rights is an important milestone in our long-term strategy to develop the company into a key player on the U.S. helium market. Thanks to this purchase and to the successful expansion of helium production at our site in Arizona, the NASCO share of helium production at this location will increase sixfold starting in 2017."

The purchase of working interest rights in Arizona was concluded at the beginning of October, increasing the company's existing concessions. For NASCO Energie & Rohstoff AG, this means access to proved, producing helium reserves (1P) in Arizona of more than 1.4 billion cubic feet over the next 15 years. A 15-year take-or-pay agreement with the North American market leader in the industrial gas sector guarantees the purchase of certain volumes at negotiated prices for this period. In the USA, which is the world's biggest helium market, 2.57 billion cubic feet of helium were produced in 2014.

Financial Investor from New York

Riverstone Holdings LLC is an energy and power-focused private investment firm founded in 2000 by David M. Leuschen and Pierre F. Lapeyre, Jr. with over \$34 billion of capital raised. Riverstone conducts buyout and growth capital investments in the exploration & production, midstream, oilfield services, power, and renewable sectors of the energy

industry. With offices in New York, London, Houston, and Mexico City, Riverstone has committed over \$32 billion to more than 120 investments in North America, Latin America, Europe, Africa, and Asia.

NASCO – Well-Positioned in the Biggest Global Commodity Market

NASCO Energie & Rohstoff AG has been making targeted investments to expand their helium activities since 2014. Previously, their helium production focused solely on a site in Arizona with the Navajo name Dineh-bi-Keyah (DBK), which is located in northeast Arizona, an area known as the Four Corners region. What makes the DBK field so remarkable is that its raw gas has an above-average helium content of more than five percent, a rare global occurrence. In comparison, the gas starts being economically worth extracting when it has a helium content of 0.5 percent.

Increasing Global Demand for Helium

Global demand for the noble gas helium is increasing, yet its availability on this planet is limited. This is driving helium prices up. The USA is the biggest market for helium, followed by Asia and Europe.

Helium has many commercial and scientific uses worldwide: primarily in cryogenics as a coolant for very low temperatures (e.g., for cooling superconducting magnets for MRI-scans), as a material used in welding and cutting, as a tracer gas for leak detection, as a compressed gas to deploy automobile airbags, as a lifting gas for airships and balloons, and also as a component gas of breathing mixes for divers. In addition, it plays a decisive role in researching new technologies.

ABOUT NASCO

The oil and gas specialist NASCO Energie & Rohstoff AG, which is located in Hamburg, Germany, and active in the USA, is one of the few German producers on the global helium market. The company acquires, develops and operates helium gas fields in the USA, which is the largest commodities market in the world. NASCO owns five sites in four U.S. states as well as their own offshore working interest rights for helium, crude oil and natural gas in the Gulf of Mexico. Their helium clients are U.S. refineries and industrial gas companies that refine and sell the noble gas to end customers. The company has a long-term supply agreement with Praxair, the leading industrial gas company in the USA.

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