

**ASX ANNOUNCEMENT****7 February 2017**

VALMEC AWARDED WORKS ON TUBRIDGI GAS STORAGE PROJECT

Valmec Limited (ASX: VMX) continues to bolster its order book having been awarded a contract with DBP Development Group ("DDG") to deliver construction services on its Tubridgi gas storage facility project. The scope of work on the project includes multi-disciplinary field execution services with an initial estimated value of \$5.4 million and is to commence immediately.

"We are delighted to have received this contract on this strategic Western Australian project and are looking forward to continuing our strong working relationship with the DDG team" VALMEC Managing Director Steve Dropulich said.

Together with other recent gas and infrastructure contract awards within Western Australia and Queensland, Valmec's current Order Book now exceeds \$55 million.

With this current work in hand and increased tendering activities providing greater visibility of revenues for FY17 and into FY18, Valmec expects total FY17 revenues in the range of \$65 million to \$69 million skewed to the second half, an increase of 30% -38% to FY16.

Increasing revenues for the Group are a result of working closely with our clients during difficult market conditions and reflect an improvement within our core sectors, with the cautious recovery of oil, gas and resource markets providing new and existing Clients with an improved outlook for their own development projects.

About VALMEC

Valmec is an Australian energy and multi-discipline services group providing specialised packaged equipment, construction, maintenance, commissioning and integrity maintenance services to the resources, energy and infrastructure sectors.

Founded by an experienced team of EPC and contracting professionals each with more than 25 years in the Australian gas industry, Valmec's focus is on the delivery of innovative project solutions, superior service and faster time-to-market options than the competition.

Valmec employs approximately 180 project and support personnel, operating out of modern offices and fully equipped workshop facilities in Western Australia and Queensland.

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