

ASX ANNOUNCEMENT

21 FEBRUARY 2018

VALMEC SECURES EXCLUSIVE LICENSE FOR MICROWAVE INSPECTION TECHNOLOGY

Valmec Limited (ASX: VMX) is pleased to announce that it has secured, through its wholly owned subsidiary, APTS, an exclusive licensing agreement with US based Evisive Inc, for implementation of its revolutionary patented microwave inspection technology ("EvisiveScan") within Australia and New Zealand markets.

This industry changing and globally proven technology uses highly sensitive electromagnetic inspection techniques to ensure the integrity of non-metallic materials including fibreglass and high-density polyethylene (HDPE) applications.

With HDPE pipelines becoming the standard in gas and water delivery networks across Australia, Valmec is now positioned to deliver a unique service offering to its markets. Through superior and more accurate reporting of pipeline integrity testing and identifying defects ahead of project delivery, Valmec offers its clients increased asset life and reduced operational maintenance costs and liabilities.

This NATA accredited microwave inspection technology surpasses the limited testing methods currently employed in Australia and will allow Valmec to set the standard in superior pipeline construction and integrity testing for the growing network of new HDPE pipelines across Australia .

With North American and European markets already driving these new standards of quality through ASME and ISO certification, EvisiveScan applications are currently used in the inspection of pipelines, tyres, storage tanks and insular linings throughout the defence, mining, water treatment and oil and gas industries.

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.

Through its wholly owned subsidiary APTS, Valmec is also now a leading provider of Non-Destructive Testing (NDT) Services, Hydrostatic and Pneumatic Pressure Testing, Non-Metallic NDE and Testing Services along with an extensive list of Engineering support services to the Australian Oil and Gas, Power and Water Industries.

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 280 project and support personnel, operating out of modern offices and fully equipped workshop facilities in Western Australia and Queensland.

For further information, please contact:

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