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ENVIROSUITE INTERNATIONAL SALES UPDATE FIRST SALE IN INDONESIA

- New international agreement signed for supply of EnviroSuite to a multinational mining corporation for its mining and processing facility in Indonesia.
- Agreement marks EnviroSuite's second sale in Asia since the international distribution strategy for EnviroSuite was implemented in late 2015.
- Strong alignment to Company's growth strategy to expand its client base internationally and across new industries.
- The contract provides access to EnviroSuite's extensive suite of monitoring and modelling modules, for weather forecasting, air quality, and Incident Investigation.
- · Strong client validation and revenue potential for EnviroSuite technology across the global mining industry.

Pacific Environment Limited (ASX:PEH or "The Company") is pleased to announce that it has signed an international contract for EnviroSuite with a one of the world's largest multinational mining and metals corporations to cover an integrated nickel mining and processing facility in Indonesia. It is the first sale of Envirosuite to this client, and was made through a third party consulting group based in South East Asia.

The main use of the system will be to improve the management of sulphur dioxide emissions from the facility and its impact on nearby communities. These emissions have the potential to cause problems where high concentrations of sulphur dioxide and other emissions may impact the nearby communities, especially under adverse weather conditions. EnviroSuite can enable the operations to minimise and manage air quality impacts by using forecast and real-time information to guide operational plans ahead of high-risk periods. It can also assess how operations are performing in real-time by incorporating alerts on how to respond if the risk of impacts increases during a shift.

Under the contract, the client will have access to EnviroSuite's extensive suite of monitoring and modelling modules

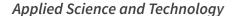
- Monitoring module for real-time meteorological and air quality status,
- · Modelling module for predictive and risk management operations,
- Modelling module for Forecast and Real-time Sulphur Dioxide (SO2) Modelling, and
- Incident Investigation (Complaints module for community engagement)

Each module will generate monthly software-as-a-service (SaaS) fees for Pacific Environment.

Commenting on this new client win, Peter White, CEO of Pacific Environment, said:

"EnviroSuite is gaining international recognition for the vital insights it delivers to help companies reach operational and regulatory goals, as well as providing essential transparency for community relations. This win is particularly pleasing as it adds a new multinational to our extensive list of clients including BHP Billiton, Rio Tinto, and Anglo American, and was performed through a third party consultancy. It serves as another strong endorsement of the platform".

Sydney Melbourne Brisbane Adelaide Perth





About EnviroSuite

EnviroSuite is a unique cloud-based solution addressing a range of operational management and environmental compliance issues across the resources, ports, hospitals, heavy industry and government sectors. EnviroSuite is the result of seven years of research and development work and provides a range of predictive, real-time and historical analysis and reporting. Over 25 blue-chip clients have relied on EnviroSuite's mobile-enabled, modular and scalable platform since 2011.

EnviroSuite is the 2015 winner of the Built Environment category at the Australian Technologies Competition and was also a finalist in the Mining Technology category.

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