



Sapex Group Limited
ACN 619 195 283
Level 29, 201 Elizabeth Street
Sydney NSW 2000

24 September 2018

National Stock Exchange of Australia Limited
1 Bligh Street
Sydney NSW 2000

RE: MARKET RELEASE

Sapex Group remains committed to enhancing shareholder value and has resolved to implement the following restructure to broaden its access to capital, reduce its cost of funds, and strengthen its management team and corporate governance framework. In response to investor feedback, and in order to achieve these goals, the Company has determined that an ASX listing is to be pursued, with a target completion date of late Q4 2018.

Accordingly, Sapex has convened a Due Diligence Committee, and made the following appointments in order to advance the listing process:

- PKF as auditor;
- HWL Ebsworth as legal advisor; and
- First Guardian Capital as lead manager

The Company intends to seek a waiver from the NSX to shorten the 90-day notice requirement for announcing its delisting, and will seek shareholder approval in accordance with listing rule 2.25.

Sapex will provide ongoing updates on the progress of its listing process in due course.

Board of Directors

After a distinguished career in the oil and gas industry, Ron Larson will be retiring from the Board, effective 30 October 2018. He will be replaced by Dan Powell, who will be joining the Board as a Non-Executive Director. Mr Powell brings with him a wealth of Australian corporate experience, with a focus on socially responsible investment – one of the key business priorities for Sapex as a solutions provider in some of the world's most environmentally sensitive areas.

Management

The management team has been strengthened with a new appointment made for Head of Logistics in Indonesia. This role will be responsible for maximising inventory utilisation and operational efficiency across Sapex's client base. Key executive roles continue to be held by Kyle Larson as CEO, David Anderson as CFO and Simon Ford as Country Head for Indonesia.

Finance Function

As part of Sapex's restructure, First Guardian Capital will assume an ongoing role of Financial Advisor, responsible for the Company's financing and capital markets activities. Operational matters will be coordinated from Indonesia, whilst Group finance and governance will be conducted from Australia. In line with this strategy, Conrad Warren will step down from his current role as COO, but will continue to act in a non-executive advisory capacity, coordinated through First Guardian.

Corporate Communications

Sapex is committed to improving communications to existing and future shareholders. In recognition of the importance Sapex places on liquidity and building an informed and active investor base, Sapex are currently in advanced negotiations with OzFinancial Australia Pty Ltd (**OzFinancial**) to be appointed as the Group's Corporate Communications Manager, tasked with managing all of Sapex's communications with shareholders and the market more broadly. Sapex would like to take this opportunity to note it has been greatly impressed by OzFinancial's support to date, and that during all previous engagements, OzFinancial has acted entirely within its mandate, and has played a valuable role in assisting the Company with a range of capital markets activities. This contribution and professionalism, coupled with their assistance in building Sapex's shareholder base is recognised through OzFinancial's expanded engagement with the Company.

Corporate Governance

The Company has strengthened its internal controls surrounding financial control, trading policies and information management and has added additional resources to its Audit and Remuneration committees. Additionally, a policy has been implemented that all documents prepared by both internal and external parties be submitted to both the Board and Sapex's external legal advisor, for review and approval before publication.

Board of Directors
Sapex Group Limited

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