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NSX RELEASE

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AWARD OF MAJOR CONTRACT

SAPEX Group Limited (NSX:SAA), through its wholly owned subsidiary PT. SAPEX Servis Indonesia, has today been awarded the contract for SAKA Indonesia Pangkah Limited's ("SAKA") West Pangkah Composite Mat supply & services contract in Indonesia. Total contract value is USD \$3.66m.

This contract consists of two components: the provision of 950 new Dura-Base® Composite Mats through direct Sale, and 1,300 Dura-Base® Composite Mats on a rental basis. The project is expected to commence in December 2018, with a minimum term of 6 months.

Securing this contract is in line with SAPEX's strategy of having anchor contracts filled by major energy industry clients, which ensures strong base revenue, whilst allowing SAPEX to capitalise on new opportunities in other sectors and markets.

SAPEX CEO, Kyle Larson made note "Securing this contract represents a major milestone for SAPEX, confirming management's operational & revenue forecasts for the Oil & Gas market in Indonesia. We are pleased to be working with SAKA on this and remain committed to our continuing goal of ensuring our clients 'Get In, Get Out and Leave Nothing Behind'".

With SAKA, the split between rental and purchase of mats demonstrates their long-term commitment to developing six production wells in Eastern Indonesia, as they commence the next stage of an approximate USD \$100m development.

Lead Project Manager at SAKA, Mr. Tobing, commented "We look forward to utilising Dura-Base on this critical project".

This contract represents one of several that SAPEX has targeted to secure over 2019, and is a clear indication of renewed growth in the Indonesian Oil & Gas market as SAKA expands into an area of onshore Eastern Java that is a newly tapped, long-term drill site.

Earnings from this contract will commence in December 2018.

In order to improve operational efficiencies, SAPEX have also appointed Norman Sukardi to the newly created role of General Manager of Logistics, Indonesia. Norman's focus will be on maximising mat utilisation across SAPEX's inventory, whilst overseeing OHS and Logistics. His background in the aviation industry sees him well placed to add value in terms of both efficiency and safety.

Board of Directors.
Sapex Group Limited

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