



Sapex Group Limited
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NSX RELEASE

7 February 2020

COMPANY UPDATE

SAPEX Group Ltd (NSX: SAA) ("**SAPEX**" or "**Company**") is pleased to provide the following update in relation to the proposed transaction announced on 9 December 2019 ("Announcement").

As advised in the Announcement, upon receipt of the Offer from the Consortium the Company appointed advisors to complete legal due diligence on the offer. The Company also appointed an Independent Expert to provide an opinion as to whether the transaction is fair and reasonable to the Company's non-associated shareholders. Both the due diligence and the Independent Expert Report ("IER") remain underway but are now well advanced and the Company is hopeful for completion of these items shortly.

As previously advised, upon completion of the due diligence and IER, the Board of Directors will make a final determination of whether to put the transaction to the non-associated shareholders for their consideration. If the decision is to proceed shareholders will be sent a Notice of Meeting and the IER so they can make an informed decision of whether to approve the proposed transaction.

In preparation for the completion of the due diligence and IER and pending a favourable outcome the Company, in conjunction with the Consortium, has been drafting the required transaction documents including the Notice of Meeting and would expect this to be despatched to shareholders in March for a meeting in April.

Throughout the due diligence process, Management continues to focus on achieving SAPEX's budget targets for Q1 2020. With SAPEX's largest client, PGN SAKA, now commencing mobilization plans for the West Pangkah development program (via SAPEX's contract for the provision of Dura-Base, recently extended to Jan 2021), revenue projections are proceeding according to plan.

If you would like to receive these announcements as and when they are made, please register via the SAPEX Group Investor Centre: <https://sapexgroup.investorcentre.online/subscribe/>

Board of Directors
Sapex Group Limited

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