

NSX RELEASE

21 April 2020

COMPANY UPDATE

SAPEX Group Ltd (NSX: SAA) ("**SAPEX**") is pleased to provide the following update in relation to the ongoing Consortium Offer.

On 16 March 2020, SAPEX advised that it had entered into a binding Heads of Agreement, Share Purchase Agreement and supporting transaction documents (all together the "**Transaction Documents**") in relation to the previously disclosed Consortium Offer. The signing of the Transaction Documents represented SAPEX's acceptance of the Consortium Offer following a lengthy due diligence process. Completion of the transaction is subject to the approval of SAPEX's non-associated shareholders and SAPEX continues to progress the process for finalising and despatching a Notice of Shareholder Meeting and Independent Expert Report to shareholders.

In the announcement dated 9 December 2019 SAPEX acknowledged that acceptance of the Consortium Offer would likely have implications for the Company's previously disclosed plans to conduct a Selective Buyback, delist from the NSX and seek a listing on the ASX.

Per the announcement released on 3 October 2019, the proposed Selective Buyback was subject to a number of conditions (together the **Selective Buyback Conditions**). As updated in the announcement dated 8 January 2020 SAPEX became aware that the Selective Buyback Conditions would not be met and advised that as a result the Selective Buyback would not be proceeding.

SAPEX further advises that should SAPEX's non-associated shareholders approve the transaction and in light of the current volatility in equity markets, the Company will focus on strengthening its operations and integrating both businesses in an efficient manner. During this process, the Company believes it is most prudent to remain listed on the NSX. Accordingly, a transition to the ASX will therefore not be pursued at this time.

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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