

**ASX ANNOUNCEMENT****2 NOVEMBER 2017****VALMEC SECURES KEY EAST COAST GAS PROJECT / SIGNS AGREEMENT WITH LOCAL INDIGENOUS GROUP**

VALMEC Limited ('VALMEC') (ASX: VMX) is pleased to announce the award of works on a major East Coast gas project and the signing of a key Memorandum of Understanding ("MoU") with the project site's traditional owners to support its project delivery strategy.

The award of the civil construction scope on the Mt. Isa Compressor Station as part of the Northern Gas Pipeline Project ("NGP") for Jemena, will see Valmec work collaboratively with both the traditional owners of the land, Kalkadoon People and Jemena in delivering the civils and underground services scope. The contract with Jemena for this scope is valued at circa \$3M.

Valmec's MoU with Mt. Isa based Kalkadoon Native Title Aboriginal Corporation ("Kalkadoon"), will also enable Valmec and Kalkadoon, to identify and develop further strategic projects and opportunities situated on their native title lands.

Commenting on the new contract, Valmec Managing Director Steve Dropulich said,

"We are very pleased to have been selected by Jemena as a construction partner on the NGP and be able to continue our strong working relationship. This contract is of strategic importance to Valmec, further demonstrating the Company's expertise and leading position as a key supplier in the gas services sector.

"It is also pleasing to be able to execute a MoU with Kalkadoon which will support our execution strategy on this project and further enable Valmec to work with local communities and indigenous groups in delivering a mutually successful project for Jemena and its stakeholders" he said.

About VALMEC

Valmec is an Australian energy and multi-discipline services group providing specialised packaged equipment, construction, maintenance, commissioning and integrity maintenance services to the resources, energy and infrastructure sectors. Founded by an experienced team of EPC and contracting professionals each with more than 25 years in the Australian gas industry, Valmec's focus is on the delivery of innovative project solutions, superior service and faster time-to-market options than the competition.

Valmec employs approximately 230 project and support personnel, with offices and fully equipped workshop facilities in Western Australia and Queensland.

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