

National Stock Exchange of Australia Limited
ATTN: Ingrid Wei
1 Bligh Street
Sydney NSW 2000
Australia

RE: Response to NSX Period Disclosure Query of 7 May 2018

Dear Ms. Wei,

We are pleased to provide our formal response to the subject Query.

1. First Guardian Capital (Lender) provided the loan to Sapex Group Limited (Borrower)
2. Sapex (SAA) is related to First Guardian Capital (FGC) via David Anderson who holds both the position of Managing Director of FGC and CFO of SAA
3. We have collected zero of the doubtful debt provision in the period in questions (Jan 2018 – May 2018). We expect to collect this debt in the last 5-months of this year after the current acquisition of PT. SAS International (SAS) is complete and revenue in to PT. SAPEX Servis Indonesia (SSI) is increased from current levels due to the transition from being a mat leaser, to a mat owner.
4. Other Expenses table, appended below:

Item	Value	Wgt
Total APAC Service Fee	39,596	3.28%
Total Bank Fee	139	0.01%
Total Corporate Secretarial Fee	7,590	0.63%
Total Demurrage Fee	4,564	0.38%
Total Directors' fee	11,000	0.91%
Total Doubtful Debts Expense	631,631	52.35%
Total Executive Remuneration	94,969	7.87%
Total Facility Fee	8,925	0.74%
Total Interest Expense	22,425	1.86%
Total Lead Arranger Fee	200,000	16.58%

Total Loans Written-Off	97,807	8.11%
Total Logistics	54,350	4.50%
Total NSX application	-	0.00%
Total Professional Services Fee	30,909	2.56%
Total Rent	1,890	0.16%
Total Share Registry	1,202	0.10%
Grand Total	1,206,997	100.0%

Best Regards,



Kyle Larson
Chief Executive Officer, Director