

FOR IMMEDIATE RELEASE

PENNANT INTERNATIONAL GROUP PLC**Major Contract Award valued at up to c. C\$30 million
&
Contracts Update**

Pennant International Group plc ("**Pennant**" or the "**Group**"), the AIM quoted supplier of integrated training and support solutions, products and services which train and assist operators and maintainers in the defence and regulated civilian sectors, is pleased to provide the following update on recent contract developments.

Integrated Logistics Support

The Canadian government has awarded a new consulting services contract to Pennant Canada Limited for the use and optimisation of Pennant's OmegaPS suite of supportability software which is used throughout the Canadian Department for National Defence ("**DND**"), further extending the 18-year consultancy relationship between Pennant and the DND.

The contract provides a framework which allows for services to be called upon on an 'as and when required basis' for an initial two-year term with the option to extend until November 2023. The initial value of the two-year framework is C\$11.9 million, with the overall value (for the full five years) being in the region of C\$30 million (as against C\$19.7 million for the previous contract).

Pennant's OmegaPS and OmegaPS Analyzer are the Logistic Support Analysis and Life Cycle Costing software products of choice for the DND and have been used extensively throughout the department since the early 1990s.

Philip Walker, Pennant CEO commented: "We are delighted to have secured this new contract with the Canadian DND, which is testament to the close, long-standing partnership Pennant has with the DND. The award confirms the capability and value of the OmegaPS suite and provides a firm foundation for the continued expansion of the Group's consulting business globally."

Technical Documentation

Pennant has also secured an initial order from a new customer (a prime rail car builder) for the provision of technical documentation services. The value of the order is not being disclosed but is expected to grow over time and builds on the Group's extensive experience and well-established reputation in technical documentation services in the rail sector.

Training Solutions

Furthermore, the Group has made good progress in negotiations relating to the potential contract first announced on 9 August 2018 for the design, build and delivery of training equipment to an undisclosed customer for which it has been 'down-selected'. Preliminary exchanges of data are ongoing and preparatory works are under way. It is currently anticipated that the customer will formally award the contract in either late 2018 or during the first half of 2019. The potential value of the contract (£25 million to £30 million) remains unchanged.

Certain information contained in this announcement would have constituted inside information (as defined by Article 7 of Regulation (EU) No 596/2014) ("MAR") prior to its release as part of this announcement and is disclosed in accordance with the Company's obligations under Article 17 of MAR.

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