



Telephone: 604 341 4691

NEWS RELEASE

For immediate release

September 13, 2018

Toronto NEX Exchange Symbol: "WAV.H"
Shares Issued and Outstanding: 44,017,976

Pepcap Resources, Inc. announces agreement of an arm's length transaction for the sale and purchase of its indirect controlling interest in PT Krida Darma Andika subject to shareholder and Exchange approvals

VANCOUVER, BRITISH COLUMBIA – September 13, 2018 – Pepecap Resources, Inc. (TSXV:WAV.H) (the "**Company**" or "**Pepcap**"), reports that Asia Mining Management B.V. ("**Asia Mining**"), a 51% owned subsidiary of Pepecap, has entered into an agreement dated August 31, 2018 (the "**Purchase Agreement**") with Sultan Baktiar Najamudin (the "**Purchaser**") for the sale and purchase in an arm's length transaction all of the shares of PT Krida Darma Andika ("**Andika**") held by Asia Mining (the "**Transaction**"). Andika is a 99.6% owned subsidiary of Asia Mining that owns mining concessions (the "**Properties**") in Sumatra, Indonesia divided into two coal blocks, including three coal concessions with three Mining Business Licenses (each, an "**IUP Licence**") that are located in the Napal Putih and Putri Hijau districts of North Bengkulu Regency of Bengkulu Province, Indonesia.

Pursuant to the terms of the Purchase Agreement, the Purchaser has agreed to purchase all 14,940 ordinary shares of Andika held by Asia Mining for USD\$414,000 (the "**Consideration**"), payable in tranches. On the date of the Purchase Agreement, the Purchaser paid to Andika USD \$124,000 (including a deposit of USD\$104,000) and was delivered IUP Licence 228 in relation to the Properties. On or before September 30, 2018, the Purchaser has agreed to pay the second tranche consideration of USD \$124,000 to Andika in exchange for delivery of either of the outstanding IUP Licences held by Andika (at the discretion of Andika), and on or before October 31, 2018, the Purchaser has agreed to pay the third tranche of the Consideration of USD\$83,000. The final tranche Consideration will be paid by the Purchaser to Andika on or before November 30, 2018, in exchange for delivery of the remaining IUP Licence.

Completion of the Transaction is subject to a number of conditions including, but not limited to, shareholder closing conditions customary to transactions of the nature of the Transaction, shareholder approval, and approvals of all regulatory bodies having jurisdiction in connection with the Transaction and final acceptance from the TSX Venture Exchange (the "**TSXV**").

The Company is presently considering and exploring a number alternative assets which will replace its 51% interest Asia Mining Management B.V. and develop the Company's business. The goal is to move its listing off the NEX Board of the TSXV. The Company will continue to update its shareholders on progress.

For information:
Claus Andrup
M. 604 341 4691
clausandrup@me.com

This news release contains “forward-looking information” within the meaning of applicable securities laws relating to the Transaction and associated transactions. Although the Company believes in light of the experience of its officers and directors, current conditions and expected future developments and other factors that have been considered appropriate that the expectations reflected in this forward-looking information are reasonable, undue reliance should not be placed on them because the Company can give no assurance that they will prove to be correct. Readers are cautioned to not place undue reliance on forward-looking information. Actual results and developments may differ materially from those that are currently contemplated by these statements depending on, among other things, the risks that the parties will not proceed with the Transaction and associated transactions and that the Transaction and associated transactions will not be successfully completed for any reason (including the failure to obtain the required approvals or clearances from regulatory authorities). The statements in this news release are made as of the date of this release.

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