



ASX RELEASE

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For immediate release to the market

Entry into EPC contract Forrestania Mill Recovery Enhancement Project

GR Engineering Services Limited (ASX:GNG) (**GR Engineering or Company**) is pleased to announce that it has entered into an engineering, procurement and construction (EPC) contract (**Contract**) with Western Areas Limited (ASX:WSA) (**Western Areas**) associated with the Forrestania Mill Recovery Enhancement Project in Western Australia (**Project**). The Contract has been entered into on a guaranteed maximum price basis.

Detailed engineering and procurement will commence immediately, with revenue of approximately \$7 million to be realised in the first half of FY2016. The decision to proceed with the six month construction phase of the Project is likely to be made by Western Areas later this financial year, to facilitate commissioning and ramp-up of the Project in July 2016. The total value of the work under the Contract is approximately \$22 million, inclusive of those works associated with construction of the Project.

GR Engineering's Managing Director, Geoff Jones, commented that:

"It is pleasing to continue our long association with Western Areas and its Cosmic Boy processing facility in Forrestania. The Cosmic Boy processing plant was designed and constructed by GR Engineering in 2009 and was subsequently upgraded by the Company in 2010. GR Engineering's ability to secure repeat business such as this supports its reputation of delivering successful project outcomes with dependability and reliability."

Ends.

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GR Engineering Services Limited (ASX:GNG) is an ASX listed engineering and consulting contractor specialising in fixed price engineering design and construction services to the resources and mineral processing industry.

GR Engineering has successfully completed the engineering design and construction of projects for a diverse range of clients, including global mining houses, mid-tier miners and junior developers undertaking their first project. Traditionally an EPC contractor, GRES also has the ability to contract through a variety of models, including EPCM and hybrid contracting arrangements.

GR Engineering also has a long history of providing a diverse range of process engineering consulting services, including feasibility study preparation and management, process design and peer review engagements. These services have been delivered for projects globally and play a key role in delivering organic growth opportunities through design and construction project execution.

The Company also has a presence in the hydrocarbons industry via its wholly owned subsidiary, Upstream Production Solutions. Upstream production Solutions is a leading provider of operations and maintenance and well management services to the Australian and South East Asian oil and gas industry.

As a group, GR Engineering and Upstream Production Solutions employs more than 285 professional and support staff throughout Australia and South East Asia, in addition to a direct construction workforce and subcontractors.