



ASX RELEASE

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For immediate release to the market

EPC CONTRACT – MT MORGANS GOLD 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 contract (**Contract**) to design, construct and commission the mineral processing plant and certain infrastructure associated with Dacian Gold Limited's (DCN.ASX) (**Dacian Gold**) Mt Morgans Gold Project (**Project**).

Entry into the Contract follows the Company's announcement on 6 March 2017 of the award of a letter of intent in relation to the Project. The Contract is being undertaken on a guaranteed maximum price basis, which has been agreed at approximately \$107.1 million.

GR Engineering's scope of work involves the design and construction of a new 2.5Mtpa carbon-in-leach treatment facility and certain supporting infrastructure for the Project, located 25km south-west of Laverton in WA. Work under the Contract has commenced, with completion and first gold production scheduled to occur in the first quarter of calendar year 2018.

Commenting on the Contract, GR Engineering's Managing Director, Mr Geoff Jones, said:

"Entry into this Contract following award of the letter of intent provides certainty in relation to the Project and supports a strong start to FY18 by GR Engineering. With site mobilisation imminent, we look forward to continuing our work with Dacian Gold to deliver safe and successful outcomes for the Project."

Ends.

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GR Engineering Services Limited (ASX:GNG) is an ASX listed engineering design and construction 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, GR Engineering 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 450 professional and support staff throughout Australia and internationally, in addition to a direct construction workforce and subcontracted personnel.