MEDIA STATEMENT

GRD

7 September 2005

GRD PREFERRED BIDDER FOR LANCASHIRE WASTE PFI PROJECT

GRD Limited announced today that its subsidiary, Global Renewables, has been selected as the preferred bidder to design, build, own and operate the Lancashire Waste Partnership PFI project. With estimated nominal revenue of $6 billion, it is one of the largest waste undertakings in the United Kingdom. (See notes below). The capital cost of the project is expected to be around $500 million.

The Lancashire Waste Partnership is a collective of 15 adjacent local authorities established to form an integrated approach to delivering the statutory targets for waste diversion and recycling in the region. The PFI project is designed to deliver the Partnership's waste strategy through a 25 year contract for the reception, processing, transportation and diversion of municipal solid waste from landfill.

The project, which will have the capacity to process up to 765,000 tonnes of municipal solid waste per annum, has secured funding from the Department of Environment Foods and Rural Affairs (Defra) in the United Kingdom.

Contractual discussions with the Lancashire Waste Partnership will finalise the scope of the project and achieve financial and commercial close by mid 2006. The commencement of operations is scheduled for mid 2008 following an initial two year construction period.

Lancashire County Council's cabinet member for sustainable development, Cllr. Tony Martin said that he was delighted to be appointing Global Renewables as preferred bidder for this contract.

"While there is still a lot of work to be done to negotiate the final deal, the Global Renewables proposal offers Lancashire as sustainable waste management solution without the need for incineration," he said.

Bovis Lend Lease (UK) will acquire a 25 percent equity position in the project consisting of an integrated network of three central waste treatment facilities, including UR-3R processing facilities (similar to the Eastern Creek UR-3R Facility in Sydney), green waste composting facilities, materials recycling facilities and transfer stations. The UR-3R Process® technology rights will remain with GRD.

In addition, GRD Minproc, in an integrated joint venture with Bovis Lend Lease (UK), will undertake the engineering, procurement and construction (EPC) contract for the project.

Brettney Fogarty, GRD's executive chairman, said that the success of the world's first UR-3R Facility in Sydney had laid the foundations for this excellent result.

"Winning preferred bidder for the project was due to the effort of a dedicated GRD team and the considerable support provided by the Australian Commonwealth and State governments.

"We are pleased with the opportunity to enter into significant new partnerships with the Lancashire Waste Partnership and Bovis Lend Lease and look forward to strengthening our mutual relationships with the preferred service providers to this landmark project. Eric Wright Group, ISKA GmbH, Sorain Cecchini Techno SRL, and Churngold North West Limited will provide considerable value to the project during its implementation," he said.

"The project will provide a significant revenue stream, allowing GRD to continue to invest in its people and growing waste-to-resources business," he added.

Bob Johnston, CEO Bovis Lend Lease Worldwide, said that the construction of an integrated waste network in Lancashire would bring substantial investment into the region and create some 400 jobs in addition to bringing substantial environmental benefits.

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Jason Millett, CEO Bovis Lend Lease (UK) said that this is very much a relationship-based partnership to which Bovis Lend Lease brings extensive construction, procurement and construction management experience.

ENDS

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Contract for the reception, processing, transportation and diversion of waste from landfill

The Lancashire Waste Partnership has advised Global Renewables that:

"The Council has now concluded its evaluation of bids for the above contract and the Cabinet Member for Sustainable Development has today made the following decision:

1. To appoint the Consortium led by Global Renewables Limited as Preferred Bidder in respect of the contract for the Reception, Processing, Transportation and Diversion of Waste from Landfill.

2. That the appointment of the Consortium led by Global Renewables Limited be on the basis of a prescriptive Preferred Bidder letter to be prepared by the Director of Legal Services outlining the Councils' key requirements which must be delivered prior to contract close, which will include the items set out in Appendix F and such other legal and commercial issues identified by the Director of Legal Services.

3. The Consortium lead by SITA UK Limited be appointed as Reserve Bidder for the above contract.

4. Cabinet is asked at its meeting on 23 September 2005 to:

   a) review the proposed PFI solution in light of the other potential options for delivery of waste management services; and

   b) if appropriate, consider the basis upon which they wish officers to proceed with final negotiations with the Consortium led by Global Renewables Limited."

The Lancashire Waste Partnership PFI Project (indicative)

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(NB: The final scope of the project is subject to negotiation and final decision by the Lancashire Waste Partnership)

Who are the Lancashire Waste Partnership	The Partnership consists of the 3 waste disposal authorities: Lancashire County Council, Blackpool Borough Council and Blackburn with Darwen Borough Council.
Number of waste collection authorities	15 (13 District Councils within Lancashire, plus the 2 Unitary councils of Blackpool Council and Blackburn with Darwen Borough Council)
Number of people serviced by The Partnership	1.41 million
PFI funding	$200 million (£75 million) of PFI credits
Contract Length	25 years
Key dates	Mid 2006 – financial close Mid 2008 – commence operations Late 2011 – full service commencement
Project scope	Finance, design, build and operate an integrated network of waste management facilities Finance, design, build and operate an environmental education centre Woodland creation – 40 Ha per year Provision of a 'waste minimization and education' program
Waste management network	An integrated network of 3 central waste treatment facilities, comprising: - UR-3R processing facilities - green waste composting facilities - materials recycling facilities - transfer stations
Volume of waste treated	Capacity to process up to 765,000 tonnes of municipal solid waste per annum, but subject to scope variation.
Type of recyclables	Paper, card, aluminium, steel, plastic, glass, textiles
Renewable energy generation	Approx 6 MW
Expected Capex	Approx $500 million (£200 million)
Nominal revenue	Approx $6 billion (£2.8 billion)
Number of jobs created	Approx 400

Background Information

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Lancashire Waste Partnership

The Lancashire Waste Partnership incorporates 15 Lancashire waste authorities, at both officer and member level, in an active approach to integrated waste management across the whole county area.

The partnership was initially brought together in 1997 to address the emerging waste management agenda, in relation to the implementation of the then Landfill Directive draft. All local authorities recognised the significant impact that this directive would have on waste management across the Lancashire region. It was also appreciated by all authorities that as a two-tier local authority area, there were major benefits to be gained from working together to address this issue. The first step forward in this process was the development of a Joint Municipal Waste Management Strategy for Lancashire. Lancashire County Council led the development of this policy document and reported through the Lancashire Waste Partnership. The final document was approved and adopted by all 15 partners in April 2001.

The partners are as follows:

County council:	Lancashire County Council
District councils:	Burnley Borough Council Chorley Borough Council Fylde Borough Council Hyndburn Borough Council Lancaster City Council Pendle Borough Council Preston City Council Ribble Valley Borough Council Rossendale Borough Council South Ribble Borough Council West Lancashire District Council Wyre Borough Council
Unitary authorities:	Blackburn with Darwen Borough Council Blackpool Borough Council

The Lancashire Waste Partnership principal strategy targets include:

- Recycling and composting 55 per cent of all waste by 2015
- 50 per cent recovery through household waste recycling centres
- A three-stream waste collection service to 90 per cent of Lancashire households
- The development of a network of waste treatment facilities
- Reducing biodegradable landfill to 20 per cent.

Department of Environment Foods and Rural Affairs (Defra), United Kingdom

Defra's remit is the pursuit of sustainable development – the weaving together economic, social and environmental concerns. It brings all aspects of the environment, rural matters, farming and food production together and is the focal point for all rural policy, relating to people, the economy and the environment.

Defra provides funding to waste projects through Private Finance Initiative (PFI) credits, including £75 million of PFI credits to the Lancashire Waste Partnership.

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GRD Limited

GRD is an Australian construction and development company, comprising of the following business streams:

Construction:

GRD Minproc is a leading Australian engineering contracting business specialising in the design, engineering and construction of resource projects. GRD Minproc has a $1 billion workbook in addition to $1 billion preferred bidder pipeline of projects. The company's process engineering and project record are internationally recognised. The company has played a significant part in the modern development of Australia's minerals industry and has completed over 300 feasibility studies and 200 major design and construction projects in 33 countries for companies such as BHP Billiton, De Beers, Anglo American, CVRD, and Gold Fields Limited.[1]

GRD Minproc was awarded the 2005 WA Engineering Excellence Award, International Projects and Exports, for the Kansanshi Copper project in Zambia.

Development:

OceanaGold (57% owned) is a major Australasian gold producer with a dominant position in two major historic goldfields and ownership of a modern day gold discovery in New Zealand. It is New Zealand's largest gold producer with record production of 184,541 ounces from Macraes in 2004.

Global Renewables has built, owns and operates an urban waste treatment project incorporating the UR-3R Process® at Eastern Creek, Sydney. The UR-3R Facility is designed to process 260,000 tonnes of municipal solid waste per annum (12 percent of Sydney's waste) through integrated sorting, biological digestion and composting processes.[2] The Eastern Creek UR-3R Facility is a public private partnership and operates under a 25-year contract with WSN Environmental Solutions. Global Renewables has technology licence arrangements with ISKA for the ISKA® Percolation and Sorain Cecchini Techno SRL (SCT) for resource separation and composting processes.

GRD Limited and Hastings Funds Management have reached in principal agreement regarding a proposal for GRD to buy the economic interest managed by Hastings in Global Renewables whilst maintaining Hastings' investment in the Eastern Creek waste-to-resource project. Finalisation of the agreement is subject to both GRD and Hastings' internal and Board approvals. Under the proposal being discussed, Hastings may invest in future GRD waste-to-resource projects, subject to mutual agreement.

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[1] Projects include the Ravensthorpe nickel project, Telfer treatment plant, Kansanshi copper project, the Bogoso BIOX® gold project, and the Eastern Creek UR-3R Facility.

[2] Officially opened in September 2004, the Eastern Creek UR-3R plant will produce biogas sufficient to produce 17,000 megawatt hours of green energy (enough to power 2,250 households), 300,000 tonnes of Emission Reduction Units pa (carbon credits equivalent to taking 50,000 cars off the road), and more than 60,000 tonnes of compost products in addition to recyclable products (paper, glass, steel, plastics and aluminium). 1,500,000 tonnes of the Emission Reduction Units have been forward purchased by Mitsui & Co (Australia) Limited and BP Australia Ltd.

Bovis Lend Lease

Bovis Lend Lease is one of the world's leading companies in the project management and construction services industry, with over 7,500 employees in 93 offices worldwide.

Bovis Lend Lease offers nearly a century of experience in the construction industry. In the past decade alone, the firm has provided construction services on over 2,500 projects for 1,100 clients nationwide. Bovis Lend Lease provides a full range of construction services including construction management, general contracting, program management, project management, design/build and consulting services.

Bovis Lend Lease is part of the Lend Lease Group, a leading global real estate services business, having developed, constructed and managed real estate assets around the world for over 45 years. Listed on the Australian Stock Exchange, the Lend Lease Group operates in 43 countries on six continents, with a significant presence in Australia, Asia, Europe, and the United States.

Founded in London in 1885, the company pioneered fee-based construction in Britain and is currently a leading provider of Private Finance Initiative support in the country's healthcare and education sectors. Expansion into 19 European countries has followed through acquisition and organic growth.

In the United States of America, Bovis Lend Lease is the nation's third largest construction manager with coverage emanating from its 16 US offices and in Latin America, its offices in Sao Paulo, Brazil; Buenos Aires, Argentina and Mexico City D.F., Mexico.

ISKA GmbH (ISKA)

ISKA is a subsidiary of the German Power and Waste Management conglomerate Energie Baden Wurttemberg, and is the exclusive licence holder for the ISKA® Percolation patents.

In 1999 ISKA commenced operation of its first ISKA® Percolation facility in Buchen, Germany. This facility, which commenced processing around 30,000 t/a of municipal solid waste, has been expanded to 165,000 t/a. ISKA has also built a 100,000 t/a ISKA® Percolation facility, which is in commercial operation in Heilbronn, Germany.

In 2000 Global Renewables entered into an alliance with ISKA that granted Global Renewables an exclusive licence to use, market and promote ISKA® Percolation in the Australia, New Zealand and other countries in the Asia-Pacific Region. In 2005 an exclusive alliance was established specifically for the substantial United Kingdom market.

Since 2000, key technicians and engineers from ISKA have worked closely with GRD Minproc and Global Renewables to ensure effective technology transfer and the smooth commencement of operations at the Eastern Creek UR-3R Facility, Sydney.

Sorain Cecchini Techno SRL (SCT)

SCT is an Italian company with specific expertise in the separation and composting of municipal solid waste. SCT is part of the Sorain Cecchini Group, which, in its collective operations, handles and processes over 22,000 tonnes of waste per day.

SCT's specific capabilities include conception, development, testing and design of advanced municipal solid waste processing systems and the design of waste treatment systems for worldwide application.

SCT has designed and built over 25 composting facilities in five countries. SCT is currently constructing facilities in France, Spain and Australia.

The SCT Composting Process is the result of decades of development effort in engineering compost facilities. The SCT process involves gentle turning and negative aeration of the compost in a fully enclosed and odour-controlled building. The UR-3R Process® employs SCT automated composting technology as one of its core treatment processes. Both the source separated organics and the residuals waste fractions are separately composted using the SCT Composting Process.

Eric Wright Group

The origins of the Eric Wright Group date back to 1923, with the present company evolving in 1979. Since then, the Eric Wright Group has grown steadily into a major player in Construction and Development. Our business philosophy is to offer clients the widest possible choice of options within a single package of Design, Construction and Financial responsibility.

The Group's ability to offer a diverse range of options stems from a long established tradition in commercial construction with over two decades of design and build experience, broadened by 17 years of property development and supported by a strong and growing asset base.

Our workforce are central to our success - that's why we invest in them. Through provision of nursery facilities, and an on-site gymnasium we feel we are looking after our staff, and ensuring that our clients receive the best possible service from friendly, energetic and motivated staff. The Group's in-house team of experts provide an entire service, comprising Construction and Development Managers, Designers, Surveyors, Engineers, Safety and Quality

Churngold North West Limited

Churngold North West Limited is a joint venture between Churngold Construction Holdings Limited and JWS Waste and Recyling Services Limited.

The Bristol based Churngold Group of companies, with combined revenues of £30m and 300 employees have 30 years experience behind them, are:

- one of the UK's market leaders in the remediation of contaminated land
- the leading specialist groundworks contractor in the South West of England and South Wales
- the market leader for the operation of tipper lorries, recycled aggregates and inert landfill sites in the South West of England.

JWS Waste and Recycling Services operates a large purpose built materials recycling facility based in Salford close to the centre of Manchester, licensed to handle some 375,000 tonnes of material, and has a fleet of radio linked vehicles. The material delivered by the construction and industrial sectors, district councils and Greater Manchester Waste is processed at the facility, which diverts 80% from landfill.