

ASX RELEASE

21 August 2018

For immediate release to the market

EPC Contract - Carosue Dam Paste Backfill Plant

GR Engineering Services Limited (ASX:GNG) (**GR Engineering**) is pleased to announce that it has entered into a contract with Saracen Gold Mines Pty Limited (**Saracen**) for the engineering design, procurement and construction of a paste backfill plant at the Carosue Dam operations, situated 120km North East of Kalgoorlie in Western Australia (**Contract**).

GR Engineering's scope of work under the Contract extends to all process engineering design, supply, construction and commissioning for a paste backfill plant capable of producing 110 to 120 m³/h of paste to fill stopes in the Karari underground mine.

The Contract price is approximately \$17.9 million. Work under the Contract will start immediately, with completion of the facility to occur in the second half of FY19.

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

"GR Engineering's team has a historical involvement with Carosue Dam, initially in 2000 when the original processing facilities were commissioned. We are pleased to have the opportunity to continue our involvement with Carosue Dam and work with Saracen on the safe and successful delivery of the paste plant."

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 employs more than 300 professional and support staff throughout Australia and internationally, in addition to a direct construction workforce and subcontracted personnel.