



GR ENGINEERING SERVICES
ENGINEERING CONSULTANTS AND CONTRACTORS

ASX RELEASE

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For immediate release to the market

EPC Contract – Fungoni Mineral Sands Project

GR Engineering Services Limited (ASX:GNG) (**GR Engineering**) is pleased to announce that it has entered into a conditional EPC contract with Strandline Resources Limited (**Strandline**) for the engineering design, procurement and construction of a 2Mtpa mineral processing plant and associated facilities for the Fungoni Mineral Sands project (**Contract**).

The Fungoni Minerals Sands project is located approximately 25km from the Dar es Salaam port in Tanzania. GR Engineering's scope of work under the Contract extends primarily to the design, supply, installation and commissioning of the project's mining field unit, wet concentrator plant, tailings thickener and disposal system and mineral separation plant.

The commencement of the Contract remains subject to the satisfaction of a number of conditions precedent, to be satisfied prior to 31 March 2019 and which primarily relate to Strandline obtaining the requisite approvals and funding for project execution. The Contract price is approximately US\$17.6 million.

GR Engineering managed the delivery of the definitive feasibility study for the Fungoni Minerals Sands project in 2017 and has since continued to progress work in relation to the project with Strandline. Commenting on the award of the Contract, GR Engineering's Managing Director, Mr Geoff Jones, said:

"We are pleased to continue our involvement with the Fungoni Mineral Sands project and look forward to working with Strandline as it progresses towards development. The delivery of this project provides GR Engineering with an important opportunity to obtain further exposure to a growing global market for high quality mineral sands products."

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.