

ASX RELEASE

30 March 2015

For immediate release to the market

Appointment as Preferred Tenderer - Nova Nickel Project

GR Engineering Services Limited (ASX:GNG) (**GR Engineering**) is pleased to announce that it has been appointed as preferred tenderer by Sirius Resources NL (**Sirius**) for the design and construction of the mineral processing and paste fill plant facilities for the Nova Nickel Project located in the Fraser Range, Western Australia.

In commenting on the appointment, GR Engineering's Managing Director, Mr Geoff Jones said:

"We are proud to be associated with Sirius and we look forward to our involvement in the development of the Nova Nickel Project, one of the most significant Australian base metal resources developments of recent times. GR Engineering has demonstrated that it has the technical and operational capabilities to successfully deliver the project and looks forward to working with Sirius to achieve this outcome.

In a short time, Sirius has advanced the Nova Nickel Project from discovery to development, a testament to the quality of the project and the management team involved. We look forward to working with Sirius and playing an important role in the development of the project."

GR Engineering has been appointed as preferred tenderer on the basis of a fixed price, engineering, procurement and construction (**EPC**) tender. Based on the proposed schedule, engineering and detailed design is expected to start in the second quarter of calendar year 2015, with construction scheduled to commence in the fourth quarter.

GR Engineering intends to further update the market on the proposed project timing and the anticipated earnings impact once it progresses its appointment as preferred tenderer and enters into an EPC contract with Sirius.

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 275 professional and support staff throughout Australia and South East Asia, in addition to a direct construction workforce and subcontractors.