

ASX RELEASE

10 May 2016

For immediate release to the market

UPSTREAM PRODUCTION SOLUTIONS ENTERS INTO CONTRACT FOR AUSTRALIA PACIFIC LNG PROJECT

GR Engineering Services Limited (ASX:GNG) (**GR Engineering**) is pleased to announce that its wholly owned subsidiary, Upstream Production Solutions (**Upstream PS**), has entered into an additional agreement with Origin Energy (**Origin**), the upstream operator of Australia Pacific LNG, for the provision of wellsite, gas production and water treatment facility maintenance and major works to support Australia Pacific LNG's operations and maintenance activities in the Surat Basin in South Western Queensland (**Contract**).

Under the Contract, which has an initial two year term, followed by a one year option (**Term**), Upstream PS has been engaged to complete scheduled and unscheduled maintenance and associated services for a minimum of 1500 wells, seven gas processing facilities, nine water gathering systems, two water treatment facilities and one pre-treatment facility. Revenue under the Contract is expected to be approximately \$50 million in total over the Term¹.

"We commend our Queensland team's strong track record of performance since having commenced maintenance activities with Australia Pacific LNG in August 2014, which has led to the award of this additional CSG-LNG Contract. Upstream PS is proud to be playing a role in this transformational project for Origin and Australia Pacific LNG", said Upstream PS Managing Director, Joe Corvetti.

"Our team looks forward to continuing to deliver value-added solutions, drawing on specialist CSG capability and collaborating with our client to deliver safe and efficient maintenance and operations services whilst maximising plant availability", said Upstream PS QLD/NSW Regional Manager, Cameron Wills.

About Upstream Production Solutions

Upstream PS is a wholly owned subsidiary of GR Engineering with an extensive track record in the provision of operations and maintenance, wellsites, engineering and production assurance services. The Upstream PS team has served the oil and gas industry in Australia and South East Asia for more than 18 years, with a strong reputation for providing safe, innovative and sustainable solutions to production challenges.

Ends.

1. Assuming the one year option is exercised by Origin.







For further information, contact:

Geoff Jones

Managing Director
GR Engineering Services Limited

+61 8 6272 6000

Joe Corvetti Managing Director

***** +61 3 8623 9800

⊠ joe.corvetti@upstreamps.com

Upstream Production Solutions

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 300 professional and support staff throughout Australia and internationally, in addition to a direct construction workforce and subcontractors.