



ASX RELEASE

23 May 2011

For immediate release to the market

GR ENGINEERING SERVICES LIMITED (ASX:GNG) ENTERS INTO \$AUD360 MILLION CONTRACT

GR Engineering Services Limited (ASX:GNG) is pleased to announce that it has entered into an engineering, procurement and construction (EPC) contract with Beijing based CACS Corporation (CACS) for the engineering design, construction and construction management of the 10 million tonne per annum (Mtpa) processing plant and associated infrastructure relating to Moly Metals Australia Pty Ltd's (MMA) Spinifex Ridge Molybdenum/Copper project in Western Australia. MMA is a 100% owned subsidiary of Moly Mines Limited (ASX:MOL).

GNG will act as sub-contractor to CACS which has been engaged by MMA as the principal contractor for the overall EPC contract delivery of the Spinifex Ridge processing plant and related infrastructure. CACS is a subsidiary of Sinomach, China's largest engineering services and machinery manufacturing company and was established in 1981. CACS has undertaken procurement, engineering, design and construction works in fields including electrical power, petrochemicals, metallurgy, ports and public infrastructure.

GNG's revenue under its contract with CACS is expected to be in the order of \$AUD360 million over a 30 month period.

A condition precedent of the contract is that MOL finalises its funding arrangements for the project, an element of which was the completion of the EPC contract with CACS. Subject to the timely completion of all conditions precedent in the contractual arrangements between MOL and CACS and MMA's Board making the final decision to proceed with the project, GNG expects to commence work on the Spinifex Ridge 10 Mtpa facility during the first half of 2011/2012.

GNG has been associated with the Spinifex Ridge Molybdenum/Copper Project since 2010 when it completed a Definitive Feasibility Study on the project for MMA. GNG Managing Director, Joe Ricciardo said "The Spinifex Ridge Molybdenum/Copper Project is a significant project for GNG as the Company continues to build on its reputation as a leading provider of engineering design and construction services to Australia's mining industry. It will be particularly satisfying to be involved with the Spinifex Ridge Project from feasibility study through to construction."

GNG looks forward to working with CACS on a successful outcome in the delivery of the Spinifex Ridge processing plant and related infrastructure to MMA.

Ends.



For further information:

Joe RICCIARDO
Managing Director

☎ (08) 6272 1547

✉ joe.ricciardo@gres.com.au

Joe TOTARO
Chief Financial Officer

☎ (08) 6272 1544

✉ joe.totaro@gres.com.au

GR Engineering Services Limited is a Perth based engineering consulting and contracting organisation providing quality process engineering design and construction services to the resources and mineral processing industry.

Since its foundation in 2006, the Company has experienced consistent organic growth. The Company was admitted to the official list of ASX Limited on 15 April 2011. GNG has 150 million shares on issue.