



ASX RELEASE

15 December 2011

For immediate release to the market

SALE OF SHARES BY FOUNDING SHAREHOLDERS

GR Engineering Services Limited (ASX:GNG) (**Company**) wishes to advise that a total of 18.0 million fully paid ordinary shares in the Company have been sold by certain founding shareholders at a sale price of \$1.80 per share (**Sell Down**). Company directors Mr Barry Patterson, Mr Joe Ricciardo and Mr Tony Patrizi, as well as other Key Management Personnel participated in the Sell Down.

Prior to the Sell Down, founding shareholders of the Company held 79.3% of the fully paid ordinary shares on issue in the Company, which will be reduced to 67.3% upon settlement of the Sell Down. This significant holding will continue to ensure the alignment of the personal interests of Executive Directors and Key Management Personnel with those of the Company.

The Sell Down enhances the liquidity in the market for the Company's shares.

Mr Joe Ricciardo, Managing Director of GR Engineering Services Limited, said, "Our shares have traded strongly following our IPO at \$1.00 in April 2011 and the partial sell down by Company founders is in response to the demand for further stock and liquidity from the institutional investment sector.

"This demand for our shares further reflects a strong endorsement of our business strategy as we continue to grow and expand the Company. All of our founders and key management team remain committed to the Company's ongoing success, with all operations business as usual."

The Sell Down was made primarily to institutional clients of Argonaut, (which managed the Sell Down), Macquarie Securities (Australia) Limited and Bell Potter Securities Limited.

An Appendix 3Y for each of the directors that participated in the Sell Down will be released to market upon settlement.

Executive Directors and Key Management Personnel who participated in the Sell Down do not intend participating in any further Sell Down until the release of the financial results for the financial year ended 30 June 2012 at the earliest. Any future sell downs will be conducted in a similar orderly fashion to the Sell Down announced today.

Ends.

For further information contact:

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 19 April 2011. GNG has 150 million shares on issue.