



ASX RELEASE

27 February 2013

For immediate release to the market

CORRECTION TO CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS : HY13

The Company wishes to advise of corrections to the Condensed Consolidated Statement of Cash Flows as contained in the HY13 Financial Results released to the market on 26 February 2013.

The correct Condensed Consolidated Statement of Cash Flows for the half year ended 31 December 2012 follows.

For ease of reference, the correct amounts are :

| | |
|--|---------------|
| Receipts from customers | \$57,456,300 |
| Net cash flows from operating activities | (\$428,160) |
| Net increase/(decrease) in cash and cash equivalents | (\$6,796,257) |
| Cash and cash equivalents at beginning of period | \$33,861,242 |

The Company confirms that these corrections have no impact upon the Company's Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income or the Condensed Consolidated Statement of Financial Position for the half year ended 31 December 2012 or any other period.

Ends.

For further information contact:

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GR Engineering Services Limited (ASX:GNG) is an engineering, consulting and contracting company specialising in fixed price engineering design and construction services to the resources and mineral processing industry.

Founded in Perth, Western Australia in 2006, GR Engineering has rapidly grown through the completion of design and construction projects for a diverse range of clients, including global mining houses, mid-tier miners and junior developers undertaking their first project.

GR Engineering has undertaken feasibility studies for projects in over 20 countries. These studies play a key role in delivering organic growth opportunities through their conversion into design and construction projects.

GR Engineering directly employs more than 220 professional and support staff at its offices in Perth, Kalgoorlie and Brisbane in addition to its direct construction workforce and subcontractors.

GR ENGINEERING SERVICES LIMITED
HALF-YEAR FINANCIAL REPORT
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2012

| | <i>Notes</i> | <i>31 December</i> <i>2012</i> \$ | <i>31 December</i> <i>2011</i> \$ |
|---|--------------|---|---|
| Cash flows from operating activities | | | |
| Receipts from customers | | 57,456,300 | 96,740,844 |
| Payments to suppliers and employees | | (56,688,370) | (71,535,028) |
| Income tax paid | | (1,905,899) | (3,878,169) |
| Interest received | | 709,809 | 1,055,818 |
| Net cash flows from operating activities | | <u>(428,160)</u> | <u>22,383,465</u> |
| Cash flows from investing activities | | | |
| Purchase of property, plant and equipment | | (584,204) | (179,471) |
| Net cash flows from/(used in) investing activities | | <u>(584,204)</u> | <u>(179,471)</u> |
| Cash flows from financing activities | | | |
| Payment of finance lease liabilities | | (116,901) | (379,210) |
| Proceeds from borrowings | | 333,008 | 36,000 |
| Dividends paid | | (6,000,000) | (6,000,000) |
| Net cash flows from/(used in) financing activities | | <u>(5,783,893)</u> | <u>(6,343,210)</u> |
| Net increase/(decrease) in cash and cash equivalents | | (6,796,257) | 15,860,784 |
| Cash and cash equivalents at beginning of period | | 33,861,242 | 36,014,084 |
| Cash and cash equivalents at end of period | 4 | <u><u>27,064,985</u></u> | <u><u>51,874,868</u></u> |

The accompanying notes form part of these Financial Statements