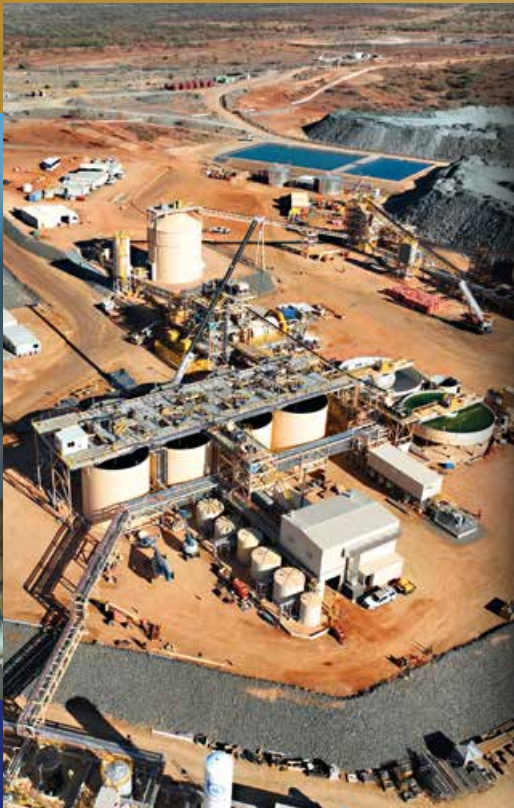




GR ENGINEERING SERVICES LIMITED
ENGINEERING CONSULTANTS AND CONTRACTORS

ABN 12 121 542 738



2024 ANNUAL REPORT

GR

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CALENDAR

Final Dividend:

Ex-dividend Date	2 September 2024
Record Date	3 September 2024
Payment Date	20 September 2024
Annual General Meeting	27 November 2024



PHILLIP LOCKYER
Non-Executive Chairman



GR ENGINEERING SERVICES LIMITED
ENGINEERING CONSULTANTS AND CONTRACTORS

CHAIRMAN'S LETTER

Dear Shareholder,

It is with pleasure that I report to you on GR Engineering Services Limited's (GR Engineering) performance for the year ended 30 June 2024 (FY24).

During FY24, the consolidated group achieved revenue of \$424.1 million and EBITDA of \$50.9 million. GR Engineering's wholly owned key subsidiaries, GR Production Services and Mipac both provided solid contributions to the results of the group.

GR Engineering successfully achieved multiple major project completions on time and on budget including the Thunderbird Mineral Sands Project, Bellevue Gold Project and the Cosmos Nickel Concentrator Facility Upgrade.

The contracted pipeline of work has been increased by the award of key projects by Evolution Mining, Liontown Resources, K92 Inc, Develop Global, INPEX and Queensland Pacific Metals.

GR Engineering's expertise across a broad range of commodities is also reflected in its study activity. GR Engineering's study work during FY24 has exposure to multiple commodities including gold, nickel, copper, zinc, lead, rare earths, lithium and tin with projects located in Australia and overseas.

On 13 March 2024, Mipac acquired Paradigm Engineers Pty Ltd (Paradigm), a provider of control systems and electrical engineering, automation and technology services based in Western Australia. The transaction is aligned to Mipac's strategic plan and enhances Mipac's control systems and design capabilities and expands its existing footprint in Western Australia. Paradigm has significant expertise across a range of commodities, including iron ore, gold and battery minerals. We welcome Paradigm to the GR group.

The GR group's Total Reportable Injury Frequency Rate for FY24 was 2.11. The business is committed to the target of zero injuries and operates using accredited OH&S, Integrated Management and Quality Management Systems.

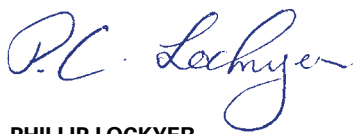
CHAIRMAN'S LETTER

CONTINUED

During the year, the GR group continued to maintain a strong and demonstrated commitment to environmental, social and governance matters. The business is proud to be a key long term partner of Starlight Children's Foundation, Ronald McDonald House and other not for profit organisations. The business also partnered with our clients on social ventures, particularly in relation to initiatives involving the local communities in which we and our clients operate.

Having regard to the group's strong earnings result, cash available, anticipated working capital requirements and the pipeline of future work, your Board resolved to declare a final fully franked FY24 dividend of 10.0 cents per share (total FY24 fully franked dividends of 19.0 cents, total FY23 fully franked dividends of 19.0 cents).

As always, I am grateful to our clients, suppliers and particularly our employees for their ongoing support throughout FY24. I would also like to thank my fellow Board members for their insightful guidance and counsel.



PHILLIP LOCKYER
Non-Executive Chairman



“GR ENGINEERING SUCCESSFULLY ACHIEVED MULTIPLE MAJOR PROJECT COMPLETIONS ON TIME AND ON BUDGET INCLUDING THE THUNDERBIRD MINERAL SANDS PROJECT, BELLEVUE GOLD PROJECT AND THE COSMOS NICKEL CONCENTRATOR FACILITY UPGRADE.”



CHAIRMAN'S LETTER

CONTINUED



“ GR PRODUCTION SERVICES AND MIPAC BOTH PROVIDED SOLID CONTRIBUTIONS TO THE RESULTS OF THE GROUP. ”



GR PRODUCTION SERVICES
OPERATIONS – MAINTENANCE – PROJECTS – ADVISORY



Your Directors present their report together with the financial statements of GR Engineering Services Limited (“**GR Engineering**” or “**consolidated entity**”) for the financial year ended 1 July 2023 to 30 June 2024 (FY24) and the independent auditor’s report thereon.

The names of the consolidated entity’s Directors in office during FY24 and until the date of this report are as below. Directors were in office for this entire period unless otherwise stated.

DIRECTORS

Phillip (Phil) LOCKYER (Non-Executive Chairman)
Tony Marco PATRIZI (Managing Director)
Peter John HOOD (Non-Executive Director)
Giuseppe (Joe) TOTARO (Non-Executive Director)
Deborah (Deb) MORROW (Non-Executive Director) (appointed on 18 April 2024)

CHIEF FINANCIAL OFFICER & COMPANY SECRETARY

Omesh MOTIWALLA

PRINCIPAL ACTIVITIES

During the financial period, the consolidated entity’s activities have been the provision of high quality process engineering, detailed engineering design, process control and automation design and construction services to the mining and mineral processing industry and the provision of operations, maintenance and advisory services to the energy sector.

DIVIDENDS PAID DURING THE YEAR

- Fully franked dividend of 10.0 cents per share paid on 22 September 2023.
- Fully franked dividend of 9.0 cents per share paid on 25 March 2024.
- Subsequent to 30 June 2024, a fully franked dividend of 10.0 cents per share was recommended by the Directors to be paid on 20 September 2024.

“ MIPAC ACHIEVED A RECORD REVENUE AND EARNINGS RESULT FOR FY24 AND CONTINUES TO OPERATE AT A HIGH UTILISATION BASED ON ITS STRONG CONTRACTED AND NEAR TERM PIPELINE OF WORK. ”



DIRECTORS' REPORT

CONTINUED

REVIEW OF OPERATIONS

During the year under review, the consolidated entity achieved revenue of \$424.1 million (FY23: \$551.4 million) and earnings before interest, tax, depreciation and amortisation (EBITDA) of \$50.9 million (FY23: \$44.4 million).

GR Engineering successfully delivered multiple major projects, including the Thunderbird Mineral Sands Project, Bellevue Gold Project and the Cosmos Nickel Concentrator Facility Upgrade. Work is continuing on the Mungari Future Growth Project, Kainantu Gold Project and Kathleen Valley Lithium Backfill Project.

GR Engineering's key subsidiaries, GR Production Services (GRPS) (formerly known as Upstream Production Solutions) and Mipac, achieved higher revenue and EBITDA results for FY24 compared to the prior year and provided solid contributions to the overall group's performance. Both businesses are forecasting growth in FY25.

The consolidated group was able to achieve an improved EBITDA result from a lower revenue base compared to FY23. This was the result of solid operational performance across the group. Revenue was lower in FY24 as a result of delays in expected contract awards. Revenue visibility remains strong based on the contracted and near term pipeline of work, ongoing early contractor involvement work and the high level of study work across a broad range of commodities.

GR Engineering's mineral processing and energy order book for works currently being undertaken and which will continue into FY25 include:

Mineral Processing

GR Engineering's contracted order book for design and construction works includes:

- **Mungari Future Growth Project** - \$155 million EPC Contract with Evolution Mining for the Mungari Future Growth Project in Western Australia. The scope of the work is to expand the existing Mungari process plant to an annual throughput of 4.2 Mtpa, including required changes to process plant buildings and the associated infrastructure. This project was awarded in September 2023 and site mobilisation occurred in early 2024.
- **Kainantu Gold Project - 1.2 Mtpa Process Plant** - US\$81 million EPC Contracts with a wholly owned subsidiary of TSX listed K92 Mining Inc for a 1.2 Mtpa Process Plant at the Kainantu Gold Mine in Papua New Guinea. This project was awarded in December 2023 and site mobilisation commenced in 2024.
- **Kathleen Valley Lithium Backfill Project** - \$71 million EPC Contract with a wholly owned subsidiary of Liontown Resources Limited (Liontown) for the Kathleen Valley Lithium Project in Western Australia. The project scope comprises two paste plants which will produce paste fill for use in Liontown's underground operations. The contract was awarded in May 2024.
- **West Musgrave Project** - on 14 April 2023, GR Engineering entered into contracts with BHP Group Limited (BHP) (formerly OZ Minerals Limited) for the design and construction works of the West Musgrave Project in Western Australia. On 11 July 2024, BHP announced a temporary suspension of the Nickel West operations and the West Musgrave Project. BHP stated that a transition period will commence from July 2024, with operations to be suspended in October 2024 and handover activities for temporary suspension will be completed by December 2024. GR Engineering will continue to support BHP during the transition and handover process.
- **Yangibana Rare Earths Project** - Beneficiation Plant - on 4 August 2023, GR Engineering was awarded an EPC Contract with Yangibana Pty Ltd, a wholly owned subsidiary of Hastings Technology Metals Limited (Hastings) for a beneficiation plant and associated infrastructure for the Yangibana Rare Earths Project. The contract sum, including the provisional sum, is \$210 million. GR Engineering is continuing early works up to an agreed capped amount. The EPC Contract is conditional on GR Engineering being issued with a commencement notice, which is dependent on Hastings finalising funding for the project, as well as a number of other pre-conditions standard for an EPC Contract.

In addition to the above projects, GR Engineering maintains a solid pipeline of near term work opportunities across a broad range of commodities.

Process Controls - Mipac

Mipac is a leading provider of control systems, operational technology and engineering services primarily in the mineral processing, energy and water industries. With a proven track record of success, Mipac leverages technology to deliver solutions for operational challenges across a project's entire life cycle, minimising risk and driving productivity.

During FY24, Mipac continued to deliver control systems, automation and digital solutions for key repeat clients such as First Quantum Minerals, BHP, Glencore Technology, Anglo American, Ok Tedi Mining and other large conglomerates. Mipac achieved a record revenue and earnings result for FY24 and continues to operate at a high utilisation based on its strong contracted and near term pipeline of work.

On 1 February 2024, Mipac entered into an agreement to acquire Paradigm Engineers Pty Ltd (Paradigm), a provider of control systems and electrical engineering, automation and technology services based in Western Australia. This transaction enhances Mipac's control systems and design capabilities and expands its existing footprint in Western Australia. Paradigm has significant expertise working across a range of commodities, including iron ore, gold and battery minerals. This transaction was completed on 13 March 2024.

Studies

GR Engineering has been engaged on a number of engineering and consultancy assignments on a range of domestic and international projects with scopes extending to engineering studies, process design, procurement support and site supervision services associated with new and existing operations.

During FY24, GR Engineering completed 26 studies and as at 30 June 2024, was engaged on a further 23 studies across a broad range of commodities for projects in Australia and abroad.

Energy - GR Production Services (formerly known as Upstream Production Solutions)

GR Engineering's production services business, GRPS, achieved revenue contributions primarily through the provision of operations and maintenance services to the energy sector including conventional gas, coal seam gas (CSG) to liquefied natural gas (LNG), LNG (offshore and onshore), green hydrogen production and transport, carbon sequestration and onshore and offshore oil and gas sectors throughout Australia.

In Queensland and South Australia (Cooper Basin), GRPS managed and executed maintenance and operations support services on over 3,000 CSG wells and conventional oil and gas wells. In July 2023, GRPS significantly expanded its services for Santos in the Cooper Basin. In August 2023, GRPS transitioned the Moranbah Gas Project from Arrow ownership to ASX listed Queensland Pacific Metals. GRPS is the regulated operator of these assets under a long term agreement. GRPS continues to support onshore clients with respect to carbon sequestration services and were contracted to operate and maintain an industry leading green hydrogen production facility. GRPS is actively providing operational advisory services on several Australian green hydrogen projects. GRPS continued as the regulated operator for Vintage Energy's Vali assets in the Cooper Basin.

In the Northern Territory, GRPS continued to provide maintenance services on the Blacktip gas field production facilities (onshore and offshore). On 14 November 2023, GRPS was awarded a three year contract with two three year extension options with INPEX Operations Australia (INPEX) for the provision of operations and maintenance support services to the Ichthys LNG upstream and downstream facilities. The scope of work involves providing production and technical roles to INPEX as required to supplement their business and support for maintenance shutdown planning and execution on all facilities. The estimated revenue for this contract is \$12 million per annum.

In Western Australia, GRPS remains a leading provider of operations and maintenance services to clients in the Perth Basin. GRPS is providing services at Chevron's Gorgon Project and continues to provide operational support services for Santos projects in the region. On 15 May 2024, GRPS executed a Master Services Agreement for maintenance and operational support services to Mitsui E&P Australia (MEPAU) and Beach Petroleum's Waitsia asset in the Perth Basin. The scope of work includes all of MEPAU's operated assets in the region.

DIRECTORS' REPORT

CONTINUED

Safety

GR Engineering is founded on a strong belief in its core values. These values drive GR Engineering to constantly improve its working environment. GR Engineering's commitment to health and safety for all its personnel at all times is managed to ensure a safe working environment and to ensure that no one is allowed to work in an unsafe manner. GR Engineering is committed to the target of zero injuries and operates using accredited OH&S, Integrated Management and Quality Management Systems.

GR Engineering applies risk and hazard identification methodologies in developing safety and health management plans that are tailored to each project and its client's requirements. GR Engineering encourages its employees and subcontractors to report all incidents, accidents and near miss occurrences within its workplaces and all reported incidents are investigated.

The GR Engineering group's Total Reportable Injury Frequency Rate (TRIFR) for FY24 was 2.11 (FY23: 11.42).

FY25 Outlook

GR Engineering has a strong order book and has been building its pipeline for FY25 and future periods. GR Engineering intends to provide FY25 guidance at its 2024 Annual General Meeting, to be held on 27 November 2024, when it is likely to have more certainty in relation to the timing of key projects.

FINANCIAL POSITION

During FY24, the consolidated entity maintained a solid cash position of \$74.6 million (30 June 2023: \$86.0 million) with negligible external bank debt. During this period, GR Engineering paid out \$31.3 million (FY23: \$30.7 million) in fully franked dividends to shareholders.

DIVIDENDS

The Board has resolved to declare a final FY24 dividend of 10 cents per share, fully franked. The ex-dividend date for this dividend will be 2 September 2024, the Record Date is 3 September 2024 and the Payment Date is 20 September 2024.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

None noted.

FUTURE DEVELOPMENTS

Information regarding likely developments in the operations of the consolidated entity in future financial years is referred to in the Review of Operations section in this Directors' Report.

EVENTS AFTER BALANCE SHEET DATE

On 11 July 2024, BHP announced a temporary suspension of the Nickel West operations and the West Musgrave Project. BHP stated that a transition period will commence from July 2024, with operations to be suspended in October 2024 and handover activities for temporary suspension will be completed by December 2024. GR Engineering will continue to support BHP during the transition and handover process.

On 15 August 2024, the Board resolved to declare a final FY24 dividend of 10 cents per share, fully franked. The ex-dividend date for this dividend will be 2 September 2024, the Record Date is 3 September 2024 and the Payment Date will be 20 September 2024.

BOARD OF DIRECTORS

Phillip (Phil) LOCKYER – Non-Executive Chairman

Dip Met, Assoc Min Eng, M.Min Econ

Phil Lockyer is a Mining Engineer and Metallurgist who has over 50 years' experience in the mineral industry, with a focus on gold and nickel in both underground and open pit operations. He was employed by WMC Resources Limited for 20 years and as General Manager for Western Australia was responsible for WMC's nickel division and gold operations. Mr Lockyer also held the position of Director Operations for Dominion Mining Limited and Resolute Limited. He holds a Diploma of Metallurgy from the Ballarat School of Mines, an Associateship of Mining Engineering from the Western Australian School of Mines and a Masters of Mineral Economics from Curtin University.

Phil Lockyer has formerly served on the Boards of Swick Mining Services Limited, Perilya Limited, Focus Minerals Limited and CGA Mining Limited. He is currently a Non-Executive Director of RTG Mining Inc.

- Interests in ordinary shares in GR Engineering - 50,000
- Interests in other securities in GR Engineering - None
- Special Responsibilities:
 - Non-Executive Chairman
 - Member of the Audit and Risk Committee
 - Member of the Remuneration and Nominations Committee
- Directorships in other listed entities in the last 3 years:
 - RTG Mining Inc. (ASX:RTG) 2013 - Present

Tony Marco PATRIZI – Managing Director

BE (Mech Eng)

Tony co-founded GR Engineering. Tony is a Mechanical Engineer with over 40 years' experience in the mining and minerals processing industries as a company director, operations manager, project manager and maintenance engineer. Tony was previously the operations manager of JR Engineering which had over 300 personnel and provided workshop, maintenance, engineering and construction services to mining and mineral processing projects in Western Australia and interstate.

- Interests in ordinary shares in GR Engineering - 9,795,000
- Interests in other securities in GR Engineering - None
- Directorships in other listed entities in the last 3 years - None

Peter John HOOD AO – Non-Executive Director

BE(Chem), MAusIMM, FIChemE, FAICD

Peter is a Chemical Engineer and has over 50 years' experience in the resource and energy sectors.

Peter was formerly the Chief Executive Officer of Coogee Chemicals and Coogee Resources. He was Chairman of the International Chamber of Commerce National Committee of Australia. Peter is a Past President of the Australian Chamber of Commerce and Industry and the Chamber of Commerce and Industry Western Australia. Peter is currently Chairman of Matrix Composites and Engineering Limited, Lead Independent Director of Cue Energy Resources Limited and a Non-Executive Director of De Grey Mining Limited.

Peter was initially appointed as a Non-Executive Director of the Company on 10 February 2011.

- Interests in ordinary shares in GR Engineering - 500,000
- Interests in other securities in GR Engineering - None
- Special Responsibilities:
 - Chairman of the Remuneration and Nominations Committee
 - Member of the Audit and Risk Committee
- Directorships in other listed entities in the last 3 years:
 - Matrix Composites & Engineering Limited (ASX:MCE) 2011 - Present
 - Cue Energy Resources Limited (ASX:CUE) February 2018 - Present
 - De Grey Mining Limited (ASX:DEG) November 2018 - Present

DIRECTORS' REPORT

CONTINUED

Giuseppe (Joe)TOTARO – Non-Executive Director

B.Com, CPA

Joe is a Certified Practising Accountant (CPA) with over 40 years' experience in commercial and public practice specialising in mining and mining services. Joe is a co-founder of GR Engineering and was formerly the Chief Financial Officer and Company Secretary of GR Engineering.

Joe was appointed as a Non-Executive Director of the Company on 1 July 2019.

- Interests in ordinary shares in GR Engineering - 8,000,000
- Interests in other securities in GR Engineering - None
- Special Responsibilities:
 - Chairman of the Audit and Risk Committee
 - Member of the Remuneration and Nominations Committee
- Directorships in other listed entities in the last 3 years:
 - Tasmea Limited (ASX:TEA) April 2024 - Present

Deborah (Deb) MORROW – Non-Executive Director (Appointed 18 April 2024)

BBus, GAICD

Deb is a highly regarded corporate leader with over 25 years' experience leading large-scale projects and has a range of senior corporate and sustainability roles across the energy and mining sectors.

Deb had a 20 year career with Woodside Energy Ltd and was a senior executive at OZ Minerals Ltd, prior to its acquisition by BHP Group Limited in 2023. Deb is currently the Managing Director and Chief Executive Officer of ASX listed Agrimin Ltd, who are focused on the development of its 100% owned potash projects in Western Australia. Deb is a Non-Executive Director of Miner's Promise and Holyoake.

Deb was appointed as a Non-Executive Director of the Company on 18 April 2024.

- Interests in ordinary shares in GR Engineering - None
- Interests in other securities in GR Engineering - None
- Directorships in other listed entities in the last 3 years:
 - Agrimin Ltd (ASX:AMN) September 2023 - Present

CHIEF FINANCIAL OFFICER & COMPANY SECRETARY

Omesh MOTIWALLA

BCom, FCA

Omesh is a Fellow of Chartered Accountants Australia and New Zealand (FCA) and is an experienced Chief Financial Officer. Omesh has over 25 years of corporate and financial advisory experience in commerce and in the Big 4 accounting firms. Omesh was previously a Corporate Finance Partner at Deloitte Touche Tohmatsu in Australia until December 2017. Deloitte Touche Tohmatsu are the auditors of the consolidated entity, and Omesh was a partner of the firm when previous audits have been undertaken. Omesh's experience includes consulting and managing numerous corporate transactions involving private and publicly listed companies in the mining, oil and gas and related services sectors.

MEETINGS OF DIRECTORS

The number of Meetings of the Board of Directors held during the year ended 30 June 2024 and the number attended by each director are as follows:

FULL MEETINGS OF DIRECTORS	Eligible	Attended
Phil Lockyer	11	9
Tony Patrizi	11	9
Joe Totaro	11	11
Peter Hood	11	11
Deb Morrow	3	3

Meetings of the Audit & Risk Committee were held on 16 August 2023 and 14 February 2024. The first meeting was attended by Joe Totaro and Peter Hood, and the second meeting was attended by Joe Totaro, Peter Hood and Phil Lockyer. A meeting of the Remuneration and Nominations Committee was held on 27 September 2023. This meeting was attended by Peter Hood, Phil Lockyer and Joe Totaro.

OPTIONS

As at the date of this report, there were no unissued ordinary shares of GR Engineering under option.

SHARE APPRECIATION RIGHTS

As at the date of this report, there were no Share Appreciation Rights.

On 1 July 2023, 386,015 Share Appreciation Rights lapsed as the vesting criteria was not met

For full particulars of the Share Appreciation Rights issued to Directors as remuneration, refer to the Remuneration Report.

PERFORMANCE RIGHTS

As at the date of this report, the unissued ordinary shares of GR Engineering which are the subject of unvested Performance Rights are as follows:

Vesting Date	No. Performance Rights	Expiry Date	Exercise price
30 November 2024	180,000	30 November 2024	-
7 February 2025	100,000	7 February 2025	-
14 March 2025	40,000	14 March 2025	-
21 March 2025	25,000	21 March 2025	-
1 July 2025	80,000	1 July 2025	-
1 November 2025	595,000	1 November 2025	-
12 December 2025	1,670,000	12 December 2025	-
28 August 2026	2,269,750	28 August 2026	-
3 October 2026	40,000	3 October 2026	-
10 November 2026	30,000	10 November 2026	-
13 March 2026	217,025	13 March 2026	-
13 March 2027	130,000	13 March 2027	-

The Performance Rights holders do not have any right to participate in any issues of shares or other interests in the consolidated entity or any other entity.

During the financial year ended 30 June 2024, 3,388,000 ordinary shares were issued due to the vesting of Performance Rights.

DIRECTORS' REPORT

CONTINUED

RISK MANAGEMENT

GR Engineering has risk management policies and procedures in place to provide early identification of business risks and to monitor the mitigation of those risks across all aspects of the business. These include risk assessment in the project negotiation and delivery phase, treasury management risk, credit risk and responses to pandemic related risks. We also identify and track appropriate mitigation actions for identified risks.

INDEMNIFYING OFFICERS OR AUDITORS

During the financial year, the consolidated entity paid insurance premiums relating to contracts insuring the directors and company secretary against liability which may arise in connection with them acting as Director or Company Secretary, to the extent permitted under the Corporations Act. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

LEGAL PROCEEDINGS

No person has applied for leave of court to bring proceedings on behalf of the consolidated entity or intervene in any proceedings to which the consolidated entity is a party for the purpose of taking responsibility on behalf of the consolidated entity for all or any part of those proceedings.

NON AUDIT SERVICES

The Board of Directors is satisfied that the provision of non-audit services during the year is consistent with the general standard of independence imposed by the *Corporations Act 2001*.

Non-audit services were reviewed by the Board to ensure they do not compromise the objectivity of the Auditor and to ensure the nature of services provided is not inconsistent with the principals of auditor independence as set out in APES 110: Code of Ethics for Professional Accountants set by the Accounting Professional and Ethical Standards Board.

During the year ended 30 June 2024, fees amounting to \$162,751 were paid to Deloitte Touche Tohmatsu for non-audit services including taxation advice.

AUDITOR'S INDEPENDENCE DECLARATION

The Auditor's Independence Declaration for the year ended 30 June 2024 can be found at page 23 of this financial report.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE FRAMEWORK

GR Engineering has a strong and demonstrated commitment to Environmental, Social and Governance (ESG) matters. In this section, GR Engineering outlines its actions to date and summarises its current policies and procedures supporting its commitment to ESG.

Environmental

GR Engineering maintains a proactive assessment towards potential environmental impacts on projects. GR Engineering meets its commitments to the protection of the environment and sustainability by incorporating sound environmental protection principles into its design and endeavours that its projects are executed in an environmentally responsible way.

Environmental management plans are completed for all design and construction projects using methods that comply with high standards of environmental protection practice. This process involves working closely with its clients and adhering to their environmental management plans.

It is of paramount importance to management and the Board of Directors that as well as operating within its own environmental policies, the consolidated entity observes all relevant licences in good standing. The consolidated entity has not been made aware of any areas of non-compliance in this regard. In conjunction with GR Engineering's clients, Environmental Management Plans are completed for all design and construction projects using methods that comply with high standards of environmental protection practice and all relevant legislation.

Social

GR Engineering is proud to be a long term partner of the following organisations:

- Starlight Children's Foundation WA (Starlight) – GR Engineering has been a Star Partner with Starlight since 2012 and has made a lasting positive impact to sick kids, families and communities through its involvement in the Starlight Express Rooms located in Perth Children's Hospital. GR Engineering has aligned fundraising to the success of achieving safety business objectives by committing a daily donation to Starlight for each LTI free day achieved in accordance with its safety policies. This innovative programme rewards safe workplace culture and celebrates the importance of incident free safety in our offices and work sites.
- Ronald McDonald House WA (RMHC WA) – GR Engineering has been a proud partner of RMHC WA since 2016. RMHC WA provides quality supported accommodation, 365 days a year, for Western Australian families with seriously ill children requiring medical treatment in Perth. GR Engineering sponsors multiple rooms at the Nedlands facility.

Recurring contributions are also provided to multiple not for profit organisations including the Royal Flying Doctor Services, MSWA Ride and Big Aussie BBQ (supporting the Prostate Cancer Foundation). GR Engineering encourages its personnel to regularly present ideas for new social initiatives.

GR Engineering regularly partners with its customers on social ventures, particularly in relation to initiatives involving the local communities in which their customers operate.

With respect to employees, GR Engineering recognises that our people are our most significant asset. GR Engineering has a strong and positive culture that has existed since the business's inception. GR Engineering is proactive with regards to training and advancing its personnel through all aspects of the business.

The business seeks to employ the best available staff from diverse backgrounds. GR Engineering respects and values the competitive advantage of diversity (which includes but is not limited to gender, age, ethnicity and cultural background), and the benefit of its integration throughout the business in order to enrich the Company's perspective and improve corporate performance and shareholder value.

GR Engineering is committed to the ideal of equal employment opportunity and to providing a workplace that is free of harassment and discrimination and to respecting the rights of its employees and contractors. The business ensures a safe workplace and maintains proper occupational health and safety practices commensurate with the nature of the business and its activities. GR Engineering provides competitive remuneration packages and has granted performance rights to key personnel across the business. These performance rights vest over a three year period and align the team with the success of the business.

Governance

GR Engineering is a publicly listed company and complies with the ASX Council's 4th Edition Corporate Governance Principles and Recommendations. The Board of Directors comprises five directors, noting the majority of the Board, including the Chairman are non-executive directors. The Managing Director and CFO's short term incentives include ESG metrics.

GR Engineering has a Corporate Governance Manual which sets out the main principles adopted by the Board of Directors in order to implement and maintain a culture of good corporate governance. GR Engineering's Corporate Governance Manual includes the following governance policies:

- Code of Conduct.
- Continuous Disclosure Policy.
- Diversity Policy.
- Share Trading Policy.
- Whistle-Blower Policy.
- Anti-Bribery and Anti-Collusion Policy.

Each year, GR Engineering lodges its annual Modern Slavery Statement to the Australian Border Force in compliance with the Modern Slavery Act. GR Engineering regards the risk of modern slavery to its supply chain and operations to be low.

DIRECTORS' REPORT

CONTINUED

REMUNERATION REPORT – AUDITED

The remuneration report details the amount and nature of the remuneration for the consolidated entity's key management personnel.

Directors

- Tony Patrizi (Managing Director)
- Phil Lockyer (Non-Executive Chairman)
- Peter Hood (Non-Executive Director)
- Joe Totaro (Non-Executive Director)
- Deb Morrow (Non-Executive Director) (Appointed 18 April 2024)

Executives

- Omesh Motiwalla (Chief Financial Officer & Company Secretary)

Unless otherwise stated the named persons held their current position for the whole financial year and since the end of the financial year. At the consolidated entity's 2023 Annual General Meeting, 99.7% of eligible shareholders voted in favour of the remuneration report. No specific comments were made regarding the remuneration report at the meeting.

REMUNERATION POLICY

The consolidated entity's remuneration policy has been designed to attract and retain high calibre key employees whose personal interests are aligned with success and growth of the consolidated entity and therefore shareholders. This will be achieved by:

- Staying abreast of labour market forces thereby ensuring remuneration offered by the consolidated entity is competitive and remains so through a process of annual review.
- Devising performance based remuneration programmes.
- Utilising the consolidated entity's Equity Incentive Plan.

NON-EXECUTIVE DIRECTORS

The consolidated entity's policy is to remunerate non-executive directors according to market rates and to reflect the time dedicated to their position and special responsibilities involved.

GR Engineering's Constitution provides that the Directors shall be paid out of the funds of the consolidated entity by way of remuneration for services such sums as may from time to time be determined by the consolidated entity in General Meeting, to be divided among the Directors in such proportions as they shall from time to time agree or in default of agreement, equally.

Directors are encouraged to hold shares in the consolidated entity to align their personal objectives with the growth and profitability of the consolidated entity.

EXECUTIVE DIRECTORS

Executive Directors' pay and reward is comprised of a competitive base salary. To the extent that executive directors are shareholders in the consolidated entity, their personal objectives are aligned with the performance of the consolidated entity.

SENIOR EXECUTIVES

Executives' remuneration is comprised of a competitive base salary, performance bonuses and share based incentive payments (at the discretion of the board). The Managing Director, Tony Patrizi is also eligible to participate in the GR Engineering Services Limited Equity Incentive Plan.

All executive remuneration packages are reviewed annually to ensure they remain competitive and reflect performance. Remuneration paid to directors and executives is valued at cost to the consolidated entity. Options, Performance Rights and Share Appreciation Rights are valued using the Black Scholes and Monte Carlo methods.

EMPLOYMENT DETAILS OF MEMBERS OF KEY MANAGEMENT PERSONNEL

Name	Title	Contract Details	Non Salary Cash Incentives	Shares/ Units	Options/ Rights	Fixed Salary	Total
Phillip Lockyer	Non-Executive Chairman	By rotation and re-election	-	-	-	100%	100%
Tony Patrizi	Managing Director	Termination: 3 months notice by the consolidated entity or employee	-	-	-	100%	100%
Peter Hood	Non-Executive Director	By rotation and re-election	-	-	-	100%	100%
Joe Totaro	Non-Executive Director	By rotation and re-election	-	-	-	100%	100%
Deb Morrow	Non-Executive Director	By rotation and re-election	-	-	-	100%	100%
Omesh Motiwalla	Company Secretary / Chief Financial Officer	Termination: 3 months notice by the consolidated entity or employee	-	-	11.9%	88.1%	100%

The terms and conditions upon which key employees are employed are set out in contracts of employment. These contracts provide for minimum notice periods prior to termination and, in some cases restrictive covenants upon termination.

The consolidated entity can terminate the contract at any time in the case of serious misconduct and termination payments may be paid in lieu of notice period.

DIRECTORS' REPORT

CONTINUED

REMUNERATION DETAILS FOR THE YEAR ENDED 30 JUNE 2024 - BOARD OF DIRECTORS

	Short Term Benefits			Sub Total	Post Employment Benefits	Equity Based Payments		Total	Performance Based %
	Cash Salary & Fees	Non Cash Payments*	Other**		Super-annuation	Equity	Options		
	\$	\$	\$	\$	\$	\$	\$	\$	%
NON-EXECUTIVE CHAIRMAN									
Phillip Lockyer									
2024	90,399	-	-	90,399	9,943	-	-	100,342	0.0%
2023	86,596	-	-	86,596	9,093	-	-	95,689	0.0%
EXECUTIVE DIRECTORS									
Tony Patrizi									
2024	625,726	12,047	20,364	658,137	27,398	-	-	685,535	0.0%
2023	475,926	14,141	-	490,067	29,821	-	-	519,888	0.0%
Geoff Jones									
2024	-	-	-	-	-	-	-	-	0.0%
2023	383,879	28,489	218,287	630,655	18,969	-	-	649,624	13.9%
NON-EXECUTIVE DIRECTORS									
Peter Hood									
2024	67,640	-	-	67,640	7,440	-	-	75,080	0.0%
2023	64,786	-	-	64,786	6,803	-	-	71,589	0.0%
Joe Totaro									
2024	67,640	-	-	67,640	7,440	-	-	75,080	0.0%
2023	64,786	-	-	64,786	6,803	-	-	71,589	0.0%
Deb Morrow									
2024	12,227	-	-	12,227	1,344	-	-	13,571	0.0%
2023	-	-	-	-	-	-	-	-	0.0%
TOTAL DIRECTORS									
2024	863,632	12,047	20,364	896,043	53,565	-	-	949,608	0.0%
2023	1,075,973	42,630	218,287	1,336,890	71,489	-	-	1,408,379	15.5%

* "Non-Cash payments" refer to reportable fringe benefits (fuel for personal vehicles and novated leases)

** "Other" amounts relate to performance based bonus payments, as approved by the board, annual leave and long service leave expenses and termination payments relating to annual leave and long service leave entitlements

REMUNERATION DETAILS FOR THE YEAR ENDED 30 JUNE 2024 - EXECUTIVES

	Short Term Benefits			Sub Total	Post Employment Benefits	Equity Based Payments		Total	Performance Based
	Cash Salary & Fees	Non Cash Payments	Other**		Super-annuation	Equity	Options		
	\$	\$	\$	\$	\$	\$	\$	\$	%

SENIOR EXECUTIVES

Omesh Motiwalla – Chief Financial Officer & Company Secretary

2024	374,483	4,285	45,813	424,581	27,398	60,981	-	512,960	21.5%
2023	356,112	4,490	-	360,602	25,292	103,427	-	489,321	21.1%

GRAND TOTAL - DIRECTORS AND EXECUTIVES

2024	1,238,115	16,332	66,177	1,320,624	80,963	60,981	-	1,462,568	7.5%
2023	1,432,085	47,120	218,287	1,697,492	96,781	103,427	-	1,897,700	17.0%

* "Non-Cash payments" refer to reportable fringe benefits (fuel for personal vehicles)

** "Other" amounts relate to performance based bonus payments, as approved by the board and annual leave and long service leave expenses



DIRECTORS' REPORT

CONTINUED

LONG TERM INCENTIVES

Equity Incentive Plan

The GR Engineering Services Limited 2022 Equity Incentive Plan (Plan) was adopted by the Board on 28 September 2022. In accordance with the Listing Rules of the Australian Securities Exchange (ASX), shareholder approval of the Plan was obtained at the consolidated entity's Annual General Meeting held on 23 November 2022. Under the ASX Listing Rules and *Corporations Act 2001* (Cth), the issue of securities under the Plan to directors will be subject to separate shareholder approval. Eligible participants in the Plan include those defined in ASIC Class Order 14/1000 (CO) or as determined by the Board to be eligible to participate in the Plan from time to time.

The Plan is designed to align the interests of executives and employees with the interests of shareholders by providing an opportunity to receive an equity interest in the consolidated entity and therefore direct participation in the benefits of future consolidated entity performance over the medium to long term.

This is achieved by awarding both or either:

- Performance Rights (PR), with each PR being a right to acquire one fully paid ordinary share of the consolidated entity and vesting upon the satisfaction of certain performance conditions; and
- Share Appreciation Rights (SARs), being rights to receive a future payment in shares, based on the amount of increase in market value of one share in the consolidated entity in a specified period between the grant of the SAR and exercise of that SAR.

Securities issued under the Plan will be subject to vesting criteria as determined by the Board and have a term of 3 years (or such term as otherwise agreed by the Board).



During the year ended 30 June 2024, a total of 2,756,775 Performance Rights were issued in accordance with the terms and conditions of the Plan. A total of 5,476,775 Performance Rights were on issue as at 30 June 2024.

Grant Date	Vesting Date	Expiry Date	Exercise Price	Number	Fair Value
22 Jul 2021	22 Jul 2024	22 Jul 2024	Nil	65,000	\$1.050
30 Nov 2021	30 Nov 2024	30 Nov 2024	Nil	150,000	\$1.420
7 Feb 2022	7 Feb 2025	7 Feb 2025	Nil	100,000	\$1.520
21 Mar 2022	21 Mar 2025	21 Mar 2025	Nil	25,000	\$1.470
1 Jul 2022	1 Jul 2025	1 Jul 2025	Nil	80,000	\$1.430
1 Nov 2022	1 Nov 2025	1 Nov 2025	Nil	595,000	\$1.567
1 Nov 2022	22 Jul 2024	22 Jul 2024	Nil	35,000	\$1.749
12 Dec 2022	12 Dec 2025	12 Dec 2025	Nil	1,670,000	\$1.438
28 Aug 2023	14 Mar 2025	14 Mar 2025	Nil	40,000	\$1.729
28 Aug 2023	28 Aug 2026	28 Aug 2026	Nil	2,249,750	\$1.474
3 Oct 2023	28 Aug 2026	28 Aug 2026	Nil	20,000	\$1.560
3 Oct 2023	3 Oct 2026	3 Oct 2026	Nil	40,000	\$1.560
3 Oct 2023	30 Nov 2024	30 Nov 2024	Nil	30,000	\$1.944
9 Feb 2024	10 Nov 2026	10 Nov 2026	Nil	30,000	\$1.733
14 Mar 2024	13 Mar 2026	13 Mar 2026	Nil	217,025	\$1.822
14 Mar 2024	13 Mar 2027	13 Mar 2027	Nil	130,000	\$1.632

During FY24, 150,000 Performance Rights converted to shares that were issued to key management - Omesh Motiwalla (Chief Financial Officer & Company Secretary).

No Share Appreciation Rights are currently on issue pursuant to the Plan. An amount of 386,015 Share Appreciation Rights lapsed on 1 July 2023, as the vesting criteria was not met.

The following share-based payment compensation relates to Performance Rights issued to directors and senior management:

Name	Grant Date	Vesting Date	Number of Shares Issued on Vesting Date	Exercise Price \$	Quantity	Fair Value \$	% of Compensation for the Year Consisting of Performance Rights
Omesh Motiwalla	14 Sep 2020	28 Aug 2023	100,000	Nil	100,000	\$0.6830	11.9%
Omesh Motiwalla	1 Nov 2022	28 Aug 2023	50,000	Nil	50,000	\$1.9530	
Omesh Motiwalla	28 Aug 2023	28 Aug 2026		Nil	80,000	\$1.4740	

DIRECTORS' REPORT

CONTINUED

RELATIONSHIP BETWEEN COMPANY PERFORMANCE AND REMUNERATION POLICY

The table below sets out summary information about the consolidated entity's earnings and movements in shareholder wealth for the 5 years to 30 June 2024:

	2020	2021	2022	2023	2024
Revenue (\$000's)	222,402	392,385	651,669	551,361	424,064
Net profit before tax (\$000's)	-9,661	30,556	50,305	39,740	46,099
Net profit after tax (\$000's)	-7,250	21,010	34,720	27,491	31,180
Share price at year end	\$0.72	\$1.50	\$1.94	\$2.14	\$2.15
Dividend (\$000's)	6,145	13,964	25,773	30,698	31,341
EPS (cents)	(4.72)	13.48	21.55	17.02	18.92
Diluted EPS (cents)	(4.72)	13.11	20.85	16.43	18.38

Tony Patrizi, an Executive Director and four key employees hold significant shareholdings in the consolidated entity. As a result the performance of the consolidated entity and the personal and financial interest of its executive and management team are aligned.

The Plan has been adopted by the consolidated entity and will be implemented as the Remuneration & Nomination Committee identify the need to remunerate either existing or future employees, key employees, executives or executive directors on a performance basis.

GR



SHAREHOLDING

The number of shares in the parent entity held during the financial year by each director and other members of key management personnel of the consolidated entity, including their personally related parties, is set out below:

2024	Balance at the start of the year	Received as part of remuneration	Additions/ other	Disposals/ other	Balance at the end of the year
Ordinary shares					
Phillip Lockyer	50,000	-	-	-	50,000
Tony Patrizi	9,795,000	-	-	-	9,795,000
Peter Hood	500,000	-	-	-	500,000
Joe Totaro	8,000,000	-	-	-	8,000,000
Deb Morrow*	-	-	-	-	-
Omesh Motiwalla	50,000	150,000	-	(30,000)	170,000
	18,395,000	150,000	-	(30,000)	18,515,000

2023	Balance at the start of the year	Received as part of remuneration	Additions/ other	Disposals/ other	Balance at the end of the year
Ordinary shares					
Phillip Lockyer	50,000	-	-	-	50,000
Geoff Jones**	200,000	285,301	-	(485,301)	-
Tony Patrizi	9,795,000	-	-	-	9,795,000
Peter Hood	500,000	-	-	-	500,000
Joe Totaro	8,000,000	-	-	-	8,000,000
Omesh Motiwalla	20,000	50,000	-	(20,000)	50,000
	18,565,000	335,301	-	(505,301)	18,395,000

* Deb Morrow was appointed on 18 April 2024.

** Geoff Jones resigned on 27 January 2023. The full value of his shareholding has been deemed as a disposal.

OTHER TRANSACTIONS WITH KEY MANAGEMENT PERSONNEL

During the year ended 30 June 2024, the consolidated entity leased office space at 71 Daly Street, Ascot WA from Ashguard Pty Ltd. Tony Patrizi, a director of the consolidated entity, had a non-controlling interest in Ashguard Pty Ltd. The total amount invoiced by Ashguard Pty Ltd in the year ended 30 June 2024 amounted to \$785,146 including GST (2023: \$826,666). The balance payable at 30 June 2024 is \$69,229 (2023: \$3,880).

During the year ended 30 June 2024 the consolidated entity procured items from Mak Industrial Water Solutions Limited, a company in which Peter Hood is Chairman. The total amount invoiced by Mak Industrial Water Solutions Limited in the year ended 30 June 2024 amounted to \$7,388 including GST (2023: \$12,609). The balance payable at 30 June 2024 is \$7,388 (2023: nil).

During the year ended 30 June 2024 the consolidated entity provided engineering services for Agrimin Limited, a company in which Deb Morrow is Managing Director and Chief Executive Officer. The total amount invoiced to Agrimin Limited in the year ended 30 June 2024 was \$39,866 including GST (2023: nil). The balance outstanding at 30 June 2024 is nil (2023: nil).

The terms and conditions of the transactions and the associated agreements to which they relate (where applicable) that have been set out above are at arm's length and on normal commercial terms.

This marks the end of the remuneration report.

DIRECTORS' REPORT

CONTINUED

CORPORATE GOVERNANCE

The Directors of the consolidated entity are committed to the highest standards of corporate governance in all elements of the business of the consolidated entity including internal control, ethics, risk functions, policies and internal and external audit.

The consolidated entity's Board of Directors has adopted a comprehensive corporate governance policy and manual based on ASX guidelines. The Board continually seeks to review and develop additional structures to be implemented as the consolidated entity's activities develop in size, nature and scope.

Please refer to the Corporate Governance Statement contained in this report.

This directors' report is signed in accordance with a resolution of directors made pursuant to s.298(2) of the *Corporations Act 2001*.

On behalf of the Directors



Tony Patrizi
Managing Director

Date: 22 August 2024

AUDITOR'S INDEPENDENCE DECLARATION

Deloitte.

Deloitte Touche Tohmatsu
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22 August 2024

The Board of Directors
GR Engineering Services Limited
71 Daly Street
ASCOT WA 6104

Dear Board Members,

GR Engineering Services Limited

In accordance with section 307C of the *Corporations Act 2001*, I am pleased to provide the following declaration of independence to the directors of GR Engineering Services Limited.

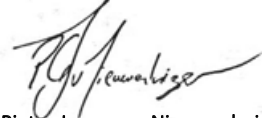
As lead audit partner for the audit of the financial report of GR Engineering Services Limited for the year ended 30 June 2024, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- (ii) any applicable code of professional conduct in relation to the audit.

Yours sincerely



DELOITTE TOUCHE TOHMATSU



Pieter Janse van Nieuwenhuizen
Partner
Chartered Accountants

Liability limited by a scheme approved under Professional Standards Legislation.

Member of Deloitte Asia Pacific Limited and the Deloitte Network.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2024

	Notes	Consolidated	
		2024 \$	2023 \$
REVENUE	5	424,064,189	551,361,115
Interest income	6	2,573,557	1,836,342
Other income	6	898,995	4,220,967
EXPENSES			
Employee benefits expense	7	(163,446,247)	(157,297,399)
Depreciation and amortisation expense	7	(6,805,153)	(5,988,364)
Equity based payments		(1,907,261)	(1,824,106)
Finance costs	7	(584,015)	(468,772)
Direct materials and subcontractor costs		(191,523,365)	(335,468,931)
Accountancy & audit fees		(721,404)	(614,992)
Marketing		(311,505)	(293,953)
(Expected credit losses, write-offs) and reversals	10	(751,297)	(94,332)
Occupancy		(490,724)	(622,049)
Administration		(14,897,221)	(15,005,718)
Profit before income tax expense		46,098,549	39,739,808
Income tax expense	8	(14,918,667)	(12,248,578)
Profit after income tax expense for the year attributable to the owners of GR Engineering Services Limited	21	31,179,882	27,491,230
Other comprehensive income for the year, net of income tax			
Items that will not be reclassified subsequently to profit or loss:			
Fair value gain/(loss) on financial assets		211,299	(1,356,772)
Items that may be reclassified subsequently to profit or loss:			
Exchange differences on translating foreign operations		137,688	310,481
Other comprehensive income for the year, net of income tax		348,987	(1,046,291)
Total comprehensive income for the year attributable to the owners of GR Engineering Services Limited		31,528,869	26,444,939
Profit attributable to owners of the parent		31,179,882	27,491,230
Total comprehensive income attributable to the owners of the parent		31,528,869	26,444,939
		Cents	Cents
Basic earnings per share	30	18.92	17.02
Diluted earnings per share	30	18.38	16.43

The accompanying notes form part of these Financial Statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION



AS AT 30 JUNE 2024

	Notes	Consolidated	
		2024 \$	2023 \$
ASSETS			
Current assets			
Cash and cash equivalents	9	74,645,675	86,022,143
Trade and other receivables	10	93,553,298	53,737,400
Inventories	11	84,881	46,489
Prepayments		3,070,433	3,793,346
Total current assets		171,354,287	143,599,378
Non-current assets			
Property, plant and equipment	12	15,661,182	12,589,017
Trade and other receivables	10	6,540,610	8,020,983
Financial assets	13	1,448,296	2,288,157
Intangible assets	14	28,789,170	22,385,829
Deferred tax	8	2,961,183	866,175
Total non-current assets		55,400,441	46,150,161
Total assets		226,754,728	189,749,539
LIABILITIES			
Current liabilities			
Trade and other payables	15	75,238,186	51,524,684
Borrowings	16	2,691,268	2,262,651
Current tax liability		6,317,015	1,263,782
Provisions	17	22,609,261	17,258,488
Contract liabilities	18	45,511,672	50,705,357
Total current liabilities		152,367,402	123,014,962
Non-current liabilities			
Borrowings	16	6,460,925	4,969,861
Provisions	17	1,599,878	2,032,825
Total non-current liabilities		8,060,803	7,002,686
Total liabilities		160,428,205	130,017,648
Net assets		66,326,523	59,731,891
EQUITY			
Issued capital	19	46,979,443	40,025,411
Reserves	20	2,458,688	2,698,975
Retained profits	21	16,888,392	17,007,505
Total equity		66,326,523	59,731,891

The accompanying notes form part of these Financial Statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2024

	Notes	Consolidated	
		2024 \$	2023 \$
Cash flows from operating activities			
Receipts from customers		408,646,246	627,124,857
Payments to suppliers and employees		(368,636,623)	(601,012,647)
Income tax paid		(12,251,878)	(14,218,966)
Interest received		2,573,557	1,836,342
Net cash flows provided by operating activities	9	30,331,302	13,729,586
Cash flows from investing activities			
Purchase of property, plant and equipment		(4,826,658)	(3,411,124)
Proceeds from sale of property, plant and equipment		36,556	7,300
Payments for acquisition of financial assets		-	(3,000,000)
Proceeds from sale of financial assets		639,141	10,657,982
Net cash outflow on acquisition of business	32	(4,115,691)	-
Net cash flows used in investing activities		(8,266,652)	4,254,158
Cash flows from financing activities			
Payment of lease liabilities		(1,626,989)	(2,238,874)
Dividends paid	22	(31,341,498)	(30,697,778)
Interest paid		(538,326)	(459,018)
Net cash flows used in financing activities		(33,506,813)	(33,395,670)
Net increase in cash and cash equivalents		(11,442,163)	(15,411,926)
Cash and cash equivalents at beginning of period		86,022,143	101,994,568
Effects of exchange rate changes of balances of cash held in foreign currencies		65,695	(560,499)
Cash and cash equivalents at end of period	9	74,645,675	86,022,143

The accompanying notes form part of these Financial Statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY



FOR THE YEAR ENDED 30 JUNE 2024

	Issued capital	Performance Rights Reserve	Share Appreciation Rights Reserve	Foreign Currency Translation Reserve	Investment Revaluation Reserve	Retained Earnings	Total
	\$	\$	\$	\$	\$	\$	\$
Balance as at 30 June 2022	39,890,962	1,620,503	150,046	(386,552)	671,612	20,214,053	62,160,624
Profit for the period	-	-	-	-	-	27,491,230	27,491,230
Other comprehensive income for the period	-	-	-	310,481	(1,356,772)	-	(1,046,291)
Total comprehensive income for the period	-	-	-	310,481	(1,356,772)	27,491,230	26,444,939
Dividends	-	-	-	-	-	(30,697,778)	(30,697,778)
Issue of shares	134,449	(33,500)	(100,949)	-	-	-	-
Share based payments	-	1,873,203	(49,097)	-	-	-	1,824,106
Realised gain on Investments in equities transferred to retained earnings	-	-	-	-	-	-	-
Balance as at 30 June 2023	40,025,411	3,460,206	-	(76,071)	(685,160)	17,007,505	59,731,891
Balance as at 30 June 2024	46,979,443	2,913,435	-	61,617	(516,364)	16,888,392	66,326,523

Profit for the period	-	-	-	-	-	31,179,882	31,179,882
Other comprehensive income for the period	-	-	-	137,688	211,299	-	348,987
Total comprehensive income for the period	-	-	-	137,688	211,299	31,179,882	31,528,869
Dividends	-	-	-	-	-	(31,341,498)	(31,341,498)
Issue of shares	6,954,032	(2,454,032)	-	-	-	-	4,500,000
Share based payments	-	1,907,261	-	-	-	-	1,907,261
Realised gain on Investments in equities transferred to retained earnings	-	-	-	-	(42,503)	42,503	-
Balance as at 30 June 2024	46,979,443	2,913,435	-	61,617	(516,364)	16,888,392	66,326,523

The accompanying notes form part of these Financial Statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

NOTE 1. GENERAL INFORMATION

The financial report covers GR Engineering Services Limited as a consolidated entity consisting of GR Engineering Services Limited and the entities it controlled during the year. The financial report is presented in Australian dollars, which is GR Engineering Services Limited's functional and presentation currency.

The financial report consists of the financial statements, notes to the financial statements and the directors' declaration.

GR Engineering Services Limited is a listed public company limited by shares, incorporated and domiciled in Australia. The registered office and principal place of business of GR Engineering Services Limited is located at 71 Daly Street, Ascot, Western Australia.

A description of the nature of the consolidated entity's operations and its principal activities are included in the directors' report, which is not part of the financial report.

The financial report was authorised for issue, in accordance with a resolution of directors, on 15 August 2024. The directors have the power to amend and reissue the financial report.

NOTE 2. MATERIAL ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

New, revised or amending Accounting Standards and Interpretations adopted

The consolidated entity has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board ("AASB") that are relevant to its operations and effective for the current annual reporting period beginning 1 July 2023.

The following new and revised Standards and Interpretations effective for the current reporting period that are relevant to the consolidated entity include:

- AASB 17 *Insurance Contracts*
- AASB 2020-5 *Amendments to Australian Accounting Standards – Insurance Contracts*
- AASB 2021-2 *Amendments to Australian Accounting Standards – Disclosure of Accounting Policies and Definition of Accounting Estimates*
- AASB 2021-5 *Amendments to Australian Accounting Standards – Deferred Tax related to Assets and Liabilities arising from a Single Transaction*
- AASB 2022-7 *Editorial Corrections to Australian Accounting Standards and Repeal of Superseded and Redundant Standards*
- AASB 2023-2 *Amendments to Australian Accounting Standards – International Tax Reform*

The adoption of these standards and interpretations did not have a material impact on the consolidated entity.

NOTE 2. MATERIAL ACCOUNTING POLICIES (continued)

New Accounting Standards and Interpretations not yet mandatory or early adopted

The Australian Accounting Standards and Interpretations that have been issued or amended but are not yet effective and have not been adopted by the consolidated entity for the year ended 30 June 2024 are detailed below. Only those that may have an impact on the consolidated entity have been listed.

Standard/Interpretation	Effective for annual reporting periods beginning on or after	Expected to be initially applied in the financial year ending
<ul style="list-style-type: none"> AASB 2020-1 Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current and AASB 2020-6 Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current – Deferral of Effective Date 	1 January 2024	30 June 2025
<ul style="list-style-type: none"> IFRS 18 Presentation and Disclosure in Financial Statements 	1 January 2027	30 June 2028

Management are currently undertaking an assessment of the impact of recently issued or amended standards and interpretations on the consolidated entity.

Statement of compliance

These financial statements are general purpose financial statements which have been prepared in accordance with the *Corporations Act 2001*, Accounting Standards and Interpretations, and comply with other requirements of the law.

The financial statements comprise the consolidated financial statements of the consolidated entity. For the purposes of preparing the consolidated financial statements, the consolidated entity is a for-profit entity.

Accounting Standards include Australian Accounting Standards. Compliance with Australian Accounting Standards ensures that the financial statements and notes of the company and the consolidated entity comply with International Financial Reporting Standards ('IFRS').

Basis of preparation

Historical cost convention

The consolidated financial statements have been prepared on the basis of historical cost, except for certain non-current assets and financial instruments that are measured at revalued amounts or fair values, as explained in the accounting policies below. Historical cost is generally based on the fair values of the consideration given in exchange for assets. All amounts are presented in Australian dollars, unless otherwise noted.

Critical accounting estimates

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the consolidated entity's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 3.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

CONTINUED

NOTE 2. MATERIAL ACCOUNTING POLICIES (continued)

Principles of consolidation

The consolidated financial statements incorporate the financial statements of the consolidated entity and entities (including structured entities) controlled by the consolidated entity and its subsidiaries. Control is achieved when the consolidated entity:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The consolidated entity reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the consolidated entity has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The consolidated entity considers all relevant facts and circumstances in assessing whether or not the consolidated entity's voting rights in an investee are sufficient to give it power, including:

- the size of the consolidated entity's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the consolidated entity, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the consolidated entity has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidation of a subsidiary begins when the consolidated entity obtains control over the subsidiary and ceases when the consolidated entity loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the date the consolidated entity gains control until the date when the consolidated entity ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the owners of the consolidated entity and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the consolidated entity and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the consolidated entity's accounting policies.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the consolidated entity are eliminated in full on consolidation.

Operating segments

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Managing Director of the consolidated entity.

Foreign currency translation

The financial report is presented in Australian dollars, which is GR Engineering Services Limited's functional and presentation currency.

Foreign currency transactions

Foreign currency transactions are translated into Australian dollars using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at financial year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

NOTE 2. MATERIAL ACCOUNTING POLICIES (continued)

Foreign operations

The assets and liabilities of foreign operations are translated into Australian dollars using the exchange rates at the reporting date. The revenues and expenses of foreign operations are translated into Australian dollars using the exchange rates prevailing at the dates of the transactions. All resulting foreign exchange differences are recognised in other comprehensive income through the foreign currency reserve in equity.

The functional currency of GR Engineering Services (UK) Limited is Great British pounds. The functional currency of GR Engineering Services (Greece) is Euro. The functional currency of GR Engineering Services Turkey is Turkish Lira. The functional currency of GR Engineering Services (Papua New Guinea) is Papua New Guinea Kina. The functional currency of other foreign subsidiaries of the consolidated entity is United States dollars.

The foreign currency reserve is recognised in profit or loss when the foreign operation or net investment is disposed of.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the date of the initial transaction.

Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

Revenue recognition

Revenue is recognised for the two segments: Mineral Processing and Oil & Gas.

Mineral Processing

The Mineral Processing segment includes Engineering, Procurement & Construction (EPC) contracts and Engineering, Procurement & Construction Management (EPCM) Contracts.

In these contracts, the consolidated entity provides services comprising design and construction of minerals processing facilities and associated infrastructure for complete greenfields or brownfields projects including plant modifications, upgrades and expansions, plant evaluation and condition reports, plant operations and maintenance support and optimisation, plant relocation, refurbishment and recommissioning, and provision of owners representatives and teams for project management and delivery. Project management services also include project studies (concept through to bankable feasibility), engineering and procurement, construction and commissioning, asset management plans and system development, operations and technical support (audits, reviews and consulting), and infrastructure development.

EPC and EPCM contracts generally contain a single performance obligation because the activities are highly integrated with each other to represent the combined output for which the customer has contracted, and therefore are not distinct from one another. Additionally, whilst some of the services could be provided to the customer individually, this is not the business practice as customers engage the consolidated entity to provide a start to end service.

The consolidated entity enters into fixed sum contracts or guaranteed maximum price contracts. In some cases, variable consideration is present in the contract in the form of, for example, bonus payments or penalties based on performance, or variations. Where variable consideration is present in a contract, the constraint of estimates of variable consideration is applied as necessary by assessing the historical performance of the consolidated entity on similar contracts and consideration of factors that are outside the consolidated entity's influence. Revenue for EPC and EPCM contracts is recognised over time because the performance creates and enhances an asset controlled by the customer as the work is performed. The asset is specific to the customer as it cannot be sold elsewhere or have another use, and the consolidated entity is entitled to payment for work performed. In recognising revenue over time, the consolidated entity measures the satisfaction of progress using cost as an input as cost faithfully depicts the transfer of value to the customer.

In addition to the above, the consolidated entity enters into contracts for the sale of assets, where revenue is recognised over time because the performance creates and enhances an asset controlled by the customer, as the work is performed. The asset is specific to the customer, as it cannot be sold elsewhere or have an alternative use, and the consolidated entity is entitled to payment for work performed. In recognising revenue over time, the consolidated entity measures the satisfaction of progress using cost as an input, as cost faithfully depicts the transfer of value to the customer.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

CONTINUED

NOTE 2. MATERIAL ACCOUNTING POLICIES (continued)

Oil & Gas

Oil and Gas contracts comprise the delivery of operations and maintenance, wellsites, engineering and production assurance services to the customer base. Under these contracts, the services provided is the provision of labour as well as the procurement of equipment for the customer on an as needs basis. These arrangements can be long or short term and are generally structured as an overarching master agreement, with individual work orders made by the customer. Each work order will specify the services to be performed. The combination of the master agreement and each work order forms the contract.

Each work order is deemed to be a contract and each work order is generally considered to be one performance obligation. These contracts do not have a fixed fee and the customer is charged based on the number of labour hours incurred, multiplied by agreed rates contained in the master agreement. Equipment may also be provided to customers which is charged on a recoverable basis as and when the equipment is procured and provided to the customer.

Revenue for contracts in this segment is recognised over time as the customer simultaneously receives and consumes the benefits of the services being provided as they are performed. The consolidated entity will bill the client on a monthly basis based on hours incurred multiplied by the agreed rates or on a cost plus basis. This will also include any recoverable expenditure incurred for equipment provided in respect of that period. Therefore, the consolidated entity has a right to consideration from its customers in an amount that corresponds directly with the value to the customer of the consolidated entity's performance completed to date and hence the consolidated entity has decided to adopt the practical expedient of recognising revenue on a billings basis.

Tender costs

Tender costs are expensed as they are not incremental costs to obtaining the contract.

Interest

Revenue is recognised as the interest accrues (using the effective interest method, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument) to the net carrying amount of the financial asset.

Contract fulfilment costs

Significant costs incurred prior to the commencement of a contract may arise for example due to mobilisation and site setup costs. These activities are costs incurred to fulfil a contract. Where these costs are expected to be recovered, they are capitalised and amortised over the course of the contract consistent with the transfer of a service to the customer. Where the costs, or a portion of these costs, are reimbursed by the customer, the amount received is recognised as deferred revenue and allocated to the performance obligations within the contract and recognised as revenue over the course of the contract.

Income tax

GR Engineering Services Limited and its wholly owned Australian resident entities formed a tax-consolidated group under Australian taxation law and are therefore taxed as a single entity from that date. The head entity within the tax-consolidated group is GR Engineering Services Limited.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the statement of profit or loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The consolidated entity's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred income tax is provided for on all temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for the financial reporting purposes.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

NOTE 2. MATERIAL ACCOUNTING POLICIES (continued)

Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are measured subsequently in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification of financial assets

Debt instruments that meet the following conditions are measured subsequently at amortised cost:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

By default, all other financial assets are measured subsequently at fair value through profit or loss (FVTPL).

Despite the foregoing, the consolidated entity may make the following irrevocable election/designation at initial recognition of a financial asset:

- the consolidated entity may irrevocably elect to present subsequent changes in fair value of an equity investment in other comprehensive income if certain criteria are met; and
- the consolidated entity may irrevocably designate a debt investment that meets the amortised cost or FVTOCI criteria as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch.

(i) Amortised cost and effective interest method

Interest income on financial assets carried at amortised cost is recognised in profit or loss and is included in the "Other income" line item (note 6).

(ii) Equity instruments designated as at fair value through other comprehensive income (FVTOCI)

On initial recognition, the consolidated entity may make an irrevocable election (on an instrument-by-instrument basis) to designate investments in equity instruments as at FVTOCI. Designation at FVTOCI is not permitted if the equity investment is held for trading or if it is contingent consideration recognised by an acquirer in a business combination.

A financial asset is held for trading if:

- it has been acquired principally for the purpose of selling it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the consolidated entity manages together and has evidence of a recent actual pattern of short-term profit-taking; or
- it is a derivative (except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument).

Investments in equity instruments at FVTOCI are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the investments revaluation reserve. The cumulative gain or loss is not be reclassified to profit or loss on disposal of the equity investments, instead, it is transferred to retained earnings.

Dividends on these investments in equity instruments are recognised in profit or loss in accordance with AASB 9, unless the dividends clearly represent a recovery of part of the cost of the investment.

The consolidated entity has designated all investments in equity instruments that are not held for trading as at FVTOCI on initial application of AASB 9 (see note 13).

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

CONTINUED

NOTE 2. MATERIAL ACCOUNTING POLICIES (continued)

Property, plant and equipment

Plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation is calculated on a straight-line basis over the estimated useful life of the asset as follows:

- Property, plant and equipment - over 2.5 to 20 years

Leases

The lease liabilities are presented in borrowings in the consolidated statement of financial position.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The consolidated entity applies the short-term lease recognition exemption (i.e. those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered low value (i.e. below \$5,000). Lease payments on short-term leases and leases of low-value assets recognised as an expense in profit or loss on a straight-line basis over the lease term.

Impairment of property, plant and equipment and intangible assets excluding goodwill

At each reporting date, the Group reviews the carrying amounts of its property, plant and equipment and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated to determine the extent of the impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with an indefinite useful life are tested for impairment at least annually and whenever there is an indication at the end of a reporting period that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease and to the extent that the impairment loss is greater than the related revaluation surplus, the excess impairment loss is recognised in profit or loss.

Business combinations

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of assets transferred by the consolidated entity, liabilities incurred by the consolidated entity to the former owners of the acquiree and the equity interest issued by the consolidated entity in exchange for control of the acquiree. Acquisition related costs are recognised in profit or loss as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value at the acquisition date, except that deferred tax assets or liabilities and assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with AASB 112 *Income Taxes* and AASB 119 *Employee Benefits* respectively.

NOTE 2. MATERIAL ACCOUNTING POLICIES (continued)

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed. If, after reassessment, the net of the acquisition-date amounts of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held interest in the acquiree (if any), the excess is recognised immediately in profit or loss as a bargain purchase gain.

When the consideration transferred by the consolidated entity in a business combination includes a deferred consideration arrangement, the deferred consideration is measured at its acquisition-date fair value and included as part of the consideration transferred in a business combination. Changes in fair value of the deferred consideration that qualify as measurement period adjustments are adjusted retrospectively, with corresponding adjustments against goodwill. Measurement period adjustments are adjustments that arise from additional information obtained during the 'measurement period' (which cannot exceed one year from the acquisition date) about facts and circumstances that existed at the acquisition date.

The subsequent accounting for changes in the fair value of the deferred consideration that do not qualify as measurement period adjustments depends on how the deferred consideration is classified. Deferred consideration that is classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Other deferred consideration is remeasured to fair value at subsequent reporting dates with changes in fair value recognised in profit or loss.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the consolidated entity reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period (see above), or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed as of the acquisition date that, if known, would have affected the amounts recognised as of that date.

Goodwill

Goodwill is initially recognised and measured as set out above.

Goodwill is not amortised but is reviewed for impairment at least annually. For the purpose of impairment testing, goodwill is allocated to each of the consolidated entity's cash-generating units (or consolidated entity of cash-generating units) expected to benefit from the synergies of the combination. Cash-generating units to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. An impairment loss recognised for goodwill is not reversed in a subsequent period.

On disposal of a cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

Intangibles

Intangible assets acquired in a business combination

Intangible assets acquired in a business combination and recognised separately from goodwill are recognised initially at their fair value at the acquisition date (which is regarded as their cost).

Subsequent to initial recognition, intangible assets acquired in a business combination are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

CONTINUED

NOTE 3. CRITICAL ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

Revenue recognition, contract assets and liabilities

Where the outcome of a mineral processing contract can be estimated reliably, revenue and costs are recognised by reference to the stage of completion of the contract activity at the reporting date, measured based on the proportion of contract costs incurred for work performed to date relative to the estimated total contract costs, except where this would not be representative of the stage of completion. Variations in contract work, claims and incentive payments are included to the extent that they have been agreed with the customer. Where the outcome of a construction contract cannot be estimated reliably, contract revenue is recognised to the extent of contract costs incurred that it is highly probable will be recoverable.

A provision is made for the difference between the expected cost of fulfilling a contract and the expected unearned portion of the transaction price where the forecast costs are greater than the forecast revenue. The provision is recognised in full in the period in which loss-making contracts are identified under AASB 137.

Warranties

Because the consolidated entity predominantly undertakes projects on an Engineering, Procurement & Construction turnkey design and construction contract basis, all the risk associated with cost, time, plant performance and plant warranty (defects period) rests with the consolidated entity. As such the consolidated entity is responsible for the total "make-good" of any defects of underperformance.

The consolidated entity includes a project completion and close out provision (liability) in design and construction project cost forecast reports of 3% of the project costs, or such other amount as assessed by management having regard to specific project requirements.

Lease term

Management has exercised their judgement in the determination of the lease term. Management have considered extension options under their lease agreements and if it is reasonably certain that these options will be exercised, an extended lease term will be assumed.

NOTE 4. OPERATING SEGMENTS

Operating segments have been identified on the basis of internal reports of the consolidated entity that are regularly reviewed by the chief operating decision maker in order to allocate resources to the segments and to assess their performance. The chief operating decision maker has been identified as the Managing Director. On a regular basis, the board receives financial information on a company basis similar to the financial statements presented in the financial report, to manage and allocate their resources.

The Managing Director has chosen to classify the operations of the consolidated entity by reference to presence in an industry. The segments identified on this basis are "mineral processing" and "oil and gas".

Segment revenues and results

The following table shows the revenue and results of the consolidated entity summarised under these segments.

Segment revenue	2024 \$	2023 \$
Mineral processing	346,207,043	487,439,411
Oil and gas	77,857,146	63,921,704
Total revenue	424,064,189	551,361,115

Segment profit before tax	2024 \$	2023 \$
Mineral processing	39,051,120	36,422,153
Oil and gas	7,047,429	3,317,655
Total profit before tax	46,098,549	39,739,808

Segment revenue reported above represents revenue generated from external customers. There were no inter-segment sales in the current year (2023: nil).




NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

CONTINUED

NOTE 4. OPERATING SEGMENTS (continued)

Segment assets and liabilities

Segment assets	2024 \$	2023 \$
Mineral processing	194,706,497	167,285,612
Oil and gas	30,599,935	20,175,770
Corporate	1,448,296	2,288,157
Total assets	226,754,728	189,749,539
Depreciation and amortisation		
Mineral processing	5,143,159	4,608,852
Oil and gas	1,661,994	1,379,512
Total depreciation and amortisation	6,805,153	5,988,364
Segment liabilities		
Mineral processing	146,087,808	121,682,799
Oil and gas	14,340,397	8,334,849
Total liabilities	160,428,205	130,017,648
Geographical information		
The following table shows the revenue from external customers of the consolidated entity summarised by location.		
Revenue		
Australia	357,737,233	523,408,510
Overseas	66,326,956	27,952,605
Total revenue	424,064,189	551,361,115
Non-current assets		
Australia	50,459,767	41,907,269
Overseas	4,940,674	4,242,892
Total non-current assets	55,400,441	46,150,161

Information about major customers

During the financial year, 2 customers individually provided more than 10% of total revenue each for the consolidated entity (2023: 3 customers).

NOTE 5. REVENUE

	Consolidated	
	2024 \$	2023 \$
Rendering of services - mineral processing - over time	346,207,043	487,439,411
Rendering of services - oil & gas - over time	77,857,146	63,921,704
Total revenue	424,064,189	551,361,115

NOTE 6. OTHER INCOME

	Consolidated	
	2024 \$	2023 \$
Interest income	2,573,557	1,836,342
Net foreign exchange gain/(loss)	(255,433)	285,680
Net gain/(loss) on disposal of property, plant and equipment	36,556	7,300
Subsidies and grants	1,423	1,883
Gain on sale of financial assets	-	3,216,925
Other gains	1,116,449	709,179
Total other income	3,472,552	6,057,309

NOTE 7. EXPENSES

	Consolidated	
	2024 \$	2023 \$
Profit before income tax includes the following specific expenses:		
<i>Finance costs</i>		
Interest and leasing charges on leases	584,015	468,772
<i>Employee benefits</i>		
Employee benefits expense excluding superannuation	145,838,891	143,820,076
Defined contribution superannuation expense	13,254,098	11,768,418
Workers compensation expense	4,353,258	1,708,905
Total employee benefits	163,446,247	157,297,399
<i>Depreciation and amortisation</i>		
Depreciation of property plant and equipment	2,627,103	2,557,728
Depreciation of right of use assets	2,909,645	2,292,571
Total depreciation	5,536,748	4,850,299
Amortisation of intangible assets	1,268,405	1,138,065
Total depreciation and amortisation	6,805,153	5,988,364

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

CONTINUED

NOTE 8. INCOMETAX EXPENSE

Major components of income tax expense for the years ended 30 June 2023 and 2024 are:

Income tax recognised in the Consolidated statement of profit or loss	Consolidated	
	2024	2023
	\$	\$
<i>Current income tax</i>		
Current income tax charge	17,028,544	11,864,094
Other current income tax charges	228,896	122,014
Adjustments in respect of current income tax of previous years	(109,679)	(864,032)
<i>Deferred income tax</i>		
Relating to origination and reversal of temporary differences	(2,224,188)	968,407
Adjustments in respect of previous deferred income tax	(4,906)	158,094
Income tax expense reported in statement of profit or loss	14,918,667	12,248,578
Income tax recognised in other comprehensive income		
Investments in equity instruments at fair value through other comprehensive income	134,085	(97,114)
	134,085	(97,114)
<p>A reconciliation of income tax expense applicable to accounting profit before income tax at the statutory income tax rate to income tax expense at the consolidated entity's effective income tax rate for the years ended 30 June 2023 and 2024 is as follows:</p>		
Accounting profit before income tax	46,098,549	39,739,809
At the statutory income tax rate of 30% (2023: 30%)	13,829,565	11,921,942
Add:		
Non-deductible expenses	655,519	631,671
Adjustments in respect of previous year current income tax	(114,585)	(705,938)
Other current income tax charges	229,054	124,587
Foreign losses not recognised	312,890	270,994
Impact to tax expense arising from foreign tax rate differential	6,224	5,321
At effective income tax rate of 32.4% (2023: 30.8%)	14,918,667	12,248,578
Income tax expense reported in statement of profit or loss	14,918,667	12,248,578

NOTE 8. INCOMETAX EXPENSE (continued)

	Consolidated	
	2024	2023
Deferred income tax	\$	\$
Deferred income tax at 30 June relates to the following:		
<i>Deferred income tax assets</i>		
Accrued employee entitlements	1,402,401	855,742
Accrued superannuation	481,535	257,242
Accrued audit fees	5,940	15,540
Accrued expenses	600,067	141,128
Provision for long service leave	827,589	653,828
Provision for warranty	3,117,769	2,200,875
Provision for doubtful debts	97,213	-
Provisions - other	79,710	268,933
Shares in listed entity	769,354	357,335
Plant and equipment	-	-
Right of use asset	189,837	89,140
Foreign losses	264,166	237,324
Unrealised foreign exchange gain/(loss)	20,897	-
Business related costs	-	2,573
	7,856,478	5,079,660
<i>Deferred income tax liabilities</i>		
Customer relationships	(2,666,841)	(2,070,993)
Accrued income	-	-
Other accrued income	(17)	(35)
Plant and equipment	(1,802,823)	(1,798,155)
Unrealised foreign exchange gain/(loss)	-	(80,127)
Work in progress	(425,614)	(264,175)
	(4,895,295)	(4,213,485)
Net deferred tax asset	2,961,183	866,175

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

CONTINUED

NOTE 9. CURRENT ASSETS – CASH AND CASH EQUIVALENTS

	Consolidated	
	2024 \$	2023 \$
Cash on hand	59,090	59,545
Cash at bank	74,586,585	85,962,598
	74,645,675	86,022,143

The fair value of cash and cash equivalents is \$74,645,675 (2023: \$86,022,143).

Cash at bank earns interest at floating rates based on daily bank rates. Short-term deposits are made for varying periods of between one day and three months depending on the immediate cash requirements of the consolidated entity, and earn interest at the respective short-term deposit rates.

Reconciliation from the net profit after tax to the net cash flow from operating activities	Consolidated	
	2024 \$	2023 \$
Net profit after tax	31,179,882	27,491,230
<i>Adjustments for:</i>		
Depreciation and amortisation	6,805,153	5,988,364
(Profit)/loss on sale of assets	(36,556)	(7,300)
Share based employee payments	1,907,261	1,824,106
Net foreign exchange (gain)/loss	(69,943)	88,056
Interest expense on leases	538,326	459,018
Doubtful debt expense	751,297	(94,332)
Net (gain)/loss arising on sale of financial assets	-	(3,216,925)
Acquisition of shares as consideration for services	243,223	(7,441,057)
<i>Changes in assets and liabilities</i>		
(Increase)/decrease in trade and other receivables	(34,266,038)	30,282,584
(Increase)/decrease in inventories	(38,390)	2,949
(Increase)/decrease in deferred tax asset	(2,750,820)	1,018,070
(Decrease)/increase in trade and other payables	22,716,383	(44,702,091)
(Decrease)/increase in provisions	3,539,621	163,143
(Decrease)/increase in tax liabilities	5,005,588	(2,988,458)
(Decrease)/increase in contract liabilities	(5,193,685)	4,862,229
Net cash from operating activities	30,331,302	13,729,586

NOTE 9. CURRENT ASSETS – CASH AND CASH EQUIVALENTS (continued)

Non-cash transactions

During the year ended 30 June 2024 and year ended 30 June 2023, the following non-cash investing and financing activities occurred, which are not reflected in the consolidated statement of cash flows.

Reconciliation of liabilities arising from cash flows from financing activities	Consolidated	
	2024 \$	2023 \$
Opening balance - leases	7,232,512	4,258,677
New non-cash leases	3,242,573	5,212,708
Insurance premium funding	2,908,089	2,696,524
Interest expense	538,326	459,018
Repayments	(4,769,307)	(5,394,415)
Closing balance - leases	9,152,193	7,232,512

NOTE 10. TRADE AND OTHER RECEIVABLES

Current assets – trade and other receivables	Consolidated		
	2024 \$	2023 \$	2022 \$
Trade receivables	67,018,936	41,503,381	70,823,812
Less: Loss allowance	(324,042)	-	(2,388,909)
	66,694,894	41,503,381	68,434,903
Contract assets - oil and maintenance contracts	10,314,977	5,144,277	12,855,297
Contract assets - mineral processing contracts	6,510,156	1,831,642	6,328,182
Contract assets - contracts for sale of assets	6,457,168	2,303,867	2,653,554
	23,282,301	9,279,786	21,837,033

	Consolidated	
	2024 \$	2023 \$
Term deposits held for security	1,062,416	940,750
Loan receivable	1,658,888	543,640
Other receivables	854,799	1,469,843
	93,553,298	53,737,400

Trade receivables are non-interest bearing and are normally settled on 30 to 90 day terms.

Contract assets are balances owing from customer contracts. For mineral processing contracts this arises if the revenue recognised exceeds the milestone payments. For information on contracts in progress, refer to note 18.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

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NOTE 10. TRADE AND OTHER RECEIVABLES (continued)

	Consolidated	
	2024	2023
	\$	\$
<i>Expected credit losses of receivables</i>		
Movements in the loss allowance of receivables are as follows:		
Opening balance	-	2,388,909
Expected credit loss provision	751,297	94,332
Amounts written off	(427,255)	(2,483,241)
Amounts recovered	-	-
Closing balance	324,042	-
<p>The loss allowance recognised for contract assets is immaterial. The consolidated entity measures the loss allowance for trade receivables and contract assets at an amount equal to lifetime expected credit loss. The consolidated entity recognises a loss allowance of 100% against all receivables over 120 days past due because historical experience has indicated that these receivables are generally not recoverable. In certain circumstances, arrangements are agreed to with customers for commercial reasons, which would extend this time period. Expected losses on assets aged under 120 days are immaterial. An allowance for expected credit losses requires significant judgement and estimation on behalf of the directors and management, as described in note 3.</p> <p>In determining the recoverability of a trade receivable, the consolidated entity used the expected credit loss model as per AASB 9. The expected credit loss model requires the consolidated entity to account for expected credit losses at each reporting date to reflect changes in credit risk since initial recognition of the financial assets. In other words, it is no longer necessary for a credit default to have occurred before credit losses are recognised.</p> <p>Net increase in loss allowance arising from new amounts recognised is \$751,297 (2023: \$94,332).</p> <p>The ageing of the contract assets and trade receivables are as follows:</p>		
0 to 3 months overdue	88,959,282	49,560,586
3 to 6 months overdue	327,775	579,100
Over 6 months overdue	690,138	643,481
	89,977,195	50,783,167
<p>In determining the recoverability of a trade receivable, the consolidated entity considers any change in the credit quality of the trade receivable from the date credit was initially granted up to the end of the reporting period.</p>		
Non-current assets – trade and other receivables		
Loan receivable	6,540,610	8,020,983
	6,540,610	8,020,983

The loan receivable relates to a contract which has been successfully delivered with an entity currently under voluntary administration. The entity has made monthly payments to the consolidated entity in accordance with the applicable payment schedule in the contract which carries a fixed interest rate of 9% per annum and their administrators have confirmed that they will continue to pay the contracted monthly payments to the consolidated entity. Given the deferred nature of the progress claims under the contract, at the time of entering the contract, the consolidated entity sought and obtained first ranking security over the plant, equipment and design documentation.

NOTE 11. CURRENT ASSETS – INVENTORIES

	Consolidated	
	2024 \$	2023 \$
Consumables – at cost	84,881	46,489
	84,881	46,489

NOTE 12. NON-CURRENT ASSETS – PROPERTY, PLANT AND EQUIPMENT

Plant and equipment - at cost	24,891,801	21,272,733
Less: Accumulated depreciation	(17,836,877)	(15,063,611)
	7,054,924	6,209,122
Right of use assets	13,917,951	10,402,949
Less: Accumulated depreciation	(5,311,693)	(4,023,054)
	8,606,258	6,379,895
	15,661,182	12,589,017



NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

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NOTE 12. NON-CURRENT ASSETS – PROPERTY, PLANT AND EQUIPMENT (continued)

Reconciliations

Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

	Right of use assets \$	Plant & Equipment \$	Total \$
Balance at 30 June 2022	3,908,091	4,451,042	8,359,133
Additions	5,343,912	3,789,510	9,133,422
Disposals, Write off of assets	-	(53,239)	(53,239)
Transfers in/(out)	(314,380)	314,380	-
Depreciation expense	(2,557,728)	(2,292,571)	(4,850,299)
Balance at 30 June 2023	6,379,895	6,209,122	12,589,017
Additions	3,976,181	3,095,830	7,072,011
Assets acquired on acquisition of subsidiary	1,216,252	324,524	1,540,776
Disposals, Write off of assets	-	(3,874)	(3,874)
Transfers in/(out)	(56,425)	56,425	-
Depreciation expense	(2,909,645)	(2,627,103)	(5,536,748)
Balance at 30 June 2024	8,606,258	7,054,924	15,661,182

Right of use assets

The consolidated entity has property leases which are recorded as right of use assets. The average term of these property leases as at 30 June 2024 is 4.2 years (2023: 4.2 years). These right of use assets do not have an option to purchase at the end of the lease term. The consolidated entity has other right of use assets relating to motor vehicles and office equipment, these have an option to purchase at the end of the lease term and are secured over the leased assets. The average term of these leases as at 30 June 2024 is 4.7 years (2023: 4.3 years).

	Consolidated	
	2024 \$	2023 \$
<i>Amounts recognised in profit and loss</i>		
Depreciation expense on right-of-use assets	2,909,645	2,292,571
Interest expense on lease liabilities	584,015	468,772
Expense relating to short-term and low value leases	490,724	622,048

At 30 June 2024 the consolidated entity is committed to \$16,874 for short term and low value property leases (2023: \$10,928).

NOTE 13. FINANCIAL ASSETS

	Consolidated	
	2024 \$	2023 \$
Financial assets held at fair value through other comprehensive income		
Shares in listed entities	1,448,296	2,288,157

Shares and options in listed entities are measured at fair value at the end of the reporting period, using quoted market share prices. Refer to note 23 for movement during the year.

These investments in equity instruments are not held for trading. Instead, they are held for medium to long-term strategic purposes. Accordingly, the directors of the consolidated entity have elected to designate these investments in equity instruments as at fair value through other comprehensive income as they believe that recognising short-term fluctuations in these investments' fair value in profit or loss would not be consistent with the consolidated entity's strategy of holding these investments for long-term purposes and realising their performance potential in the long run.

NOTE 14. INTANGIBLE ASSETS

Goodwill acquired on acquisition of subsidiary	18,273,867	13,794,957
Customer assets acquired on acquisition of subsidiary	9,249,829	7,100,723
Intellectual property assets	1,265,474	1,490,149
	<u>28,789,170</u>	<u>22,385,829</u>
Movement in intangible assets		
<i>Goodwill</i>		
Balance at beginning of year	13,794,957	13,675,052
Additional goodwill acquired	4,499,703	-
Translation differences related to goodwill held in foreign currencies	(20,793)	119,905
Balance at end of year	<u>18,273,867</u>	<u>13,794,957</u>
<i>Customer assets</i>		
Balance at beginning of year	7,100,723	7,969,167
Additional customer assets acquired	3,200,000	-
Translation differences related to customer assets held in foreign currencies	(7,164)	64,637
Amortisation	(1,043,730)	(933,081)
Balance at end of year	<u>9,249,829</u>	<u>7,100,723</u>
<i>Intellectual property assets</i>		
Balance at beginning of year	1,490,149	1,356,438
Additional intellectual property assets acquired	-	338,695
Amortisation	(224,675)	(204,984)
Balance at end of year	<u>1,265,474</u>	<u>1,490,149</u>

Intangible customer assets were acquired by the consolidated entity in relation to the existing contracts and relationships from its acquisition of its subsidiaries, GR Engineering Services Inc. (formerly known as Hanlon Engineering and Associates Inc.), Mipac Holdings Pty Ltd and Paradigm Engineers Pty Ltd. These intangible customer assets are amortised over a period of 7 to 15 years. Intangible intellectual property assets were acquired in the transaction with Mipac Holdings Pty Ltd, relating to software products. These intellectual property assets will be amortised over a period of 15 years.

The consolidated entity tests goodwill annually for impairment, or more frequently if there are indications that goodwill might be impaired.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

CONTINUED

NOTE 14. INTANGIBLE ASSETS (continued)

Value in Use Assumptions and Key Estimates

Sales and Earnings Growth

The five year cash flow estimates used in the goodwill impairment assessment was based on the Board approved budgets for the year ending 30 June 2024. The business has assumed a nominal growth assumption of 2% per annum.

Discount Rate

A discount rate of 10% (FY23: 10%) which includes a risk margin was applied to the cashflows for the purposes of goodwill impairment assessment.

Sensitivity Analysis

The business simulated scenarios to sensitise future cash flows including the net future cash flow impacts of a delay in contract awards. In this scenario, there is still significant headroom in the value in use model. There is no reasonably possible change in the assumptions that would lead to an impairment.

Goodwill arising from the acquisition of GR Engineering Services Inc., Mipac Holdings Pty Ltd and Paradigm Engineers Pty Ltd has been allocated to the mineral processing segment and is monitored at that level. The directors have performed an annual impairment test with recoverable amount of the cash generating unit being determined based on a value in use calculation. No indicators of impairment were noted and no impairment required.

NOTE 15. CURRENT LIABILITIES – TRADE AND OTHER PAYABLES

	Consolidated	
	2024	2023
	\$	\$
Trade payables	51,176,768	37,002,890
Accrued expenses	10,821,522	7,343,207
GST payable	2,862,099	834,498
Other payables	10,377,797	6,344,089
	<u>75,238,186</u>	<u>51,524,684</u>

Refer to note 23 for further information on financial instruments.

Trade payables are non-interest bearing and are normally settled on 30 day terms.

The net of GST payable and GST receivable is remitted to the appropriate tax body on a monthly basis.

NOTE 16. BORROWINGS

	Consolidated	
	2024	2023
	\$	\$
Current liabilities - borrowings		
Lease liability - motor vehicles and office equipment	594,913	388,199
Lease liability - office premises	2,096,355	1,874,452
	2,691,268	2,262,651
Non-current liabilities - borrowings		
Lease liability - motor vehicles and office equipment	619,852	964,079
Lease liability - office premises	5,841,073	4,005,782
	6,460,925	4,969,861
Refer to note 23 for further information on financial instruments.		
<i>Total secured liabilities</i>		
The total secured liabilities (current and non-current) are as follows:		
Lease liability	1,214,765	1,352,278
	1,214,765	1,352,278
<i>Assets pledged as security</i>		
The lease liabilities relating to motor vehicles and office equipment are effectively secured as the rights to the leased assets, recognised in the statement of financial position, revert to the lessor in the event of default. Property lease liabilities are not secured.		
<i>Lease liabilities - maturity analysis</i>		
Year 1 - current liability	3,231,755	2,476,005
Year 2 - non-current liability	2,418,613	1,909,000
Year 3 - non-current liability	2,225,237	1,439,181
Year 4 - non-current liability	1,332,454	1,229,852
Year 5 - non-current liability	491,437	532,700
Year 6 - non-current liability	-	-
	9,699,496	7,586,738

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

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NOTE 17. PROVISIONS

	Consolidated	
	2024 \$	2023 \$
Current liabilities - provisions		
Annual leave	8,389,136	6,761,529
Long service leave	3,827,561	2,716,634
Warranties	10,392,564	7,336,250
Project returns	-	444,075
	22,609,261	17,258,488
Movement in provisions		
<i>Provision for annual leave</i>		
Balance at beginning of year	6,761,529	6,223,306
Additional provisions recognised	7,229,878	5,087,541
Amounts used	(5,602,271)	(4,549,318)
Balance at end of year	8,389,136	6,761,529
<i>Provision for warranty and defects liability</i>		
Balance at beginning of year	7,336,250	8,180,695
Additional provisions/(reduction in provisions) recognised	5,572,820	1,635,423
Amounts used	(2,516,506)	(2,479,868)
Balance at end of year	10,392,564	7,336,250
<i>Provision for project returns</i>		
Balance at beginning of year	444,075	251,208
Additional provisions/(reduction in provisions) recognised	432,944	365,394
Amounts used	(877,019)	(172,527)
Balance at end of year	-	444,075
Non-current liabilities – provisions		
Long service leave	1,599,878	2,032,825
Movement in provisions		
<i>Provision for long service leave</i>		
Balance at beginning of year	4,749,459	4,467,745
Additional provisions recognised	1,142,655	922,354
Amounts used	(464,675)	(640,640)
Balance at end of year	5,427,439	4,749,459
<i>Provision for long service leave - reconciled as follows:</i>		
Long service leave - current	3,827,561	2,716,634
Long service leave - non-current	1,599,878	2,032,825
	5,427,439	4,749,459

NOTE 18. CONTRACT LIABILITIES

	Consolidated		
	2024 \$	2023 \$	2022 \$
Contract liabilities – current liabilities	45,511,672	50,705,357	44,563,914

	Consolidated	
	2024 \$	2023 \$
Contracts in progress		
Progress billings - mineral processing	521,573,737	664,813,526
Construction costs to date plus recognised profits - mineral processing	(482,572,221)	(615,939,811)
	39,001,516	48,873,715

Contract liabilities relating to construction contracts are balances due to customers under construction contracts. These arise if a particular milestone payment exceeds the revenue recognised to date under the cost-to-cost method.

Revenue recognised in the current reporting period relating to contract liabilities on the balance sheet at 30 June 2023 was \$50,705,357 (30 June 2022: \$44,563,914). There was nil revenue recognised in the current reporting period that related to performance obligations that were satisfied in a prior year.

NOTE 19. EQUITY – ISSUED CAPITAL

	Consolidated		Consolidated	
	2024 Shares	2023 Shares	2024 \$	2023 \$
<i>Ordinary shares - fully paid</i>				
Opening balance	161,567,252	161,231,951	40,025,411	39,890,962
Additional shares issued:				
Exercise of performance rights	3,388,000	50,000	2,454,032	33,500
Exercise of share appreciation rights	-	285,301	-	100,949
Acquisition of subsidiary (refer note 32)	1,953,220	-	4,500,000	-
Ordinary shares - fully paid	166,908,472	161,567,252	46,979,443	40,025,411

Ordinary shares

Fully paid ordinary shares carry one vote per share and carry a right to dividends.

Share appreciation rights

As at 30 June 2024, the consolidated entity had nil share appreciation rights on issue as part of the consolidated entity's equity incentive plan (as at 30 June 2023: nil).

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

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NOTE 19. EQUITY – ISSUED CAPITAL (continued)

Performance rights

As at 30 June 2024, the consolidated entity had on issue a total of 5,476,775 performance rights (as at 30 June 2023: 6,795,000):

Number of performance rights	Grant date	Expiry date	Exercise price
65,000	22/07/2021	22/07/2024	Nil
150,000	30/11/2021	30/11/2024	Nil
100,000	07/02/2022	07/02/2025	Nil
25,000	21/03/2022	21/03/2025	Nil
80,000	01/07/2022	01/07/2025	Nil
595,000	01/11/2022	01/11/2025	Nil
35,000	01/11/2022	22/07/2024	Nil
1,670,000	12/12/2022	12/12/2025	Nil
40,000	28/08/2023	14/03/2025	Nil
2,249,750	28/08/2023	28/08/2026	Nil
20,000	03/10/2023	28/08/2026	Nil
40,000	03/10/2023	03/10/2026	Nil
30,000	03/10/2023	30/11/2024	Nil
30,000	09/02/2024	10/11/2026	Nil
217,025	14/03/2024	13/03/2026	Nil
130,000	14/03/2024	13/03/2027	Nil



NOTE 20. EQUITY – RESERVES

	Consolidated	
	2024 \$	2023 \$
Foreign currency reserve	61,617	(76,071)
Performance rights reserve	2,913,435	3,460,206
Share appreciation rights reserve	-	-
Investment revaluation reserve	(516,364)	(685,160)
	2,458,688	2,698,975
<i>Foreign currency reserve</i>		
Balance at beginning of year	(76,071)	(386,552)
Additional amounts recognised	137,688	310,481
Balance at end of year	61,617	(76,071)
The above foreign currency reserve represents foreign exchange differences resulting from translation of foreign currency amounts held in subsidiaries of the consolidated entity.		
<i>Performance rights reserve</i>		
Balance at beginning of year	3,460,206	1,620,503
Additional amounts recognised	1,907,261	1,873,203
Amount exercised	(2,454,032)	(33,500)
Balance at end of year	2,913,435	3,460,206
The above performance rights reserve relates to performance rights granted and vested by the consolidated entity to its employees under its equity incentive plan.		
<i>Share appreciation rights reserve</i>		
Balance at beginning of year	-	150,046
Additional amounts recognised	-	-
Amount exercised	-	(100,949)
Lapsed and transferred to retained earnings	-	(49,097)
Balance at end of year	-	-
The above share appreciation rights reserve relates to share appreciation rights granted and vested by the consolidated entity to its employees under its equity incentive plan.		
<i>Investment revaluation reserve</i>		
Balance at beginning of year	(685,160)	671,612
Gain realised on sale of investment	(42,503)	-
Movement in fair value	211,299	(1,356,772)
Balance at end of year	(516,364)	(685,160)

The above investment revaluation reserve relates to the revaluation of shares held in listed entities to fair value at the end of the reporting period. The fair value is determined using the quoted share price at 30 June 2024.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

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NOTE 21. EQUITY – RETAINED PROFITS

	Consolidated	
	2024 \$	2023 \$
Retained profits at the beginning of the financial year	17,007,505	20,214,053
Transfers from reserves	-	-
Transfer from investment revaluation reserve	42,503	-
Profit after income tax expense for the year	31,179,882	27,491,230
Payment of dividends	(31,341,498)	(30,697,778)
Retained profits at the end of the financial year	16,888,392	17,007,505

NOTE 22. EQUITY – DIVIDENDS

Dividends

Year ended 30 June 2023

Dividend paid 20 September 2022 (fully franked at 30% tax rate):

10 cents per ordinary share

16,156,725

Dividend paid 23 March 2023 (fully franked at 30% tax rate):

9 cents per ordinary share

14,541,053

Year ended 30 June 2024

Dividend paid 22 September 2023 (fully franked at 30% tax rate):

10 cents per ordinary share

16,495,525

Dividend paid 25 March 2024 (fully franked at 30% tax rate):

9 cents per ordinary share

14,845,973

31,341,498

30,697,778

On 15 August 2024, the consolidated entity declared a fully franked dividend of 10.0 cents per share, an aggregate of \$16,700,847. The Record Date of the dividend is 3 September 2024 and the proposed payment date is 20 September 2024.

Franking credits

Franking (debits)/credits available for subsequent financial years based on a tax rate of 30%

3,851,089

6,013,005

NOTE 23. FINANCIAL INSTRUMENTS

Financial risk management objectives

	Consolidated	
	2024 \$	2023 \$
<p>The consolidated entity is exposed to risks in relation to its financial instruments. These risks include market risk (consisting of foreign currency risk and interest rate risk), credit risk, liquidity risk and equity risk.</p> <p>A summary of the consolidated entity's financial instruments are as follows:</p>		
Financial assets		
Cash and cash equivalents - amortised cost	74,645,675	86,022,143
Trade and other receivables current asset - amortised cost	93,553,298	53,737,400
Trade and other receivables non current asset - amortised cost	6,540,610	8,020,983
Equity instruments - fair value through other comprehensive income	1,448,296	2,288,157
Total financial assets	176,187,879	150,068,683
Financial liabilities		
Trade and other payables - amortised cost	75,238,186	51,524,684
Lease liabilities - amortised cost	9,152,193	7,232,512
Total financial liabilities	84,390,379	58,757,196



NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

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NOTE 23. FINANCIAL INSTRUMENTS (continued)

Capital risk management

The consolidated entity manages its capital to ensure the ability to continue as a going concern while maximising the return to stakeholders. The capital structure of the consolidated entity consists of equity in the form of issued capital, reserves and retained earnings, and debt in the form of borrowings. The consolidated entity is not subject to any externally imposed capital requirements.

Market risk

Foreign currency risk

The consolidated entity and the parent entity undertakes certain transactions denominated in foreign currency and are exposed to foreign currency risk through foreign exchange rate fluctuations.

The carrying amounts in Australian dollars (AUD) of the consolidated entity's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

	Assets		Liabilities	
	2024 AUD \$	2023 AUD \$	2024 AUD \$	2023 AUD \$
United States Dollars	27,567,953	6,110,249	(2,188,708)	(301,781)
Great British Pounds	7,699	19,545	(1,989)	(286)
Euro	36,728	238	(7,310)	(7,489)
Canadian Dollars	1,537,016	2,240,737	(9,849)	-
Papua New Guinea Kina	1,760,507	833,978	(1,249,019)	(15,483)
Indonesian Rupiah	165,743	216,474	(2,752)	(3,020)
	31,075,646	9,421,221	(3,459,627)	(328,059)

Foreign exchange risk arises from future commercial transactions and recognised financial assets and financial liabilities denominated in a currency that is not the entity's functional currency. The risk is measured using sensitivity analysis and cash flow forecasting.

The consolidated entity holds balances in United States dollars, these balances are translated into Australian dollars at the prevailing exchange rate at 30 June 2024 of AUD \$1 = USD \$0.67 (2023: AUD \$1 = USD \$0.66).

The consolidated entity holds balances in Great British pounds, these balances are translated into Australian dollars at the prevailing exchange rate at 30 June 2024 of AUD \$1 = GBP £0.53 (2023: AUD \$1 = GBP £0.52).

The consolidated entity holds balances in Euro, these balances are translated into Australian dollars at the prevailing exchange rate at 30 June 2024 of AUD \$1 = EUR €0.62 (2023: AUD \$1 = EUR €0.61).

The consolidated entity holds balances in Papua New Guinea Kina, these balances are translated into Australian dollars at the prevailing exchange rate at 30 June 2024 of AUD \$1 = PGK 2.50 (2023: AUD \$1 = PGK 2.31).

NOTE 23. FINANCIAL INSTRUMENTS (continued)

The following table details the consolidated entity's sensitivity to a 10% increase and decrease in the value of the Australian dollar against the currencies in which monetary assets are held:

	Effect of 10% increase in exchange rate		Effect of 10% decrease in exchange rate	
	Effect on profit before tax	Effect on equity	Effect on profit before tax	Effect on equity
Consolidated – 2024	\$	\$	\$	\$
United States Dollars	(2,351,209)	(2,338,428)	2,766,132	2,750,511
Great British Pounds	(519)	(22,735)	635	27,788
Euro	(2,663)	(3,309)	3,282	4,071
Canadian Dollars	(135,631)	(135,631)	173,599	173,599
Papua New Guinea Kina	(46,499)	(50,206)	56,832	61,363
Indonesian Rupiah	(14,674)	(14,674)	18,285	18,285
	(2,551,195)	(2,564,983)	3,018,765	3,035,617

Consolidated – 2023

United States Dollars	(439,854)	(431,226)	753,171	743,634
Great British Pounds	(1,748)	(14,825)	2,144	16,598
Euro	659	306	(806)	(416)
Canadian Dollars	(187,763)	(187,763)	268,453	268,453
Papua New Guinea Kina	(74,409)	(74,960)	90,944	91,553
Indonesian Rupiah	(19,131)	(19,131)	24,052	24,052
	(722,246)	(727,599)	1,137,958	1,143,874

Interest rate risk

The board has considered the consolidated entity's exposure to interest rate risk by analysing the effect on profit and equity of an interest rate increase or decrease of one quarter of a percentage point (0.25%) in the following table.

	Effect of increase in interest rate		Effect of decrease in interest rate	
	Effect on profit before tax	Effect on equity	Effect on profit before tax	Effect on equity
Consolidated – 2024	\$	\$	\$	\$
Interest revenue	78,851	78,851	(78,851)	(78,851)
Interest expense	(3,377)	(3,377)	3,370	3,370
	75,474	75,474	(75,481)	(75,481)

Consolidated – 2023

Interest revenue	101,993	101,993	(101,993)	(101,993)
Interest expense	(5,386)	(5,386)	5,385	5,385
	96,607	96,607	(96,608)	(96,608)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

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NOTE 23. FINANCIAL INSTRUMENTS (continued)

Equity price risk

The consolidated entity is exposed to equity price risks arising from equity investments.

The sensitivity analysis below has been determined based on the exposure of the consolidated entity to a 5% increase or decrease in equity prices at the end of the reporting period.

- other comprehensive income for the year ended 30 June 2024 would increase by \$72,415 (2023: \$114,408) as a result of an increase of 5% in equity prices, and decrease by \$72,415 (2023: \$114,408) as a result of a decrease of 5% in equity prices.

Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations, resulting in financial loss to the consolidated entity. The consolidated entity has adopted a policy of only dealing with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults. The consolidated entity uses independent rating agencies, publicly available financial information and other trading records to rate its major customers. Legally binding contracts are entered into to determine payment terms in relation to major projects.

The consolidated entity does not have significant credit risk exposure to any single counterparty or group of counterparties.

Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the board of directors, which has established an appropriate liquidity risk management framework for the management of the consolidated entity's short-, medium- and long-term funding and liquidity management requirements. The consolidated entity manages liquidity risk by maintaining adequate reserves and banking facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.



NOTE 23. FINANCIAL INSTRUMENTS (continued)

Liquidity and interest rate risk tables

The following tables detail the consolidated entity's remaining contractual maturity for its financial instrument liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the financial liabilities are required to be paid. The tables include both interest and principal cash flows disclosed as remaining contractual maturities and therefore these totals may differ from their carrying amount in the statement of financial position.

Consolidated – 2024	Weighted average interest rate %	Remaining contractual maturities			Total \$
		Less than 6 months \$	6 to 12 months \$	Over 12 months \$	
Non-derivatives					
<i>Non-interest bearing</i>					
Trade payables	-	72,376,087	-	-	72,376,087
<i>Interest-bearing - fixed rate</i>					
Lease liability	4.29%	1,629,185	1,062,083	6,460,925	9,152,193
Total non-derivatives		74,005,272	1,062,083	6,460,925	81,528,280

Consolidated – 2023

Non-derivatives

Non-interest bearing

Trade payables	-	51,524,684	-	-	51,524,684
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Interest-bearing - fixed rate

Lease liability	3.97%	1,497,666	764,985	4,969,861	7,232,512
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Total non-derivatives

		53,022,350	764,985	4,969,861	58,757,196
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Fair value of financial instruments

The fair values of financial assets and liabilities, together with their carrying amounts in the statement of financial position, for the consolidated entity are as follows:

Consolidated	2024		2023	
	Carrying amount \$	Fair Value \$	Carrying amount \$	Fair Value \$
<i>Assets</i>				
Cash at bank	74,645,675	74,645,675	86,022,143	86,022,143
Trade receivables - current	93,553,298	93,553,298	53,737,400	53,737,400
Trade receivables - non current	6,540,610	6,540,610	8,020,983	8,020,983
Equity instruments	1,448,296	1,448,296	2,288,157	2,288,157
	176,187,879	176,187,879	150,068,683	150,068,683
<i>Liabilities</i>				
Trade payables	75,238,186	75,238,186	51,524,684	51,524,684
Lease liability	9,152,193	9,152,193	7,232,512	7,232,512
	84,390,379	84,390,379	58,757,196	58,757,196

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

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NOTE 23. FINANCIAL INSTRUMENTS (continued)

Fair value of financial instruments (continued)

For financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The financial assets and liabilities of the consolidated entity are classified into these categories below:

Fair value hierarchy – 2024	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
<i>Financial assets</i>				
Trade receivables	-	93,553,298	-	93,553,298
Equity instruments	1,448,296	-	-	1,448,296
	1,448,296	93,553,298	-	95,001,594
<i>Financial liabilities</i>				
Trade payables	-	75,238,186	-	75,238,186
	-	75,238,186	-	75,238,186

Fair value hierarchy – 2023

<i>Financial assets</i>				
Trade receivables	-	53,737,400	-	53,737,400
Equity instruments	2,288,157	-	-	2,288,157
	2,288,157	53,737,400	-	56,025,557
<i>Financial liabilities</i>				
Trade payables	-	51,524,684	-	51,524,684
	-	51,524,684	-	51,524,684

The fair values of the financial assets and financial liabilities included in the level 2 category above have been determined in accordance with generally accepted pricing models based on a discounted cash flow analysis, with the most significant inputs being the discount rate that reflects the credit risk of counterparties.

NOTE 23. FINANCIAL INSTRUMENTS (continued)

Fair value of financial instruments (continued)

Reconciliation of Level 1 fair value measurements:

	Consolidated	
	2024	2023
	\$	\$
<i>Equity instruments</i>		
Opening balance	2,288,157	742,041
Additions	-	10,500,000
Disposals	(639,141)	(10,716,925)
Net revaluations in other comprehensive income	(200,720)	(1,453,884)
Gain in profit and loss	-	3,216,925
Closing balance	<u>1,448,296</u>	<u>2,288,157</u>



NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

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NOTE 24. KEY MANAGEMENT PERSONNEL DISCLOSURES

Directors

The following persons were directors of GR Engineering Services Limited during the financial year:

Executive director

Tony Patrizi Managing Director

Non-executive directors

Phil Lockyer Non-Executive Chairman
Peter Hood Non-Executive Director
Joe Totaro Non-Executive Director
Debbie Morrow Non-Executive Director (appointed 18 April 2024)

Other key management personnel

The following persons also had the authority and responsibility for planning, directing and controlling the major activities of the consolidated entity, directly or indirectly, during the financial year:

Executives

Omesh Motiwalla Chief Financial Officer and Company Secretary

Remuneration of key management personnel

Information on remuneration of key management personnel is set out in the Remuneration Report in the Directors Report.

The aggregate compensation made to key management personnel of the consolidated entity is set out below:

	Consolidated	
	2024 \$	2023 \$
Short term benefits	1,254,447	1,479,205
Post employment benefits	80,963	96,781
Share based payments	60,981	103,427
Other	66,177	218,287
	1,462,568	1,897,700



NOTE 25. REMUNERATION OF AUDITORS

During the financial year the following fees were paid or payable for services provided by Deloitte Touche Tohmatsu, the auditor of the company, and its network firms:

	Consolidated	
	2024	2023
	\$	\$
<i>Audit services - Deloitte Touche Tohmatsu</i>		
Audit or review of the financial statements of the consolidated entity	299,000	239,000
Audit or review of the financial statements of subsidiaries	12,483	11,702
<i>Other services - Deloitte Touche Tohmatsu</i>		
Tax compliance - consolidated entity	153,384	103,146
Other services - consolidated entity	15,750	-
	480,617	353,848
During the financial year the following fees were paid or payable for services provided by other auditors:		
Audit or review of the financial statements of subsidiaries	42,778	43,277

NOTE 26. CONTINGENT LIABILITIES

The consolidated entity has bank guarantees in place as at 30 June 2024 of \$29,459,711 (2023: \$56,884,776) under its multi-option facility with National Australia Bank.

The consolidated entity's standby multi-option facility with National Australia Bank has a limit of \$60,000,000. The facilities are secured by a fixed and floating charge over all the assets of the consolidated entity. The consolidated entity provides bank guarantees under this facility to support project performance in favour of certain clients. The amount of these bank guarantees at 30 June 2024 is \$28,944,447 (2023: \$56,165,152).

The consolidated entity has a bank guarantee facility with National Australia Bank to provide guarantees for the security of rental properties to the value of \$515,264 (2023: \$719,624). The amount of bank guarantees issued under this facility at 30 June 2024 is \$515,264 (2023: \$719,624).

The consolidated entity has a bank guarantee facility with HSBC to provide guarantees to support project performance in favour of certain clients. The amount of these bank guarantees at 30 June 2024 is USD \$520,020 (AUD \$779,582) (2023: USD \$440,544).

The consolidated entity has a \$45 million insurance bond facility with Berkshire Hathaway Specialist Insurance Company and an additional \$30 million insurance bond facility with Allianz Australia Insurance Limited. These facilities are utilised to provide retention and off site materials bonds in connection with certain projects. The amount of insurance bonds issued under the Berkshire Hathaway Specialist Insurance Company facility at 30 June 2024 is \$12,549,695 (2023: \$23,186,999). The amount of insurance bonds issued under the Allianz Australia Insurance Limited facility at 30 June 2024 is \$25,808,664 (2023: \$8,207,853).

GR Engineering Services Limited, the parent company, has provided guarantees and indemnities in relation to certain contracts entered into by its subsidiaries. Liability under these guarantees and indemnities is limited to the relevant subsidiaries' contracted limits of liability under the contracts.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

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NOTE 27. RELATED PARTY TRANSACTIONS

During the year ended 30 June 2024, the consolidated entity leased office space at 71 Daly Street, Ascot WA from Ashguard Pty Ltd. Tony Patrizi, a director of the consolidated entity, had a non-controlling interest in Ashguard Pty Ltd. The total amount invoiced by Ashguard Pty Ltd in the year ended 30 June 2024 amounted to \$785,146 including GST (2023: \$826,666). The balance payable at 30 June 2024 is \$69,229 (2023: \$3,880).

During the year ended 30 June 2024 the consolidated entity procured items from Mak Industrial Water Solutions Limited, a company in which Peter Hood is Chairman. The total amount invoiced by Mak Industrial Water Solutions Limited in the year ended 30 June 2024 amounted to \$7,388 including GST (2023: \$12,609). The balance payable at 30 June 2024 is \$7,388 (2023: nil).

During the year ended 30 June 2024 the consolidated entity provided engineering services for Agrimin Limited, a company in which Deb Morrow is Managing Director and Chief Executive Officer. The total amount invoiced to Agrimin Limited in the year ended 30 June 2024 was \$39,866 including GST (2023: nil). The balance outstanding at 30 June 2024 is nil (2023: nil).

The terms of these arrangements are at arm's length and at normal commercial terms.

Other than transactions with parties related to key management personnel mentioned above and in the remuneration report, there have been no other transactions with parties related to the consolidated entity in the financial year ending 30 June 2024.

NOTE 28. PARENT ENTITY INFORMATION

The accounting policies of the parent entity, which have been applied in determining the financial information shown below, are the same as those applied in the consolidated financial statements.

Set out below is the supplementary information about the parent entity.

	Parent	
	2024 \$	2023 \$
Statement of profit or loss and other comprehensive income		
Profit/(loss) after income tax	25,610,502	25,170,935
Total comprehensive income	25,821,801	23,814,163

	Parent	
	2024 \$	2023 \$
Statement of financial position		
Total current assets	136,229,638	120,345,252
Total assets	154,985,788	140,229,589
Total current liabilities	123,684,594	108,948,198
Total liabilities	126,592,655	112,724,019
Equity		
Issued capital	46,979,443	40,025,411
Performance rights reserve	2,913,435	3,460,206
Investment revaluation reserve	(516,364)	(685,160)
Retained profits	(20,983,381)	(15,294,887)
Total equity	28,393,133	27,505,570

The contingent liabilities of the parent entity are the same as those of the consolidated entity, as set out in note 26.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

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NOTE 31. SHARE-BASED PAYMENTS (continued)

A summary of performance rights on issue as at 30 June 2024 follows:

	Tranche 24	Tranche 25	Tranche 26	Tranche 28	Tranche 29	Tranche 31
Number issued	65,000	300,000	100,000	25,000	80,000	595,000
Number lapsed	-	(150,000)	-	-	-	-
Grant date	22 Jul 2021	30 Nov 2021	7 Feb 2022	21 Mar 2022	1 Jul 2022	1 Nov 2022
Exercise price	Nil	Nil	Nil	Nil	Nil	Nil
Vesting date	22 Jul 2024	30 Nov 2024	7 Feb 2025	21 Mar 2025	1 Jul 2025	1 Nov 2025
Expiry date	22 Jul 2024	30 Nov 2024	7 Feb 2025	21 Mar 2025	1 Jul 2025	1 Nov 2025
Vesting period (years)	3	3	3	3	3	3
Vesting conditions	Nil	Nil	Nil	Nil	Nil	Nil
Fair value	\$1.050	\$1.420	\$1.520	\$1.470	\$1.430	\$1.567

	Tranche 32	Tranche 33	Tranche 34	Tranche 35	Tranche 36	Tranche 37
Number issued	35,000	1,770,000	40,000	2,358,750	20,000	40,000
Number lapsed	-	(100,000)	-	(109,000)	-	-
Grant date	1 Nov 2022	12 Dec 2022	28 Aug 2023	28 Aug 2023	3 Oct 2023	3 Oct 2023
Exercise price	Nil	Nil	Nil	Nil	Nil	Nil
Vesting date	22 Jul 2024	12 Dec 2025	14 Mar 2025	28 Aug 2026	28 Aug 2026	3 Oct 2026
Expiry date	22 Jul 2024	12 Dec 2025	14 Mar 2025	28 Aug 2026	28 Aug 2026	3 Oct 2026
Vesting period (years)	2	3	1.5	3	3	3
Vesting conditions	Nil	Nil	Nil	Nil	Nil	Nil
Fair value	\$1.749	\$1.438	\$1.729	\$1.474	\$1.560	\$1.560

	Tranche 38	Tranche 39	Tranche 40	Tranche 41
Number issued	30,000	30,000	217,025	130,000
Number lapsed	-	-	-	-
Grant date	3 Oct 2023	9 Feb 2024	14 Mar 2024	14 Mar 2024
Exercise price	Nil	Nil	Nil	Nil
Vesting date	30 Nov 2024	10 Nov 2026	13 Mar 2026	13 Mar 2027
Expiry date	30 Nov 2024	10 Nov 2026	13 Mar 2026	13 Mar 2027
Vesting period (years)	1	2.75	2	3
Vesting conditions	Nil	Nil	Nil	Nil
Fair value	\$1.944	\$1.733	\$1.822	\$1.632

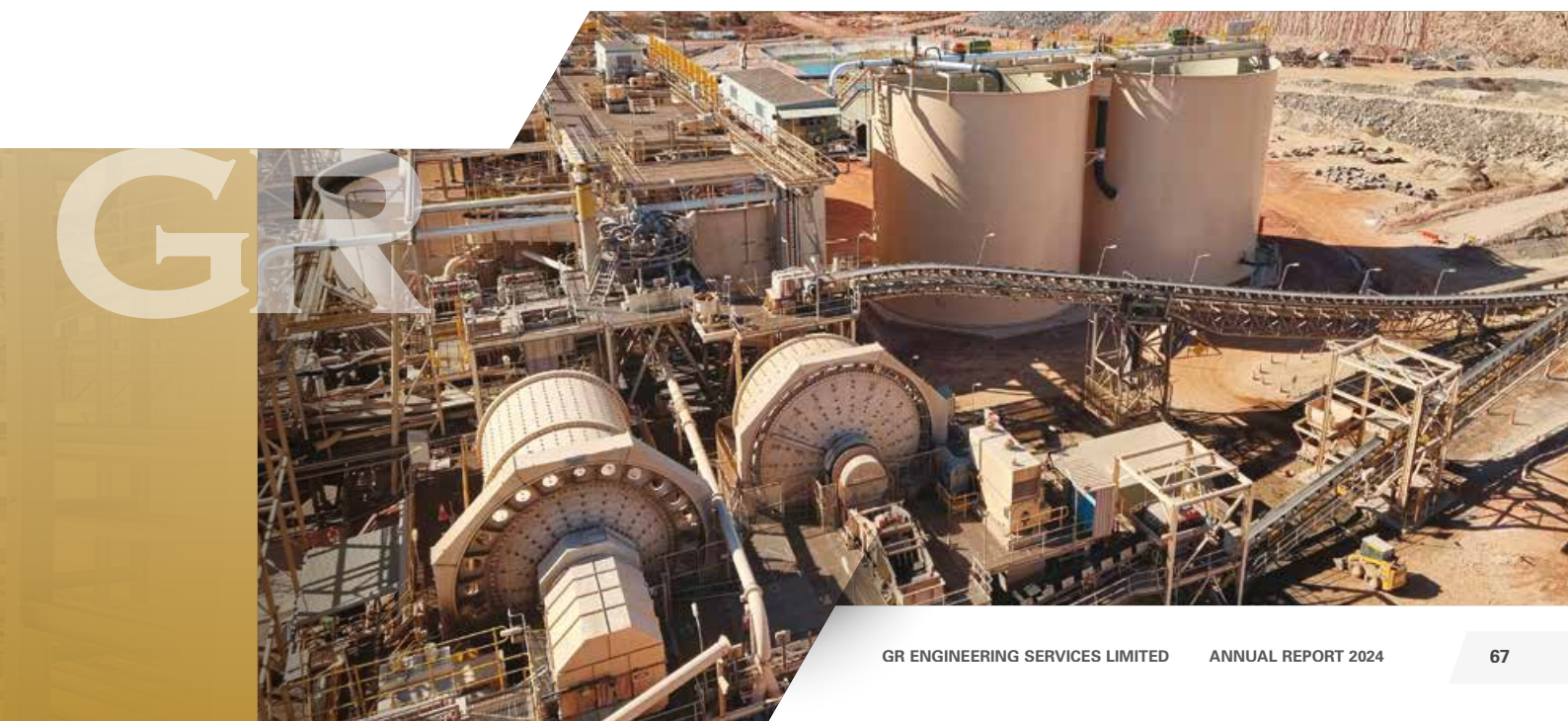
NOTE 31. SHARE-BASED PAYMENTS (continued)

The fair value of performance rights granted during the year was calculated using a Black-Scholes pricing model applying inputs as follows:

	Tranche 24	Tranche 25	Tranche 26	Tranche 28	Tranche 29	Tranche 31
Grant date share price	\$1.460	\$1.970	\$2.120	\$2.050	\$1.985	\$2.180
Exercise price	-	-	-	-	-	-
Expected volatility	50%	50%	50%	50%	50%	50%
Term (years)	3	3	3	3	3	3
Dividend yield	11%	11%	11%	11%	11%	11%
Risk free interest rate	0.13%	0.87%	1.39%	1.92%	3.01%	3.25%

	Tranche 32	Tranche 33	Tranche 34	Tranche 35	Tranche 36	Tranche 37
Grant date share price	\$2.180	\$2.000	\$2.050	\$2.050	\$2.170	\$2.170
Exercise price	-	-	-	-	-	-
Expected volatility	50%	50%	50%	50%	50%	50%
Term (years)	2	3	1.5	3	3	3
Dividend yield	11%	11%	11%	11%	11%	11%
Risk free interest rate	3.19%	3.07%	3.93%	3.86%	4.08%	4.08%

	Tranche 38	Tranche 39	Tranche 40	Tranche 41
Grant date share price	\$2.170	\$2.410	\$2.270	\$2.270
Exercise price	-	-	-	-
Expected volatility	50%	50%	50%	50%
Term (years)	1	2.75	2	3
Dividend yield	11%	11%	11%	11%
Risk free interest rate	4.12%	3.69%	3.74%	3.68%



NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

CONTINUED

NOTE 31. SHARE-BASED PAYMENTS (continued)

Movement in performance rights

	2024		2023	
	Number of performance rights	Weighted average exercise price	Number of performance rights	Weighted average exercise price
Consolidated				
Balance at beginning of year	6,795,000	-	4,770,000	-
Granted during the year	2,865,775	-	2,530,000	-
Vested during the year	(3,388,000)	-	(50,000)	-
Forfeited during the year	(796,000)	-	(455,000)	-
Balance at end of year	5,476,775	-	6,795,000	-

The weighted average fair value of performance rights granted at 30 June 2024 is \$1.49. The weighted average exercise price of these performance rights at 30 June 2024 is nil. The weighted average remaining contractual life of performance rights outstanding at 30 June 2024 is 618 days.

The consolidated entity had issued a total of 864,447 share appreciation rights to Geoff Jones, Managing Director, as part of the consolidated entity's equity incentive plan. During the financial year ending 30 June 2024, nil share appreciation rights vested (2023: 478,432). Geoff Jones resigned on 29 January 2023 so the remaining balance of share appreciation rights lapsed on this date.

Movement in share appreciation rights

	2024		2023	
	Number of share appreciation rights	Weighted average exercise price	Number of share appreciation rights	Weighted average exercise price
Consolidated				
Balance at beginning of year	-	-	864,447	-
Granted during the year	-	-	-	-
Vested, exercised or lapsed during the year	-	-	(864,447)	-
Balance at end of year	-	-	-	-

NOTE 32. BUSINESS COMBINATIONS

Subsidiaries acquired

On 1 February 2024, Mipac Holdings Pty Ltd (Mipac) entered into an agreement to acquire 100% of the shares in Paradigm Engineers Pty Ltd (Paradigm), a provider of control systems and electrical engineering, automation and technology services based in Western Australia. This transaction enhances Mipac's control systems and design capabilities and expands its existing footprint in Western Australia. Paradigm has significant expertise working across a range of commodities, including iron ore, gold and battery minerals. This transaction was completed on 13 March 2024.

Consolidated	\$
Cash	4,679,355
Shares	4,500,000
	9,179,355

NOTE 32. BUSINESS COMBINATIONS (continued)

Assets acquired and liabilities assumed at the date of acquisition

The provisional amounts recognised in respect to identifiable assets and liabilities assumed are set out below:

	\$
Intangible assets acquired in business combination	3,200,000
Cash	563,664
Term deposits	436,052
Trade receivables	2,026,256
Other current assets	1,257,249
Plant and equipment	353,609
Right of use assets	1,216,252
Goodwill	4,499,703
<i>Current liabilities</i>	
Lease liability	(74,632)
Provisions	(1,263,950)
Provision for income tax	(47,645)
Other current liabilities	(997,118)
<i>Non-current liabilities</i>	(1,334,274)
Lease liability	(655,812)
Deferred tax liability	9,179,355

Net cash outflow on acquisition of subsidiaries

Consideration paid in cash	4,679,355
Less cash and cash equivalent balances acquired	(563,664)
	<u>4,115,691</u>

The fair value of trade and other receivables amounts to \$2,026,256. The gross amount of trade receivables is \$2,026,256 and it is expected that the full contractual amounts can be collected. The goodwill of \$4,499,703 comprised of the synergies arising from the acquisition from combining operations with the consolidated entity, and is the difference between the total consideration paid and fair value of the assets acquired. None of the goodwill is expected to be deductible for income tax purposes.

The fair value consideration for this acquisition was \$9.2 million, which is comprised of \$4.7 million in cash and \$4.5 million in shares. The fair value of the 1,953,220 ordinary shares issued as part of the consideration paid for Paradigm Engineers Pty Ltd determined at acquisition date was \$4,500,000.

Included in the profit before tax for the year is \$292,606 attributable to the additional business generated by Paradigm Engineers Pty Ltd after the acquisition date 13 March 2024. Revenue contributed after the acquisition date by additional business generated by Paradigm Engineers Pty Ltd is \$4,413,920. Acquisition related costs included in profit and loss amount to \$348,470.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

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NOTE 33. SUBSIDIARIES

The consolidated financial statements incorporate the following subsidiaries at the end of the reporting period.

Name of subsidiary	Country of incorporation	Equity holding	
		2024 %	2023 %
GR Engineering Services (Indonesia) Pty Limited [°]	Australia	100%	100%
GR Engineering Services (Argentina) Pty Limited [°]	Australia	100%	100%
PT GR Engineering Services Indonesia ^{**°}	Indonesia	100%	100%
GR Engineering Services (Africa) [°]	Mauritius	100%	100%
GR Engineering Services (UK) Limited	United Kingdom	100%	100%
GR Engineering Services (Ghana) Limited ^{***}	Ghana	100%	100%
GR Engineering Services (Mali) ^{**°}	Mali	100%	100%
GR Engineering Services (Côte d'Ivoire) ^{**°}	Côte d'Ivoire	100%	100%
GR Engineering Services (Tengrela) [°]	Côte d'Ivoire	100%	100%
GR Engineering Services (Greece) ^{***°}	Greece	100%	100%
GR Engineering Services (Tanzania) Limited [°]	Tanzania	100%	100%
GR Engineering Services Turkey Limited [°]	Turkey	100%	100%
GR Production Services Pty Ltd	Australia	100%	100%
GR Engineering Services Americas Inc. [°]	USA	100%	100%
GR Engineering Services Inc. ⁺	USA	100%	100%
GR Engineering Services (Papua New Guinea) Limited	Papua New Guinea	100%	100%
Mipac Pty Ltd	Australia	100%	100%
Mipac Holdings Pty Ltd	Australia	100%	100%
Mipac Process Automation Canada Limited	Canada	100%	100%
Mipac Peru S.A. ⁺⁺	Peru	100%	100%
Upstream Production Solutions (Timor-Leste) Pty Ltd ^{+++°}	Australia	100%	100%
Paradigm Engineers Pty Ltd [^]	Australia	100%	-

* PT GR Engineering Services Indonesia is 90% owned by GR Engineering Services Limited and 10% owned by GR Engineering Services (Indonesia) Pty Limited.

** GR Engineering Services (Ghana) Limited, GR Engineering Services (Côte d'Ivoire) and GR Engineering Services (Mali) are 100% owned by GR Engineering Services (Africa).

*** GR Engineering Services (Greece) is 100% owned by GR Engineering Services (UK) Limited.

+ GR Engineering Services Inc. is 100% owned by GR Engineering Services Americas Inc.

++ Mipac Peru S.A. was previously named GR Engineering Services Peru S.A.

+++ Upstream Production Solutions (Timor-Leste) Pty Ltd is 100% owned by GR Production Services Pty Ltd.

^ Paradigm Engineers Pty Ltd is 100% owned by Mipac Holdings Pty Ltd and was acquired on 13 March 2024.

° Subsidiary is dormant.

CONSOLIDATED ENTITY DISCLOSURE STATEMENT



AS AT 30 JUNE 2024

The consolidated financial statements incorporate the following subsidiaries at the end of the reporting period.

Name of subsidiary	Entity type	Country of incorporation	% of share capital held	Tax residency	
				Australian or foreign	Foreign jurisdiction
GR Engineering Services (Indonesia) Pty Limited °	Company	Australia	100%	Australian	
GR Engineering Services (Argentina) Pty Limited °	Company	Australia	100%	Australian	
PT GR Engineering Services Indonesia ** °	Company	Indonesia	100%	Foreign	Indonesia
GR Engineering Services (Africa) °	Company	Mauritius	100%	Foreign	Mauritius
GR Engineering Services (UK) Limited	Company	United Kingdom	100%	Foreign	United Kingdom
GR Engineering Services (Ghana) Limited ** °	Company	Ghana	100%	Foreign	Ghana
GR Engineering Services (Mali) ** °	Company	Mali	100%	Foreign	Mali
GR Engineering Services (Côte d'Ivoire) ** °	Company	Côte d'Ivoire	100%	Foreign	Côte d'Ivoire
GR Engineering Services (Tengrela) °	Company	Côte d'Ivoire	100%	Foreign	Côte d'Ivoire
GR Engineering Services (Greece) *** °	Company	Greece	100%	Foreign	Greece
GR Engineering Services (Tanzania) Limited °	Company	Tanzania	100%	Foreign	Tanzania
GR Engineering Services Turkey Limited °	Company	Turkey	100%	Foreign	Turkey
GR Production Services Pty Ltd	Company	Australia	100%	Australian	
GR Engineering Services Americas Inc. °	Company	USA	100%	Foreign	USA
GR Engineering Services Inc. +	Company	USA	100%	Foreign	USA
GR Engineering Services (Papua New Guinea) Limited	Company	Papua New Guinea	100%	Foreign	Papua New Guinea
Mipac Pty Ltd	Company	Australia	100%	Australian	
Mipac Holdings Pty Ltd	Company	Australia	100%	Australian	
Mipac Process Automation Canada Limited	Company	Canada	100%	Foreign	Canada
Mipac Peru S.A. ++	Company	Peru	100%	Foreign	Peru
Upstream Production Solutions (Timor-Leste) Pty Ltd *** °	Company	Australia	100%	Australian	
Paradigm Engineers Pty Ltd ^	Company	Australia	100%	Australian	

* PT GR Engineering Services Indonesia is 90% owned by GR Engineering Services Limited and 10% owned by GR Engineering Services (Indonesia) Pty Limited.

** GR Engineering Services (Ghana) Limited, GR Engineering Services (Côte d'Ivoire) and GR Engineering Services (Mali) are 100% owned by GR Engineering Services (Africa).

*** GR Engineering Services (Greece) is 100% owned by GR Engineering Services (UK) Limited.

+ GR Engineering Services Inc. is 100% owned by GR Engineering Services Americas Inc.

++ Mipac Peru S.A. was previously named GR Engineering Services Peru S.A.

+++ Upstream Production Solutions (Timor-Leste) Pty Ltd is 100% owned by GR Production Services Pty Ltd.

^ Paradigm Engineers Pty Ltd is 100% owned by Mipac Holdings Pty Ltd and was acquired on 13 March 2024.

° Subsidiary is dormant.

DIRECTORS' DECLARATION

The directors declare that:

- (a) in the directors' opinion, there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable;
- (b) in the directors' opinion, the attached financial statements are in compliance with International Financial Reporting Standards, as stated in note 2 to the financial statements;
- (c) in the directors' opinion, the attached financial statements and notes thereto are in accordance with the *Corporations Act 2001*, including compliance with accounting standards and giving a true and fair view of the financial position and performance of the consolidated entity; and
- (d) the directors have been given the declarations required by s.295A of the *Corporations Act 2001*.
- (e) in the directors' opinion, the attached consolidated entity disclosure statement is true and correct.

Signed in accordance with a resolution of the directors made pursuant to s.295(5) of the *Corporations Act 2001*.

On behalf of the Directors



Tony Patrizi
Managing Director

Date: 22 August 2024



GR



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Independent Auditor's Report to the members of GR Engineering Services Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of GR Engineering Services Limited (the "Company") and its subsidiaries (the "Group") which comprises the consolidated statement of financial position as at 30 June 2024, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information and other explanatory information, the directors' declaration and the Consolidated Entity Disclosure Statement.

In our opinion, the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

- Giving a true and fair view of the Group's financial position as at 30 June 2024 and of its financial performance for the year then ended; and
- Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional & Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (including Independence Standards) (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report for the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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Member of Deloitte Asia Pacific Limited and the Deloitte organisation.

INDEPENDENT AUDITOR'S REPORT

CONTINUED



Key Audit Matter	How the scope of our audit responded to the Key Audit Matter
<p>Recognition of revenue</p> <p>As disclosed in Note 5, revenue recognised for the year ended 30 June 2024 relating to both mineral processing and oil and gas contracts was \$424,064,189.</p> <p>As disclosed in Note 3, revenue and costs are recognised by reference to the stage of completion of the contract activity for certain mineral processing contracts.</p> <p>The recognition of revenue for these mineral processing contracts requires significant management judgement, including:</p> <ul style="list-style-type: none"> • Determining the stage of completion; • Estimating total contract revenue and contract cost including the estimation of cost contingencies; • Determining contractual entitlement and assessing the probability of customer approval of variations and acceptance of claims; and • Estimating the project completion date. 	<p>Our procedures included, but were not limited to:</p> <p>Evaluating management's processes and controls in respect of the recognition of contract revenue.</p> <p>As part of this, we evaluated the design and implementation of the relevant controls including:</p> <ul style="list-style-type: none"> • The estimation, review and monitoring of total contract revenue and contract costs; and • The monthly review of the contract balances related to mineral processing contracts. <p>For a sample of contracts selected for testing, the following procedures were performed:</p> <ul style="list-style-type: none"> • Obtained a detailed understanding of the contract terms and conditions to evaluate whether the individual characteristics of each contract were reflected in management's estimate of forecast costs and revenue; • Tested a sample of costs incurred to date and agreed these to supporting documentation; • Assessed the current programme status against the original budgeted programme; • Evaluated the forecast costs to complete through discussion and challenge of project managers and finance personnel; • Tested the contractual entitlement, variations and claims recognised within total contract revenue through agreement to supporting documentation and by reference to the underlying contract; • Evaluated significant exposures to liquidated damages for late delivery of contract works, if any; and • Evaluated contract performance over the course of the year to reflect on year-end revenue recognition judgements. <p>We also assessed the appropriateness of the disclosures in Notes 3 and 5 to the financial statements.</p>

Deloitte.

Other Information

The directors are responsible for the other information. The other information comprises the Directors' Report, Corporate Governance statement and additional ASX information, which we obtained prior to the date of this auditor's report, and also includes additional information which will be included in the Group's annual report (but does not include the financial report and our auditor's report thereon), which is expected to be made available to us after that date.

Our opinion on the financial report does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the additional information which will be included in the Group's annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to the directors and use our professional judgement to determine the appropriate action.

Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible:

- For the preparation of the financial report in accordance with the Corporations Act 2001, including giving a true and fair view of the financial position and performance of the Group in accordance with Australian Accounting Standards; and
- For such internal control as the directors determine is necessary to enable the preparation of the financial report in accordance with the Corporations Act 2001, including giving a true and fair view of the financial position and performance of the Group, and that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

INDEPENDENT AUDITOR'S REPORT

CONTINUED



As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Group's audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 14 to 21 of the Directors' Report for the year ended 30 June 2024.

In our opinion, the Remuneration Report of GR Engineering Services Ltd, for the year ended 30 June 2024, complies with section 300A of the *Corporations Act 2001*.

Deloitte.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.



DELOITTE TOUCHE TOHMATSU



Pieter Janse van Nieuwenhuizen

Partner

Chartered Accountants

Perth, 22 August 2024

CORPORATE GOVERNANCE STATEMENT

APPROACH TO CORPORATE GOVERNANCE

GR Engineering Services Ltd ABN 12 121 542 738 (**Company**) has established a corporate governance framework, the key features of which are set out in this statement. In establishing its corporate governance framework, the Company has referred to the recommendations set out in the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations 4th Edition (**Principles & Recommendations**).

The Company has followed each recommendation where the Board has considered the recommendation to be an appropriate benchmark for its corporate governance practices. Where the Company's corporate governance practices follow a recommendation, the Board has made appropriate statements reporting on the adoption of the recommendation. In compliance with the "if not, why not" reporting regime, where, after due consideration, the Company's corporate governance practices do not follow a recommendation, the Board has explained its reasons for not following the recommendation and disclosed what, if any, alternative practices the Company has adopted instead of those in the recommendation.

The following governance-related documents can be found on the Company's website at www.gres.com.au, under the section marked "Corporate Governance":

Charters

Board
Audit and Risk Committee
Remuneration and Nomination Committee

Policies and Procedures

Process for Performance Evaluations
Policy and Procedure for the Selection and (Re)Appointment of Directors
Induction Program
Diversity Policy
Code of Conduct
Policy on Continuous Disclosure
Compliance Procedures
Shareholder Communication and Investor Relations Policy
Securities Trading Policy
Whistleblower Protection Policy
Anti-Bribery & Collusion Policy
Human Rights and Modern Slavery"
Policy and Procedure for Directors
Risk Management Policy
Selection, Appointment and Rotation of External Auditors
Equity Incentive Plan Rules

The Company reports below on whether it has followed each of the recommendations during the 2023/2024 financial year (**Reporting Period**). The information in this statement is current at 15 August 2024. This statement was approved by a resolution of the Board on 15 August 2024.

Cross-references to the Company's Annual Financial Report in this statement are references to the Company's Annual Financial Report for the year ended 30 June 2024, which is, or will be, disclosed on the Company's website www.gres.com.au, under the section marked "News".

PRINCIPLE 1 – LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT

Recommendation 1.1

The Company has established the respective roles and responsibilities of its Board and management, and those matters expressly reserved to the Board and those delegated to management and has documented this in its *Board Charter*.

Recommendation 1.2

The Company undertakes appropriate checks before appointing a person or putting forward to shareholders a candidate for election as a director and provides shareholders with all material information in its possession relevant to a decision on whether or not to elect or re-elect a director.

The checks which are undertaken, and the information provided to shareholders are set out in the Company's *Policy and Procedure for the Selection and (Re) Appointment of Directors*.

Recommendation 1.3

The Company has a written agreement with each director and senior executive setting out the terms of their appointment. The material terms of any employment, service or consultancy agreement the Company, or any of its child entities, has entered into with its Managing Director, any of its directors, and any other person or entity who is related party of the Managing Director or any of its directors has been disclosed in accordance with ASX Listing Rule 3.16.4 (taking into consideration the exclusions from disclosure outlined in that rule).

Recommendation 1.4

The Company Secretary is accountable directly to the Board, through the Chair, on all matters to do with the proper functioning of the Board as outlined in the Company's Board Charter.

Recommendation 1.5

The Company has a Diversity Policy, which includes requirements for the Remuneration and Nomination Committee to set measurable objectives for achieving gender diversity and to assess annually both the objectives and the Company's progress in achieving them. The Company's Diversity Policy is disclosed on the Company's website in the Corporate Governance Manual.

The following measurable objective for achieving gender diversity has been set by the Remuneration and Nomination Committee in accordance with the Diversity Policy:

"Subject to the identification of suitable qualified candidates, to increase the percentage of professional and senior executive positions occupied by women to 20% by 30 June 2025."

The Board continues to work towards meeting this objective and continues to foster a workplace environment and recruitment policies designed to achieve greater female participation in the Company's workforce.

The respective proportions of men and women on the Board, in senior executive positions and across the whole organisation are set out in the following table. "Senior executive" for these purposes means a person who is a Key Management Employee, a General Manager or a member of Management:

	Proportion of women
Whole organisation	123 out of 991 (12.4%) (11.4% as at 30 June 2023)
Senior executive positions	10 out of 41 (24.4%) (17.2% as at 30 June 2023)
Board	1 out of 5 (20%) (0% as at 30 June 2023)

CORPORATE GOVERNANCE STATEMENT

CONTINUED

PRINCIPLE 1 – LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT (continued)

Recommendation 1.6

The Chair is responsible for evaluation of the Board and, when deemed appropriate, Board committees and individual directors. The Chair is also responsible for evaluating the Managing Director.

The Chair evaluates the performance of the Managing Director and other Board members through a series of discussions held throughout the year. These discussions include an assessment of the Company's state of affairs, the risks facing the Company and its economic objectives. The Chair evaluates the extent to which each director has contributed to the efficient utilisation of resources, the identification of risk and the achievement of economic objectives. During these discussions the Chair also elicits confidential feedback from each Director on their view of the interpersonal dynamics between Board members and the quality of the Board's decision making.

During the Reporting Period the Chair evaluated the performance of all Directors, including the Managing Director, in accordance with the above process.

Recommendation 1.7

The Managing Director is responsible for evaluating the performance of senior executives in accordance with the process disclosed in the Company's *Process for Performance Evaluations*.

During the Reporting Period the Managing Director conducted performance evaluations of Senior Executives. Where these evaluations resulted in the identification of areas where the Senior Executive's technical or interpersonal skills could be strengthened, appropriate training or remedial action was formulated and agreed.

PRINCIPLE 2 – STRUCTURE THE BOARD TO ADD VALUE

Recommendation 2.1

The Board has established a Remuneration and Nomination Committee comprising Peter Hood (Chair), Phillip Lockyer, Joe Totaro and Deb Morrow. All members of the Remuneration and Nomination Committee are non-executive directors and all members are independent directors. Accordingly, the Remuneration and Nomination Committee is structured in accordance with Recommendation 2.1.

The Board has adopted a Remuneration and Nomination Committee Charter which describes the role, composition, functions and responsibilities of the Remuneration and Nomination Committee and is disclosed on the Company's website.

Recommendation 2.2

The Board includes 3 qualified engineers, 1 qualified accountant and 1 director with a strong track record in sustainability and safety. The matrix of skills held by the Board is weighted towards those skills which are required to identify, assess, quantify and manage those risks which are most relevant to and prevalent in the Company's business and the industry in which it operates.

The majority of the Company's directors hold, or have held, positions on the boards of other publicly listed companies and all have extensive experience in the management of organisations across a range of industries.

When necessary, the Board engages the services of external experts and consultants to augment its capacity to consider and assess matters which fall outside the domain of its collective expertise.

Recommendation 2.3

The Board considers the independence of directors having regard to the relationships listed in Box 2.3 of the Principles & Recommendations. The independent directors of the Company are Phil Lockyer, Peter Hood, Joe Totaro and Deb Morrow.

Joe Totaro is a substantial shareholder of the Company. Notwithstanding that he is a substantial shareholder the Board considers Joe Totaro to be an independent director because he is not a member of management and is otherwise free of any interest, position, association or relationship (including those listed in Box 2.3 of the Principles & Recommendations) that might influence in a material respect, his capacity to bring an independent judgement to bear on issues before the Board and to act in the best interests of the Company and its members generally. Further, a substantial shareholder is considered by the Board to be in line with the interests of all other shareholders.

The length of service of each director is set out in the Directors' Report of the Company's Annual Financial Report.

PRINCIPLE 2 – STRUCTURE THE BOARD TO ADD VALUE (continued)

Recommendation 2.4

The Board has a majority of directors who are independent.

The Board is comprised of 5 directors, 4 of whom are or are deemed to be independent. The one non-independent director is Tony Patrizi. Tony Patrizi is a founding shareholder of the Company. Tony Patrizi has a thorough knowledge of the Company's business and extensive experience in managing the risks it faces. His continued presence on the Board is therefore highly valued.

The Board is of a size commensurate with the size and nature of the Company.

Recommendation 2.5

The Chair of the Board is Phillip Lockyer. Phil Lockyer is an independent director and is not the Chief Executive Officer.

Recommendation 2.6

The Company has an induction program for new directors and senior executives. The goal of the program is to assist new directors to participate fully and actively in Board decision-making at the earliest opportunity and to assist senior executives to participate fully and actively in management decision-making at the earliest opportunity. The Company's *Induction Program* is disclosed on the Company's website.

The Remuneration and Nomination Committee regularly reviews whether the directors as a group have the skills, knowledge and familiarity with the Company and its operating environment required to fulfil their role on the Board and the Board committees effectively using a Board skills matrix. Where any gaps are identified, the Remuneration and Nomination Committee considers what training or development should be undertaken to fill those gaps. In particular, the Remuneration and Nomination Committee ensures that any director who does not have specialist accounting skills or knowledge has a sufficient understanding of accounting matters to fulfil his or her responsibilities in relation to the Company's financial statements. Directors also receive ongoing briefings from the Company Secretary and Chief Financial Officer on developments in accounting standards.

PRINCIPLE 3 – ACT ETHICALLY AND RESPONSIBLY

Recommendation 3.1

The Company has established a Core Value policy, which is disclosed on the Company's website.

Recommendation 3.2

The Company has established a Code of Conduct for its directors, senior executives and employees, which is disclosed on the Company's website.

Recommendation 3.3

The Company has established a Whistleblower policy and any material incidents reported under this policy are communicated to the directors, as applicable.

Recommendation 3.4

The Company has established an anti-bribery and corruption policy and any material incidents reported under this policy are communicated to the directors, as applicable.

CORPORATE GOVERNANCE STATEMENT

CONTINUED

PRINCIPLE 4 – SAFEGUARD INTEGRITY IN CORPORATE REPORTING

Recommendation 4.1

The Board has established an Audit and Risk Committee. The members of the Audit and Risk Committee are Joe Totaro (Chairman), Phil Lockyer, Peter Hood and Deb Morrow. All members of the Audit and Risk Committee are independent non-executive directors and the Audit and Risk Committee is chaired by Mr Totaro who is not also Chairman of the Board. Accordingly, the Audit and Risk Committee is structured in compliance with Recommendation 4.1.

Giuseppe (Joe) Totaro (*B.Comm, CPA*) is a Certified Practising Accountant (CPA) with over 30 years' experience in commercial and public practice specialising in mining and mining services. Joe is a co-founder of GR Engineering and was formerly the Chief Financial Officer and Company Secretary of GR Engineering.

Peter Hood (*BE (Chem), MAustIMM, FIChemE, FAICD, AO*) is a Chemical Engineer and was formerly the Chief Executive Officer of Coogee Chemicals and Coogee Resources. He was Chairman of the International Chamber of Commerce National Committee of Australia. Peter is a Past President of the Australian Chamber of Commerce and Industry and the Chamber of Commerce and Industry Western Australia. Peter is currently Chairman of Matrix Composites and Engineering Limited, Lead Independent Director of Cue Energy Resources Limited and a Non-Executive Director of De Grey Mining Limited.

Phillip (Phil) Lockyer (*BAppSc (Mech Eng)*) is a Mining Engineer and metallurgist who has over 50 years experience in the mineral industry, with a focus on gold and nickel in both underground and open pit operations. He has formerly served on the Boards of Perilya Limited, Focus Minerals Limited, Swick Mining Services Limited and CGA Mining Limited. He is currently a Non-Executive Director of RTG Mining Inc.

Deborah (Deb) Morrow (*BBUS, GAICD*) is a highly regarded corporate leader with over 25 years experience leading large scale projects and had had a range of senior corporate and sustainability roles across the energy and mining sectors. Deb had a 20 year career with Woodside Energy Ltd and was a senior executive at OZ Minerals Ltd, prior to its acquisition by BHP Group Ltd in 2023. Deb is currently the Managing Director and Chief Executive Officer of ASX listed Agrimin Ltd. Deb is a Non-Executive Director of Miner's Promise and Holyoake.

The Board has adopted an Audit and Risk Committee Charter which describes the Audit and Risk Committee's role, composition, functions and responsibilities, which is disclosed on the Company's website.

Recommendation 4.2

Before the Board approved the Company financial statements for the half year ended 31 December 2023 and the full-year ended 30 June 2024, it received from the Managing Director and the Chief Financial Officer a declaration that, in their opinion, the financial records of the Company for the relevant financial period have been properly maintained and that the financial statements for the relevant financial period comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the Company and the consolidated entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.

Recommendation 4.3

Under section 250RA of the Corporations Act, the Company's auditor is required to attend the Company's annual general meeting at which the audit report is considered, and to be represented by a person who is a suitably qualified member of the audit team that conducted the audit and is in a position to answer questions about the audit. Each year, the Company writes to the Company's auditor to inform them of the date of the Company's annual general meeting.

In accordance with section 250S of the Corporations Act, at the Company's annual general meeting where the Company's auditor or their representative is at the meeting, the Chair allows a reasonable opportunity for the members as a whole at the meeting to ask the auditor (or its representative) questions relevant to the conduct of the audit; the preparation and content of the auditor's report; the accounting policies adopted by the Company in relation to the preparation of the financial statements; and the independence of the auditor in relation to the conduct of the audit. The Chair also allows a reasonable opportunity for the auditor (or their representative) to answer written questions submitted to the auditor under section 250PA of the Corporations Act.

A representative of the Company's auditor, Deloitte Touche Tohmatsu attended the Company's annual general meeting held on 22 November 2023.

PRINCIPLE 5 – MAKE TIMELY AND BALANCED DISCLOSURE

Recommendation 5.1

The Company has established written policies and procedures for complying with its continuous disclosure obligations under the ASX Listing Rules. A summary of the Company's *Policy on Continuous Disclosure and Compliance Procedures* are disclosed on the Company's website at www.gres.com.au.

Recommendation 5.2

The board of directors receives copies of all material market announcements promptly after they have been made.

Recommendation 5.3

The Company releases a copy of presentation materials, where there is new and substantive information, on the ASX Markets Platform ahead of the presentation.

PRINCIPLE 6 – RESPECT THE RIGHTS OF SECURITY HOLDERS

Recommendation 6.1

The Company provides information about itself and its governance to investors via its website at www.gres.com.au as set out in its *Shareholder Communication and Investor Relations Policy*.

Recommendation 6.2

The Company has designed and implemented an investor relations program to facilitate effective two-way communication with investors. The program is set out in the Company's *Shareholder Communication and Investor Relations Policy*.

Recommendation 6.3

The Company has in place a *Shareholder Communication and Investor Relations Policy* which outlines the policies and processes that it has in place to facilitate and encourage participation at meetings of shareholders.

Recommendation 6.4

The Company ensures that all substantive resolutions at a meeting of security holders are decided by a poll rather than by a show of hands.

Recommendation 6.5

Shareholders are given the option to receive communications from, and send communications to, the Company and its share registry electronically. This is facilitated through the Company's website which provides access to the Company's and its share registry's full range of contact details, including email address.

PRINCIPLE 7 – RECOGNISE AND MANAGE RISK

Recommendation 7.1

As noted above, the Board has established a combined Audit and Risk Committee. The Audit and Risk Committee is structured in accordance with Recommendation 7.1. Please refer to the disclosure above in relation to Recommendation 4.1 in relation to the Audit and Risk Committee.

Recommendation 7.2

The Audit and Risk Committee reviews the Company's risk management framework annually to satisfy itself that it continues to be sound, to determine whether there have been any changes in the material business risks the Company faces and to ensure that the Company is operating within the risk appetite set by the Board.

Recommendation 7.3

The Company does not have an internal audit function. To evaluate and continually improve the effectiveness of the Company's risk management and internal control processes, the Board relies on ongoing reporting and discussion of the management of material business risks as outlined in the Company's *Risk Management Policy*.

CORPORATE GOVERNANCE STATEMENT

CONTINUED

PRINCIPLE 7 – RECOGNISE AND MANAGE RISK (continued)

Recommendation 7.4

The Company provides engineering and construction services to the mining industry and operations and maintenance services to the oil and gas industry, including producers of coal seam gas. These activities expose the Company, directly and indirectly to environmental, social and economic sustainability risks, which may materially impact the Company's ability to create or preserve value for shareholders over the short, medium or long term.

In relation to the provision of goods and services, these risks are mitigated by virtue of the Company entering a project's life cycle at a stage where all environmental, social and economic requirements of the relevant jurisdiction have been met by the client. The Company does not provide goods and services in circumstances where this is not the case and to that extent, the Company is in a position to continue its business activities in an environmentally, socially and economically sustainable manner.

In relation to the Company's suppliers, the Company takes due care to ensure that the goods and services required for the conduct of its business are sourced from entities which act fairly and responsibly within the environments, societies and economies in which they operate thereby mitigating sustainability risks in relation to these factors.

The Company aims to operate in a socially sustainable way by engaging with the local communities and wherever possible providing employment and training opportunities to members of the local community. In doing so, the Company operates within the framework of local norms and customs and endeavours to ensure that its clients do likewise. The Company will not participate in any activity where it is likely to receive either directly or indirectly, economic benefit through the exploitation of others.

PRINCIPLE 8 – REMUNERATE FAIRLY AND RESPONSIBLY

Recommendation 8.1

As noted above in relation to Recommendation 2.1, the Board has established a Remuneration and Nomination Committee. The Remuneration and Nomination Committee is structured in compliance with Recommendation 8.1. Please refer to the disclosure above in relation to Recommendation 2.1 in relation to the Remuneration and Nomination Committee.

Recommendation 8.2

Details of remuneration, including the Company's policy on remuneration, are contained in the "Remuneration Report" which forms part of the Directors' Report in the Company's Annual Financial Report. This disclosure includes a summary of the Company's policies regarding the deferral of performance-based remuneration and the reduction, cancellation or clawback of the performance-based remuneration in the event of serious misconduct or a material misstatement in the Company's financial statements.

Under the terms of the GR Engineering Services Limited Equity Incentive Plan (**Plan**), if in the opinion of the Board a participant acts fraudulently or dishonestly or wilfully breaches his or her duties to the Company, the Board may in its absolute discretion determine that all unvested or unexercised performance rights or share appreciation rights held by the participant will lapse.

In addition to the provisions under the Plan, the Board has adopted a clawback policy in relation to any cash bonuses or shares issued pursuant to the Plan. Under this policy the Board reserves the right to take action to reduce, recoup or otherwise adjust the employees performance based remuneration in circumstances where in the opinion of the Board, an employee has acted fraudulently or dishonestly or has wilfully breached his or her duties to the Company.

Recommendation 8.3

The Company's Remuneration Committee Charter includes a statement of the Company's policy on prohibiting participants in the Plan entering into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the Plan.

The shareholder information set out below was applicable as at 1 October 2024:

- the twenty largest shareholders held 64.93% of the Ordinary Shares; and
- there were 4,798 ordinary shareholders.

Distribution of securities

Analysis of number of equity security holders by size of holding:

Range	Total	Units	% of shares issued
1 - 1,000	1,184	622,338	0.37%
1,001 - 5,000	1,615	4,734,907	2.84%
5,001 - 10,000	802	6,565,504	3.93%
10,001 - 100,000	1,112	31,786,498	19.03%
100,001 - 1,000,000	67	16,784,878	10.05%
1,000,001 - 9,999,999,999	18	106,514,347	63.78%
Total	4,798	167,008,472	100.00%

The number of shareholders holding less than a marketable parcel of ordinary shares is 264.

Equity security holders

Top 20 Shareholders as at 1 October 2024

Name	Number of shares held	% of shares issued
1. Mr David Joseph Sala Tenna + Ms Jane Frances Sala Tenna	12,325,000	7.38%
2. Joley Pty Ltd	10,367,800	6.21%
3. Paksian Pty Ltd	9,798,578	5.87%
4. Kingarth Pty Ltd	9,795,000	5.86%
5. Citicorp Nominees Pty Ltd	8,853,413	5.30%
6. Ms Beverley June Schier	8,100,000	4.85%
7. Mr Giuseppe Totaro	8,000,000	4.79%
8. Polly Pty Ltd	7,500,000	4.49%
9. Quintal Pty Ltd	7,000,000	4.19%
10. Ledgking Pty Ltd	6,075,000	3.64%
11. HSBC Custody Nominees (Australia) Limited	4,809,426	2.88%
12. Mr Stephen Paul Kendrick	3,491,000	2.09%
13. Ms Barbara Ann Woodhouse	3,000,000	1.80%
14. Mr Garry Ross McGrechan + Mrs Faye Lynette McGrechan	1,953,220	1.17%
15. Sistar Pty Ltd	1,642,200	0.98%
16. RHC Investments Pty Ltd	1,403,171	0.84%
17. Mr Anthony John Mathison + Ms Kathryn Joy Mathison	1,223,175	0.73%
18. JP Morgan Nominees Australia Pty Ltd	1,177,364	0.70%
19. Mrs Carmel Laura Ricciardo	975,000	0.58%
20. Mr Peter William Vincent	951,000	0.57%
	108,440,347	64.93%

ADDITIONAL ASX INFORMATION

CONTINUED

Substantial shareholders

Name	Number of shares held	% of shares issued
1. Mr David Joseph Sala Tenna + Ms Jane Frances Sala Tenna	12,325,000	7.38%
2. Joley Pty Ltd	10,367,800	6.21%
3. Paksian Pty Ltd	9,798,578	5.87%
4. Kingarth Pty Ltd	9,795,000	5.86%

Voting rights

The voting rights attached to ordinary shares are set out below:

Ordinary shares

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

Options over ordinary shares

There are no voting rights attached to Options over the consolidated entity's shares.

Performance rights

There are no voting rights attached to Performance Rights over the consolidated entity's shares.

Share appreciation rights

There are no voting rights attached to Share Appreciation Rights over the consolidated entity's shares.

Options on issue

There are no options on issue.

Performance rights

The following performance rights are on issue:

Number	Vesting date
180,000	30 Nov 2024
100,000	7 Feb 2025
40,000	14 Mar 2025
25,000	21 Mar 2025
80,000	1 Jul 2025
595,000	1 Nov 2025
1,670,000	12 Dec 2025
217,025	13 Mar 2026
2,253,250	28 Aug 2026
40,000	3 Oct 2026
30,000	10 Nov 2026
130,000	13 Mar 2027

Share appreciation rights

There are no share appreciation rights on issue.

On-market buyback

The consolidated entity has no current on-market buy back scheme.

Restricted securities

There are 976,610 shares that are subject to escrow until 13 March 2025 and 976,610 shares that are subject to escrow until 13 March 2026. There are no other securities subject to any voluntary escrow or any transfer restrictions.

GR Engineering Services Limited

ABN 12 121 542 738

For the Year Ended 30 June 2024
(corresponding period year ended 30 June 2023)

RESULTS FOR ANNOUNCEMENT TO THE MARKET

	\$'000	Percentage Increase/ (decrease) From 30/6/23
Revenue from ordinary activities	424,064	(23.09%)
Profit from ordinary activities after tax attributable to members	31,180	13.42%
Net profit for the year attributable to members	31,180	13.42%

DIVIDENDS

	2024 cents per share	2023 cents per share
Interim dividend	9.00 (fully franked)	9.00 (fully franked)
Final dividend	10.00 (fully franked)	10.00 (fully franked)

A fully franked final dividend of 10.00 cents per share was resolved to be paid, with an ex-dividend date of 2 September 2024 and a record date for determining entitlements to the dividend of 3 September 2024. The payment date of the final dividend is 20 September 2024.

NET TANGIBLE ASSET BACKING

	30 June 2024	30 June 2023
Net tangible asset backing per ordinary security *	22.49 cents	23.11 cents

* Net tangible assets include right of use assets and lease liabilities.

The Annual Financial Report dated 22 August 2024 forms part of and should be read in conjunction with this Preliminary Final Report (Appendix 4E).

This report is based on accounts which have been audited. The audit report is included in the Annual Financial Report.

CORPORATE DIRECTORY

GR ENGINEERING SERVICES LIMITED

ACN 121 542 738
ABN 12 121 542 738

DIRECTORS

Phillip Lockyer (Non-Executive Chairman)
Tony Patrizi (Managing Director)
Peter Hood (Non-Executive Director)
Joe Totaro (Non-Executive Director)
Deb Morrow (Non-Executive Director)

COMPANY SECRETARY & CHIEF FINANCIAL OFFICER

Omesh Motiwalla

REGISTERED OFFICE

71 Daly Street
ASCOT WA 6104

PRINCIPAL PLACE OF BUSINESS

71 Daly Street
ASCOT WA 6104

Telephone: (61 8) 6272 6000
Facsimile: (61 8) 6272 6001
Email: gres@gres.com.au
Website: www.gres.com.au

ASX CODE

GNG

AUDITOR

Deloitte Touche Tohmatsu
Tower 2, Brookfield Place, 123 St Georges Terrace
PERTH WA 6000

SOLICITORS TO THE COMPANY

Zafra Legal
Level 10, 105 St Georges Terrace
PERTH WA 6000

SHARE REGISTRY

Computershare Investor Services Pty Limited
Level 17, 221 St Georges Terrace
PERTH WA 6000



GR ENGINEERING SERVICES LIMITED
ENGINEERING CONSULTANTS AND CONTRACTORS



