



COMPANY ANNOUNCEMENT

7 July 2008

GRD Strengthens Management Team and Provides Operational Update

Highlights

- Malcolm Brown appointed CEO of GRD Minproc
- Ian McCubbing appointed GRD Limited CFO
- Strong operational performance for GRD Minproc in first half of FY08
- Progress on strategic equity partner for Global Renewables

Management Team Strengthened

GRD Limited (ASX: GRD) is pleased to announce the appointment of Malcolm Brown as the new Chief Executive Officer for its flagship engineering business GRD Minproc.

GRD Group Chief Executive Cliff Lawrenson said Mr Brown, currently Chief Operating Officer, would take up the new position of GRD Minproc CEO as part of a strengthening of the senior management team.

"Malcolm has been with GRD Minproc for 20 years in which time he has occupied a number of senior management positions including Project Director, Manager of Projects, Manager of Engineering, General Manager Perth and, since 2005, Chief Operating Officer," Mr Lawrenson said.

"He has extensive experience in resource development and project management, and his knowledge of the engineering industry will provide the company with strong strategic and operational leadership as it continues to expand globally."

Complementing the existing management team and acknowledging the growth and importance of the company's core Perth operations, Gavin Nunes has joined GRD Minproc as General Manager Perth. Mr Nunes brings a wealth of international experience in the engineering and construction sector, as well as demonstrated senior management capability.

In further changes, Ian McCubbing has been appointed Chief Financial Officer of GRD Limited. Mr McCubbing, who will take up the position in August, is a Chartered Accountant with almost 30 years experience in a variety of finance and commercial roles, including investment banking, corporate finance and M&A.

Mr McCubbing has significant experience with ASX-listed companies in the industrial and mining sectors and he joins GRD from an ASX-listed company where he was Finance Director.

"Ian has a strong background in senior financial roles, with proven leadership capabilities and experience that will bring value to the development of our company," Mr Lawrenson said.

Mr Lawrenson said these new appointments would assist the GRD Group as it seeks to further capitalise on the strong global performance of GRD Minproc and its restructure of Global Renewables.

GRD Minproc (Engineering)

GRD Minproc has continued to build on its solid revenue and profit performance of 2007, with the engineering construction company enjoying very strong growth in the first half of 2008.

The company is seeing sustained activity in the metals and minerals sector around the globe, which is supporting strong growth in its Australian, African and South American operations.

The project order book currently stands at \$4.65bn.

“GRD Minproc is going from strength to strength and it is our view that the current GRD share price does not in any way reflect the value of such a solid engineering business in the current resources cycle,” Mr Lawrenson said.

Highlights of GRD Minproc’s performance include:

- The Tenke Fungurume Project for Freeport McMoRan in the Democratic Republic of Congo is going well and continues to be a key focus and driver for the business, along with the Lancashire Waste Project in the United Kingdom.
- The company continues to develop its pipeline of work, such as an ongoing services agreement with BHP Billiton for the Ravensthorpe Nickel Operation, and is enjoying study work running at very high levels in all regions. Recent study wins include Bannerman Resources Anomaly A Project in Namibia.
- Participation is growing in Australian projects where Chinese companies have major equity and off-take positions. This is particularly the case in the iron ore sector where GRD Minproc is expanding its focus to EPCM work serviced from both China and Australia.
- The African region continues to grow and perform strongly and reliably contributes over 20 per cent of GRD Minproc’s annual profit. The Johannesburg office now has over 300 personnel.
- The decision to open a Brisbane Office is proving very successful, with the office undertaking a growing number of studies, reaching over 40 personnel and recently winning its first project contract, for the Phu Kham Copper Concentrator Expansion in Laos.

Global Renewables (Development)

GRD continues to seek a strategic equity partner for Global Renewables with a view to maximising value for GRD shareholders. Mr Lawrenson said this effort was currently a key focus for the Group.

“Following the completion of an independent strategic review earlier this year, interested parties have been identified in both Australia and the United Kingdom,” he said.

“Data rooms have been established for the purpose of due diligence and they are currently active with interested parties. We expect a restructure will be announced in the next few months and transactions concluded in 2008.”

Work continues on delivering the 50 per cent-owned Lancashire Waste PFI Project in the UK, with the overall project now approximately 40 per cent complete and on schedule. Construction has reached the building erection stage on the Project’s Thornton and Leyland sites.

The Eastern Creek waste processing facility continues to improve its operational performance under its new management. The facility has achieved consistent throughput during the first half, averaging its 175,000 tonnes/pa design capacity.

Financial Results

Full financial details of the GRD Group’s 2008 first half performance are expected to be released to the market in late August.

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