



MEDIA STATEMENT

14 July 2006

LANCASHIRE WASTE PARTNERSHIP PFI PROJECT PASSES COMMERCIAL CLOSE MILESTONE

GRD Limited announced today that its subsidiary Global Renewables has reached a key milestone in the closure of the Lancashire waste contract, one of the largest and most significant PFI (Public Finance Initiative) contracts of its type to be awarded in the United Kingdom. The Cabinets of Lancashire County Council and Blackpool Council, the two contracting authorities, have authorised the move to financial closure of the contract involving £340 million (A\$850 million) of direct capital investment and a total contract value of over £2 billion (A\$5 billion).

Global Renewables was selected in September last year as preferred bidder to design, install and operate an integrated network of waste management facilities for sorting, recycling, mechanical and biological treatment, and composting of household waste. The announcement today for a 765,000 tonnes capacity network (600,000 tonnes per year of processing capacity) represents the point at which both parties have agreed the contractual and technical details, and dates will now be set for the financial close and operational start of the project.

Cliff Lawrenson, GRD's chief executive, said: "We are extremely pleased that the Lancashire Waste Partnership decided to use our market leading UR-3R Process[®] which will put them at the forefront of municipal waste management and resources recovery in the United Kingdom. The residents of Lancashire will benefit from the effort that has gone into making this innovative PFI project work. Meeting all the objectives of the contract will deliver major environmental and social benefits to the residents of Lancashire".

Financial close is scheduled for September 2006. Global Renewables led a strong consortium team for the bid, which included GRD Minproc, Bovis Lend Lease, ISKA GmbH, Sorain Cecchini Techno SRL, and Churngold.

Steve Browne, Lancashire County Council's Director for Waste and Natural Resources Management, said: "This contract fulfils the commitment made by the County Council to do everything possible to deliver its waste strategy without a legacy of landfill or energy from waste incineration. The Global Renewables approach provides us with a state-of-the-art solution that focuses on resources recovery. In addition to the building of processing infrastructure, the contract includes long term programmes for waste minimisation, environmental education within our primary schools, community engagement and a local market development programme to deliver our 'Rubbish to Resources' agenda."

The Global Renewables team was led by Development Director, David Singh, who added: "Previously household and municipal waste was viewed as a major problem but is now seen as a valuable resource stream that can provide recyclable and reusable materials. The Lancashire Waste Partnership PFI is a significant step forward for environmental and resource focused management of waste streams. We hope that the County Council's insight and vision is followed by other waste management agencies across the UK."

The Lancashire Waste Partnership is a collective of adjacent local authorities established to provide an integrated approach to delivering the statutory targets for waste diversion and recycling in the region. Global Renewables will enter into a 25 year PFI contract to deliver the waste management strategy.

ENDS

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GRD Limited

GRD is an Australian engineering and development company.

Development:

Global Renewables (100 per cent) has brought together the world's leading technologies for the processing of municipal solid waste. Global Renewables has technology licence arrangements with ISKA for the ISKA[®] Percolation and Sorain Cecchini Techno SRL (SCT) for resource separation and composting processes.

Global Renewables owns and operates an urban waste treatment project incorporating the UR-3R Process[®] at Eastern Creek, Sydney. The Eastern Creek UR-3R Facility is designed to process 175,000 tonnes of municipal solid waste per annum (11 percent of Sydney's waste) through integrated sorting, biological digestion and composting processes.¹ The Eastern Creek UR-3R Facility is a public private partnership and operates under a 25 year contract with WSN Environmental Solutions.

Global Renewables is preferred bidder for the Lancashire Waste Partnership PFI Project, which will have a network capacity of approximately 20 million tonnes of municipal solid waste under a 25 year contract of over A\$5 billion.

OceanaGold (6.9 per cent) is a major Australasian gold producer with a dominant position in two major historic goldfields and ownership of a modern day gold discovery in New Zealand. It is New Zealand's largest gold producer and has produced more than two million ounces of gold.

Engineering:

GRD Minproc (100 per cent) is a leading Australian engineering contracting business providing high value services and specialising in the design, procurement and construction of resource projects. GRD Minproc has a \$2.5 billion workbook in addition to a \$0.5 billion preferred bidder pipeline of projects. The company's process engineering and project record are internationally recognised. GRD Minproc has completed over 300 feasibility studies and 200 major design and construction projects in 33 countries for companies such as BHP Billiton, De Beers, Anglo American, CVRD, and Gold Fields Limited.²

GRD Minproc was awarded the 2005 WA Engineering Excellence Award, International Projects and Exports, for the Kansanshi copper project in Zambia.

¹ Officially opened in September 2004, the Eastern Creek UR-3R Facility is designed to produce biogas sufficient to produce 17,000 megawatt hours of green energy (enough to power 2,250 households), 200,000 tonnes of Emission Reduction Units per annum (carbon credits equivalent to taking 30,000 cars off the road), and more than 20,000 tonnes of AS4454 certified organic growth media per annum, in addition to recyclable products (paper, glass, steel, plastics and aluminium). 1,500,000 tonnes of the Emission Reduction Units have been forward purchased by Mitsui & Co (Australia) Limited and BP Australia Ltd.

² Projects include the Ravensthorpe nickel project, Kansanshi copper project, the Bogoso BIOX[®] gold project, the Niquel do Vermelho nickel project and the Eastern Creek UR-3R Facility.