

1 November 2011

The Manager
Company Announcements
Australian Securities Exchange
Exchange Centre
20 Bridge Street
Sydney
NSW 2000

Dear Sir

Amended Securities Trading Policy

Please find attached an amended Securities Trading Policy for Austin Engineering Limited. The amendments are in relation to the following:

- Section 4b - Proposed trades during a Closed Period by Key Management Personnel now require the written approval of the Managing Director (previously the Chairman). Proposed trades by Directors and the Chief Financial Officer and Company Secretary still require the written approval of the Chairman.
- Section 4c - Trading Windows now last 6 weeks (previously 4 weeks) and proposed trades by Key Management Personnel outside the Trading Windows and outside the Closed Periods now require the written approval of the Managing Director (previously the Chairman). Proposed trades by Directors and the Chief Financial Officer and Company Secretary still require the written approval of the Chairman.

Yours Faithfully



Colin Anderson
Chief Financial Officer and Company Secretary

About Austin Engineering: Austin Engineering Limited is an engineering company with manufacturing facilities in Australia, the USA, South America, Indonesia and the Middle East. The Australian facilities manufacture, assemble, repair and maintain (on and off-site) products used in the mining and resources sector. Key product lines include dump truck bodies, large service vehicles, excavator buckets, materials handling equipment, mineral processing equipment, industrial radiator and cooling products as well as large structural steel projects. The USA facility (Westech) based in Casper, Wyoming, services the North and South American mining markets and is an industry-leading designer and manufacturer of specialised lightweight dump truck bodies. The Chilean and Indonesian operations manufacture dump truck bodies and other mining products for the South American and Indonesian markets. The Middle East operation principally services the aluminium smelter industries in the region. Austin also own rights to innovative welding processes which have been introduced to improve welding productivity. Robotic welding systems are also used for product lines, general fabrications and repetitive production processes.

AUSTIN ENGINEERING LIMITED
ABN 60 078 480 136
SECURITIES TRADING POLICY

1. Policy Objectives

Directors and other shareholders are encouraged to be long term holders of the Company's shares. Care must be taken in the timing of any acquisition or disposal of securities of the Company.

The objective of this policy is to:

- to ensure that Key Management Personnel do not inadvertently breach the insider trading provision of the Corporations Act 2001 when dealing in securities in the Company (including shares and options); and
- assist in maintaining market confidence in the trading of the Company's securities.

2. Application of this policy

a. Key Management Personnel

- This policy applies to all Key Management Personnel of the Company.
- Key Management Personnel has the meaning in Accounting Standard AASB 124 Related Party Disclosure. As at the date of this policy, it meant all persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any Director (whether executive or otherwise) of the Company.
- Persons covered by this policy must not trade through any member of their family, or through a trust or company over which they have influence or control, in circumstances where they would have been prohibited from trading in their own name.

b. Securities to which this policy applies

This policy applies to all securities including ordinary shares, preference shares, debentures, convertible notes and options and products, securities or the like that do not amount to the Company's securities but are based on the Company's securities.

The following trading in the Company's securities is excluded from the operation of this policy (but continues to be subject to the requirements of the insider trading laws):

- An undertaking to accept, or acceptance of, a takeover offer;
- Trading under an offer or invitation such as a rights issue, security purchase plan, or dividend reinvestment plan where the issue is available pro rata to all or most holders of securities of the relevant class;
- Transfers of securities where there is no change in the person's underlying beneficial interest in the securities.

This policy is not limited to insider trading in the Company's securities. It includes trading in the securities of other companies, the Company's customers or suppliers or those with whom the Company may be negotiating major transactions such as an acquisition, investment or sale. Information that is not material to the Company may nevertheless be material to one of those other companies.

3. What is insider trading?

a. Insider trading

If a person covered by this policy has inside information relating to the Company it is illegal for the person to:

- Buy, sell or otherwise deal in securities (shares or options) in the Company;
- Advise, procure or encourage another person (for example, a family member, a friend, family company or trust) to buy or sell the Company's securities; or
- Pass on information to any other person, if you know or ought to reasonably know that the person may use the information to buy or sell (or procure another person to buy or sell) the Company's securities.

b. Inside information

Inside information is information which is not generally available to the market and, if it were generally available to the market, would be likely to:

- Have a material effect on the price or value of **any** company's securities (not just the Company's securities); or
- Influence persons who commonly invest in securities in deciding whether or not to buy or sell the Company's securities.

Information is generally available if:

- It consists of readily observable matter;
- It has been made known in a manner likely to bring the information to the attention of people who commonly invest in securities of a kind whose price or value might be affected by the information, and, since it was made known, a reasonable period for it to be disseminated among such persons has elapsed;
- It is derived from information which has been made public; or
- It consists of observations, deductions, conclusions or inferences made or drawn from the other generally available information.

4. Policy

a. No trading when in possession of inside information

No person to whom this policy applies may deal in any security at any time if they have inside information.

b. Closed periods

In addition to the requirements of the insider trading laws, Key Management Personnel must not trade in the Company's securities during the following closed periods:

- between 30 June and the announcement to the ASX of final results for the year;
- between 31 December and the announcement to the ASX of the interim results for the half-year; or
- any other period designated by the Board and advised to the Key Management Personnel.

("Closed Periods")

Key Management Personnel may trade during a Closed Period in exceptional circumstances such as severe financial hardship or other exceptional personal circumstances, but only with the written approval of the Managing Director, or in the case of any proposed trade by Directors and Chief Financial Officer and Company Secretary, the Chairman, provided that the Key Management Personnel is not in possession of inside information.

c. Authorised trades

Key Management Personnel may trade in securities in the 6 week period commencing 24 hours after:

- the release to ASX of the half-yearly or annual results;
- the end of the AGM; or
- at any time the Company has a prospectus open.

("Trading Windows") provided the Trading Window does not overlap with a Closed Period.

Key Management Personnel may only trade in securities during the Trading Windows if they are personally satisfied that they are not in possession of inside information.

Key Management Personnel may only trade in securities outside the Trading Windows and outside the Closed Periods with the written approval of the Managing Director, or in the case of Directors and Chief Financial Officer and Company Secretary, the Chairman, provided that the Key Management Personnel is not in possession of inside information.

Permission will be given for such trading but only after a written request for approval is provided and only if the approving person is satisfied that the transaction would not be:

- contrary to law;
- for speculative gain;
- to take advantage of insider knowledge; or
- seen by the public, press, other shareholders or ASX as unfair.

Approval to trade may be given, for example, where it can be shown that securities are to be sold due to exceptional circumstances such as severe financial hardship, other exceptional personal circumstances or where securities are transferred from one member of a family or trust to another when to delay the transaction to the next permitted period would be detrimental to the family's affairs.

5. Disclosure to the Company

a. Persons covered by this policy must advise the Secretary in writing of the details of completed transactions within 2 business days following each transaction. Such notification is necessary whether or not prior authority has been required.

b. The Secretary must maintain a register of securities transactions for the purposes of this policy.

c. The Company must comply with its obligations to notify ASX in writing of any changes in the holdings of Securities or interest in Securities by Directors.