

Award of Major Contract for Dump Truck Bodies in Chile

Brisbane, 14 November 2011: The Directors of Austin Engineering (ASX trading code: **ANG**) are pleased to announce the award of a significant contract from one of our major resource customers in Chile for the supply of dump truck bodies.

The contract is for the supply of 52 high-performance bodies, valued at approximately USD 10.5m, for one of the customer's main mine sites in northern Chile. Manufacture of the dump truck bodies will commence immediately with the first deliveries being made in November 2011. The Company is expecting further orders from this client in early 2012 for a new mine in the region.

The company is also pleased to announce its first order from Bolivia for 10 truck bodies with delivery in the second half of the current financial year.

Commenting on the award of the contracts, Managing Director Michael Buckland said "These contracts are another important step in the strategic positioning of Austin and its range of products and services in the South American mining market, following on from the multi-year Xstrata-Peru contract announced in June 2011. The flexibility and increased productive capacity of the new 'La Negra' workshop facility in Antofagasta enables significant contracts such as these to be taken on board with confidence".

"Engineering and initial manufacturing activities are already underway in order to enable deliveries to commence in November 2011. These contracts, together with other contracts already secured or in the process of being tendered for, are expected to lead to high levels of workload and capacity utilisation for the Chilean operation over the second half of the FY11/12 financial year, with this bias of workload being similar to our other operations".

"In addition to the manufacture of dump truck bodies, the customer also has a requirement for associated repair and maintenance services. The group has tendered for the provision of these services and a decision on this is expected this month. This is part of a continuing focus on the provision of on and off-site repair and maintenance services to all of our existing and potential customer bases in Chile. Progress on the development of this aspect of our South American business activities is expected in the near future" he said.

End

For further information, contact Managing Director Michael Buckland or Chief Financial Officer Colin Anderson on +61 7 3271 2622.

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.