

Purchase and Expressions of Interest for Sale of Properties

Brisbane, 4 April 2005: Austin Engineering Limited (ASX Trading code: **ANG**) today announced that it had exercised its option, and completed the transaction, for the purchase of the property comprising of the company's Queensland manufacturing facility. The property had previously been leased under a five-year lease arrangement.

The property consists of approximately 21,000 square metres of workshop, office and ancillary facilities as well as approximately 6,500 square metres of unutilised land. The purchase price of the property was a fixed \$4M plus GST. The purchase of the property has been financed by additional bank debt facilities.

Austin Engineering's Chairman, Mr Peter Fitch, said that the purchase of the property had the potential to unlock and realise significant value.

"The company has obtained an independent assessment of the value of the Queensland property and this indicates that the current market value, on an "as-is" owner-occupied basis, is \$5.5M. Over the next few weeks, the company will be actively engaged in the formal processes of seeking expressions of interest for the subsequent sale and lease-back of the Queensland property under an initial five year lease-back arrangement with an option to lease for another five years thereafter. The sale and leaseback of the Western Australia property, comprising of the John's Engineering workshop, office and ancillary facilities, will also be considered" said Mr Fitch.

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For further information, contact Michael Buckland or Colin Anderson on 07 3271 2622.

About Austin Engineering: Austin Engineering Limited is an engineering company with manufacturing facilities in Brisbane and Perth. The Brisbane facility provides fabrication facilities servicing the mining, oil, gas and industrial sectors. Key product lines include structural steel, piping, mineral processing equipment, potshells and superstructures. The Perth facility (John's Engineering) designs and manufactures products used in the resources industry including dump truck bodies, excavator buckets, materials handling equipment and large service vehicles. Austin own rights to innovative welding processes which are being introduced to improve welding productivity, coupled with robotic applications to suit product lines, general fabrications and any repetitive production processes.