

Austin Engineering Prepares to Form Joint Venture for Major Project in Oman

BRISBANE, 20 April 2005: Austin Engineering Limited (ASX Trading Code: **ANG**) announced today it was in the process of positioning itself to tender for the manufacture of key components for the Sohar Aluminium smelter project in Oman.

Austin has signed a Heads of Agreement with well-known Oman company, Special Technical Services LLC (STS), as a prelude to finalising arrangements for a 50-50 joint venture which will give Austin local company status under Omani local content policy requirements.

The Sohar Aluminium project was financially approved in February 2005 and Bechtel has been chosen as the preferred bidder for the engineering, procurement and construction management project. The project is due to commence in the second half of 2005 with the construction of the first aluminium production line (potline) and a second potline planned as a follow-on stage.

STS is regarded as one of the Sultanate of Oman's foremost construction and fabrication companies and is well-known in the Gulf States as a quality contractor within the oil and gas industry.

Austin's Chairman Mr Peter Fitch said that forming a joint venture will place Austin and STS in a very competitive position to tender for the project. "Currently Oman is not in a position to tender for the more specialised components and we expect that Austin's aluminium industry expertise and new welding technology, combined with STS's local knowledge and close proximity to the construction site, will provide real cost advantages in our tender for the project" he said.

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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 (formerly Johns 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.