

Austin Engineering Ltd.
173 Cobalt Street (PO Box 64)
Carole Park, QLD 4300

Ph.: 61 7 3271 2622
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22 September 2005

Dear Shareholder,

The Annual General Meeting for Austin Engineering Ltd is scheduled for the 18th of November 2005 at 10.00 am and will be held at the offices of Phillips Fox, Level 29, Waterfront Place, 1 Eagle Street, Brisbane, Queensland 4000.

Items of Ordinary Business include the adoption of the Financial Report and the adoption of the Remuneration Report (included within the Directors' Report) as well as consider and, if thought fit, pass the following ordinary resolution:

"To re-elect as a Director Mr. Peter George Fitch who retires by rotation in accordance with the constitution of the company and, being eligible, offers himself for re-election as a Director."

You are encouraged to read the enclosed Notice of Annual General Meeting carefully and to attend the meeting or return your Proxy Form as soon as possible. When completing the Proxy Form please vote either for or against the resolution.

Yours sincerely,



Peter G. Fitch
Non-Executive Chairman

Notice of Annual General Meeting

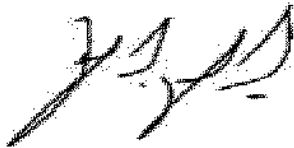
In accordance with rules 13.2 and 13.3 of the constitution, notice is hereby given that the Annual General Meeting of members of Austin Engineering Limited will be held at the offices of Phillips Fox, Level 29, Waterfront Place, 1 Eagle Street, Brisbane, Queensland 4000, at 10.00am on Friday 18 November 2005, to consider and, if thought fit, to pass the following resolutions:

ORDINARY BUSINESS

1. To receive the Financial Report in respect of the Company and its controlled entities for the period ended 30 June 2005, together with the Director's Report in relation to that financial period and the Auditors Report in respect of that Financial Report.
2. To adopt the Remuneration Report for the financial period ended 30 June 2005.
3. To consider and, if thought fit, pass the following ordinary resolution:
"To re-elect as a Director Mr. Peter George Fitch who retires by rotation in accordance with the constitution of the company and, being eligible, offers himself for re-election as a Director."

DATED this 22nd day of September

BY ORDER OF THE BOARD



Johan Andersson
Company Secretary

NOTES

Austin Engineering Ltd has determined that a person's entitlement to vote at the Annual General Meeting, will, in accordance with the Corporations Act, be the entitlement of that person set out in the register of members as at 10.00 am on the 16th day of November.

That means that any holder registered at 10.00 am on the 16th day of November is entitled to attend and vote at the General Meeting.

Explanatory Statement to Notice of Annual General Meeting

This statement has been prepared to assist members with their consideration of items of business proposed for the Company's Annual General Meeting to be held on Friday, 18 November 2005 at 10.00 am.

- Item 1. "To receive the Financial Report in respect of the Company and its controlled entities for the period ended 30 June 2005, together with the Director's Report in relation to that financial period and the Auditors Report in respect of that Financial Report."**

To enable shareholders to receive and consider the Financial Report and given a reasonable opportunity at the Meeting to ask questions and to make comments on those reports and on the business, operations and management of the Company. The auditor will be available to answer questions from shareholders in relation to the financial report and the auditors report.

- Item 2. "To adopt the Remuneration Report for the financial period ended 30 June 2005."**

The Corporate Law Economic Reform Program (Audit Reform and Corporate Disclosure Act 2004 (Cth)) (CLERP 9) requires that a resolution be put to the members to adopt the Remuneration Report as disclosed in the Directors' Report. The vote on this resolution is advisory only and non-binding. The resolution gives the members the opportunity to ask questions or make comments concerning the Remuneration Report during the meeting.

The Remuneration Report:

- Discusses the Company's policy on remuneration of Directors and the link between remuneration and the Company's performance and;
- Details the remuneration arrangements in place for each Director.

A Remuneration Report must also discuss the Company's policy on remuneration of employees. Similarly a Remuneration Report must explain the differences in remuneration between executive and non-executive Directors.

- Item 3. "To consider and, if thought fit, pass the following ordinary resolution:**

"To re-elect as a Director Mr. Peter George Fitch who retires by rotation in accordance with the constitution of the company and, being eligible, offers himself for re-election as a Director."

Mr Peter George Fitch, Independent Non-Executive Director, Aged 65

Mr. Fitch was appointed a Director of the Company on 10 March 2004. He is a professional engineer and has over 35 years experience in the engineering and mining industries. He is Chairman of Oldenburg Stamler Australasia and Oldenburg Mining South Africa.

The Directors (with Mr Fitch absent and not voting) recommend that shareholders vote in favour of this resolution.

Form of Proxy

Austin Engineering Limited
 ABN 60 078 480 136

[Insert shareholder name and address here]

If your address as shown here is incorrect mark "X" here and write correct address

Appointment of Proxy

I/we being member/s of **Austin Engineering Limited** and entitled to attend and vote hereby appoint

The Chairman of the Meeting (mark with an "X") OR

Write here the name of your proxy if someone other than the Chairman of the Meeting

or failing the person named, or if no person is named, the **Chairman of the Meeting**, as my/our proxy to act generally at the Meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, as the proxy sees fit) at the Annual General Meeting of the Company to be held at the offices of Phillips Fox, Level 29, Waterfront Place, 1 Eagle Street, Brisbane, Queensland 4000, at 10.00am on 18 November 2005 and any adjournment of that meeting.

Important information

If the Chairman of the Meeting is your nominated proxy, or may be appointed by default, and you have **not** directed your proxy how to vote on a particular Resolution, **please place a mark in the box at the left.**

By marking this box, you acknowledge that the Chairman of the Meeting may exercise your *undirected proxies* even if he has an interest in the outcome of that Resolution and that votes cast by him, other than the proxy holder, will be disregarded because of that interest.

If you do not mark this box, and you have not directed your proxy how to vote, the Chairman of the Meeting will not cast your votes on the Resolution and your votes will not be counted in computing the required majority if a poll is called on this Resolution.

The Chairman of the Meeting intends to vote undirected proxies *in favour* of each Resolution.

Proxy Instructions

To instruct your proxy how to vote, insert "X" in the appropriate box against each Resolution set out below. (if you do not instruct your proxy how to vote on a resolution, your proxy may vote as they think fit or abstain from voting)

Ordinary Business

Resolution 1 – Adopting the Remuneration Report
 Resolution 2 – Re-election of Mr. Peter George Fitch

	For	Against	Abstain*
Resolution 1 – Adopting the Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2 – Re-election of Mr. Peter George Fitch	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

* If you mark the Abstain box for a particular Resolution, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

Signature of shareholder(s) – This section must be signed in accordance with the instructions overleaf

Individual or first shareholder

Sole Director and Sole Company Secretary

Shareholder 2

Director

Shareholder 3

Director/Company Secretary

How to complete this Proxy Form

1. Your name and Address

This is your name and address as it appears on the Company's share register. If this information is incorrect, please mark the box and make the correction on the form. Security holders sponsored by a broker should advise their brokers of any changes. **Please note: you cannot change ownership of your securities using this form.**

2. Appointment of a Proxy

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box. If the person you wish to appoint as your proxy is someone other than the Chairman of the Meeting please write the name of that person. If you leave this section blank, or your named proxy does not attend the Meeting, the Chairman of the Meeting will be your proxy. A proxy need not be a shareholder of the Company.

3. Voting on Resolutions

You may direct your proxy how to vote by placing a mark in one of the boxes opposite each Resolution. All your shares will be voted in accordance with such directions unless you indicate only a portion of your voting rights are to be voted on any Resolution by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on a given item, your proxy may vote as they chose. If you mark more than one box against a Resolution your vote on that resolution will be invalid.

4. Appointment of a Second Proxy

You are entitled to appoint up to two persons as proxies to attend the Meeting and to vote on your behalf. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the Company's share registry (see contact details below) or you may copy this Proxy Form.

To appoint a second proxy you must:

- (a) on each of the first Proxy Form and the second Proxy Form state the percentage of your voting rights or number of shares applicable to that Proxy Form. If the Proxy Forms do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half of your votes. Fractions of votes will be disregarded.
- (b) Return both forms together in the same envelope.

5. Signing Instructions

You must sign this Proxy Form as follows in the spaces provided:

Individual: where the holding is in one name, the holder must sign.

Joint holding: where the holding is in more than one name, all of the shareholders must sign

Power of attorney: to sign under Power of Attorney, you must have already lodged the Power of Attorney with the Company's share registry. If you have not previously lodged the Power of Attorney, please attach a notarially certified photocopy of it to this Proxy Form when you return it.

Companies: where the company has a sole director who is also the company secretary, this form must be signed by that person. If the company (pursuant to section 204A of the *Corporations Act 2001*) does not have a company secretary, a sole director can sign alone. Please indicate the office held by signing in the appropriate place.

If a representative of the corporation is to attend the meeting the appropriate "Certificate of Appointment of Corporate Representative" should be produced prior to admission. A form of the certificate may be obtained from the Company's share registry (see address details below).

Lodgement of a Proxy

This Proxy Form (and any Power of Attorney under which it is signed) must be received at the share registry address given below **not later than 48 hours before** the commencement of the meeting i.e. **no later than 10.00am (Brisbane time) on 16 November 2005**. Any Proxy Form received after that time **will not** be valid for the scheduled Meeting.

Address of Company's Share Registry

Proxies can be delivered, mailed or faxed to:

Advanced Share Registry Services
110 Stirling Highway, Nedlands, Western Australia, 6009
P.O Box 1156, Nedlands, Western Australia 6909

Telephone: +61 8 9221 7288
Facsimile: +61 8 9221 7869