

3 July 2006

Frances Ng
Adviser, Issuers
ASX (Brisbane)

Subject: Price query related to a change in the company's securities.

Below please find the answers to your questions in your letter dated 3 July 2006 in regards to the above mentioned subject.

1. Is the Company aware of any information concerning it that has not been announced which, if known, could be an explanation for recent trading in the securities of the Company?

A1: *The Company is not aware of any information that can explain the recent trading and movement in the Company's securities.*

2. If the answer to question 1 is yes, can an announcement be made immediately? If not, why not and when is it expected that an announcement will be made?

A2: *N/A*

3. Is there any reason to think that there may be a change in the operating profit before abnormal items and income tax so that the figure for the financial year ended 30 June 2006 would vary from the previous financial year ended 30 June 2005 by more than 15%? If so, please provide details as to the extent of the likely variation.

A3: *There are no reasons to think that there will be a change in operating profit before abnormal items and income tax for the financial year ended 30 June 2006 that will vary by more than 15% from previous financial year.*

4. Is there any reason to think that the Company may record any material abnormal or extraordinary profit for the financial year 30 June 2006? If so, please provide details.

A4: *There are no reasons to think that the Company may record any material or extraordinary profit for the financial year other than what previously has been announced to the market.*

5. Is there any other explanation that the Company may have for the price change and increase in volume in the securities of the Company?

A5: *There is no other explanation known to the Company that the Company may have for the price change and increase in volume in the securities of the Company.*

6. Please confirm that the Company is in compliance with the listing rules and in particular, listing rule 3.1.

A6: *The Company confirms that the Company is in compliance with the listing rules and in particular, listing rule 3.1*

End

For further information, contact Michael Buckland or Johan Andersson 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 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.