

Austin wins new major supply contract

Brisbane, 20 October 2006; Austin Engineering Ltd (ASX Trading code: ANG) has secured a new national contract for the supply of 100 tonne class dump trays in Australia from an international OEM (original equipment manufacturer).

Based on forecast orders provided by the client, the contract revenue is potentially in excess of \$5 million over the 2 year contract period. The client can extend the contract for a further 1 year for good performance.

The client is an existing established client for whom Austin Engineering already supplies other types of dump trays. The new contract comes on top of that existing work. Austin Engineering will continue to tender for further orders from the client and expects to be invited again to participate in further national tenders.

Commenting on the success of the contract Chairman Peter Fitch noted "This contract confirms the Company's strategy within the mining division of having a national focus able to offer the client a one stop shop. Austin Engineering was the only Company able to offer the client a national price as well as design and ongoing maintenance requirements. The national presence of the Company (WA, QLD and regional QLD) combined with the superior service that we can offer weighted the bid in Austin's favour".

This contract adds to the already strong order book as mentioned in the annual report and is expected to contribute to full year earnings which are significantly above the previous financial year.

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.