

Austin Boosts Perth Production Capacity To Meet Demand

Brisbane, 1 October 2007: Austin Engineering Limited (ASX trading code: ANG) today announced it would significantly expand production capacity through an agreement to lease an additional facility in Perth.

The facility will increase the capacity of the Company's Perth-based operations by 65% and position Austin to accommodate a strong and growing order book. In the past two months, the Perth operation has received new orders totalling approximately \$16 million.

The new facility, located adjacent to the Company's existing Perth operations, will be leased for a period of five years with an option of an additional five years after the initial lease term. The Company has already taken occupancy of the new facility.

Chairman Peter Fitch said that Austin decided to lease the additional facility following discussions with major clients about potential new orders over the next five years.

"The Perth operation has a strong order book with orders currently extending well into the 2008/09 financial year," he said. "In the past two months we have received \$16 million in new orders which, in addition to existing orders, require an urgent increase in available productive capacity."

Mr Fitch said the Company had also been informed that it would receive a number of significant orders for the Brisbane operation in the coming months.

"This will see the operation increase current capacity utilisation and forward work-loading until the end of the current financial year," he said. "Both of the Company's operations in Mackay are also operating at capacity with solid forward order books.

"The Kaldura expansion will be complete by mid-November and the Company will also consider an expansion of its Austbore facility" 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, Perth and Mackay. The Brisbane and Perth facilities manufacture and assemble products used in the resources industry including dump truck bodies, excavator buckets, materials handling equipment and large service vehicles. They also provide fabrication facilities servicing the mining, oil, gas and industrial sectors. The Mackay facilities manufacture, assemble and overhaul equipment used in the mining and resources industry. 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.