

Austin Receives First Significant Order for Indonesia

Brisbane, 31 March 2011: The Directors of Austin Engineering Limited (ASX trading code: **ANG**) are pleased to announce that its new Indonesian operation has received an important and significant order for the supply of mining equipment to the region.

An order for 60 dump truck trays worth \$8.5m has been received from a major Indonesian-based mining contractor, with delivery of the bodies scheduled to take place over May 2011 to December 2012.

As announced previously, the Company is in the process of building a new production facility in Batam Island, which is located close to Singapore and is also adjacent to key Indonesian mining markets and customers. Pending completion of this new facility in September 2011, manufacture of the new orders will be undertaken in our existing temporary leased workshop facilities.

Commenting on the order, Managing Director Michael Buckland said "The award of this order will enable the Company to establish an immediate and direct market presence in Indonesia as well providing a sound underlying forward workload for the new workshop facility when it becomes fully operational later this year".

"This order was won against intense local and international competition and it demonstrates the potential for Austin's product range and service capabilities. The manufacture of approximately 30 of the bodies will require certain production activities to be subcontracted. This, together with inefficiencies caused by working from the temporary workshop facility, will result in minimal margins being generated from this portion of the total order. However the strategic value of the order to the Company cannot be understated as it will enable Austin to fast-track and showpiece the technical advantages of its products and services to the Indonesian mining market".

For further information on the above contract award please contact Managing Director, Michael Buckland or Chief Financial Officer, Colin Anderson on +61 7 3271 2622.

About Austin Engineering: Austin Engineering Limited is an engineering company with manufacturing facilities in Australia, the USA, South America and the Middle East. The Australian facilities manufacture, assemble, repair and maintain (on and off-site) products used in the mining and resources sector. Key product lines include dump truck bodies, large service vehicles, excavator buckets, materials handling equipment, mineral processing equipment, industrial radiator and cooling products as well as large structural steel projects. The USA facility (Westech) based in Casper, Wyoming, services the North and South American mining markets and is an industry-leading designer and manufacturer of specialised lightweight dump truck bodies. The Chile operation (Austin Engineering Chile) manufactures dump truck bodies and other mining products for the South American market. The Middle East operation principally services the aluminium smelter industries in the region. Austin also own rights to innovative welding processes which have been introduced to improve welding productivity. Robotic welding systems are also used for product lines, general fabrications and repetitive production processes.