

Notice of Annual General Meeting

Notice is hereby given that the Annual General Meeting of Austin Engineering Limited (the "Company") will be held in Studio One of the Crown Perth, Great Eastern Highway, Perth, Western Australia 6100, on **Friday 22 November 2013 at 10:00am (Perth time).**

AGENDA

Ordinary Business

1 - Financial Reporting

To receive and consider the financial reports of the Company and the consolidated entity and the reports of Directors and Auditor for the financial year ended 30 June 2013.

2 - Remuneration Report (Resolution 1)

To consider and, if thought fit, pass the following as an ordinary resolution under section 250R of the Corporations Act 2001:

"To adopt the Remuneration Report for the year ended 30 June 2013."

- Notes:
- (1) *The vote on this resolution is advisory only and does not bind the Directors or the Company.*
 - (2) *If 25% or more of votes that are cast are voted against the remuneration report at two consecutive AGMs, shareholders will be required to vote at the second of those AGMs on a resolution (a 'spill resolution') that another meeting be held within 90 days at which all of the Company's Directors (other than the Managing Director) must stand for re-election.*

Voting exclusion statement

The Company will disregard and not count any votes cast (in any capacity) on Resolution 1 by or on behalf of either or both the following persons:

- (a) *a member of the Company's Key Management Personnel; or*
 - (b) *a Closely Related Party of a member of the Company's Key Management Personnel.*
- unless:*
- (c) *the person*
 - (i) *does so in relation to a resolution where they hold a Directed Proxy Form; or*
 - (ii) *is the Chairman of the Meeting and is expressly authorised to exercise the proxy even though the resolution is a Remuneration Resolution; and*
 - (d) *the vote is not cast on behalf of a person described in paragraph (a) and (b) above.*

3 - Re-election of Mr Eugene Fung as Director (Resolution 2)

To consider, and if thought fit, to pass the following as an ordinary resolution:

"That Mr Eugene Fung, who voluntarily retires to enable the Company to comply with ASX Listing Rule 14.5 and, being eligible, has offered himself for re-election in accordance with the Company's constitution, is re-elected as a Director of the Company."

By Order of the Board



Colin Anderson
Company Secretary
21 October 2013

Notice of Annual General Meeting

NOTES

1. For the purposes of Regulation 7.11.37 of the Corporations Regulations 2001, the Directors have determined that the voting entitlements for the purposes of the meeting will be based on the registered holdings as at 7.00pm (Sydney time) on 20 November 2013. Accordingly those persons will be entitled to attend and vote at the meeting.
2. You may vote by attending the meeting in person, by proxy, attorney or authorised representative.
3. A proxy form is enclosed with this notice. If an additional proxy form is required, the Company's share registry will supply it on request.
4. Each shareholder entitled to attend and vote at the meeting has the right to appoint a proxy. A shareholder who is entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If no proportion or number is specified, then each proxy may exercise one-half of the votes. Fractions of votes will be disregarded. A proxy need not be a shareholder of the Company.
5. To be effective, the Company must receive the completed proxy form and, if the form is signed by the shareholder's attorney, the authority under which the proxy form is signed (or a certified copy of the authority) by no later than 48 hours before the meeting:
 - a) at its registered office at 173 Cobalt Street, Carole Park, Qld 4300;
 - b) by facsimile to its registered office on fax number +61 7 3271 3689; or
 - c) at its share registry, Advanced Share Registry Services:
150 Stirling Highway, Nedlands, WA, 6009
PO Box 1156, Nedlands, WA, 6909
or fax number +61 8 9389 7871
 - d) online at www.advancedshare.com.au (go to investors->online proxy voting)
6. Proxies given by any corporate shareholder must be executed in accordance with its constitution, or under the hand of a duly authorised officer or attorney.
7. Any proxy form received after this deadline including at the meeting will be treated as invalid.
8. A member of the Company's Key Management Personnel or their Closely Related Party must not, whether in person or by proxy, vote in their own right on the adoption of the Remuneration Report in Resolution 1.
9. A person appointed as proxy may vote or abstain from voting as he or she thinks fit except in the following circumstances:
 - (a) The proxy holds a Directed Proxy Form;
 - (b) Where the proxy is voting in relation to a Remuneration Resolution and the proxy is either a Key Management Personnel for the Company or a Closely Related Party and holds an Undirected Proxy Form; and
 - (c) The proxy is required by law or the Company's Constitution to vote in a certain manner or abstain from voting.
10. Clause 9(b) does not apply if the Chairman of the meeting is appointed as proxy and his appointment expressly authorises the Chairman to exercise the proxy even if the resolution is a Remuneration Resolution.
11. The Chairman intends to vote all Undirected Proxy Forms in favour of all resolutions.
12. The following definitions apply in this document:

Closely Related Party means the closely related parties of Key Management Personnel as defined in the Corporations Act 2001, and include certain members of their family, dependents and companies they control.

Directed Proxy Form means a proxy form which specifies how a proxy is to vote.

Key Management Personnel of the Company are the directors of the Company and those other persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly. The Remuneration Report identifies the Company's key management personnel for the financial year to 30 June 2012.

Remuneration Resolution means a resolution connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

Undirected Proxy Form means a proxy form which does not specify how the proxy is to vote.

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 ("AGM") to be held on Friday, 22 November 2013 at 10.00 am (Perth time).

Item 1 - Financial Reporting

As required by law, the financial report, Directors' report and Auditor's report are laid before the AGM. Members will be given a reasonable opportunity at the meeting to ask questions and make comments on these reports. Members will also be given a reasonable opportunity to ask the Auditor questions about the conduct of the audit and content of the auditor's report. There is no requirement however for members to approve the reports.

Item 2 - Remuneration Report (Resolution 1)

The Corporations Act 2001 requires that a resolution be put to the members to adopt the remuneration report as disclosed in the Directors' report contained in the Company's 2013 Annual Report. 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.

Under Section 250R(3) of the Corporations Act, the vote on this resolution is advisory only and does not bind the Company or its Directors. Although the vote is advisory, the Directors recognise this vote as an indication of shareholder sentiment and have careful regard to the outcome of the vote and any discussion when setting the Company's remuneration policies.

The Corporations Act states that if 25% of votes that are cast are voted against the adoption of the remuneration report at two consecutive AGMs then shareholders will be required to vote at the second of those AGMs on a resolution (a "spill resolution") that another meeting be held within 90 days at which all of the Directors (other than the Managing Director) must be considered for re-election.

Key Management Personnel and their Closely Related Parties are excluded from voting on this resolution in certain circumstances – please see the notes to Resolution 1.

The Chairman of the Meeting intends to vote all Undirected Proxy Forms **for** this Resolution.

The Board unanimously recommends that shareholders vote in favour of adopting the Remuneration Report.

Item 3 - Re-election of Mr Eugene Fung as Director (Resolution 2)

ASX Listing Rule 14.5 requires the Company to hold an election of Directors each year. In accordance with ASX Listing Rule 14.5 and clause 3.6 of the Company's constitution, Eugene Fung retires at the close of this AGM and being eligible, offers himself for re-election.

Eugene Fung has been a Non-Executive Director of the Company since 2004. He is a corporate lawyer and partner of a national law firm and he advises both listed and unlisted companies regularly on corporate finance matters, mergers and acquisitions, corporate governance and the ASX listing rules. He is a member of the Australian Institute of Company Directors and is a Fellow of the Financial Services Institute of Australasia and holds a Graduate Diploma in Applied Finance from the Securities Institute of Australia.

Qualifications: B. Com (Bachelor of Commerce), LL.B (Hons) (Bachelor of Laws), Grad Dip (Applied Finance and Investment) (FinSIA)

Special responsibilities: Chair of the nomination and remuneration committee and member of the audit committee.

The Directors (with Eugene Fung abstaining) recommend that shareholders vote in favour of this resolution.

Change of address. If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'x') should advise your broker of any changes.

Form of Proxy

Please mark to indicate your directions

STEP 1 Appoint a Proxy to Vote on Your Behalf

PLEASE NOTE: This proxy is solicited on behalf of the management of Austin Engineering Limited ABN 60 078 480 136 (the "Company") for use at the meeting of the shareholders of the Company to be held in Studio One of the Crown Perth, Great Eastern Highway, Perth, Western Australia 6100, on Friday 22 November 2013 at 10:00am (Perth time).

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

the Chairman
of the meeting

OR

PLEASE NOTE: If you leave the section blank, the Chairman of the Meeting will be your proxy.

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 in Studio One of the Crown Perth, Great Eastern Highway, Perth, Western Australia 6100, on Friday 22 November 2013 at 10:00am (Perth time).

Important notice – appointment of the Chairman as your proxy for Resolution 1

By appointing the Chairman of the Meeting as your proxy in relation to Resolution 1, you expressly authorise the Chairman to vote in favour of Resolution 1, even though the resolution is connected directly or indirectly with the remuneration of Key Management Personnel.

The Chairman intends to vote all undirected proxies in favour of Resolution 1.

If you appoint the Chairman as your proxy and you do not wish the Chairman to vote in favour of any Resolution, you may direct the Chairman to vote against that Resolution or abstain from voting on that Resolution by marking the appropriate box opposite that Resolution below.

If you have not appointed the Chairman of the Meeting as your proxy and you are appointing a second proxy please complete the following: Proxy 1 is appointed to represent _____% of my voting right and Proxy 2 is appointed to represent _____% of my total votes. My total voting right is _____ shares.

PLEASE NOTE: If the appointment does not specify the proportion or number of votes that the proxy may exercise, each proxy may exercise half the votes.

With respect to any amendment or variations to the matters identified in the Notice of Meeting and any other matters which may properly come before the Meeting, I/we confer discretionary authority on the person voting on behalf of me/us to vote as that person sees fit. At the time of printing this Form of Proxy, management knows of no such amendment, variation or other matter.

STEP 2 Items of Business

PLEASE NOTE: If you mark the abstain box for a particular item, you are directing your proxy not to vote on that item on a show of hands or on a poll and your votes will not be counted in computing the required majority on that item.

If you wish to indicate how your proxy is to vote, please tick the appropriate places below.

FOR AGAINST ABSTAIN

Resolution 1 – Adopting the Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2 – Re-election of Mr Eugene Fung as Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

If no choice is specified, the shareholder is conferring discretionary authority on the proxy to vote at his or her discretion. However, the Chairman intends to vote FOR each of the resolutions.

SIGN Signing by member

This section **must** be signed in accordance with the instructions overleaf to enable your directions to be implemented.

Individual or Member 1

Sole Director and Sole
Secretary

Member 2 (if joint holding)

Director/Company
Secretary

Member 3 (if joint holding)

Director

/ /

Date

Lodge your vote:

✉ By Mail:
**Advanced Share Registry
Limited
PO Box 1156
Nedlands WA 6909**

**Alternatively you can fax your form to
Facsimile: +61 (0) 8 9389 7871**

For Online Vote:
**www.advancedshare.com.au
(go to investors->online proxy voting)**

**For all enquiries call:
Telephone: +61 (0) 8 9389 8033
Email: admin@advancedshare.com.au**

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 (except as noted elsewhere in relation to resolutions directly or indirectly connected to the remuneration of the Company's key management personnel). If you mark more than one box against a Resolution your vote on that Resolution will be invalid. If you wish to appoint as your proxy a director of the Company (other than the chairman of the meeting) or other member of the key management personnel of the Company whose remuneration details are set out in the Remuneration Report, or their closely related parties, you should specify how they must vote on Resolution 1 by completing the "For", "Against" or "Abstain" boxes on the proxy form. If you do not do that in relation to Resolution 1, your proxy will not be able to exercise your vote on your behalf for that Resolution.

If you appoint the chairman of the meeting as your proxy in relation to Resolution 1, but do not complete any of the boxes "For", "Against" or "Abstain" opposite the Resolution on the proxy form, you will be expressly authorising the chairman of the meeting to vote in favour of the Resolution. If you wish to appoint the chairman of the meeting as proxy with a direction to vote against, or to abstain from voting on any Resolution, you must specify this by completing the "Against" or "Abstain" boxes on the proxy form.

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 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.

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).

6 Lodgement of 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 (Perth time) on 20 November 2013. Any Proxy Form received after that time will not be valid for the scheduled Meeting.

Please turn over to complete the form →