

17 January 2014

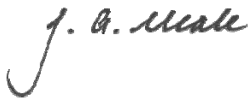
Company Announcements Office
Australian Securities Exchange
Level 4, Exchange Centre
20 Bridge Street
SYDNEY NSW 2000

Dear Sir/Madam

Despatch of Share Purchase Plan documents

Austin Engineering Limited is pleased to announce that the enclosed letter, terms and conditions and personalised Application Form relating to the Share Purchase Plan, announced on 17 December 2013, were despatched to shareholders today.

Yours faithfully



Jessica Neale
Company Secretary

About Austin Engineering: Austin Engineering Limited is an engineering company with manufacturing facilities in Australia, the USA, South America, Indonesia 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 American and Canadian mining markets and is an industry-leading designer and manufacturer of high-efficiency dump truck bodies. The operations located in Chile, Peru and Colombia manufacture, repair and maintain dump truck bodies and other mining products for their respective markets and, in Chile, also provide specialised heavy equipment lifting and transportation services for mining and industrial markets. The Indonesian production facility on Batam Island serves the equipment and service needs of mining and oil and gas-related customers in Indonesia and Asia. The Middle East operation principally services the aluminium smelter industries in the region. Austin also own rights to innovative and automated welding processes and these have been introduced into operations in order to improve production efficiencies. For more information visit www.austineng.com.au.

17 January 2014

Dear Shareholder

Offer to participate in Share Purchase Plan

On behalf of the Board of Austin Engineering Limited (the “**Company**”), I am pleased to offer you the opportunity to participate in a share purchase plan (“**SPP**”), under which you can apply for up to a maximum amount of \$5,000 in shares at \$3.20 per share, free of brokerage and transaction costs.

The Company recently announced a successful placement of 9,375,000 shares to sophisticated and professional investors at an issue price of \$3.20 per share to raise approximately \$30 million. The placement was strongly supported by the Company's institutional investors.

This SPP gives eligible shareholders the ability to acquire shares at the same price at which they were issued under the placement. The offer price under the SPP is a 12.1% discount to the Company's last closing price and 12.6% to the five-day volume weighted average share price as at 14 January 2014.

Participation in the SPP is optional. It will be open to shareholders who were holders of fully paid ordinary shares in the Company as at 7.00pm (AEDT) on 16 December 2013, and whose registered address is in Australia or New Zealand. For New Zealand shareholders, you must still be a shareholder on the date of the offer to participate.

As announced on 17 December 2013, the purpose of the SPP is to fund the Company's South American growth initiatives.

The Board currently intends to cap the total raising under the SPP to approximately \$5 million (before all offer costs) but reserves the right to vary the amount raised under the SPP in its absolute discretion. The Company also reserves its right to scale back applications to the extent and in the manner it sees fit, in its absolute discretion, should the amount raised under the SPP exceed \$5 million (before offer costs).

To apply for a parcel of shares, please follow the instructions on the enclosed application form **and ensure that your application is received no later than 5.00pm (Perth time) on 7 February 2014.**

Shares issued under the SPP will have the same entitlements as other shares in the Company including dividend entitlements.

I encourage you to read the attached SPP Terms and Conditions carefully. If you are unsure about whether to participate, please contact your professional adviser. If you require further information, please contact our Share Registry (contact details are in the enclosed instructions).

On behalf of the Board, I invite you to consider this opportunity to increase your investment in the Company and thank you for your continued support.

Yours sincerely



Paul Reading

Chairman

Share Purchase Plan Offer Document

For the offer of fully paid ordinary shares in the Company ("**New Shares**") at \$3.20 per New Share.

Key Dates*

Date (and time if relevant)	Event
7.00pm (AEST) on 16 December 2013	Record Date The date and time on which the Company determined who is eligible to participate in the SPP
Friday, 17 January 2014	Opening Date The date on which the offer opens
5.00pm (Perth time) on 7 February 2014	Closing Date The date that the offer closes. All applications must be received (together with payment) by this time and date
14 February 2014	Allotment Date The date on which the New Shares are allotted
17 February 2014	Despatch Date The date transaction confirmations/holding statements will be sent to shareholders
17 February 2014	Trading Date The date on which the New Shares are expected to begin trading.

* Eligible Shareholders that wish to participate in the SPP are encouraged to subscribe for New Shares as soon as possible after the SPP opens. The above timetable is indicative only. The Company reserves the right, subject to the Corporations Act, and other applicable laws, to vary the dates of the SPP (including extending the SPP or accepting late applications) without notice.

Instructions

To participate in the SPP, please read the Terms and Conditions carefully and follow the step-by-step instructions on the Application Form. To apply and pay, you have two options:

Option 1: BPAY®

Provided you are not a Custodian (see paragraph (d) of "Significance of applying for New Shares" in the Terms and Conditions), you can make a payment by BPAY® if you have an Australian bank account enabled for this purpose. BPAY® customers must use the unique customer reference number shown on the Application Form which is required to identify your holding. **If paying by BPAY®, you do not need to return your Application Form.**

Option 2: Application Form and cheque or money order

You can complete the Application Form and post or return it to the address below, together with a cheque or money order, in accordance with the instructions on the Application Form:

Austin Engineering Limited
c/o Advanced Share Registry Services
PO Box 1156
Nedlands WA 6909

Cheques and money orders must be made payable to "Austin Engineering Limited" in Australian dollars and drawn on an Australian bank for the correct amount. The Company will not accept payment by cash.

Timing

All applications must be received together with payment on or before **5.00pm (Perth time) on Friday , 7 February 2014**. You cannot withdraw or cancel your application or BPAY® payment once you have sent it in.

Do not forward cash. Receipts for payments will not be issued.

Application money will not bear interest as against the Company in any circumstances.

Please read the enclosed Application Form for further details on how to apply for New Shares under the SPP.

Questions

If you have any questions, please contact Advanced Share Registry Services any time between 8.30am and 5.00pm (Perth time) Monday to Friday on 08 9389 8033 or +61 8 9389 8033 if calling from outside of Australia.

No offer in the US or to US persons

These materials do not constitute an offer of securities for sale in the United States or to, or for the account of, "U.S. persons" (as defined in Regulation S under the U.S. Securities Act of 1993, as amended ("US Securities Act")) and may not be sent or disseminated in, directly or indirectly; the United States or to any "U.S. person" in any place. The Company's shares have not been and will not be registered under the US Securities Act or the securities laws of any state of the United States and may not be offered, sold or otherwise transferred in the United States or to, or for the account of, any "U.S. person" except in compliance with the registration requirements of the US Securities Act and any other applicable state securities laws or pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act and applicable state securities laws.

Terms and Conditions

IMPORTANT NOTICE: The market price of shares in the Company may rise or fall from now to when the New Shares are allotted to you under the SPP. Therefore, if you apply for and we allot to you New Shares under the SPP, the Offer Price for those New Shares may be more than, or less than, the market price of shares in the Company you could buy at that time. By completing and returning the Application Form or making a BPAY® payment, you acknowledge this risk. We encourage you to contact your professional advisor regarding whether to participate in the SPP and how much to contribute.

Offer timetable

- (a) The offer timetable is set out in the Key Dates above and is included in these Terms and Conditions.
- (b) Payment by BPAY®, Application Forms, cheques and money orders may not be processed and may not be valid if they have not been received or payment has not been processed by the Company before the time and date specified for the Closing Date. You must allow adequate time for Application Forms and cheques or money orders forwarded by post to be received by Advanced Share Registry Services ("Share Registry"). You should be aware that your financial institution may implement earlier cut-off times with regard to electronic payment, and you should therefore take this into consideration when making payment.
- (c) The Company expects to send a transaction confirmation or holding statement to you on or around the Despatch Date.
- (d) The Company expects that the New Shares will be allotted under the SPP on the Allotment Date and will commence trading on ASX on the Trading Date. You must confirm your holding before trading in any New Shares you believe have been allotted to you under the SPP.
- (e) At any time, the Company can change the Closing Date, the Allotment Date, the Trading Date and the Despatch Date (even if the offer has opened, or BPAY® payments and Application Forms have been received) without notice, subject to any applicable laws.

Eligible Shareholders

You are an Eligible Shareholder and may participate in the SPP if you were a registered holder of ordinary shares in the Company with a registered address in Australia or New Zealand as at 7pm (AEDT) on 16 December 2013, unless you hold shares on behalf of a person who resides outside Australia or New Zealand (in which case you will not be eligible to participate in respect of the shares of that person).

The Company has determined that it is not practical for holders of shares with registered addresses in countries other than Australia or New Zealand to participate.

For New Zealand shareholders, you must still be a shareholder at the date of this offer, that is, 17 January 2014.

Further, you are not eligible if you are a "U.S. person" (as defined in Regulation S under the US Securities Act) ("US Person") or acting for the account or benefit of a US Person.

• **Holders receiving more than one offer:** If you are the only registered holder of shares in the Company, but you

receive more than one offer under the SPP (due to multiple registered holdings), you may only contribute a maximum of \$5,000 in applying for New Shares.

• **Joint Holders:** If 2 or more persons are recorded in the register of members of the Company as jointly holding shares, they are considered to be a single registered holder for the purpose of the SPP and they are entitled to participate in the SPP in respect of that single holding only. If, as joint holders you receive more than one offer under the SPP due to multiple identical holdings, you may still only contribute a maximum of \$5,000 in applying for New Shares.

• **Custodians, trustees and nominees:** If you are a custodian, trustee or nominee within the definition of "custodian" in ASIC Class Order 09/425 ("Custodian"), you may contribute a maximum of \$5,000 in applying for New Shares for each participating beneficiary on whose behalf you or a downstream Custodian holds shares (but joint holders are taken to be a single holder), subject to providing us with a certificate in accordance with paragraph (d) of "Significance of applying for New Shares" below. If you are not a Custodian, the rules for multiple single holdings apply and you may only contribute a maximum of \$5,000 in applying for New Shares. You are not eligible to participate on behalf of a person who resides outside Australia and New Zealand or any person who is, or is acting for the account or benefit of, a US Person.

Participation is optional

Participation in the SPP is entirely optional. If you are an Eligible Shareholder, you can choose whether or not to participate.

How much can you invest?

- (a) If you are an Eligible Shareholder, you may apply to buy a parcel of New Shares by contributing a set amount of either \$2,500 or \$5,000.
- (b) The parcel you apply for may be subject to a Scaleback and rounding.
- (c) If you make payment for a parcel of New Shares which is:
 - (i) in excess of the amount specified for that parcel – the Company will refund the excess application money without interest; or
 - (ii) less than the amount specified for the parcel – the Company may, in its absolute discretion, round down the dollar amount of the New Shares an Eligible Shareholder is applying for to the next lowest parcel and refund any excess application money without interest,

If an amount is received less than \$2,500, the Company will not allot any New Shares to the Eligible Shareholder and the money received will be refunded without interest.

- (d) Unless you are applying as a Custodian, the maximum amount of \$5,000 applies even if you receive more than one Application Form or if you hold shares in the Company in more than one capacity (for example, if you are both a sole and joint holder of shares in the Company - see "Eligible Shareholders" above) and irrespective of the number of shares you held on the Record Date. The Company may, in its sole discretion, reject any application for New Shares if it believes you have not complied with this condition.

Effect of the SPP on the Company's capital structure

The principal effect of the SPP on the Company's capital structure will be to increase the total number of issued shares.

How to apply for New Shares

If you would like to participate in the SPP, you have two options:

Option 1: BPAY®

Provided you are not a Custodian (see paragraph (d) of "Significance of applying for New Shares" on page 7), you can make a payment by BPAY® if you have an Australian bank account enabled for this purpose. BPAY® customers must use the unique customer reference number shown on the Application Form which is required to identify your holding. If paying by BPAY®, you do not need to return your Application Form.

NOTE: By using the BPAY® facility to apply for New Shares, you represent that the total of the application price for the following does not exceed \$5,000:

- (a) the New Shares you are applying for;
- (b) any other shares you are applying for under this SPP, or shares or interests in the class issued under a similar arrangement in the 12 months before this application;
- (c) any other shares or interests in the class which you have instructed a Custodian to acquire on your behalf under this SPP; and
- (d) any other shares or interests in the class issued to a Custodian under an arrangement similar to this SPP in the 12 months before this application as a result of you instructing the Custodian or another Custodian, which resulted in you holding a beneficial interest in the shares or interests.

Payment by BPAY® may not be processed and may not be valid if it has not been received by the Company by the time and date specified as the Closing Date. You should be aware that the BPAY® system closes at 5.00pm (AEDT) and your financial institution may implement earlier cut-off times with regard to electronic payment. You should therefore take this into consideration when making payment.

Option 2: Application Form and cheque or money order

You must complete an Application Form and return it with a cheque or money order in accordance with the instructions on the Application Form. Cheques and money orders must be payable to "Austin Engineering Limited", in Australian dollars and drawn on an Australian bank for the correct amount. The Company will not accept payment by cash. If your payment has not been received by the Company before the Closing Date, the Company may, in its sole discretion, reject your application for New Shares.

Company's discretion regarding applications

The Company may, in its sole discretion (subject to its obligations under the Corporations Act and ASIC Class Order 09/425), accept or reject any application for New Shares under the SPP, including if:

- (a) an Application Form is incorrectly completed, incomplete or otherwise determined by the Company to be invalid;
- (b) you make your payment by cheque and the cheque is dishonoured or has not been completed correctly;
- (c) the correct amount corresponding to your application is not provided with the Application Form or BPAY® payment;
- (d) a BPAY® payment is not received or is incomplete or invalid;
- (e) unless you are applying as a Custodian, an applicant appears to be contributing more than \$5,000 under the SPP;
- (f) if you are a Custodian, we are not satisfied with your certification for any reason;
- (g) an application is received after the time and date specified as the Closing Date or your cheque or money order is not processed by the Closing Date. The Company has a discretion whether or not to accept late BPAY® payments, Application Forms and cheques or money orders;
- (h) the Company believes you are not an Eligible Shareholder, and the Company must reject applications if required to do so under ASIC Class Order [CO 09/425];
- (i) the amount of your cheque or money order or BPAY® payment is not equal to \$2,500 or \$5,000; or
- (j) the Company reasonably believes that you are not eligible to participate in the SPP (subject to compliance with any eligible ASIC or ASX requirements).

The Company reserves the right to reject your application and return your cheque or money order or your BPAY® payment and not allot you any New Shares.

Offer Price

The Offer Price of the New Shares is \$3.20 per New Share. The Offer Price represents a 12.6% discount to the Company's five-day volume weighted average share price up to and including 14 January 2014.

Applications may be scaled back

- (a) The Company reserves the right to determine the amount it raises through the SPP, however, the current intention of the Board is to raise a total amount of \$5 million (before offer costs). In addition, under the Listing Rules, the Company may not issue New Shares equal to more than 30% of its issued capital under the SPP without shareholder approval.
- (b) The Company may, in its absolute and sole discretion, elect to scale back applications to the extent and in the manner it sees fit ("**Scaleback**").
- (c) If there is a Scaleback you may not receive all the New Shares for which you have applied. If a Scaleback produces a fractional number when applied to your parcel, the number of New Shares you will be allotted will be rounded down.
- (d) The Company will refund to you, by cheque, the difference between your application money and the total Offer Price for the New Shares allotted to you (without interest).

Rounding of New Shares

- (a) If you apply for New Shares under the SPP, you agree to contribute a certain amount to buy New Shares rather than to apply for a certain number of New Shares. The number of New Shares you will receive will be determined by:
 - If there is no Scaleback applied to your allotment, dividing the amount you agree to contribute for New Shares by the Offer Price; or
 - If there is a Scaleback applied to your allotment, dividing the amount you are taken to have contributed by the Offer Price.
- (b) If this calculation produces a fractional number, the number of new Shares you will be allotted will be rounded down to the nearest whole number of New Shares and:
 - If there is no Scaleback applied to your allotment, any residual balance will form part of the assets of the Company. You will not receive a refund of this amount, which will always be less than the price of one New Share issued under the SPP; or
 - If there is a Scaleback applied to your allotment, the residual balance from rounding down will be added to the refund you receive from the Scaleback.

No other participation costs

No brokerage, commission or other participation costs are payable by you to acquire New Shares under the SPP.

No interest

No interest will be paid on any application money returned to you for any reason.

No cooling off rights

Cooling off rights do not apply to an investment in New Shares. You cannot withdraw your Application Form or payment once it has been accepted, except as allowed by law.

You cannot transfer your rights under this SPP

Your rights under this offer are personal to you and non-renounceable. This means, if you are eligible, you cannot transfer your right to purchase New Shares under this SPP to anyone else.

Equal ranking and rights to dividends

New Shares issued under the SPP will, at the time of issue, rank equally with existing shares quoted on ASX, with the same voting rights, dividend rights and other entitlements.

Application for quotation

The Company will apply for the New Shares issued under the SPP to be listed for quotation on the official list of ASX as soon as practicable after the Allotment Date.

Significance of applying for New Shares

If you apply to participate in the SPP:

- (a) you agree that once you have sent in your application or made your BPAY® payment, you cannot withdraw or cancel your application and your application is unconditional;
- (b) you confirm that you are an Eligible Shareholder and that you are lawfully permitted to accept the offer under the SPP and participate in the SPP in accordance with these Terms and Conditions and any applicable laws and specifically that you are not a US Person or acting for the account or benefit of a US Person;
- (c) you certify that, even if you have received more than one offer under the SPP or received offers in more than one capacity, the aggregate application money paid by you in any capacity (except as a Custodian) for:
 - the New Shares the subject of the Application Form or BPAY® payment; and
 - any other shares issued to you, or to a Custodian on your behalf and at your instruction, under the SPP or any similar arrangement operated by the Company in the 12 months before the date we received your application,is not more than \$15,000;
- (d) if you are a Custodian and are applying for New Shares with a total application price exceeding \$5,000, you agree to certify to us in writing the matters required by ASIC Class Order [CO 09/425] condition 9, in accordance with the Custodian Certificate, a copy of which can be obtained from the Share Registry;
- (e) you agree to these Terms and Conditions and you agree not to do anything which would be contrary to the spirit, intention or purpose of the SPP;
- (f) you agree to be bound by the constitution of the Company;
- (g) you authorise the Company (and its officers or agents) to correct any error or omission in your Application Form and to complete the Application Form by inserting missing details if we elect to do so;

- (h) you agree that the Company may determine that your Application Form is valid and in accordance with these Terms and Conditions, even if it is incomplete, contains errors or is otherwise defective;
 - (i) you agree that your application is only effective when received by us and not when posted;
 - (j) you accept the risk associated with any refund that may be sent to you by direct credit or cheque to your address shown on the Company's register;
 - (k) you are responsible for any dishonour fees or other costs which the Company may incur if your cheque for payment is dishonoured;
 - (l) you agree that if there is a rounding down of the number of New Shares and no Scaleback, any remaining balance of your payment after your allotment will form part of the assets of the Company and will not be refunded;
 - (m) you acknowledge that no interest will be paid on any application money held pending the allotment of New Shares or subsequently refunded to you for any reason;
 - (n) you agree that if you have previously provided the Company or the Share Registry with bank account details for the purpose of direct credit of dividends, any refund to be paid to you under these Terms and Conditions may be directed into that nominated account;
 - (o) you agree that the Company and the Share Registry have not provided you with investment or financial product advice, and that they have no obligation to provide advice to you about your decision to apply for and buy New Shares;
 - (p) if you are a Custodian, you represent to the Company that you have provided the company with a Custodian Certificate in accordance with paragraph (d) above and that you either:
 - (i) hold an Australian financial services licence that:
 - (a) covers the provision of a custodial or depository service (as defined by section 766E of the Corporations Act); or
 - (b) includes a condition requiring you to comply with the requirements of ASIC Class Order 02/294; or
 - (ii) are exempt from the requirement to hold an Australian financial services licence for the provision of a custodial or depository service under:
 - (a) paragraph 7.6.01(1)(k) or (na) of the *Corporations Regulations 2001* (Cth);
 - (b) ASIC Class Order 05/1270 to the extent that it relates to ASIC Class Order 03/184;
 - (c) ASIC Class Orders 03/1099, 03/1100, 03/1101, 03/1102, 04/829 or 04/1313;
 - (d) an individual instrument of relief granted by ASIC in terms similar to one of the Class Orders referred to in paragraph (c) above; or
- (e) section 911A(2)(h) of the Corporations Act; or
 - (iii) are a trustee of a:
 - (a) self-managed superannuation fund; or
 - (b) superannuation master trust; or
 - (iv) are the responsible entity of an IDPS-like scheme (as defined in ASIC Class Order 02/296 or any class order that replaces that class order); or
 - (v) are the registered holder of shares and are noted on the register of members as holding the shares on account of another person; and
 - (q) you agree that the Company is not liable for any exercise of its discretions referred to in these Terms and Conditions.

Notice to New Zealand shareholders

The New Shares are not being offered or sold to the public within New Zealand other than to existing shareholders of the Company with registered addresses in New Zealand to whom the offer of New Shares is being made in reliance on the Securities Act (Overseas Companies) Exemption Notice 2002 (New Zealand).

This document has not been registered, filed with or approved by any New Zealand regulatory authority under the Securities Act 1978 (New Zealand). This document is not an investment statement or prospectus under New Zealand law and is not required to, and may not, contain all the information that an investment statement or prospectus under New Zealand law is required to contain.

No US offer

If you apply to participate in the SPP, you acknowledge and agree that:

- (a) the New Shares have not, and will not be, registered under the US Securities Act or the securities laws of any state or other jurisdictions in the United States, or in any other jurisdiction outside Australia and New Zealand;
- (b) the New Shares may not be offered, sold or otherwise transferred except in accordance with an available exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act and any other applicable securities laws;
- (c) you must not send copies of these Terms and Conditions or any other material relating to the SPP to any person in the United States or to any person who is, or is acting for the account or benefit of, a US Person;
- (d) you must not submit an Application Form or make payment by BPAY® for any person resident in the United States or elsewhere outside Australia and New Zealand or who, or is acting for the account or benefit of, a US Person; and

- (e) if you do not comply with these restrictions, it may result in violations of applicable securities laws.

If you do not wish to participate in the SPP

If you do not wish to participate in the SPP you should do nothing.

Withdrawal, waiver, suspension and termination

The Company reserves the right to withdraw the offer at any time up to the Allotment Date.

The Company reserves the right at any time to:

- (a) waive compliance with any provision of these Terms and Conditions;
- (b) amend or vary these Terms and Conditions; and
- (c) suspend or terminate the SPP.

Any amendment, variation, suspension or termination is binding on all Eligible Shareholders even if the Company does not notify you of the event.

Settling disputes

The Company may settle in any manner it sees fit, any difficulties, anomalies or disputes which may arise in connection with the operation of the SPP whether generally or in relation to any participant or any application for New Shares (including any Scaleback). The Company's decision is conclusive and binding on all participants and other persons to whom the determination relates. These rights may be exercised by the Company's Board or any delegate of the Board.

Governing Law

These Terms and Conditions are governed by the laws in force in Queensland. By accepting this offer, you submit to the non-exclusive jurisdiction of the courts of Queensland.

ASIC Class Order 09/425 Compliance

- (a) This SPP is offered in compliance with ASIC Class Order 09/425. Class Order 09/425 provides relief from the requirement for the Company to provide full prospectus disclosure in relation to the SPP.
- (b) Class Order 09/425 also provides relief to allow clients of second or subsequent level custodians to participate in the SPP. Any additionally or varied ASIC requirements under the class order will apply to participation on behalf of such clients.

No underwriting

The SPP will not be underwritten.

Interpretation

The term "these Terms and Conditions" includes terms and conditions in the Application Form, Instructions and Key Dates.

Glossary of Terms

In these Terms and Conditions, the following terms have the following meanings unless the context otherwise indicates.

Allotment Date means 14 February 2014 or any other date as varied by the Company

Application Form means the application form accompanying these terms and conditions.

ASIC means the Australian Securities and Investments Commission.

Board means the board of directors of the Company.

Closing Date means 5:00pm (Perth time) on 7 February 2014 or such other time as varied by the Company.

Company means Austin Engineering Limited ACN 078 480 136.

Custodian has the meaning given to that term in ASIC Class Order 09/425.

Custodian Certificate means the certificate required to be provided by Custodians pursuant to ASIC Class Order 09/425.

Despatch Date means 17 February 2014 or any other date as varied by the Company.

Eligible Shareholders means any registered holder of ordinary shares in the Company with a registered address in Australia or New Zealand as at 7:00pm (AEDT) on 16 December 2013, unless:

- (a) the shares in the Company are held on behalf of a person who resides outside Australia or New Zealand;
- (b) the registered holder is a "U.S. person" (as defined in Regulation S under the US Securities Act 1993) ("**US Person**") or is acting for the account or benefit of a US Person; or
- (c) the registered holder is ineligible to participate in the SPP because its participation would breach ASIC Class Order 09/425.

New Shares means the fully paid ordinary shares in the Company to be issued to Eligible Shareholders who accept the offer under the SPP.

Offer Price means the offer price per New Share of \$3.20 per New Share.

Opening Date means 17 January 2014 or any other date as varied by the Company.

Scaleback means a reduction in the number of New Shares issued pursuant to these Terms and Conditions.

Share Registry means Advanced Share Registry Services of 150 Stirling Highway, Nedlands WA 6009.

Trading Date means 17 February 2014 or any other date as varied by the Company.

SHARE PURCHASE PLAN ("PLAN") APPLICATION FORM

Record Date: 7.00pm (AEDT), 16 December 2013

Date Offer Closes: 5.00pm (Perth Time), 7 February 2014

This document is important. If you do not understand it, you should consult your stockbroker, accountant or other professional adviser without delay. Please see instructions on the reverse on how to complete this Application Form and where to send it. If you do not wish to participate in the Plan, do not fill out this form.

1 Application for Shares and payment by Cheque or Bank Draft

If you wish to participate in the plan and you are paying by cheque or bank draft, please tick the appropriate box below to indicate the value of the parcel of shares you wish to purchase.

A: 781 Shares

A\$2,500

OR

B: 1,562 Shares

A\$5,000

Cheques or bank drafts should be drawn in Australian currency, made payable to "**Austin Engineering Limited**" and crossed "**Not Negotiable**". Please ensure that the cheque or bank draft amount corresponds with the amount ticked in box A or B above. Incorrect payments may result in your application being rejected.

Please enter the details of your cheque or bank draft in the boxes provided below:

Cheque or Bank Draft Number

BSB Number

Account Number

Please now proceed to step 3 below. Complete your contact details, paperclip your cheque or bank draft to this form and return the cheque or bank draft and form in the reply paid envelope that has been provided.

2 Application for shares and payment by BPAY®

If you wish to participate in the plan and you are paying by electronic means, please arrange for payment to be made by BPAY® using the following Biller Code and Reference Number:



Please ensure that the Reference Number used in your BPAY® payment corresponds with the number detailed above and that your payment corresponds with the value of the parcel of shares you wish to purchase. Incorrect Reference Numbers or payments may result in your application being rejected. **You do not need to return this form if you are paying by BPAY®.**

3 Contact Details

Please provide a daytime telephone number where we can contact you if we have any questions about this application.

Name (PRINT)

Daytime telephone number

AUSTIN ENGINEERING LIMITED
ABN 60 078 480 136
SHARE PURCHASE PLAN

How to complete this Application Form:

Please carefully read the Terms and Conditions of the Share Purchase Plan ("Plan") detailed in the attached document provided with this Application Form. If you do not understand the Terms and Conditions or if you have any doubts about what to do, please consult your stockbroker, accountant or other professional adviser. By applying and paying for New Shares under the Plan, you acknowledge that:

- You have read and understood the Terms and Conditions of the Plan and certify the aggregate application price for Austin Engineering Limited's ordinary shares which you have applied for under this Plan
- You are eligible to participate in the Plan as you are recorded on the register of members of Austin Engineering Limited with a registered address in Australia or New Zealand on the Record Date.

If you wish to participate in the Plan:

1 Application for Shares and Payment by Cheque or Bank Draft

Tick one box corresponding to the parcel of shares you wish to apply to purchase.

- Do not tick more than one box.
- Do not cross out the amounts next to the boxes and replace them with another amount.
- Make the cheque or bank draft payable to "Austin Engineering Limited".
- The date of the cheque should be the date you fill it in. Do not post-date the cheque.
- The cheque or bank draft must be for the same amount as the box you have ticked in part 1 of the Form.
- Cross the cheque "Not Negotiable". Do not forget to sign the cheque.
- Paperclip the cheque or bank draft to the form.
- Cheques will be processed on the day of receipt and sufficient cleared funds must be held in your account.
- Cheques returned as unpaid may not be represented and may result in your application being rejected.
- Your Application Form and cheque or bank draft must be received by Advanced Share Registry Services by no later than 5.00pm (Perth Time) on 7 February 2014.

2 Application for Shares and Payment by BPAY®

Decide the value of the parcel of shares you wish to apply to purchase.

- Prepare a BPAY® payment using the BPAY® Biller Code and Reference Number in part 2 of the Form.
- Please ensure that you use the correct BPAY® Biller Code and Reference Number.
- Your payment must be received by Advanced Share Registry Ltd by no later than 5.00pm (Perth Time) on 7 February 2014.
- Please be aware that your own financial institution may implement earlier cut off times in respect of electronic payments and you should take this into consideration when making payment.
- It is your responsibility to ensure that funds submitted through BPAY® are received on time.
- You do not need to return this form to Advanced Share Registry Services if you are paying by BPAY®.

3 Contact Details

Fill in your telephone number and name if you are making payment by cheque or money order as we may need to contact you, for example, if you have not filled in this application form correctly.

4 Questions on the Application Form

If you have any queries on this form or your entitlement, please contact Advanced Share Registry Services on 08 9389 8033 or at:

MAILING ADDRESS

Advanced Share Registry Services
PO Box 1156
Nedlands
Western Australia, 6909

STREET ADDRESS

Advanced Share Registry Services
150 Stirling Highway
Nedlands
Western Australia, 6009

Please note that Chapter 2C of the Corporations Act 2001 requires information about shareholders (name, address and details of shareholding) to be included in Austin Engineering Limited's public register. This information must continue to be included in Austin Engineering Limited's public register if you cease to be a shareholder. These statutory obligations are not altered by the *Privacy Amendment (Private Sector) Act 2000*. Information is collected to administer your security holding and if some or all of the information is not collected then it might not be possible to administer your security holding.

**Please remember that this offer closes at 5.00pm (Perth Time) on
Friday 7 February 2014**