Austin Engineering Ltd

Capital Raising Presentation

July 2015

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Overview

- The Company is undertaking a capital raising of $51.6m comprising:
  - a fully underwritten $31.6m pro rata accelerated non-renounceable entitlement offer at an offer price of $0.45 per share and
  - a $20m subordinated loan facility

  (together the "Capital Raising")
- Austin is undertaking the Capital Raising to:
  - Reduce debt
  - Strengthen the balance sheet
  - Improve financial flexibility
- Austin is well positioned to take advantage of the expected pending maintenance and replacement cycle and has actively responded to the current challenging environment with:
  - Ongoing contract wins across all of its business units and regions
  - Operations remaining focused and efficient despite low activity
  - Debt reduction plan underway

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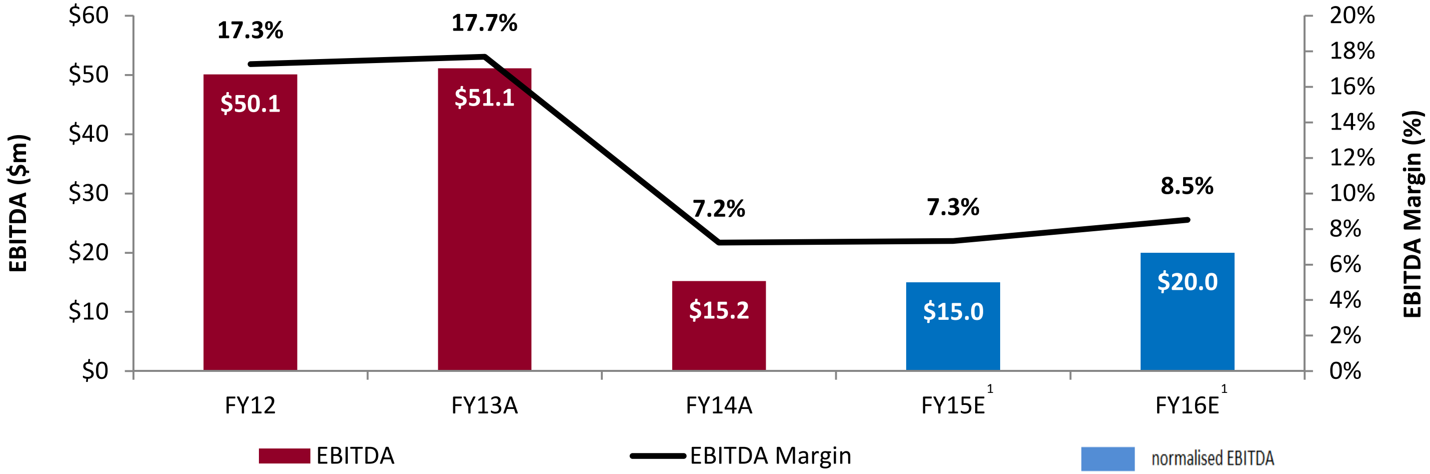
Earnings Guidance

- The Company expects FY15 revenue to be $205m and normalised[1] EBITDA to be between $14.5m and $15.5m
- FY16 earnings are expected to improve with revenue of approximately $235m[2] and normalised[1] EBITDA of approximately $20m[2]
- Over the last 6 months Austin has experienced a gradual build up of base workload comprising on site and off site repair and maintenance services and some larger equipment orders through the company's main facilities
- This base-load provides operational stability and efficiencies, which in turn provides a platform to achieve better margins from future new and replacement equipment sales



1. Estimated statutory EBITDA is materially different - FY15 ($32.9m) (loss) and FY16 $17.1m. See Appendix for normalisation adjustments and reconciliation to estimated statutory EBITDA
2. See Appendix for the FY16 revenue/earnings methodology

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Business Update and Outlook

Americas

- Chile
  - Servigrut crane hire division has secured a 5 year contract extension with El Abra mining group
  - El Abra has awarded Austin an order for the design and manufacture of 9 tray bodies to be delivered June/July 2015
  - Austin's maintenance division has been awarded a new mine maintenance contract for Centinela mine (Antofagasta Minerals)
  - 6 trays for the Gaby mine (Codelco)
  - A further 20 tray bodies are expected in 1HFY16 for replacement of existing Austin (Westech) bodies
  - All of Austins three divisions in Chile have an excellent base-load from fixed long term contracts going into FY16
- Austin Peru
  - 2 year maintenance contract for Las Bambas mine (MMG) to commence 1 August 2015. This contract provides the key base-load contract for FY16 which was missing from this operation over the FY15 period
  - Las Bambas contract involves 80 people and is for the maintenance of all of the mine mobile equipment including tray bodies previously supplied by Austin
  - Austin Peru recently won orders for 11 items of equipment

Business Update and Outlook

Americas (Cont.)

- Colombia
  - 3 year contract for the supply of maintenance personnel to Prodeco's port
  - 6 month extension to the existing 2 mine contract for the supply of 300 personnel for maintenance on its mining equipment
  - Finalising negotiations to establish a formal 3 year contract for the above work on 2 mines
  - Prodeco has issued its first order for 3 tray bodies with delivery July/August 2015
  - Cerrejon has also placed its first order for a tray body – potential to lead to further orders
  - Significant tender for Cobre Panama (a US$6.5bn project) expected in early calendar 2016

- Wyoming
  - Currently experiencing soft demand in the USA due to miners delaying expenditure on equipment
  - Forecasting soft first quarter for FY16
  - Recently completed its first orders into Mexico with more orders in the pipeline
  - Encouraging enquiries from Canadian oil sands

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Business Update and Outlook

Australia

- West Coast
  - Supply contract for tray bodies with a large mining company - the first order is for 15 bodies with delivery from July to October 2015
  - Continue to receive high levels of repair work from the major miners within their service agreements
  - Significant amount of tenders for large volume orders expected to be awarded in the first quarter of FY16
- East Coast
  - Continue to win orders with further orders received for 15 tray bodies and 2 buckets – a good level of orders until October
  - The above is in addition to 21 bodies to be delivered between June and October
  - Tendering has improved, however the Company is still sourcing orders past October 2015
  - 2 year contract for onsite maintenance in Hunter Valley, although repair and maintenance is inconsistent
- COR Cooling
  - 3 year contract in WA with a major miner for supply, service and repair
  - 2 year contract in NSW for the service and supply of parts to a major miner

Business Update and Outlook

Asia

- Indonesian operations have recently been operating at a high level of utilisation on Indonesian projects and orders into Africa
- Forecasting lower first quarter of FY16 however existing orders will commence in October 2015
- Tendering at good levels

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Entitlement Offer: Key Details

Offer Size	• 5 for 6 pro rata accelerated non-renounceable entitlement offer of ordinary shares in Austin to eligible shareholders to raise approximately $31.6m
Offer Price	• $0.45 per fully paid ordinary share – 18.2% discount to last closing price of $0.55 per share[1] – 25.0% discount to 30 day VWAP of $0.60 per share[1] – 10.8% discount to TERP of $0.505 per share[1]
Institutional Entitlement Offer	• Institutional Entitlement Offer is open to eligible institutional investors on Monday, 20 July 2015; and • Institutional Entitlements not taken up and entitlements of ineligible institutional shareholders will be placed into the Institutional Entitlement Offer shortfall bookbuild to be conducted on Monday 20 July 2015
Retail Entitlement Offer	• Retail Entitlement Offer is open to eligible retail shareholders from Monday, 27 July 2015
Ranking	• New Shares issued under the Offer will rank equally with existing Austin shares
Underwriting	• Argonaut Capital Limited and Bell Potter Securities Limited

[1] Calculated with reference to Austin's last closing price of $0.55 on Friday 17 July 2015

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Subordinated Loan: Key Details

- $20m subordinated loan facility with LIM Asia Special Situations Master Fund
- Interest rate of 9.0%pa
- 2.0% establishment fee
- 2.0% redemption fee (early repayment) and 1.0% maturity fee (if no early repayment)
- Drawdown date by 28 July 2015 for a 36 month term
- Options structure:
  - 4m unlisted options @ $0.60 expiring 31 July 2018
  - 6m unlisted options @ $1.00 expiring 31 July 2018
  - 2m unlisted options @ $1.75 expiring 31 July 2018
- Proceeds will be used towards repaying senior debt
  - provides Austin an adequate capital structure to optimise cash flow and strengthen its financial position
- Financial covenants – Senior Debt less than 4.0x on last 12 months normalised EBITDA, and first and last right to provide any additional capital during term of the loan
- Security – second ranking and subordinated to senior debt
- Conditions precedent – underwritten equity capital raising by 28 July of not less than A$30m and execution of definitive documentation by 24 July 2015
- LIM reserve the right to nominate a director for appointment to the Austin board

Strengthened Balance Sheet

	As at 31 December 2014 ($m)	Impact of the Offer ($m)	Pro Forma as at 31 December 2014 ($m)
Cash and cash equivalents	10		10
Trade and other receivables	34		34
Inventories	22		22
Current tax assets	1		1
Property, plant and equipment	130		130
Intangible assets	60		60
Deferred tax assets	11		11
Other assets	9		9
Total Assets	**276**	**0**	**276**
Trade and other payables	33		33
Financial liabilities - senior lending facilities	83	(50)	33
Financial liabilities - other bank debt	14		14
Financial liabilities - bond	0	20	20
Tax liabilities	11		11
Provisions	6		6
Total Liabilities	**147**	**(30)**	**117**
Net Assets / Equity	**129**	**30**	**159**
Net debt	87	(30)	57
Net Gearing[1]	40.3%		26.4%

[1] Net Gearing calculation = Net debt/(Net debt + Net assets)
[2] See Appendix for information about the basis of preparation of the pro-forma balance sheet

- This pro-forma[2] Balance Sheet illustrates the effect of the Capital Raising on the balance sheet of the Company as at 31 December assuming that:
  - $31.6m of equity is raised (less 5% fee equals approximately $30.0m cash)
  - $20.0m sub-ordinated bond (less 2% fee equals approximately $19.6m cash)
  - Senior Debt of $49.6m is repaid from the above, being total capital proceeds less fees
- Total Gross Debt is estimated to be $67m following the restructure, of which $33m is with the senior lending facilities, $20m is bond and $14m is other bank debt
- The latest completed managements accounts (May15) show there are no material differences to total net assets since 31/12/14
- Cash has decreased to approximately $6m at present due to normal working capital movements

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Debt profile after recapitalisation and debt reduction

- Total Gross Debt of approximately $67m comprising:
  - $33m syndicated bank debt (Nil US denominated)
  - $14m other bank debt and
  - $20m subordinated loan
- Net debt of approximately $61m
  - $6m cash as at 3 July 2015
- Headroom within gearing covenant
  - Gross Debt: normalised EBITDA of 4.0x (Sep15), 3.5x (Dec15), 3.0x (Mar16), 3.0x (Jun16)
  - Gross Debt of approximately $47m – excludes $20m subordinated loan
  - EBITDA for covenant purposes is normalised historic EBITDA for last 12 months
- Reduced interest payments in FY16
- Reduction in US denominated debt
  - The senior lending facilities contain USD debt of US$27.1m, which will be 100% repaid via the capital raising
- Sources of potential further debt reduction
  - Vacant block of land in Peru and the Mackay and Colombian properties being marketed for sale
  - No property sales have been included in the forecasts attached to this presentation.

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Indicative Timetable

Event	Date[1]
Announcement of the Entitlement Offer and Institutional Entitlement Offer opens	Monday, 20 July 2015
Institutional Entitlement Offer closes	Tuesday, 21 July 2015
Shares recommence trading on ASX	Wednesday, 22 July 2015
Retail Entitlement Offer record date	Thursday, 23 July 2015
Retail Entitlement Offer opens	Monday, 27 July 2015
Allotment of New Shares issued under Institutional Entitlement Offer	Thursday, 30 July 2015
Retail Entitlement Offer closes	Monday, 10 August 2015
Settlement of Retail Entitlement Offer	Thursday, 13 August 2015
Trading of New Shares issued under Retail Entitlement Offer	Friday, 14 August 2015

[1] The Company in consultation with the Joint Lead Managers reserves the right to vary the dates without notice

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Appendix

EBITDA Adjustments

FY15 forecast EBITDA	($m)
Statutory EBITDA	**(32.9)**
......Adjustments	
- Westech legal fees	3.4
- Restructuring costs	3.6
- Impairment expense, comprising of:	
- Goodwill	32.9
- Identifiable intangible assets	1.9
- Work in progress	4.9
- Plant & Equipment	0.2
- Trade and other receivables	1.0
Normalised EBITDA	**15.0[1]**

FY16 forecast EBITDA	($m)[1]
Statutory EBITDA	**17.2**
......Adjustments	
- Westech legal fees	1.4
- Restructuring costs	1.4
Normalised EBITDA	**20.0[1]**

[1] Based on the midpoint of normalised earnings guidance

- Westech legal fees are associated with defending patent infringement claims against Westech in the USA
  - Plaintiff has requested for the trial which was scheduled for July to be delayed and for mediation to commence
  - Westech believes it has a strong defence to the infringement claims

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FY16 Revenue/Earnings methodology

The earnings forecasts have been prepared by the Company on the following basis:

- The FY16 budget prepared in accordance with the Company's normal annual budget process.
- This is a bottom up process where each reporting unit provides a detailed profit & loss statement, balance sheet and cash flow statement and is reviewed by the Group executive team and ultimately the Board
- Sales forecasts are generated from current work on hand, current contracts/agreements, quotes in the market, and conversations/meeting with clients regarding forecast requirements over the next year. Historical run rates for clients are also used to generate sales forecast in certain businesses within the group
- Historical/actual figures associated with labour costs, costs of consumables, current supplier agreements with creditors and forecast increases for inflation are reviewed and incorporated/amended as necessary. Changes in operational requirements are also reviewed and accounted for
- Corporate costs are allocated on known costs, historical run rates and any contracts in place

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Basis of preparation of pro-forma Balance Sheet

- The pro-forma consolidated balance sheet of the Company has been prepared to illustrate the effect of the Offer on the Company.
- It is based on the reviewed balance sheet of the Company as 31 December 2014, adjusted to reflect the relevant pro-forma transactions
- It has been prepared on the basis of accounting policies normally adopted by the Company. The financial information is presented in an abbreviated form, insofar as it does not include all of the disclosures required by the accounting standards applicable to financial statements.
- The pro-forma balance sheet is not a forecast. The actual financial position of the Company on completion of the Offer will differ from the position illustrated in the pro-forma balance sheet due to operations during the period between 31 December 2014 and the date when the Capital Raising is completed.

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Key Risks

Summary

Investors should be aware that there are risks associated with an investment in the Company. Activities of the Company and its controlled entities, as in any business, are subject to risks which may impact on the Company's future performance. There are a number of factors, both specific to the Company and of a general nature, which may affect the future operating and financial performance and position of the Company and the outcome of an investment in the Company. Some of these risks can be adequately mitigated by the use of safeguards and appropriate systems but many are beyond the control of the Company and its Directors and cannot be mitigated.

Prior to deciding whether to take up their New Shares under the Offer, Shareholders should read this entire Investor Presentation and review announcements made by the Company to ASX (at www.asx.com.au, ASX:ANG) in order to gain an appreciation of the Company, its activities, operations, financial position and prospects. Shareholders should also consider the summary risk factors set out below which the Directors believe represent some of the key specific and general risks that Shareholders should be aware of when evaluating the Company and deciding whether to participate in the Offer. The risk factors set out below are not intended to be an exhaustive list of all of the risk factors to which the Company is exposed. Shareholders should also have regard to their own investment objectives and financial circumstances and should seek professional guidance from their stockbroker, solicitor, accountant or other professional advisor before deciding whether to invest.

Key Risks

Specific Risks

Risks associated with banking facilities

- Austin has debt obligations to its senior lenders . The debt facilities contain a variety of material covenants which the Company and its subsidiaries must comply with. Whilst every effort will be made to seek to comply with the covenants, in the event of a breach, the senior lenders may be entitled to call for repayment of the facilities (and exercise its rights as first ranking secured creditor where Austin defaults on such repayment). This will have a material adverse effect on the ability of the Company to continue its operations.
- Austin may not be able to access equity or debt capital markets to support our business growth objectives or successfully refinance its debt facilities on commercially favourable terms, or at all.
- If Austin is unable to manage its indebtedness and the restrictions applicable to it as a result of this indebtedness, its ability to implement its business strategy may be impaired and the results of its operations and financial condition may be adversely affected.

Movements in commodity prices and other factors

- Austin operates in the mining services industry and movements in international commodity prices, exchange rates and a decrease in the volume of production are beyond Austin's control and could adversely affect Austin's profitability and balance sheet.
- Austin's business is strongly influenced by movements in international steel prices, which fluctuate significantly over time, are cyclical, difficult to forecast and outside of Austin's control.
- Austin's business depends on a number of factors outside the control of Austin, including, but not limited to, continued global economic growth, continued international demand and infrastructure constraints experienced by Austin's clients. Any prolonged decline in the demand for energy may result in a corresponding decline in the use for the Company's services, which will have an adverse effect on the financial performance and/or financial position of the Company.
- If any of these factors move adversely to Austin, that may have a material adverse impact on the financial position and performance of Austin.

Foreign exchange rates and interest rates

- Adverse movements in exchange rates may impact sales proceeds received, product costs and price competitiveness and may impact the operations and financial performance of Austin. Also, adverse fluctuations in interest rates, to the extent that they are not hedged may impact Austin's financial performance.

Key Risks

Operational risk

- Interruptions at the Company's facilities could impact Austin's ability to supply its customers and could adversely affect our operations, financial condition or results of operations.
- The production of mining consumables and steel products involves inherent risks relating to the nature of manufacturing processes. Specifically, manufacturing processes are dependant on quality inputs and critical equipment such as furnaces, casters, steam boilers, rolling mills and electrical equipment which may incur downtime as a result of unanticipated failures or other events, such as breakdowns, loss of external power supply or natural disasters and other events outside Austin's control.
- Industrial action between the Company and unions could disrupt the Company's operations. A shortage of skilled personnel may increase Austin's costs and may materially and adversely affect production levels and profitability.

Dependence on key customer and supplier relationships

- Austin relies on various key customer and supplier relationships, and the loss or impairment of any of these relationships could have a material adverse effect on Austin's operations, financial condition and prospects.
- An interruption in raw material, electricity, gas or water supply, a deterioration in the quality of raw materials or inputs supplied or an increase in the price of those raw materials could adversely impact the quality, efficiency or cost of products. Any of these events could have an adverse impact on the Company's financial condition and results of operations.
- Depending on the market price of the relevant commodity, some of the Company's customers may determine that it is not economically feasible to maintain current levels of production or to continue commercial production at some or all of their operations or the development of some or all of their current projects, as applicable, and reduce or cease their purchases of Austin products and services.

Competition

- Austin faces competition across its range of products and services. A significant increase in competition, including through imports, could materially affect the future financial position and performance of Austin by putting downward pressure on prices or by reducing Austin's sales volumes.

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Key Risks

Product risk

- The products and services Austin produces are subject to sales agreements with customers and must meet certain specifications. Despite controls and measures being in place, products and services may fall outside these specifications due to process failures, equipment malfunctions or variability of inputs which could have a material adverse effect on the Company's financial condition and results of operations.
- Austin is exposed to warranty and liability risks relating to defects in its steel products. If any products it sells are defective or fail to meet the required specifications, the relevant customers may assert claims against the Company.
- Austin maintains an internal risk management process and also follows quality assurance procedures in relation to the manufacture of its products and materials.

Sustainability of growth and margins

- The sustainability of growth and the level of profit margins are dependent on Austin's ability to secure new customers and contracts.
- A failure to secure service contracts may have a material adverse affect on Austin. Additionally, if Austin experiences strong growth in future years and is not able to properly manage such growth due to labour or capital equipment shortages, its financial performance could be adversely affected.

Occupational Health and Safety (OHS)

- Austin's operations are subject to extensive health and safety laws and regulations.
- Failure to comply with the Company's internal health and safety policies and processes and with health and safety laws and regulations could result (and in some instances has resulted) in enforcement action which could result in monetary penalties. In addition, any significant government investigation or enforcement of health and safety requirements could damage the Company's reputation as a responsible company and employer or could result in suspension or closure of our operations.

Natural risks

- Austin operates in regions that are subject to unpredictable weather, geological conditions and other natural risks that could result in production delays or disruptions to our operations.
- The negative impacts of climate change could increase the frequency of severe weather resulting in increased natural risks.

Key Risks

Intellectual property

- There can be no assurances that the validity, ownership or authorised use of intellectual property (including technology, know-how, trademarks, designs and patents (both owned and licensed) relevant to Austin's business may not be challenged.

Litigation and legal matters

- Austin is exposed to the risk of claims and lawsuits arising in the ordinary course of its business, including claims for damages and commercial disputes relating to its business, products and services, which if successful, could adversely affect its business or financial position.

Reduction in outsourcing

- Austin is dependent on customers outsourcing service, repair and maintenance services. Should customers undertake these works internally then the need for externally provided services may negatively affect the growth prospects and financial performance of the Company.

Contractual risks

- Austin's financial performance is reliant on the revenue produced from the utilisation and productivity of its key assets. To ensure that the productivity of the Company's assets is maximised, where possible the Company engages in short term contracts with its customers and certain suppliers. As in any contractual relationship, the ability for the Company to ultimately receive the benefit of the contracts is dependent upon the relevant third party complying with its contractual obligations.
- To the extent that third parties default in their obligations or become insolvent, it may be necessary for the Company to enforce its rights under any of the contracts and pursue legal action. Such legal action may be costly and no guarantee can be given by the Company that a legal remedy will ultimately be granted on appropriate terms.
- The Company has also entered into contracts with third party product and service providers, who the Company may be reliant upon to efficiently conduct its operations. Any non-compliance by these third parties may have adverse consequences on the financial position of the Company.
- In some circumstances where an established relationship exists with a customer, the Company may continue to provide services to the customer beyond the life of the contract, on the assumption that the contractual terms will continue to apply. Disputes may ultimately arise with these third parties to the extent that there is uncertainty over the terms that govern the relationship. These disputes may require legal action which, as noted above, may prove costly with the ultimate outcome being uncertain

Key Risks

Risks associated with global operations

- Austin is subject to political, legal, social and economic policy risks and uncertainties in the countries in which the Company operates. Any deterioration or disruption of the political, legal, social or economic environment and business climate in those countries may have an effect on Austin's businesses, financial position, results of operations or prospects.
- Austin provides products and services in a number of countries around the world. Therefore, Austin is subject to tax and legal regimes of many different jurisdictions and is subject to risks of changes in laws, taxes or interpretation or enforcement

Insurance

- It is not always possible to obtain insurance against all risks and Austin may decide not to insure against certain risks as a result of high premiums or other reasons. The occurrence of an event that is not fully covered, or covered at all, by insurance, could have a materially adverse effect on the Company’s financial position.

Disruption to Business Operations

- The Company’s activities are subject to a range of operational risks. Such operational risks include equipment failures, IT system failures, external services failure (including energy or water supply), industrial action or disputes and natural disasters. While the Company will endeavour to take appropriate action to mitigate these operational risks or to insure against them, one or more of these risks may have a material adverse impact on the performance of Austin.

Key Risks

General Risks

Stock market fluctuations

- The value of the New Shares will be determined by the share market and will be subject to a range of factors beyond the control of the Company and the Directors. Share market fluctuations in Australia and other stock markets around the world may negatively affect the value of the New Shares. Factors that may influence the investment climate in stocks may not relate to actual performance of the Company and may include general economic outlook, changes in government fiscal, monetary and regulatory policies, movements in commodity prices, exchange rate movements, interest rates, inflation and political developments.

Lack of liquid market for shares

- There can be no guarantee that an active market in the Shares will develop or continue or that the price of the Shares will increase. If a market does not develop or is not sustained, it may be difficult for investors to sell their Shares at a price that is attractive to them or at all. There may be relatively few, or many potential buyers or sellers of the Shares on ASX at any time. This may increase the volatility of the market price of the Shares. It may also affect the prevailing market price at which Shareholders are able to sell their Shares. This may result in Shareholders receiving a market price for their Shares that is less or more than the price that Applicants paid.

General economic conditions

- Both Australian and world economic conditions may negatively affect Austin's performance. Any slow down in economic conditions or factors such as the level of production in the relevant economy, inflation, currency fluctuation, interest rates, taxation legislation, supply and demand and industrial disruption may have a negative impact on the Company's costs and revenue. These changes may adversely affect the Company's financial performance and/or financial position.

Accounting Standards

- Changes in accounting standards or the interpretation of those accounting standards that occur after the date of this presentation may adversely impact on Austin's reported financial performance and/or financial position.

Key Risks

Legal and Regulatory Changes

- The operating activities of the Company are subject to extensive laws and regulations. These relate to labour standards, taxes, occupational health, waste disposal, transportation safety and other matters. Compliance with these laws and regulations increases the costs of operating activities. As legal requirements change frequently, are subject to interpretation and may be enforced to varying degrees in practice, Austin is unable to predict the ultimate cost of compliance with these requirements or their effect on operations. Furthermore, changes in regulations and policies and practices could have an adverse impact on the Company's future cash flows, earnings, and financial position.

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Foreign Selling Restrictions

This document does not constitute an offer of new ordinary shares ("New Shares") of the Company in any jurisdiction in which it would be unlawful. In particular, this document may not be distributed to any person, and the New Shares may not be offered or sold, in any country outside Australia except to the extent permitted below.

Hong Kong

WARNING: This document has not been, and will not be, registered as a prospectus under the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong, nor has it been authorised by the Securities and Futures Commission in Hong Kong pursuant to the Securities and Futures Ordinance (Cap. 571) of the Laws of Hong Kong (the "SFO"). No action has been taken in Hong Kong to authorise or register this document or to permit the distribution of this document or any documents issued in connection with it. Accordingly, the New Shares have not been and will not be offered or sold in Hong Kong other than to "professional investors" (as defined in the SFO).

No advertisement, invitation or document relating to the New Shares has been or will be issued, or has been or will be in the possession of any person for the purpose of issue, in Hong Kong or elsewhere that is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to New Shares that are or are intended to be disposed of only to persons outside Hong Kong or only to professional investors (as defined in the SFO and any rules made under that ordinance). No person allotted New Shares may sell, or offer to sell, such securities in circumstances that amount to an offer to the public in Hong Kong within six months following the date of issue of such securities.

The contents of this document have not been reviewed by any Hong Kong regulatory authority. You are advised to exercise caution in relation to the offer. If you are in doubt about any contents of this document, you should obtain independent professional advice.

Foreign Selling Restrictions

New Zealand

This document has not been registered, filed with or approved by any New Zealand regulatory authority under the Financial Markets Conduct Act 2013 (the "FMC Act").

The New Shares are not being offered 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 these securities is being made in reliance on the transitional provisions of the FMC Act and the Securities Act (Overseas Companies) Exemption Notice 2013.

Other than in the entitlement offer, the New Shares may only be offered or sold in New Zealand (or allotted with a view to being offered for sale in New Zealand) to a person who:

- is an investment business within the meaning of clause 37 of Schedule 1 of the FMC Act;
- meets the investment activity criteria specified in clause 38 of Schedule 1 of the FMC Act;
- is large within the meaning of clause 39 of Schedule 1 of the FMC Act;
- is a government agency within the meaning of clause 40 of Schedule 1 of the FMC Act; or
- is an eligible investor within the meaning of clause 41 of Schedule 1 of the FMC Act.

Singapore

This document and any other materials relating to the New Shares have not been, and will not be, lodged or registered as a prospectus in Singapore with the Monetary Authority of Singapore. Accordingly, this document and any other document or materials in connection with the offer or sale, or invitation for subscription or purchase, of New Shares, may not be issued, circulated or distributed, nor may the New Shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore except pursuant to and in accordance with exemptions in Subdivision (4) Division 1, Part XIII of the Securities and Futures Act, Chapter 289 of Singapore (the "SFA"), or as otherwise pursuant to, and in accordance with the conditions of any other applicable provisions of the SFA.

This document has been given to you on the basis that you are (i) an existing holder of the Company's shares, (ii) an "institutional investor" (as defined in the SFA) or (iii) a "relevant person" (as defined in section 275(2) of the SFA). In the event that you are not an investor falling within any of the categories set out above, please return this document immediately. You may not forward or circulate this document to any other person in Singapore.

Any offer is not made to you with a view to the New Shares being subsequently offered for sale to any other party. There are on-sale restrictions in Singapore that may be applicable to investors who acquire New Shares. As such, investors are advised to acquaint themselves with the SFA provisions relating to resale restrictions in Singapore and comply accordingly.

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Foreign Selling Restrictions

United Kingdom

Neither the information in this document nor any other document relating to the offer has been delivered for approval to the Financial Conduct Authority in the United Kingdom and no prospectus (within the meaning of section 85 of the Financial Services and Markets Act 2000, as amended ("FSMA")) has been published or is intended to be published in respect of the New Shares. This document is issued on a confidential basis to "qualified investors" (within the meaning of section 86(7) of the FSMA) in the United Kingdom, and the New Shares may not be offered or sold in the United Kingdom by means of this document, any accompanying letter or any other document, except in circumstances which do not require the publication of a prospectus pursuant to section 86(1) of the FSMA. This document should not be distributed, published or reproduced, in whole or in part, nor may its contents be disclosed by recipients to any other person in the United Kingdom.

Any invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received in connection with the issue or sale of the New Shares has only been communicated or caused to be communicated and will only be communicated or caused to be communicated in the United Kingdom in circumstances in which section 21(1) of the FSMA does not apply to the Company.

In the United Kingdom, this document is being distributed only to, and is directed at, persons (i) who have professional experience in matters relating to investments falling within Article 19(5) (investment professionals) of the Financial Services and Markets Act 2000 (Financial Promotions) Order 2005 ("FPO"), (ii) who fall within the categories of persons referred to in Article 49(2)(a) to (d) (high net worth companies, unincorporated associations, etc.) of the FPO or (iii) to whom it may otherwise be lawfully communicated (together "relevant persons"). The investments to which this document relates are available only to, and any invitation, offer or agreement to purchase will be engaged in only with, relevant persons. Any person who is not a relevant person should not act or rely on this document or any of its contents.

United States

This document may not be released or distributed in the United States. This document does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States. Any securities described in this document have not been, and will not be, registered under the US Securities Act of 1933 and may not be offered or sold in the United States except in transactions exempt from, or not subject to, registration under the US Securities Act and applicable US state securities laws.

Austin's Principal Products

Off-highway dump truck bodies

Buckets

Water tanks

Service modules

Tyre handlers

Ancillary attachments

Industrial cooling and heat transfer systems (COR Cooling)

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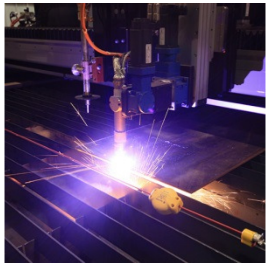
Austin Principal Services

Equipment repair and maintenance



Specialised fabrication

Painting and blasting

Specialised machining and line boring

On-site maintenance and shutdown services (Pilbara Hire)

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Austin Brands

austinengineering LTD — The Austin Engineering brand encompasses design and manufacture of mining and earthmoving equipment, along with the provision of support services, from four Australian operations (Brisbane, Hunter Valley, Mackay, Perth), an Indonesian operation and Peruvian operation.

austiningenieros — The Austin Ingenieros brand represents the company’s operations in Chile and Colombia, providing design and manufacture of mining and earthmoving equipment, along with the provision of support services.

AUST BORE — Austbore's core capabilities include general machining services, the overhaul of track frames and other mining equipment and mobile line-boring services. Austbore work closely with the Austin Engineering Mackay operation in supply of their services.

COR COOLING — As the only national service provider and manufacturer of industrial cooling and heat transfer equipment, COR Cooling is a market leader working closely with some of the world’s largest companies in the mining, marine, transport and associated industries.

JEC — Perth-based John's Engineering & Cranes Pty Ltd (JEC), was one of Australia's longest established manufacturers of Mining and Earthmoving attachments and off highway truck bodies. The JEC branded range of products are now designed and manufactured by Austin Engineering operations globally.

Pilbara Hire — Pilbara Hire Group provide full turnkey, on-site repair and maintenance services throughout Western Australian mine sites, with a particular focus on mobile mining and fixed plant equipment.

SERVIGRUT — Servigrut is a significant and successful supplier of heavy equipment lifting, transportation and site services to the mining and industrial markets in Chile.

WESTECH — Western Technology Services, or Westech, is one of the world's largest non-OEM designer and manufacturer of off highway dump truck bodies. Based in Wyoming USA, the Westech branded range of products are now designed and manufactured by the Austin Engineering Group globally.

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