

15 October 2024

Austin marks first international dipper bucket export

Austin Engineering Limited (ASX: ANG, 'Austin' or 'the Company') is pleased to announce the first international export of its high performance Armadillo dipper bucket.

The electric rope shovel dipper has been shipped to a large US-based copper miner and is expected to be delivered on schedule this month.

The bucket will be trialled on site, with potential for further orders, if successful.

It is Austin's fourth dipper bucket order following the Company's acquisition of Australian bucket specialist Mainetec in 2022. Two dipper buckets have already been delivered to Australian-based customers, and a third dipper bucket is currently being manufactured at Austin's Chile facility for a South American-based customer.

Austin's Armadillo dipper bucket is between 80 and 90 tonnes in weight but is lighter than previous models due to the design requiring less steel in fabrication. It is designed to achieve consistently higher payload and improved fill compared to an equivalent OEM unit thereby offering significant performance and return on investment to the customer. The Armadillo is also fitted with Austin's iTrip door latching and control system. iTrip has been proven over several years of testing to reduce maintenance intervals and increase the mean time between maintenance and overhaul, consequently increasing throughput and reducing maintenance costs.

Dipper buckets are high value products, selling for approximately US\$1.5 million - US\$2.5 million (A\$2.2 million – A\$3.7 million) per bucket, depending on configuration specifics.

The successful shipment to the major US market is a milestone for Austin. A key opportunity of the Mainetec acquisition was to offer the dipper buckets into Austin's global markets, particularly North and South America, where there is high demand and a large dipper bucket market.

Austin sees a large market opportunity in North and Central/South America with the Company's internal data estimating there to be circa 430 rope shovels operating across those regions.

The first international Armadillo dipper bucket delivery follows a concerted push by Austin to boost its bucket offering and sales globally, with group bucket sales increasing 17% year-on-year in FY24, and ~130% over the last two financial years.¹

In APAC, Austin redeployed the majority of Australia's tray manufacturing to its expanded Batam facilities, freeing up capacity in Australia to grow bucket builds and re-build services. In the last financial year, Western Australia reported a 51% increase in sales year-on-year, contributing \$53.6 million to group revenue.

Austin's Chile business is currently manufacturing an 86-tonne full Cat 7495 dipper bucket for a local customer and has rebuilt 18 dipper buckets in the workshop this calendar year, marking much higher bucket segment activity in this region than previous years. Austin Chile is currently rebuilding a further three dipper buckets, with a fourth bucket on its way to the workshop for repair.

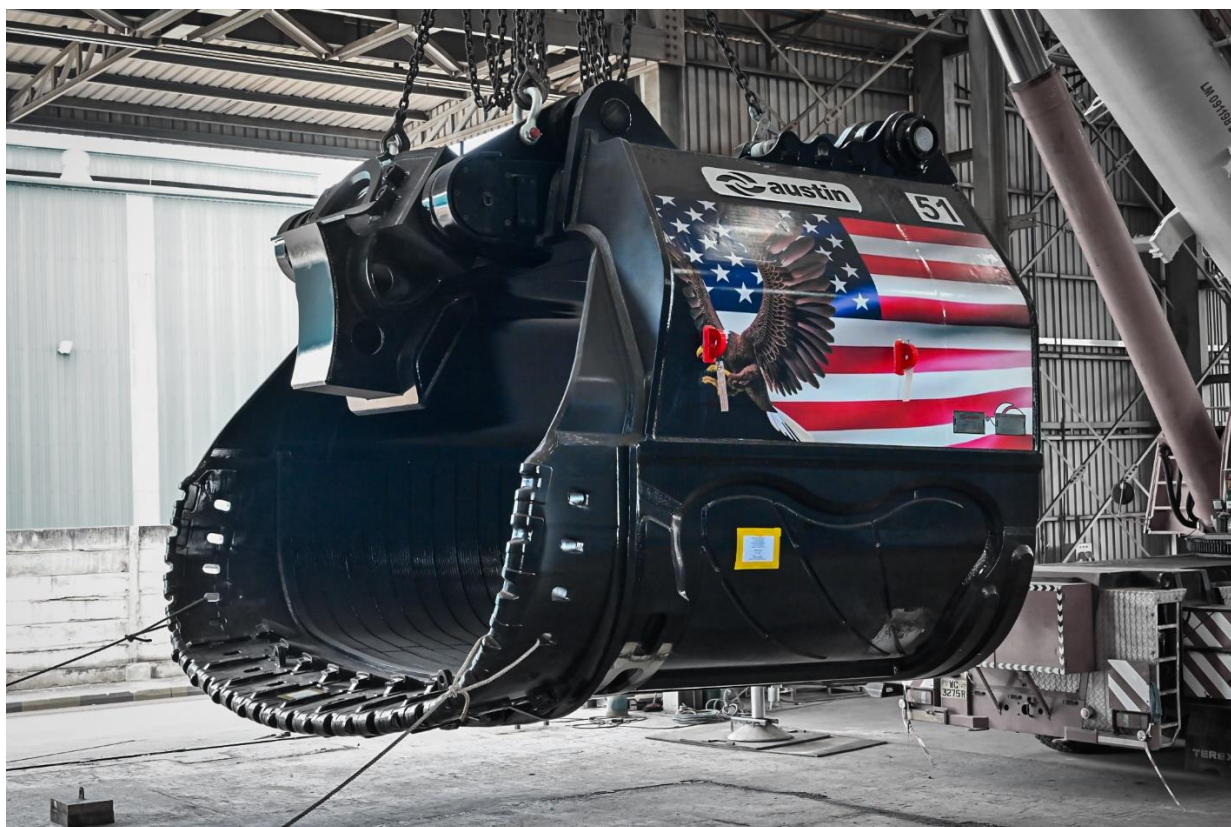
¹ Refer to Austin's FY24 Annual Report (p18) published 27 August 2024

Austin CEO and Managing Director, David Singleton, said:

“The Armadillo bucket was designed in Australia, manufactured at our Batam facility in Indonesia, and is en route to large US copper mine, supported by our Casper operations, which demonstrates the full integration and global capabilities of the Austin business model.

“We are very pleased to have marked the first international shipment of an Austin dipper bucket and see North and South America providing a large opportunity for further dipper bucket sales, and also for rebuilds at our US and Chile facilities. We are well set up to build market share in these markets.”

-ENDS-



The high-performance Armadillo electric rope shovel dipper bucket has been exported to the US

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Announcement Authorisation

This announcement was authorised by the CEO of Austin and is not market sensitive.

About Austin Engineering

Austin is a global engineering company. For over 50 years, Austin has partnered with mining companies, contractors and original equipment manufacturers to create innovative engineering solutions that deliver productivity improvements to their operations.

Austin is a market leader in the design and manufacture of loading and hauling solutions, including off-highway dump truck bodies, buckets, water tanks and related attachments, supporting both open-cut and underground operations. Complementing its proprietary product range are repair and maintenance services performed in our workshops and on clients' mine sites, and spare parts.

Through Austin's own design and engineering IP and range of tailored products, it delivers solutions for all commodity applications and drives increased efficiencies in productivity and safety in both open cut and underground mining operations.

Austin's products can create more sustainable mining operations by delivering the lowest cost per tonne to end user, reducing fuel usage per material carried.

The Company is headquartered in Perth and has operations around the world in Australia, USA, Chile and Indonesia serving many of the major mining sites in the world both directly and through local partners.