



MEDIA RELEASE – FOR IMMEDIATE RELEASE

AusGroup rides on China’s robust demand for energy and resources

- Major customer – Rio Tinto PLC achieved record interim earnings, buoyed by surging Chinese demand for copper and iron ore
- Expects to secure more orders on the back of Rio Tinto’s US\$5 billion orderbook

SINGAPORE - 10 August 2006 – SGX Sesdaq-listed **AusGroup** Limited (“**AusGroup**” or “the Group”), a leading player in Western Australia’s booming oil and gas and mining-related industries is pleased to update the public that the Group expects to be a likely beneficiary of China’s robust demand for resources.

This statement comes on the back of its major customer, Rio Tinto PLC (“Rio Tinto”) record interim earnings announcement last week as the global mining company was buoyed by surging Chinese demand for copper and iron ore.

Rio Tinto posted net profit of US\$3.8 billion for the six months, up from US\$2.17 billion in the previous corresponding period. Sales rose 22% to US\$10.6 billion from US\$8.7 billion. China contributed 14% to its half-year sales. In an interview with The Guardian, its Chief Executive, Mr Leigh Clifford declared that Rio Tinto has US\$5 billion worth of projects under development. He remained positive on China, stating “Our view is that demand outlook in China remains very positive¹.”

¹ Source from The Wall Street Journal, 4 August 2006

Mr. Stuart Kenny, Managing Director of **AusGroup** said, “ **AusGroup** shares the same optimism as our customers. We have been in this business for more than 30 years now, but as far as I remember, this is the best time we have ever witnessed. ”

To demonstrate Chinese’s insatiable appetite for resources, Mr Kenny said, “ In 1992, China was the world's 5th consumer of steel. By 2002, China was the largest. And I believe the demand will continue to grow as industrialization moves into Central China. ”

“ We must not forget that India is developing very quickly and their demand for raw materials would also be significant too.” Mr Kenny concluded.

Based on the strong order backlog and the favorable market outlook, it is estimated that **AusGroup's** good financial performance will continue. Ausgroup is expected to report its FY2006 financial results in late August.

The Initial Public Offering of **AusGroup Limited** was sponsored by Westcomb Capital Pte. Ltd.

>>>>> The End

ABOUT AUSGROUP LIMITED

SGX Sesdaq-listed AusGroup Limited is a leading player in Western Australia's booming oil and gas and mining-related industries. It provides integrated multi-disciplinary engineering services, specializing in supporting the global needs of oil and gas and mining related industries (including the extraction and processing of mineral ores).

For more information please visit our website at: www.ausclad.com.au

ABOUT RIO TINTO PLC

Rio Tinto is a world leader in finding, mining and processing the earth's mineral resources. The Group's worldwide operations supply essential minerals and metals that help to meet global needs and contribute to improvements in living standards. Major products include aluminium, copper, diamonds, energy products (coal and uranium), gold, industrial minerals (borax, titanium dioxide, salt, talc and zircon), and iron ore. The Group's activities span the world but are strongly represented in Australia and North America with significant businesses in South America, Asia, Europe and southern Africa.

For more information, please visit www.riotinto.com

Issued for and on behalf of Ausgroup Limited
By Financial PR Pte Ltd

For more information, please contact:
CHAN Hwa Loon, Hwaloon@financialpr.com.sg
Mark LEE, Marklee@financialpr.com.sg

Tel: (65) 6438 2990
Fax: (65) 6438 0064