



MEDIA RELEASE – FOR IMMEDIATE RELEASE

AusGroup orderbook boosted by A\$32m of contracts

- A\$16 million contract for fabrication work associated with new iron ore mine
- A\$12 million contract for installation of 2 Gas Turbine Generator units
- A\$4 million contract for supply of heat exchanger to nickel refining plant

SINGAPORE – 2 Nov 2006 – SGX Sesdaq-listed AusGroup Limited (“AGL” or “AusGroup” or “the Group”), an energy and resources specialist, increased the total current total order book outstanding to A\$184 million, after securing three additional contracts worth a total of at least A\$32 million. These projects will commence immediately and are scheduled for completion by FY2007.

In an agreement with new mining giant Fortescue Metals Group, AusGroup will undertake work associated with a new iron ore mine in the Pilbara region. This work, valued at A\$16 million, includes the supply of fabricated structural steel and plate work. Fortescue Metals Group recently raised A\$3 billion to become a major player in the iron ore industry, alongside Rio Tinto and BHP Biliton.

Mr Stuart Kenny, AusGroup Managing Director, commented, “We are pleased to commence a working relationship with Fortescue Metals Group. This contract means that we are now effectively working with all the 3 major global players in the iron ore industry. Iron ore work is one of the key areas of growth for AusGroup and we will be looking to further leverage on this success.”

In another agreement with Alinta Cogeneration (Wagerup) Pty Ltd, AusGroup will receive and install 2 x Alstom 150 MW Gas Turbine Generator units at the Wagerup Alumina Refinery 130km south of Perth, Western Australia. The project by gas giant Alinta is to produce clean efficient energy for the Wagerup refinery operated by Alcoa World Alumina. AusGroup will undertake work associated with the installation of various components such as fuel block, exhaust stack, piping and insulation. Gas Turbine Generators uses natural gas to produce electrical power. This contract is valued at A\$12 million.

In a new agreement related to the A\$40 million maintenance contract with mining giant Minara Resources dated 18 Oct 2006, AusGroup has been awarded a contract to manufacture, supply and deliver a cold interpass Heat Exchanger to its Murrin Murrin Nickel Refining Plant in Western Australia. This component, which is required for a major plant shutdown scheduled for October 2007, is valued at A\$4 million. Mr Kenny said, "Being in a maintenance contract puts us in a good position to win related jobs. At the same time, our ability to manufacture and supply various components to the plant owners increase our value to them, further augmenting our relationship"

With the new contracts, current order book for AusGroup's Australian operations stands at A\$184 million, with the majority slated for recognition in FY2007. This excludes work in excess of A\$60 million which was completed since the end of the previous financial year end June 30 2006.

>>>>> The End

ABOUT AUSGROUP LIMITED

AusGroup Limited is a Sesdaq-listed energy & resources specialist. It is primarily based in Australia, where it is a dominant player in the supply of total engineering solutions, which includes fabrication, mechanical installations and maintenance. Being involved in the building, maintaining and upgrading of infrastructure, plant and equipment used in the extraction and processing of energy & resources, AusGroup is well positioned to benefit from the increasing capital investments in these industries. Through its acquisition of Cactus Engineering, AusGroup has established a presence in Singapore, which will be used as a platform to more regional growth.

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

ABOUT CACTUS ENGINEERING

Incorporated in Singapore on 1st September 1990, Cactus is an engineering machining and fabrication specialist in the oil and gas exploration and extraction industry, such as machining, fabrication, repair and services including design and engineering of drilling spools, wellhead equipment, protective frames, etc

Cactus services major oilfield equipment manufacturing companies in the region, including Vetco Gray, FMC Technologies, Cooper Cameron, National Oilwell and Baker Oil Tools.

For more information, please visit www.cactus.com.sg

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