

18 April 2023

First truck trays fully built in Indonesia delivered to WA's Pilbara

Austin Engineering Limited (ASX: ANG, 'Austin' or 'the Company') is pleased to announce the completion of the first shipment of fully built and assembled truck trays from its Indonesian facility in Batam which have been delivered directly into Western Australia's (WA) Pilbara mining region.

The delivery comprised four truck trays that were shipped from Indonesia via Singapore into Port Hedland and then onto the customer site.

Austin recently completed a major expansion and upgrade of its Indonesian facility, which has doubled its manufacturing capacity to address increased demand.

The larger Indonesian facility is allowing Austin to mitigate the impact of ongoing supply constraints in Western Australia, particularly for skilled fabrication labour, which has been a limiting factor for production.

Alleviating these supply constraints has enabled the Company's local Western Australian facility to maintain more even operational output in line with local labour availability while ensuring Austin's customers continue to have access to products.

A return of freight costs to pre-pandemic levels has also enabled Austin to augment the shipping of sub-assemblies into Perth for final build (which has been standard practice for some time) with the delivery of full truck trays direct to the Pilbara.

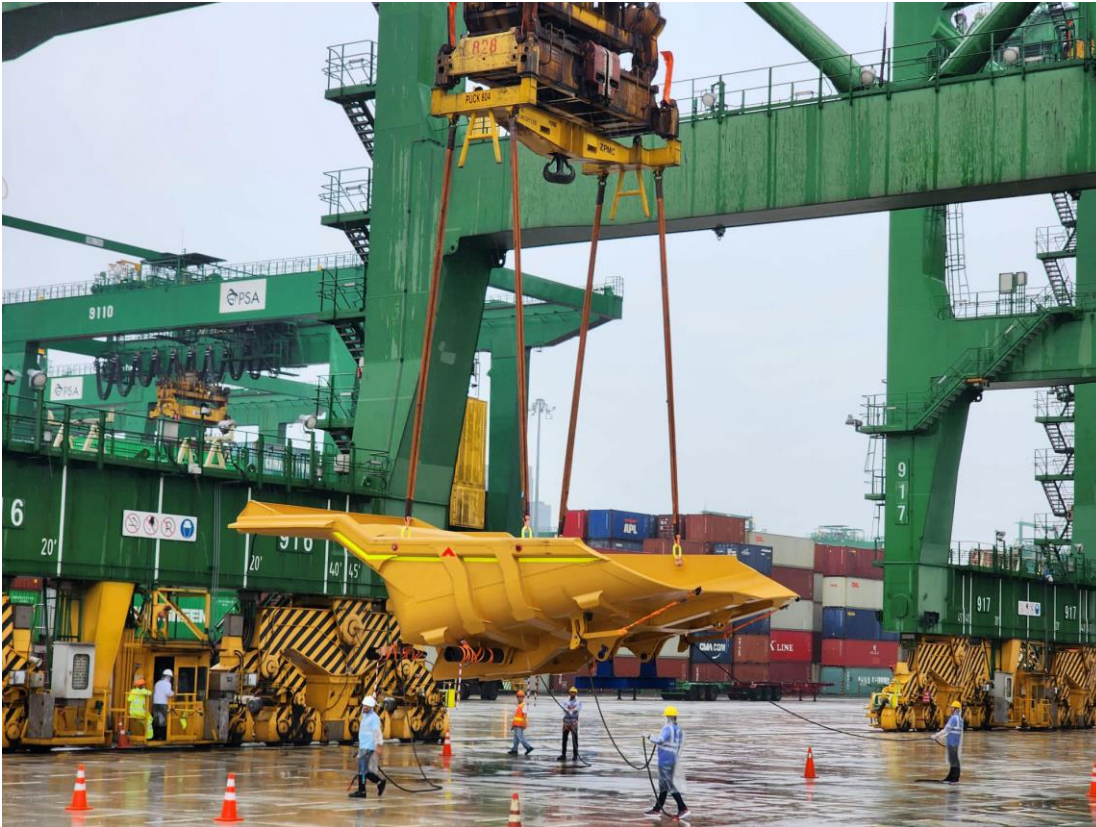
The ability to ship directly from Indonesia to Port Hedland has the added benefit of removing the need for road haulage from Perth to client mine sites in the Pilbara. A reduction in overall transport and logistic requirements has safety, environmental, and cost benefits. Specifically, a reduction in road haulage is favourable from a road safety and emissions reduction perspective.

Further direct deliveries into the Pilbara are being planned with customers to augment Austin's Australian-based supply.

Austin CEO and Managing Director, David Singleton, said:

"We are extremely pleased to see our design and manufacturing strategy starting to work in sync in the Asia Pacific region. The expanded facilities in Perth and Indonesia are allowing more flexibility from a manufacturing and delivery point of view. We have previously shipped truck trays, buckets, and other mining equipment directly into Queensland, but it is the first shipment we've completed direct to the major mining centre of the Pilbara, and we expect this supply route to become a regular feature of our integrated supply chain.

"We remain committed to Australia as a manufacturing location, exemplified by our two factory units in Kewdale, Perth along with our two operating sites in Queensland. In addition, the majority of the steel we used in Australia and Indonesia is sourced from Australia."



An Austin Engineering 785 tray in Singapore en route to Port Hedland

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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.

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