

10 May 2023

Austin secures first Mainetec dipper bucket sale in US

Austin Engineering Limited (ASX: ANG, 'Austin' or 'the Company') has sold its first Mainetec-designed dipper bucket into the US market.

The high performance Armadillo electric rope shovel dipper bucket will be delivered to a large copper mine in the US by mid-CY2024. Dipper buckets sell for between US\$1.5 - US\$2.0 million each depending on configuration specifics.

Austin acquired dipper bucket specialist, Mainetec, in 2022.

The Armadillo bucket will be designed in Australia, manufactured in Austin's facility in Batam, Indonesia, and will be supported by Austin's US business in Casper, Wyoming.

The Armadillo dipper bucket is a light, strong bucket designed to achieve consistently higher payload and improved fill factor, while using less energy to dig compared to the standard unit. This reduces operating cycle times and thereby reduces overall fuel cost and carbon emissions.

The dipper bucket will be fitted with the latest version of Mainetec's proprietary door latching and control system, iTrip. Already widely used in Australia, iTrip dramatically reduces maintenance intervals and increases the service life of the components. The system has proven to increase the standard dipper service life between overhauls by up to 18 months. Under the contract, Austin will also supply spare components for the iTrip system.

A unique aspect of Austin and Mainetec's global bucket offering is that all of the buckets are customised to individual sites and ore bodies.

Earlier this year, Austin announced plans to grow its US business by focusing on increasing market share for haul truck trays and, in particular, mining buckets.¹ Austin has seen an improvement in its North American business post-pandemic, with H1 FY23 EBITDA up 363% year-on-year to \$5.6 million.²

North America is a major global market for mining equipment. Austin sees the potential for further revenue growth across its existing equipment offering, including Mainetec's products, given the high demand for large dipper buckets in both North and South America.

Austin CEO and Managing Director, David Singleton, said:

"We are pleased to have secured the first sale of a Mainetec bucket to into the major US market. This sale also showcases Austin's ability to leverage its global capabilities around design, manufacture, and delivery, under our Austin 2.0 strategy.

"The Armadillo is a new generation, high performance product designed in Australia by Mainetec, built in our manufacturing hub in Batam, Indonesia, and assembled and delivered by our business in the US. This integrated 'hub and spoke' approach to product delivery is becoming a standard feature of our international business.

¹ Refer to announcement dated 12 January 2023: *ANG strengthens Mgmt Team, increases North American focus*

² Refer to announcement dated 21 February 2023: *FY2023 Half Year Results Announcement*

“This sale is a synergy benefit related to the acquisition of Mainetec in 2022, where we can offer Mainetec’s buckets globally using Austin’s routes to market. We believe that the market for replacement dipper buckets in the Americas alone could be worth over \$100 million per annum in addition to bucket rebuilds and spares from the iTrip system.”



Mainetec’s high performance Armadillo electric rope shovel dipper bucket

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Contacts:

AUSTIN ENGINEERING LTD
Head Office | ABN 60 078 480 136
 100 Chisholm Crescent,
 Kewdale WA 6105, Australia

P +61 8 9334 0666
E investorrelations@austineng.com.au
W www.austineng.com

Company

David Singleton	Chief Executive Officer	+61 8 9334 0666
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Media

Jane Munday	FTI Consulting	+61 488 400 248 jane.munday@fticonsulting.com
Shane Murphy	FTI Consulting	+61 420 945 291 shane.murphy@fticonsulting.com

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.