

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 1/7/96. Origin: Appendix 5. Amended 1/7/98, 1/9/99, 1/7/2000, 30/9/2001, 11/3/2002, 1/1/2003, 24/10/2005.

Name of entity

Engenco Limited ("**Engenco**")

ABN

99 120 432 144

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

- | | |
|--|---|
| 1 +Class of +securities issued or to be issued | Fully paid ordinary shares in the capital of Engenco (" Ordinary Shares "). |
| 2 Number of +securities issued or to be issued (if known) or maximum number which may be issued | 543,848,189 Ordinary Shares (assuming no options are exercised before the record date). |
| 3 Principal terms of the +securities (eg, if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | The same as the terms of existing Ordinary Shares. |

<p>4 Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities?</p> <p>If the additional securities do not rank equally, please state:</p> <ul style="list-style-type: none"> • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment 	<p>Yes.</p>				
<p>5 Issue price or consideration</p>	<p>\$0.12 per Ordinary Share</p>				
<p>6 Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)</p>	<p>The Ordinary Shares are being issued as part of a fully underwritten non-renounceable pro rata issue. This offer will be conducted together with a placement to institutional and sophisticated investors to raise a total of approximately \$85.2 million before costs. The funds will be used to repay bank debt, fund rolling stock for lease, pay tax liabilities, provide working capital to fund growth opportunities and fund the costs of the capital raising.</p>				
<p>7 Dates of entering +securities into uncertificated holdings or despatch of certificates</p>	<p>On or before Tuesday, 22 March 2011</p>				
<p>8 Number and +class of all +securities quoted on ASX (including the securities in clause 2 if applicable)</p>	<table border="1"> <thead> <tr> <th data-bbox="695 1525 991 1563">Number</th> <th data-bbox="999 1525 1286 1563">+Class</th> </tr> </thead> <tbody> <tr> <td data-bbox="695 1563 991 1787">1,075,875,765</td> <td data-bbox="999 1563 1286 1787">Ordinary Shares</td> </tr> </tbody> </table>	Number	+Class	1,075,875,765	Ordinary Shares
Number	+Class				
1,075,875,765	Ordinary Shares				

+ See chapter 19 for defined terms.

	Number	+Class
9	3,000,000	1,000,000 Options exercisable at exercise price of \$3.00 with an expiry date of 29 August 2011; 1,000,000 Options exercisable at exercise price of \$3.50 with an expiry date of 29 February 2012; 1,000,000 Options exercisable at exercise price of \$4.00 with an expiry date of 29 August 2012.
10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	As per existing Ordinary Shares.

Part 2 - Bonus issue or pro rata issue

11	Is security holder approval required?	No
12	Is the issue renounceable or non-renounceable?	Non-renounceable
13	Ratio in which the +securities will be offered	Eight new Ordinary Shares for every nine Ordinary Shares held
14	+Class of +securities to which the offer relates	Ordinary Shares
15	+Record date to determine entitlements	5.00pm (WST) 23 February 2011
16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	No

17	Policy for deciding entitlements in relation to fractions	Where fractions arise in the calculation of shareholders' entitlements, they will be rounded up or down to the nearest whole number of new shares.
18	Names of countries in which the entity has +security holders who will not be sent new issue documents Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.	Only security holders with registered addresses in Australia and New Zealand will be eligible to participate.
19	Closing date for receipt of acceptances or renunciations	5.00pm (WST) 11 March 2011
20	Names of any underwriters	RBS Morgans Corporate Limited
21	Amount of any underwriting fee or commission	The underwriter will be paid: <ol style="list-style-type: none"> 1. an offer management fee of 0.6% of the gross amount raised by Engenco under the entitlement offer; and 2. an underwriting fee of 4% of the underwritten amount (being the product of the number of securities offered and the offer price).
22	Names of any brokers to the issue	Not applicable
23	Fee or commission payable to the broker to the issue	Not applicable
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of +security holders	Not applicable
25	If the issue is contingent on +security holders' approval, the date of the meeting	Not applicable
26	Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled	No prospectus will be issued, but an Offer Booklet and acceptance form will be despatched to eligible shareholders on 24 February 2011.

+ See chapter 19 for defined terms.

27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	15 February 2011
28	Date rights trading will begin (if applicable)	Not applicable
29	Date rights trading will end (if applicable)	Not applicable
30	How do ⁺ security holders sell their entitlements <i>in full</i> through a broker?	Not applicable
31	How do ⁺ security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	Not applicable
32	How do ⁺ security holders dispose of their entitlements (except by sale through a broker)?	Not applicable
33	⁺ Despatch date	On or before 22 March 2011

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

34 Type of securities
(tick one)

(a) Securities described in Part 1

(b) All other securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

- 35 If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders
- 36 If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories
 1 - 1,000
 1,001 - 5,000
 5,001 - 10,000
 10,001 - 100,000
 100,001 and over
- 37 A copy of any trust deed for the additional +securities

Entities that have ticked box 34(b)

- 38 Number of securities for which +quotation is sought
- 39 Class of +securities for which quotation is sought
- 40 Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities?

 If the additional securities do not rank equally, please state:
 • the date from which they do
 • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment
 • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment
- 41 Reason for request for quotation now

 Example: In the case of restricted securities, end of restriction period

 (if issued upon conversion of another security, clearly identify that other security)

+ See chapter 19 for defined terms.

42 Number and +class of all +securities quoted on ASX (including the securities in clause 38)

Number	+Class

Quotation agreement

1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.

2 We warrant the following to ASX.

- The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
- There is no reason why those +securities should not be granted +quotation.
- An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

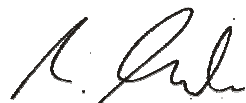
Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
- If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.

3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

4 We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

Sign here:



(Director/Company secretary)

Date: 14 February 2011

Print name: Roland Stampalia

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+ See chapter 19 for defined terms.