

ASX ANNOUNCEMENT

17 March 2011

Update – Engenco’s Non-Renounceable Entitlement Offer

Engenco Limited (**Engenco**) advises that its non-renounceable entitlement offer announced on 14 February 2011 has now closed with total funds raised of approximately \$65.3 million (before costs) inclusive of amounts to be received pursuant to the underwriting arrangements referred to below.

Eligible Engenco shareholders have elected to take up 462,159,400 shares pursuant to the offer, and Engenco has received \$55,459,128 (before costs) in subscription funds for those shares. In addition, 596,239 shares will be issued to a nominee who will arrange for those shares to be sold on ASX on behalf of Engenco shareholders with registered addresses outside of Australia and New Zealand as at the record date of 23 February 2011¹.

The underwriter of the offer, RBS Morgans Corporate Limited (**Underwriter**), has been advised of the resulting shortfall of 81,092,550 shares.

Eligible Engenco shareholders have also applied to take up 40,543,860 Additional Shares under the Top-Up Facility, and Engenco has received \$4,865,263 (before costs) in subscription funds for Additional Shares under the Top-Up Facility. Allocation of the Additional Shares has been determined by the Underwriter in consultation with Engenco and all those shareholders who applied for Additional Shares will receive the full amount applied for.

It is expected that Engenco will receive subscription funds for the resulting shortfall after the allocation of the Additional Shares under the Top-Up Facility of \$4,865,843 (before costs) from the Underwriter by 22 March 2011.

¹ Any net proceeds of sale of these shares (after deduction of the issue price of 12 cents and a selling fee of 1% plus any applicable GST) will be paid to the overseas shareholders, as described on page 6 of the Offer Booklet.



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The new shares under the entitlement offer (including the Additional Shares under the Top-Up Facility and the shortfall shares after the allocation of the Additional Shares under the Top-Up Facility) are expected to be issued on Tuesday, 22 March 2011.

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