



ASX ANNOUNCEMENT

6 October 2011

Proposal for share consolidation

Engenco Limited (**Company**) wishes to advise that the Company is planning a share consolidation of ten existing shares for one new share, subject to shareholder approval.

The Company currently has approximately 1,242 million shares on issue, which is relatively large for a company of its size with a market capitalisation of \$103 million (based on a closing market price of 8.3 cents per share as at 5 October 2011).

The Directors believe that the proposed consolidation will create a more efficient capital structure for a listed entity of Engenco's size and market capitalisation.

The Company will seek shareholder approval for the proposed consolidation at the Annual General Meeting of shareholders scheduled for 9 November 2011.

If approved, a ten for one share consolidation would result in the Company having approximately 124.2 million shares on issue.

Contacts:

Vince De Santis

Managing Director

T: +61 (0)3 8620 8900

E: vincent.desantis@engenco.com.au

Gary Jean

Chief Financial Officer / Company Secretary

T: +61 (0)3 8620 8900

E: gary.jean@engenco.com.au