

ASX ANNOUNCEMENT

15 December 2011

Co-Operative Agreement with Sage Energy International Corporation

Engenco Limited (ASX:EGN) is pleased to announce that its wholly owned subsidiary, Drivetrain Australia Pty Ltd (“**Drivetrain**”) has entered into a collaborative and exclusive agreement with Sage Energy International Corporation (“**Sage Energy**”).

Sage Energy is a Canadian company which manufactures a variety of custom gas compression packages, including custom design rotary vane, screw and reciprocating compression packages from 50kW to 4000kW.

Drivetrain already has a strong presence in the industry for the maintenance, repair and overhaul of gas, power and compression assets.

The agreement is a further step in the development of Drivetrain’s Gastrain Power and Compression business and provides the catalyst for Drivetrain and Sage Energy to engage in high value capital equipment markets by combining Drivetrain’s regional capabilities with Sage Energy’s proven compression technology in the oil and gas industry.

It also provides an opportunity for both companies to rapidly enter the gas compression industry in the Australasian region.

Drivetrain looks forward to an exciting and mutually beneficial relationship with Sage Energy.

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