



15 November 2012

Dear Shareholder

Information for shareholders Pro-rata non-renounceable entitlement offer

Engenco Limited (ASX:EGN) (**Company**) announced to ASX on 14 November 2012 that it is making a pro-rata non-renounceable entitlement offer to shareholders to subscribe for 5 new fully paid ordinary shares in the Company (**Shares**) for every 6 Shares held as at 5.00pm (Melbourne time) on 22 November 2012 (the **Record Date**) at an issue price of \$0.25 per Share, to raise approximately \$25.9 million before costs (**Entitlement Offer**).

The Entitlement Offer will be made pursuant to an entitlement offer booklet (**Offer Document**) and if you are eligible and wish to participate in the Entitlement Offer, you will need to complete your personalised Entitlement and Acceptance Form that will accompany that Offer Document. Shareholders who accept their entitlements in full will be able to apply for additional new Shares not accepted by other shareholders under the Entitlement Offer. The Entitlement Offer is expected to close at 5.00pm (Melbourne time) on Tuesday, 11 December 2012 (**Closing Date**).

A copy of the Offer Document will be lodged with ASX on or before Monday, 26 November 2012 and will be available on the ASX website (www.asx.com.au) and the Company's website (www.engenco.com.au) on that date. The Offer Document will also be despatched to shareholders with registered addresses in Australia and New Zealand who hold Shares as at the Record Date.

The Entitlement Offer is fully underwritten by RBS Morgans Corporate Limited (**RBS Morgans**). The Company will pay RBS Morgans an offer management fee of 0.5% and an underwriting fee of 2.0% of the gross amount raised by the Company under the Entitlement Offer and reasonable costs and expenses incurred by RBS Morgans in respect of the Entitlement Offer. RBS Morgans will be responsible for any sub-underwriting fees.

Pursuant to the ASX Listing Rules, the Company is required to provide you with certain information before proceeding with the Entitlement Offer. This letter contains all the information required by Appendix 3B of the Listing Rules.

1. The Shares to be issued are fully paid ordinary shares. The Shares will rank equally in all respects from the date of allotment with the existing class of quoted Shares. All Shares issued pursuant to the Entitlement Offer will have the same dividend entitlements as existing Shares.
2. The Entitlement Offer is non-renounceable. This means that Engenco shareholders who do not take up their entitlements to participate in the Entitlement Offer will not be able to transfer or receive any value for those entitlements and their equity interest in the Company will be diluted.
3. The funds raised by the Entitlement Offer will be used to pay down debt on terms agreed with the Company's bankers, provide additional working capital and to meet the costs of the Entitlement Offer.

4. The total number and class of all securities quoted on ASX (including the maximum number of Shares to be issued under the Entitlement Offer) is as follows:

Class	Number
Existing ordinary shares	124,224,766
Entitlement Offer	103,520,638
TOTAL	227,745,404

5. The Company does not have any securities which are not quoted on ASX. There are no holdings on different registers. The Company has no issued options.
6. The Record Date is 5.00pm (Melbourne time) on Thursday, 22 November 2012.
7. The Offer Document for the Entitlement Offer and the accompanying Entitlement and Acceptance Form will be despatched to eligible shareholders by no later than Monday, 26 November 2012.
8. The closing date for receipt of acceptances is 5.00pm (Melbourne time) on Tuesday, 11 December 2012.
9. The latest date for despatch of certificates or entry of the securities into your security holdings is Wednesday, 19 December 2012.
10. Fractional entitlements will be rounded up.
11. No shareholder approval for the Entitlement Offer is required.
12. Only shareholders with registered addresses in Australia and New Zealand will be sent the Offer Document. In compliance with Listing Rule 7.7.1, the Company has decided that it is unreasonable to make the offer to shareholders with registered addresses outside Australia and New Zealand having regard to each of the following:
- the number of security holders registered outside of Australia and New Zealand;
 - the number and value of the securities that would have been offered to security holders outside of Australia and New Zealand; and
 - the cost of complying with the legal requirements and requirements of regulatory authorities in the overseas jurisdictions.
13. There is no broker to the Entitlement Offer.

The above information was provided to the ASX on 14 November 2012.

If you have any queries regarding your entitlement or participation in the upcoming Entitlement Offer, please contact Mr Kevin Pallas, Chief Operating Officer, on +61 3 8620 8900.

Yours faithfully,



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 Chief Operating Officer
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