



Ausenco Limited

**2010 Annual General Meeting
Brisbane
Tuesday 11 May 2010**

Chairman's address

**Wayne Goss
Chairman
Ausenco Limited**

Introduction

Thank you everyone for coming along today. Together with the increase in our shareholder numbers over the past 12 months, it is encouraging to see so many of our shareholders here to support the company.

Ausenco's goal continues to be that we seek to strengthen and grow our business.

2009 Highlights

Our commitment to our long term strategy through the strong leadership of CEO Zimi Meka and his management team continues to position the company for longer term growth. Some highlights from the year included:

- A strong safety performance and continued work towards our goal of zero harm
- Expanded project opportunities, facilitated by active cross-selling of our solutions across our five business lines
- Strengthening our client solution offering across the full project lifecycle – Evaluate, Innovate, Create and Optimise
- The acquisition of 50% of the Kramer Group, positioning Ausenco for growth in the many expected PNG resource and energy projects
- Expanded strategic diversification into Energy, principally providing renewable and clean energy solutions, and a new local presence in the Saudi Arabia/North African region
- Establishment of a dedicated Program Management business line creating value for our clients through project delivery capabilities

As I'm sure you would all appreciate, all of these activities were delivered within one of the most challenging global economic and liquidity environments we have seen in years. Improvement in business conditions late in the second half of 2009 continues, albeit more volatile and slower than we would all like.

Despite the challenging financial conditions experienced worldwide, our 2009 total shareholder return was 117%, with a 64% average compound annual growth in dividends since 2005.

We are encouraged by the increasing number of new project development opportunities that continue to emerge. Our maturity as a company and the foresight of our strategic plan, sees us now tendering for in excess of \$10.9 billion in Create opportunities, in addition to the \$13.4 billion pipeline of Evaluate and Innovate opportunities. This represents a 360% increase in our pipeline of opportunities from when we met in April 2008. These greater opportunities are a direct result from the acquisitions undertaken at that time.

Our People and Safety

Our people are our strength. Ours is a global workforce where our talented and creative people have earned us a reputation for ingenuity.

We foster a culture of diversity, where our people are encouraged to achieve their best. As such, we continue to recognise the importance of developing our future leaders through a variety of leadership and personal development programs.

Our people work all around the world, so ensuring they return home safely at the end of each day is a task we are dedicated to.

We repeatedly achieve a strong safety performance, despite the challenging environments we operate in. We remain committed to improving our safety performance and continue to strive for our goal of zero harm.

2009 financial performance

Our 2009 financial performance reflects the economic challenges faced by all businesses around the globe. We achieved a solid result in 2009, with net profit after tax of \$20.1 million and operating revenue of \$432.5 million. Our 2009 results were directly impacted by business and economic conditions that saw clients delaying the commencement of projects and awarding of contracts.

We also raised \$90.5 million through a well supported share placement and share purchase plan. At 31 December 2009, net debt had decreased by \$66.0 million to \$0.5 million, reducing the net gearing ratio to 0.2%. Encouragingly, second half 2009 cash flow saw net operating cash inflows of \$20.3 million, a significant improvement on the first half as a result of stabilising working capital factors.

Growth through diversity

We continued to deliver on our strategy of growth through diversification. Geographically, we continue to receive between 75-85% of our earnings from outside Australia with 50% of our revenue from activities outside the mineral processing sector.

This diversification means our exposure to events such as the recently announced Henry Tax Review can be effectively managed.

We now deliver solutions across the full value chain in the resource and energy sectors. This increase in service and sector diversity has been accompanied by a wider range of clients, including a growing number of alliances with globally diversified organisations.

Managing and monitoring the performance and growth opportunities of our extensive business portfolio remains a focus. New work is enabling us to return to growth in our Australian, Asian and South American offices. Project deferrals have contributed to financial performance in our North American offices being behind expectations.

Our activities during 2009 provided a strong and stable foundation for growth. Our diverse solution offering, broad geographic presence and strong client relationships position us well for growth in 2010 and beyond.

Conclusion

In a year marked by general volatility in the global equity markets, our focus remained on controlling costs and managing those aspects of the business that would deliver the greatest long-term value for our shareholders.

On behalf of the Board, I would like to extend my thanks to our CEO Zimi Meka and the management teams across the Group for their continued commitment to delivering outstanding results for all our stakeholders. I would also like to thank the Directors for their continued support and valued contribution.

Through our diversification strategy we have continued to strengthen and grow our business. We have expanded our service offering and geographic and market reach, positioning us well to continue delivering outstanding results for our stakeholders.

We are confident our unified brand and positioning will help us stand out from the crowd and create a strong global identity for our group.

We remain well positioned for continued success in 2010 and beyond. Diversification and strong leadership will continue to play a key role in delivering sustainable growth.

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