



ASX/Media Release

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Ausenco's sustained growth strategy delivers 137% increase in profit

Business Highlights

- Record full year revenue of \$144.4 million, driven by strong project performance, efficient utilisation of global engineering resources and expanded international presence
- Record net profit after tax of \$13.4 million with improved EBIT margin contributions across all business units
- Fully franked final dividend of 7.5 cents per share payable 18 April 2007
- 772 personnel at 31 December 2006, 128% growth since 31 December 2005

Twelve months ended 31 December	2006 ^a A\$'M	2005 A\$'M	Increase
Operating revenue	144.4	77.6	86%
Net profit before tax	17.9	7.6	135%
Attributable profit after tax	13.4	5.7	137%
Basic earnings per share (cents)	17.3	7.9	120%
Dividends per share – interim and final (cents)	10.0	-	

^a The 2006 full year final report and results are in the final stages of the audit process. No changes are expected.

Diversified minerals process engineering and project management services provider Ausenco Limited (ASX: AAX) today announced a \$13.4 million attributable profit after tax for the full year ended 31 December 2006, a 137% rise over the previous corresponding period.

The preliminary final result was achieved on operating revenue of \$144.4 million, an increase of 86% over the previous corresponding period. Net profit before tax for the full year was \$17.9 million, an increase of 135% over the \$7.6 million achieved in the year ended 31 December 2005. Basic earnings per share were 17.3 cents, an increase of 120% over the 7.9 cents per share in the previous corresponding period.

Ausenco's earnings before interest and tax (EBIT) margin increased to 12.3% compared to 9.8% for the previous corresponding period. The after tax profit margin of 9.3% was an improvement on the result of 7.3% reported for the 2005 year. The effective tax rate was similar to the previous corresponding period at 25%.

Ausenco's earnings have grown at a compound annual rate of 88% over the past four years and the Company's 2006 full year earnings of \$13.4 million exceeded its May 2006 prospectus forecast by 80%. The increase in earnings reflects the improved margin contributions from all businesses, particularly in Asia and America, the strengthening of personnel numbers to meet client requirements and the steady conversion of pipeline opportunities to new projects.

Ausenco expects that its major project development capabilities, increased global presence, access to skilled personnel to meet project requirements and operational efficiencies which it brings to its projects will result in sustained growth in revenue and earnings for 2007 and beyond.

Managing Director, Mr Zimi Meka said "The results for the 2006 financial year emphasise the relevance of our strategic approach to global business expansion. Together, our strong project performance, growing international presence and commitment to high quality service standards have strengthened Ausenco's reputation as an innovative service provider to the mining and minerals processing industry. As a result, Ausenco continues to be offered significant project opportunities across the commodities spectrum by an expanding international client base."

Ausenco's order book, now at \$1.9 billion installed capital value, has positioned the Company for further growth and greater diversification. Ausenco has eight corporate offices worldwide and a complementary team of experienced people who are committed to its values and business objectives.

"Our client base includes some of the world's largest mining companies. We aim to forge partnerships with our clients to deliver repeat business and contribute to the longer term sustainable growth." Mr Meka said.

In response to world market fundamentals, Ausenco is continuing to expand its international capabilities and offering a greater range of processing solutions to a broader client base. During the latter part of 2006 Ausenco assembled an experienced team of professionals to service the processing needs of the coal sector.

Safety Performance

Ausenco's 772 person workforce is located within its corporate office and project site network throughout Asia, Africa, the Americas and Australasia.

Ausenco's safety performance for the 12 months to 31 December 2006 included a total Lost Time Injury Frequency Rate (LTIFR) of 1.7 based on 4.7 million hours worked during this period. Ausenco's safety performance record exceeds the industry standards and international best practice.

"Health, safety and environment (HSE) is a high priority for Ausenco. This commitment is reflected in one of the Company's six core values, '*Safety In All We Do*'. The significance of HSE within our global operations was highlighted in 2006 with the modification of the HSE framework to ensure Company-wide consistency of policy and practice. A common set of policies, procedures and standards applies to all projects undertaken by Ausenco worldwide," Mr Meka said.

Finance

Ausenco's net operating cash flow, after interest and tax, increased by 58% to \$15.5 million. Combined with its ungeared balance sheet, Ausenco's improved operating cash flows strengthened its working capital position providing a solid financial platform for continued growth.

Cash at 31 December 2006 was \$24.7 million. Ausenco continues to be debt free and has working capital and bonding facilities of \$60.8 million a large portion of which is undrawn. The Company is in a strong position to secure new projects.

Dividends

The Directors intend to make regular, half yearly dividend payments of an estimated 60% of Ausenco's attributable net profit after tax (NPAT). The declaration of dividends is subject to available profits, working capital requirements and the level of borrowings with the balance being retained to fund growth. Dividends will be franked to the maximum extent possible.

In line with this policy, the Directors have declared a final fully franked dividend of 7.5 cents per share which, combined with the interim dividend of 2.5 cents per share, represents 60% of the group's full year NPAT. The dividend will be payable on 18 April 2007 to shareholders on the register as at midnight (Eastern Standard Time) on 4 April 2007.

Corporate Governance

On 21 November 2006, internationally respected resources sector executive, John O'Reilly was appointed to the Board as a non-executive Director.

London-based Mr O'Reilly is highly regarded within the global mining sector and has over 40 years experience including 19 years in senior executive positions within Rio Tinto Plc. The appointment of Mr O'Reilly complements the existing capability of the Board.

Business Performance

During the period, Ausenco secured a number of new projects, contributing to a revenue increase of 85% to \$142.4 million. The projects demonstrated Ausenco's capability to execute large and small projects across a wide range of commodities in diverse and often remote locations. Ausenco's project commodities in 2006 included base metals, precious metals, mineral sands and other industrial minerals.

In recognition of its achievements in the delivery of engineering and project management services internationally, Ausenco was awarded the Queensland and the Australian Export Awards for Services for 2006.

Ausenco's strong reputation as a provider of engineering, procurement and construction management (EPCM) services to the mining and mineral processing sector has enabled it to secure major contracts globally for projects with a total installed capital value of over \$1.9 billion.

The Company has a strong presence in Asia. Having completed the preliminary design and engineering component of the US\$230 million Phu Kham Copper Gold Project [Pan Australian Resources Limited] in Laos early in the year, Ausenco secured the full EPCM contract for the project. Experience gained previously in Laos on the Sepon Copper Gold Project [Oxiana Limited] was a key advantage.

The award of the contract for the Phu Kham project has enabled the expansion of the group's detail engineering team in Manila. This detailed engineering team will also make a significant contribution to the Didipio Gold Copper Project [Oceana Gold Limited] in the Philippines for which Ausenco is the preferred contractor.

Ausenco is strengthening its presence in China to ensure that it is well positioned to benefit from new project opportunities. Commissioning of the Jinfeng Gold BIOX[®] Project in China [Sino Gold Limited] is underway with completion anticipated during the second quarter of 2007.

Other major projects within the region presently include the Nui Phao Tungsten Project [Tiberon Minerals Ltd] in Vietnam and, as the result of previous study work undertaken by Ausenco, the Hidden Valley Gold Project [Harmony Gold Mining Limited] in Papua New Guinea.

"We are establishing a global procurement office in Thailand which will enable us to realise economies of scale, increased workforce efficiency and improved project logistics. This initiative will lead to increased profitability and will deliver significant benefits to our clients," Mr Meka said.

The US\$407 million Lumwana Copper Project in Zambia is being delivered on an engineering procurement construction (EPC) basis, in joint venture with Bateman Engineering NV, for Equinox Minerals Limited. When complete, this project will be the largest copper project on the African continent adding to Ausenco's African expertise and positioning it to capitalise upon future opportunities in the mineral-rich African copper belt. Ausenco's project schedule in Africa

also includes the front end design for the Grande Côte Mineral Sands Project and the Sabodala Gold Project in Senegal.

The Americas are an equally important growth region for Ausenco. Corporate offices were established in Vancouver and Tucson during 2006 to promote further growth and delivery of projects. One project is underway, another is in negotiation and several studies have commenced.

Ausenco's Australasian project activity in 2006 included completion of the Pooncarie Mineral Sands Project for Bemax Resources Limited, Highland Pacific Limited's Kainantu project and the Bendigo Mining Limited gold project. Work continued on the Murrin Murrin Nickel Project in Western Australia and the Lady Annie Copper Project in Queensland.

Ascentis, Ausenco's operating and maintenance services division continues to deliver growth, with an increased earnings contribution of \$0.5 million. During the period Ascentis was accredited as a Registered Training Organisation (RTO) to provide Mineral Processing Certificate III qualifications. Ascentis is increasing the scope of its services, expanding its management team and pursuing opportunities to offer services to Ausenco's clients.

Annual General Meeting

Ausenco's inaugural Annual General Meeting will be held at the Brisbane Convention Centre, Merivale Street (corner Glenelg Street), South Brisbane on Wednesday 2 May 2007 at 2pm.

Outlook

Ausenco is committed to global expansion, innovative project delivery, personnel growth and commodity and geographic diversification. These drivers underpin Ausenco's growth and provide a stable platform for the pursuit of opportunities. Ausenco's involvement in major projects such as Lumwana, Phu Kham, Hidden Valley and Lady Annie will intensify, ensuring ongoing revenue streams and consolidating Ausenco's position as a leading provider of EPCM services across diverse geographical locations and commodity sectors.

"Our 2006 performance has been very pleasing and we are committed to profitably growing the business organically and through acquisition. We have clear strategic and business objectives and a global team which is focused on continuous improvement and the delivery of high quality engineering services to a growing client base. Our activities are capably supported by a solid infrastructure of established systems and procedures."

"The outlook for Ausenco is positive. We have a strong project pipeline through to 2010. In 2007 we expect that earnings will grow at a similar rate to that which has been achieved over the past four years. Personnel numbers are expected to increase to match the demand," Mr Meka said.

ENDS

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About Ausenco Limited

Diversified minerals processing engineering and project management services provider Ausenco Limited (ASX: AAX) was established in 1991 and has completed projects with an installed capital value in excess of \$1 billion in 33 countries. Ausenco is currently working on projects with an installed capital value in excess of \$1.8 billion.

Ausenco is internationally recognised for its expertise in the provision of engineering and project management services to the global mining and mineral processing industries. Its clients include the world's foremost mining organisations including BHP Billiton, Rio Tinto, Oxiana, Barrick Gold, Newmont Mining, Harmony Gold, Equinox Minerals, Sino Gold, and Kingsgate Consolidated.