

ASX ANNOUNCEMENT

24 April 2017

SHARE PURCHASE PLAN AND SHARE SALE FACILITY

- *SPP to provide all Engenco shareholders an opportunity to hold a marketable parcel*
- *Unmarketable parcel share sale facility to be implemented immediately after SPP closes*

Engenco Limited (**Engenco** or **Company**) is pleased to announce its intention to undertake a Share Purchase Plan (**SPP**) for existing shareholders followed by a Share Sale Facility (**Share Sale Facility**) for those shareholders who do not hold a “marketable parcel” of Engenco shares. A “marketable parcel” is a shareholding with a market value of at least \$500.

At the 2016 Annual General Meeting, shareholders voted to amend the Company’s Constitution by providing for the introduction of small shareholding provisions. These provisions, which can only be invoked once in any 12-month period, allow Engenco to sell the shares of a shareholder who does not hold a marketable share parcel if the shareholder does not elect to opt-out. The procedure is designed to provide a means by which the Company can more efficiently manage its share register and associated administration costs (with approximately 700 small shareholders with a minimal shareholding percentage currently falling into this category). Those affected shareholders who hold less than a marketable parcel of shares and who do not elect to opt out of the process will receive value for their shares without the need to arrange the sale themselves or pay brokerage or any other sale costs.

However, before initiating the sale process, the Engenco Board wishes to ensure that all shareholders including those who do not hold a marketable parcel of shares are afforded the opportunity to “top-up” their shareholding. The SPP will provide all Engenco shareholders with the opportunity to increase their shareholding, including allowing small shareholders to do so to at least a marketable parcel.

The SPP is priced at 19¢ per share, which represents the volume weighted average price (i.e. VWAP) for the Company’s fully paid ordinary shares on the ASX over the last 10 trading days, without applying a discount or premium.

The SPP will close on 12 May 2017.

Immediately following allotment of the SPP shares, Engenco will seek to dispose of all shareholdings less than a marketable parcel via a Share Sale Facility, with those shareholders whom have not opted out of the process receiving the total proceeds from the sale of their shares, as per the Company’s Constitution.

Commenting on the SPP and Share Sale Facility, Engenco’s Managing Director, Mr Kevin Pallas, said:

“A significant number of Engenco’s shareholders do not currently hold a marketable parcel of the Company’s shares and in order to address this situation, we are providing all Engenco shareholders including small shareholders with the opportunity to top-up their investment in the Company.

We very much encourage all shareholders to participate in the SPP, especially those with small shareholdings. For those shareholders who hold less than a marketable parcel following the close of the SPP and who do not opt out of the process, the Company will seek to sell their shares and remit the total proceeds to them.”

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Share Purchase Plan

The SPP provides eligible shareholders, being shareholders who were recorded on the share register as at 7:00pm (EST) on 21 April 2017 with a registered address in Australia or New Zealand, with an opportunity to acquire up to \$15,000 worth of fully paid ordinary shares without incurring brokerage or any other transaction costs. The minimum SPP subscription is \$500.

The maximum number of shares to be issued under the SPP is 10,000,000. However, in the event of oversubscriptions being received the Board may, in its discretion, scale back applications or alternatively, it may instead elect to issue additional shares over and above the new shares cap in order to reduce or remove the scale-back depending upon the extent of any oversubscription.

The SPP will close at 5:00pm (EST) on 12 May 2017 and is not subject to shareholder approval.

The SPP Booklet containing further details of the SPP is attached. SPP Booklets and application forms are expected to be sent to shareholders on 24 April 2017. Eligible shareholders should read the SPP Booklet before deciding whether to participate in the SPP.

Engenco will make offers to issue shares under the SPP without disclosure to investors under Part 6D.2 of the Corporations Act. This notice is being given in accordance with ASIC Class Order CO 09/425. As at the date of this notice, Engenco has complied with the provisions of Chapter 2M of the Corporations Act as they apply to it and section 674 of the Corporations Act.

Important Dates for SPP

Record Date	7:00pm (EST) on 21 April 2017
Share Purchase Plan offer opens	24 April 2017
Share Purchase Plan offer closes	5:00pm (EST) on 12 May 2017
Share Purchase Plan allocation announcement and scale-back (if any)	17 May 2017
Issue Date	17 May 2017
Quotation of New Shares	17 May 2017
Dispatch of Holding Statements	18 May 2017

Share Sale Facility

Immediately following completion of the SPP, Engenco intends to implement a Share Sale Facility for those shareholders whose shareholding does not constitute a marketable parcel under the ASX Operating Rules. A marketable parcel is a shareholding with a market value of at least \$500.

Engenco is required to provide sufficient notice to relevant shareholders prior to conducting the Share Sale Facility and the total proceeds from the Share Sale Facility will be distributed pro-rata to all shareholders whose shares have been sold.

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About Engenco Limited

Engenco (EGN) specialises in:

- Maintenance, repair and overhaul of heavy duty engines, powertrain, propulsion and gas compression systems
- Maintenance, repair and overhaul of locomotives
- Manufacture and maintenance of wagons, carriages and associated rail equipment
- Project management, training and workforce provisioning
- Manufacture and supply of road transport and storage tankers for dry bulk products
- Leasing of wagons and other rail equipment

Engenco services a diverse client base across the defence, resources, marine, power generation, rail, heavy industrial, mining and infrastructure sectors.

For further information, please contact:

Kevin Pallas Managing Director and CEO T: +61 (0)3 8620 8900 E: kevin.pallas@engenco.com.au	Graeme Campbell CFO and Company Secretary T: +61 (0)3 8620 8900 E: graeme.campbell@engenco.com.au
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Engenco Limited
ASX: EGN

Share Purchase Plan 2017

Offer Booklet

This is an important document and you should read it in full.

Each eligible Engenco Limited (**Engenco**) shareholder has the opportunity to participate in the Engenco Share Purchase Plan (**SPP**) by applying for up to \$15,000 of new fully paid Engenco ordinary shares (**New Shares**) without incurring brokerage or other transaction costs.

This Offer Booklet provides details of the SPP and explains how shareholders can participate.

24 April 2017

Dear Shareholder

Invitation to Participate in Shareholder Share Purchase Plan

On 24 April 2017, Engenco Limited (**Engenco** or **Company**) announced its intention to offer shareholders the chance to participate in a share purchase plan to subscribe for additional shares in the Company (**SPP**).

The Engenco Board of Directors is pleased to make that offer to eligible shareholders on the Terms and Conditions enclosed with this letter.

Shareholders Eligible to Participate in the SPP

The right to participate in the offer under the SPP (**Offer**) is optional and is available exclusively to shareholders who are registered as holders of fully paid ordinary shares in the capital of Engenco at 7pm (EST) on 21 April 2017 (**Record Date**) and whose registered address is in Australia or New Zealand (**Eligible Shareholders**). Due to foreign securities laws it is not practical for shareholders in other countries to be offered the opportunity to participate in the SPP.

Share Purchase Plan

The SPP entitles Eligible Shareholders in the Company, irrespective of the size of their shareholding, to purchase up to \$15,000 worth of New Shares at an issue price of 19¢ per share free of brokerage and commission (**Offer**). The issue price represents the volume weighted average price (i.e. VWAP) for the Company's fully paid ordinary shares on the ASX over the last 10 trading days, without applying a discount or premium.

Details of the Offer are set out in this letter and the enclosed Terms and Conditions together with an Entitlement and Acceptance Form.

Current Activities

Details of the Company's current activities are set out in the announcements made to the ASX and are available from the ASX or the Company's website at www.engenco.com.au.

The funds raised under the SPP will be used by the Company to retire debt and for general working capital. Please see the Company's announcements for further details.

How much can you invest?

Eligible Shareholders may only acquire a maximum total of up to \$15,000 worth of New Shares under the SPP.

Subscription and Application Procedure

If you would like to participate in the Offer, please follow the application instructions on the enclosed Entitlement and Acceptance Form. Please note that the closing date of the Offer is **5pm (EST)** on 12 May 2017 (**Closing Date**). No late applications will be accepted.

Eligible Shareholders may participate by selecting one of the following Offers to purchase New Shares under the SPP, ensuring that no more than \$15,000 worth of New Shares will be taken up under the SPP:

	Amount	Number of New Shares
Offer A	\$500	2,632
Offer B	\$1,000	5,264
Offer C	\$2,000	10,527
Offer D	\$5,000	26,316
Offer E	\$10,000	52,632
Offer F	\$15,000	78,948

The number of New Shares to be issued to each Eligible Shareholder who makes a valid application will be rounded up to the next whole number of shares.

Once an application has been made it cannot be revoked.

The maximum investment any shareholder may apply for will remain \$15,000, even if a shareholder receives more than one Offer (whether in respect of a joint holding or because the shareholder has more than one holding under a separate account).

Risk Factors

By accepting the Offer and applying for New Shares under the SPP, each Eligible Shareholder will be acknowledging that although the purchase price represents the volume weighted average price for the Company's fully paid ordinary shares on the ASX over the last 10 trading days, the price of Engenco shares on ASX may change between the date of the Company announcing its intention to make an Offer and the date of issue of New Shares under that Offer, and that the price and/or value of New Shares received under the SPP may rise or fall accordingly.

The Board recommends that you obtain your own financial advice in relation to the Offer and consider price movements of Engenco shares in the Company prior to accepting this Offer.

Additional Information and Important Dates

The Offer cannot be transferred and the Engenco Board will reject any application that is greater than \$15,000.

The maximum number of New Shares to be issued under the SPP is 10,000,000. However, in the event of an oversubscription the Board may, in its discretion, scale back applications or alternatively, it may instead elect to issue additional shares over and above the cap in order to reduce or remove the scale-back depending upon the extent of any oversubscription.

If the Company rejects or scales back an application or purported application, the Company will promptly return to the shareholder the relevant application monies, without interest.

Timetable

Record Date	7:00pm (EST) on 21 April 2017
Share Purchase Plan offer opens	24 April 2017
Share Purchase Plan offer closes	5:00pm (EST) on 12 May 2017
Share Purchase Plan allocation announcement and scale-back (if any)	17 May 2017
Issue Date	17 May 2017
Quotation of New Shares	17 May 2017
Dispatch of Holding Statements	18 May 2017

Should you wish to discuss any information contained in this letter further, do not hesitate to contact the Company Secretary on +61 (0)3 8620 8900.

Yours faithfully



Vince De Santis
Chairman
Engenco Limited

ENGENCO LIMITED

ACN 120 432 144

SHAREHOLDER SHARE PURCHASE PLAN – TERMS AND CONDITIONS

Custodians, trustees and nominees

If you are an eligible shareholder and hold Engenco shares as a custodian (as defined in ASIC Class Order CO 09/425 (refer below) (**Custodian**) or in any more specific ASIC relief granted to the Company in relation to the SPP), you may apply for up to the maximum number of New Shares for each beneficiary for whom you act as custodian provided you annex to your Entitlement and Acceptance Form a certificate (**Custodian Certificate**) with the following information:

- confirmation that you held shares in the Company on behalf of one or more other persons (each a **Participating Beneficiary**) at 7pm (EST) on 21 April 2017 who have subsequently instructed you to apply for New Shares under the SPP on their behalf;
- the number of Participating Beneficiaries and their names and addresses;
- the number of Engenco shares that you hold on behalf of each Participating Beneficiary;
- the dollar amount of New Shares that each Participating Beneficiary has instructed you, either directly or indirectly through another custodian, to apply for on their behalf;
- that the application price for New Shares applied for under the SPP for each Participating Beneficiary for whom you act does not exceed \$15,000;
- that a copy of the written offer document was given to each beneficiary; and
- where you hold shares on behalf of a beneficiary indirectly, through one or more interposed custodians, the name and address of each interposed custodian.

For the purposes of ASIC Class Order CO 09/425 you are a Custodian if you are a registered holder that:

- holds an Australian financial services licence that allows you to perform custodian or depositary services or operate IDPS accounts;
- is exempt from holding an Australian financial services licence by virtue of Class Order CO 03/184 or by relying on the Australian financial services licence of your master custodian under regulation 7.1.06(k) of the Corporations Regulations 2001;
- is a trustee of a self-managed superannuation fund;
- is a trustee of superannuation master trusts;
- is a responsible entity of IDPS like schemes;
- is noted on the Company's register of members as holding the shares on account of another person.

If you hold shares as a trustee or nominee for another person or persons but are not a Custodian as defined above, you cannot participate for beneficiaries in the manner described above. In this case, the rules for multiple single holdings (above) apply.

Custodians should complete a Custodian Certificate when making an application on behalf of Participating Beneficiaries. To request a form of Custodian Certificate and for completion or if you would like further information on how to apply, you should contact Security Transfer Australia Pty Ltd during normal business hours, Monday to Friday during the Offer period.

The Company reserves the right to reject any application for New Shares to the extent it considers that the application (whether alone or in conjunction with other applications) does not comply with these requirements. The Company reserves the right to reject applications in accordance with these Terms and Conditions.

New Zealand shareholders

The New Shares are not being offered or sold to the public within New Zealand other than to existing shareholders with registered addresses in New Zealand to whom an offer of New Shares is being made in reliance on the Financial Markets Conduct Act 2013 and the Financial Markets Conduct (Incidental Offers) Exemption Notice 2016.

This document has not been registered, filed with or approved by any New Zealand regulatory authority. This document is not a product disclosure statement under New Zealand law and is not required to, and may not, contain all the information that a product disclosure statement under New Zealand law is required to contain.

Applications and Notices

The Company will send eligible shareholders a letter of offer and acceptance procedures, inviting them to subscribe for New Shares under the SPP, and accompanied by the Terms and Conditions of the SPP and an Entitlement & Acceptance Form. Applications will not be accepted after the closing date of the offer. Over subscriptions which are refunded, will be refunded without interest.

Notices and statements made by the Company to participants may be given in any manner prescribed by its Constitution.

Modification and Termination of the SPP

The Company may modify or terminate the SPP at any time. The Company will notify ASX of any modification to, or termination of, the SPP. The omission to give notice of any modification to, or termination of, the SPP or the failure of ASX to receive such notice will not invalidate the modification or termination.

Without limiting the above, the Company may issue to any person fewer New Shares than the person applied for under the SPP if the issue of the New Shares applied for would contravene any applicable law or the Listing Rules of ASX.

Dispute Resolution

The Company may, in any manner it thinks fit, settle any difficulties, anomalies or disputes which may arise in connection with or by reason of the operation of the SPP, whether generally or in relation to any participant, application or New Shares. The decision of the Company in this respect will be conclusive and binding on all shareholders and other persons to whom that determination relates.

The Company reserves the right to waive strict compliance with any provision of these Terms and Conditions. The powers of the Company under these conditions may be exercised by the directors of the Company or any delegate of the directors of the Company.

Questions and Contact Details

If you have any questions regarding the SPP or how to deal with this Offer, please contact your stockbroker or professional adviser or Graeme Campbell, Chief Financial Officer and Company Secretary on +61 (0)3 8620 8900.

SHARE PURCHASE PLAN APPLICATION FORM

THIS DOCUMENT IS IMPORTANT. IF YOU ARE IN DOUBT AS TO HOW TO DEAL WITH IT, PLEASE CONTACT YOUR STOCK BROKER OR LICENSED PROFESSIONAL ADVISOR.

REGISTERED OFFICE:

LEVEL 22
535 BOURKE STREET
MELBOURNE VIC 3000
AUSTRALIA

ENGENCO LIMITED

ACN: 120 432 144

SHARE REGISTRY:

Security Transfer Australia Pty Ltd

All Correspondence to:

PO Box 52
Collins Street West VIC 8007



«Holder_name»
«Address_line_1»
«Address_line_2»
«Address_line_3»
«Address_line_4»
«Address_line_5»

«Post_zone»
«Company_code» «Sequence_number»

T: 1300 992 916 F: +61 8 9315 2233

E: registrar@securitytransfer.com.au

W: www.securitytransfer.com.au

Code: EGN

Holder Number:

Record Date: 21 APRIL 2017

NON-RENOUCEABLE SHARE OFFER CLOSING AT 5PM EST ON 12 MAY 2017

(1) I/We, the above mentioned, wish to apply for the number of Fully Paid Ordinary Shares which will be issued in accordance with the Share Purchase Plan (SPP) and the Constitution of the Company as stated below: (please mark "X" to indicate one choice only)

		TOTAL SUBSCRIPTION AMOUNT @ \$0.19 PER SHARE	NUMBER OF SHARES
OFFER A	<input type="checkbox"/>	\$ 500	2,632
OFFER B	<input type="checkbox"/>	\$ 1,000	5,264
OFFER C	<input type="checkbox"/>	\$ 2,000	10,527
OFFER D	<input type="checkbox"/>	\$ 5,000	26,316
OFFER E	<input type="checkbox"/>	\$ 10,000	52,632
OFFER F – Maximum amount	<input type="checkbox"/>	\$ 15,000	78,948

(2) I/We have enclosed/made payment for the amount shown above (following the payment instructions as detailed overleaf).

(3) I/We agree to be bound by the terms of the SPP.

(4) I/We hereby agree to accept any lesser number of new Shares applied for.

(5) I/We hereby certify that the amount of Shares subscribed for by me/us pursuant to the SPP (being a maximum of \$15,000 worth of Shares) does not exceed \$15,000 taking into account the Shares the subject of this application and any other Shares applied for by me/us under the SPP or any other similar arrangement within the 12 months prior to this application including other beneficial interests. **Limit on Participation and Custodian Certification - see overleaf for details.**

(6) My/Our contact details in case of enquiries are:

NAME

TELEPHONE NUMBER

EMAIL ADDRESS (OPTIONAL)

PAYMENT INFORMATION - Please also refer to payment instructions overleaf.

	Bill code: 159483 Ref: <<EFT_REFERENCE_NUMBER>>
	Telephone & Internet Banking – BPAY® Contact your bank or financial institution to make this payment from your cheque, savings, debit, or transaction account. More info: www.bpay.com.au

CHEQUE / MONEY ORDER

All cheques (expressed in Australian currency) are to be made payable to ENGenco LIMITED and crossed "Not Negotiable".

REGISTRY DATE STAMP

E & O.E.

Your BPAY reference number is unique to this offer and is not to be used for any other offer.

BPAY PAYMENT OR THE RETURN OF THIS FORM WITH THE REQUIRED REMITTANCE WILL CONSTITUTE YOUR ACCEPTANCE OF THE OFFER.

You do not need to return this form if you have made payment via BPAY.



LODGEMENT INSTRUCTIONS

PAYMENT INFORMATION



Biller code: 159483

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Contact your bank or financial institution to make this payment from your cheque, savings, debit, or transaction account.
More info: www.bpay.com.au

Your reference number is quoted on the front of this form.

Multiple acceptances must be paid separately.

Applicants should be aware of their financial institution's cut-off time (the time payment must be made to be processed overnight) and ensure payment is processed by their financial institution on or before the day prior to the closing date of the offer. BPAY® applications will only be regarded as accepted if payment is received by the registry from your financial institution on or prior to the closing date. It is the Applicant's responsibility to ensure funds are submitted correctly by the closing date and time.

Your BPAY® reference number will process your payment to your entitlement electronically and you will be deemed to have applied for such Shares for which you have paid.

CHEQUE / MONEY ORDER

All cheques should be drawn on an Australian bank and expressed in Australian currency and crossed "Not Negotiable".

Sufficient cleared funds should be held in your account as your acceptance may be rejected if your cheque is dishonoured.

Cheques or bank drafts drawn on overseas banks in Australian or any foreign currency will NOT be accepted. Any such cheques will be returned and the acceptance deemed to be invalid.

Do not forward cash as receipts will not be issued.

When completed, this form together with the appropriate payment should be forwarded to the share registry:

Security Transfer Australia Pty Ltd
PO Box 52
Collins Street West VIC 8007

Applications must be received by Security Transfer Australia Pty Ltd no later than 5.00pm EST on the closing date.

LIMITATION ON PARTICIPATION

The maximum subscription limitation of \$15,000 will apply even if an eligible Holder has received more than one form (whether in respect of a joint holding or because the eligible Holder has more than one holding under separate Security accounts).

CUSTODIAN CERTIFICATION

If you are a Custodian (as defined in ASIC Class Order 09/425), you must submit a custodian certificate to Engenco Limited. If you did not receive a custodian certificate, contact Security Transfer Australia Pty Limited. If you need further information to determine whether you are a Custodian, refer to the terms and conditions of the Plan which accompany this Share Purchase Plan Application Form or contact Security Transfer Australia Pty Limited.

CERTIFICATION

By making payment for the application monies, I/we hereby:

1. Acknowledge that I/we have read and understood the Terms of the SPP;
2. Agree to be bound by the Constitution of the Company and the terms of the SPP;
3. Agree to accept any lesser number of new Shares than the number of Shares applied for; and
4. (If not a Custodian as defined in ASIC Class Order 09/425) Certify that the amount of Shares subscribed for by me/us pursuant to the SPP does not exceed the maximum amount taking into account the Shares the subject of this application and any other Shares applied for by me/us under the SPP or any other similar arrangement within the 12 months prior to this application including joint and other beneficial interests.

ENQUIRIES

All enquiries should be directed to the Company's share registry:

Security Transfer Australia Pty Ltd
PO Box 52, Collins Street West, VIC, 8007
Telephone 1300 992 916
Facsimile +61 8 9315 2233
Email: registrar@securitytransfer.com.au

PRIVACY STATEMENT

Personal information is collected on this form by Security Transfer Australia Pty Ltd as the registrar for shares issuers for the purpose of maintaining registers of securityholders, facilitating distribution payments and other corporate actions and communications. Your personal details may be disclosed to related bodies corporate, to external service providers such as mail and print providers, or as otherwise required or permitted by law. If you would like details of your personal information held by Security Transfer Australia Pty Ltd or you would like to correct information that is inaccurate please contact them on the address on this form.

