Investor Presentation

Company Update and Capital Raising

November 2009

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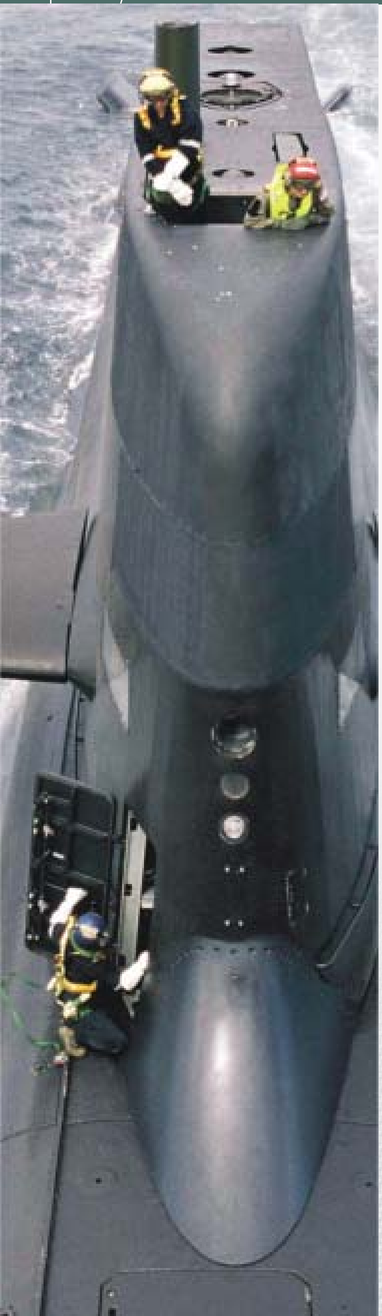

Executive Summary

1	**Capital raising**	• Intend to raise up to \$40m
2	**Placement**	• Institutional Placement to raise \$30m • Consists of Placement of \$4.8m and Conditional Placement of \$25.2m • Fixed price of \$0.26 per share • 25% discount to close and 30 day WVAP
3	**Share purchase plan**	• Raise up to \$10m • Non underwritten • Pricing is the same as the Placement Price
4	**Use of proceeds**	• Repay debt - \$20.0m • Fund working capital to meet increasing volume of contracted work – \$8.4m • Offer costs - \$1.6m • Proceeds from the SPP will be applied toward additional working capital to fund growth
5	**Joint Lead Managers**	• Patersons Securities Ltd and RBS Morgans Corporate Ltd

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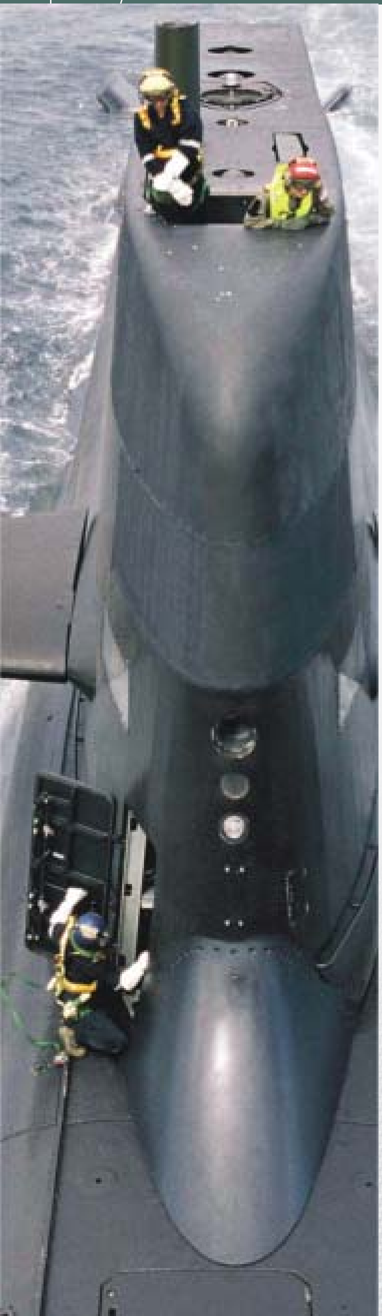

Investment Summary

CXG is a leading service provider to the resources, rail, defence, maritime and power generation industries… key investment themes include:

- ✓ Significant exposure to the resources industry
- ✓ Leverage to infrastructure spending
- ✓ Blue chip client base
- ✓ Diversity of earnings by geography and industry sector
- ✓ Contracted order book provides revenue and earnings certainty

CXG will be well positioned to take advantage of any improvement in economic conditions…

Company Snapshot

History

- Established in 1989 and originally focused on diesel engine turbochargers and components
- Acquired Hedemora Diesel in 2006 – diesel engine and power generation
- Acquired Asset Kinetics in 2006 – road transport solutions
- Acquired Convair Engineering in 2006 – transport tanks
- Listed on ASX in 2007 and acquired FCD, Drivetrain, Gemco Rail and Industrial Powertrain
- Acquired Spur Rail Services in 2007 – railway services
- Acquired 61% interest in Greentrains in July 2009.

Key Information

Operations	
Employees	900+ employees
Locations	Operate 54 offices across six countries
Capital structure	
Shares	123.1m ordinary shares
Market cap	$44.0m – as at 11 November 2009
Bank debt	$141.0m
Convertible notes	$4m - convert into 23.3m shares Mature in 2012 paying 8% p.a.
Shareholders and board	
Major shareholders	Michael Coote – 35% Dale Elphinstone – 11%
Directors	Don Hector – Chairman Michael Coote – MD Don Patterson – CEO Glen Parrett – Exec Director

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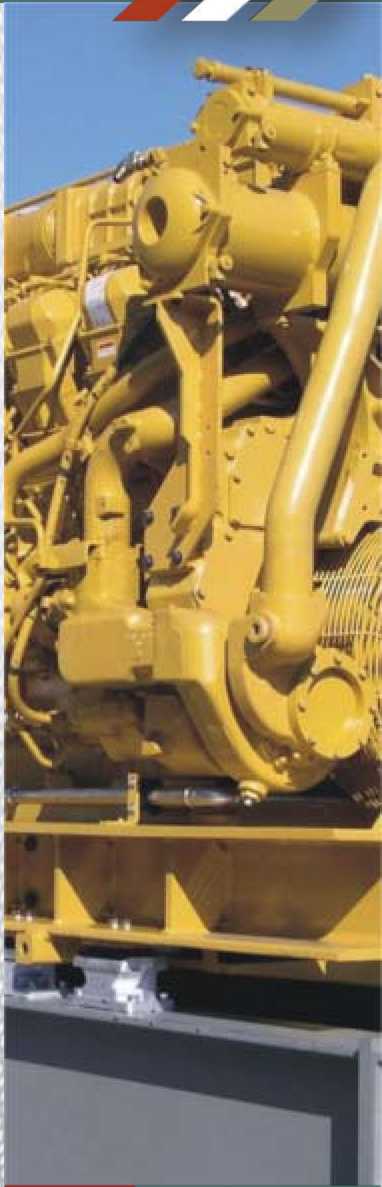
The business in detail

1 **Key Businesses**	• **Convair –** bulk storage and transportation tankers • **Drivetrain Power and Propulsion –** power and propulsion systems and ancillary equipment • **Gemco Rail -** railroad rollingstock design, manufacture and servicing • **Industrial Powertrain –** powertrain and drive-line servicing • **Total Momentum –** below-rail infrastructure construction and maintenance
2 **Service offering**	• Professional engineering services • Design and manufacturing for a range of equipment from heavy plant through to fluid connectors, cryogenic valves and other components • In house maintenance, repair and overhaul • Management for power and propulsion, rail and mining infrastructure projects • Field service teams delivering in-situ commissioning, overhaul and emergency repair services • New and service-exchange parts sales and distribution



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The business in detail

3 **Customers**

- **An extensive 'blue chip' customer base**

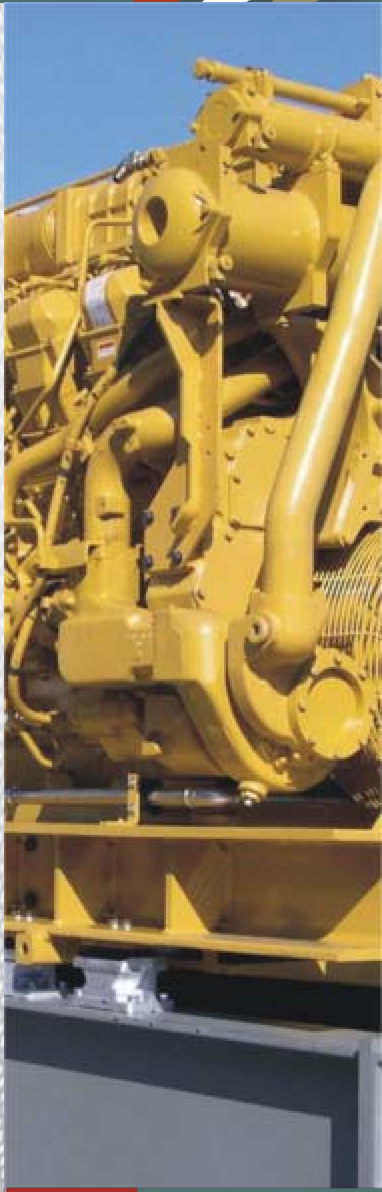
  Rio Tinto, BHP Billiton, Fortescue Metals Group, Newcrest Mining, Argyle Diamond Mines, Royal Australian Navy, Singapore Navy, Swedish Navy, Conoco Phillips, Wellops, Diamond Offshore, ASC Ltd, Thales, Rolls Royce, Sandvik, Queensland Rail, Pacific National, SCT Logistics, Pilbara Rail, NASA, Ball Aerospace, BASF, Glencore, Straits Resources, Laing O'Rourke, John Holland, ARTC, RailCorp, Tidewater, DownerEDI, Wärtsilä, MAN Diesel, SNCF, IIRR, DCNS …

4 **Markets**

- **Defence** – navy surface / sub-surface vessels, army all terrain vehicles
- **Maritime** – offshore cargo ships, coastal and harbour vessels, work and pleasure boats
- **Power Generation** – utilities, resources, government
- **Rail** – freight, mining and passenger rail operators, infrastructure
- **Resources** – above and below ground mining, oil and gas
- **Agriculture**
- **Construction**

5 **Geographical Positioning**

- **Strong national presence** - facilities and shop-fronts in most Australian states for Drivetrain, Gemco Rail and Momentum. Increasing presence for Industrial Powertrain
- Strategic international presence with Drivetrain operational centres in Australasia (Australia, New Zealand, Singapore, Philippines); Europe (Sweden) and North America (USA)



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FY10 Board Targets

1. **Finalisation and Settlement of the second tranche by Greentrains to the value of $35m**
   - Settlement and subsequent leasing of T2 assets to South Spur Logistics will fulfil immediate rollingstock fleet requirements and bring 100% utilisation of Greentrains' fleet over the medium to long-term period.
   - Proceeds from T2 (expected early CY 2010) to reduce debt in Coote Industrial by a further $25m, with the balance to working capital.

2. **Divestment of South Spur Logistics**
   - BurnVoir Corporate Finance Ltd appointed to undertake the sale of South Spur Logistics.
   - Business no longer fits Cootel's strategy of developing a substantial technical based sales and service enterprise and also risks competing with Coote Industrial's major customers.
   - Proceeds from the sale (expected late 2009 / early 2010) go towards debt reduction. Two parties currently undertaking detailed due diligence.

3. **Simplified Business Model**
   - Continue the integration process, commenced in FY09, which includes rollout of single business platform, to take advantage of volume based procurement pricing, increase cross pollination and achieve identified cost savings.

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Financial Position and Summary

- CXG holds a 61% interest in Greentrains and is consolidated into CXG
- The 17 July 2009 Consolidated Balance Sheet is following receipt of $44m from first settlement of Greentrains
- Gearing post placement will reduce to 65% on a consolidated basis.
- Gearing will reduce further to 29% following the completion of Greentrains T2.
- The financial position of CXG will strengthen further following the sale of South Spur Logistics.
- CXG expects its equity interest in Greentrains will be diluted to below 50% as 3rd party equity is raised in Greentrains and accordingly would no longer be consolidated.

Balance Sheet	17 Jul 09 Consolidated	Pro Forma $30m Placement[1,2] Consolidated	Pro forma $30m Placement Greeentrains T2 Not Consolidated
Cash	5	13	20
Receivables	72	72	58
Intangibles	105	105	103
Investments	-	-	20
PPE	127	127	46
Other	77	77	75
Total Assets	386	394	322
Debt	142	122	63
Convertible Note	4	4	4
Other	94	94	92
Total Liabilities	240	220	159
Net Assets	146	174	163
Net Debt	141	113	47
Gearing	97%	65%	29%

(1) Net placement proceeds applied as follows:
- » Debt reduction $20m
- » Working capital $8.4m
- » Offer costs $1.6m

(2) Proceeds from the SPP will be applied toward working capital to fund growth.

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Finance Facilities

- CXG debt as at 17 July 2009 includes a cash advance facility ($73m), lease finance ($19m), overdraft ($8m), other loans ($8m) and Greentrains ($33m).
- CBA facilities are due for renewal in February 2010.
- CXG outside leverage covenant as at 30 June 2009
- Covenant will be restored upon completion of the capital raising and further improved following settlement of T2 and other non-core asset disposals.

- Upon completion of the placement, net debt on a consolidated basis will be reduced to $113m resulting in a leverage covenant (net debt/EBITDA) of 2.9 times which is within the covenant range (2.5x to 3.5x).
- Following the settlement of T2, the ratio will reduce to 1.4x on a non-consolidated basis which is below the minimum ratio for dividend lock up.
- Interest cover ratio comfortably exceeds the minimum covenant of 3x.

Financial Covenants	Pro Forma $30m Placement Consolidated	Pro forma $30m Placement Greeentrains T2 Not Consolidated
Net debt	$113m	$47m
Leverage ratio	2.9x	1.4x
Interest coverage ratio	6.1x	6.9x

Outlook

- Solid start to FY10 with strong demand for core maintenance and contract works.
- Revenue for the first quarter within 3% of budget and showed an incremental increase month on month.
- Key highlights:
  - » Drivetrain is the strongest contributor to Group revenues, with solid contribution from US, Europe and Australasia
  - » Industrial Powertrain exceeded forecast revenue expectation for Q1
  - » Steady upward improvement in Gemco since structural and management changes in July 2009
- Current activity levels are expected to continue to improve in the second quarter, with key businesses reporting healthy forward orders and contracted works of $162m in hand (up 21% since the end of August) and current tender submissions exceeding $215m (up 38% since the end of August).
- This strong order book underpins the revenue forecast of $314m on a consolidated basis for FY10.

Trading	FY10 Pro Forma Consolidated $m	FY09 $m	FY08 $m
Revenue	314	317	348
EBITDA	39	22	48
NPAT	16	(4)	22

Note: The FY10 pro-forma consolidated outlook excludes Greentrains Q4 forecasts

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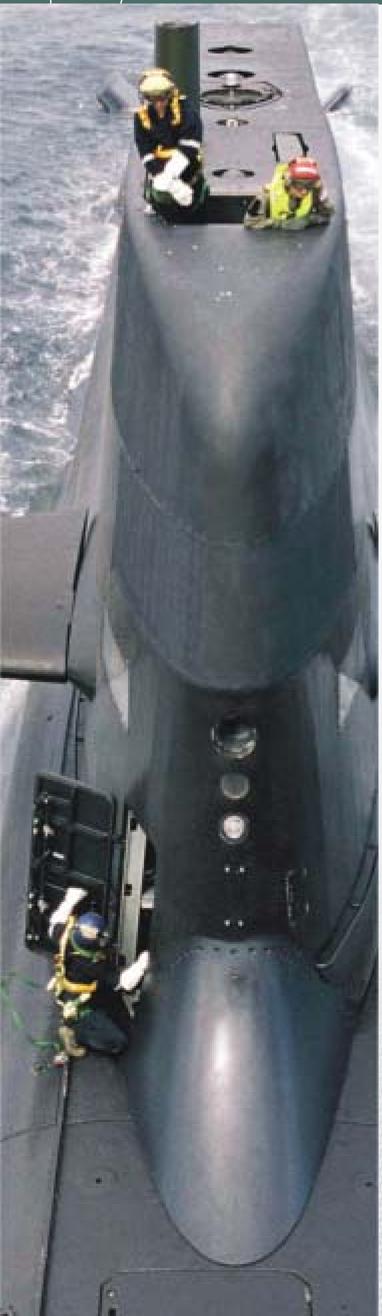

Placement

Placement offer size	■ Tranche 1 – $4.8m institutional placement ■ Tranche 2 - $25.2m conditional placement
Use of Placement proceeds	■ Repay debt – $20m ■ Fund working capital requirements – $8.4m ■ Offer costs of $1.6m
Placement offer price	■ Fixed offer price of $0.26 per share – 25% discount to closing price on 11 November 2009 – 24% discount to 5-day VWAP to 11 November 2009
Timing	■ 2 day trading halt, 1 day suspension ■ Books open 10am on 12 November 2009 ■ Books close 2pm AEST on 16 November 2009 – CXG reserves the right to close early ■ EGM to approve conditional placement on 21 December 2009
Ranking	■ The new shares will be fully paid and will rank equally with the Company's existing issued shares
Joint Lead Managers	■ Patersons Securities Limited and RBS Morgans Corporate Limited

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Share Purchase Plan

Eligible Shareholders	■ Open to eligible Australian shareholders registered at the record date of 17 November 2009
SPP Amount	■ Up to $10m ■ Scaling to apply in the event of oversubscriptions
Use of proceeds	■ Proceeds from the SPP will be applied toward additional working capital
SPP Offer Price	■ SPP Offer Price is same as the placement price, being $0.26 per share
Timing	■ SPP Offer opens 18 November 2009 ■ SPP Offer closes 5:00pm 18 December 2009 ■ Allotment of SPP shares on 23 December 2009
Application amount	■ Subscriptions will be for up to $15,000 worth of CXG shares
Joint Lead Managers	■ Patersons Securities Limited and RBS Morgans Corporate Limited
Other	■ No brokerage or transaction costs ■ Stamping fee equal to 1.25%

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Indicative Timetable

Placement Timetable	
Investor Roadshow	12 – 16 November 2009
Institutional bookbuild opens	12 November 2009 10:00am (AEST)
Institutional bookbuild closes	16 November 2009 2pm (AEST)[1]
Capital raising announced and shares recommence trading	17 November 2009
Institutional settlement of Tranche 1 of the Placement	23 November 2009
Allotment of Tranche 1 placement shares	24 November 2009
Meeting of shareholders to approve Tranche 2 of the Placement	21 December 2009
Institutional settlement of Tranche 2 of the Placement	22 December 2009
Allotment of placement shares of Tranche 2	23 December 2009

SPP Timetable	
Record Date for determining entitlement to SPP	17 November 2009
SPP Offer despatched to eligible shareholders & Offer opens	18 November 2009
SPP Offer closes	18 December 2009
Allotment of SPP shares	23 December 2009

[1] CXG reserves the right to close the book early.

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Investment Summary

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- ✓ Leverage to infrastructure spending
- ✓ Blue chip client base
- ✓ Diversity of earnings by geography and industry sector
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CXG will be well positioned to take advantage of any improvement in economic conditions…

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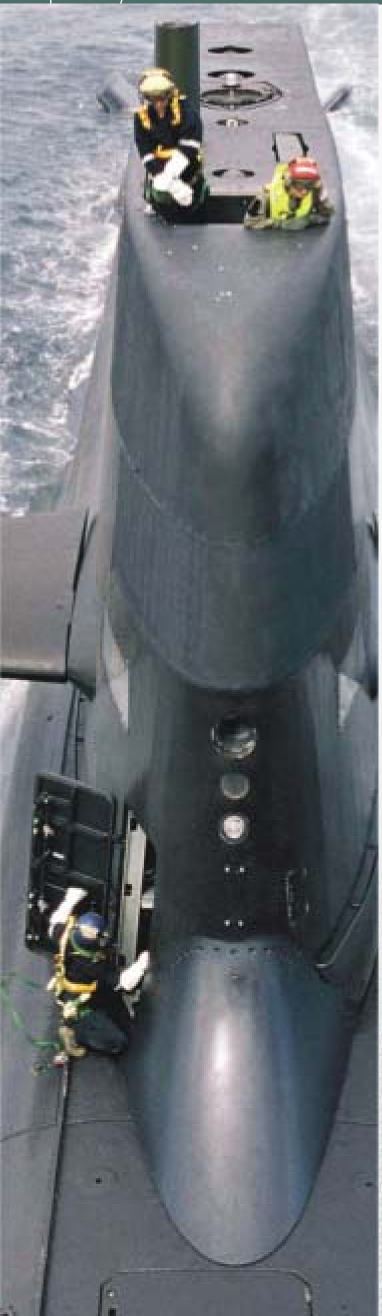


Key Risks

Business integration

- The Company has acquired numerous businesses over the last 3 years since listing. Integration of different businesses, cultures and processes takes time and involves costs. The Company is in the process of centralising and homogenising the internal controls and processes of all the various units of the Company. The expected benefits of the integration include:
  - » cost savings;
  - » increased cross-selling opportunities; and
  - » eligibility to win contracts that are awarded to larger economic entities.
  - » improved financial management , analysis and reporting.

  Prior to that occurring, or should the Company be unable to implement the integration, the expected benefits of the integration may not be achieved.

Information systems

- The Company uses information systems to capture, process and store electronically important information regarding finances, clients, projects, work in progress and other important data. While the Company makes every effort to ensure that the systems are maintained and improved to best meet the demands of the market, system failures or inadequacies may negatively impact on the Company's performance.

Accounting Standards

- Changes in accounting standards or the interpretation of those accounting standards that occur after the date of this document may adversely impact on the Company's reported financial performance and/or financial position.

Professional negligence and insurances

- As a provider of professional services, the Company is exposed to claims of professional negligence. Generally the Company seeks to limit or exclude liability in its contracts and to maintain professional insurance to cover liabilities in the event of a claim for negligence. However, the Company's insurance and contractual arrangements may not adequately protect it against liability for all losses. Also, the Company may not be able to maintain insurance at levels of risk coverage or with deductibles that it considers appropriate or guarantee that every contract contains and has properly incorporated adequate limitations on liability. Any losses falling outside the scope of insurance or contractual limits may adversely affect the Company's earnings and cash flows.

Management of growth

- The Company has grown substantially through acquisition and organic growth in recent years. As part of its business strategy, organic growth is expected to continue.
- Growth requires an increased level of responsibility for both existing and new management personnel. To manage this growth effectively, the Company will need to maintain efficient control and supervision of its operating and financial systems and continue to expand, train and manage its employee and contractor base.

Sector exposure

- Some of the Company's business units' revenues and earnings are heavily dependent on the volume of trade with the mining and railroad industries in Australia. Any significant or extended downturn in activity in these markets may adversely impact these business units' operating and financial performance.

Key Risks

Divestment of non-core assets

- The Company has identified non-core assets for divestment with a view to further debt reduction and improved business efficiency. Should the Company be unable to complete such divestment there is a risk that these assets may impact negatively upon debt reduction initiatives, financial performance or trading relationships.

Finalisation of significant transaction

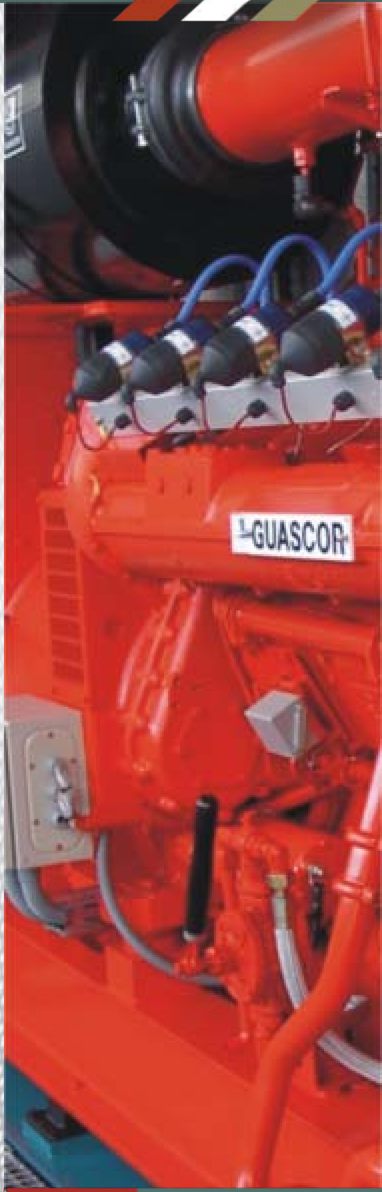
- Completion of tranche 2 settlement with Greentrains for the purchase of further rollingstock. This transaction is a significant strategy in improving the Company's gearing. Not completing the Greentrains' settlement will retain gearing above the Company's desired levels.

General investment risks

- A number of factors outside the Company's control may significantly impact on the Company, its performance and the price of the Shares. These factors include:
  - » economic conditions in both Australia and internationally
  - » relative changes in foreign exchange rates
  - » investor sentiment and local and international share market conditions
  - » changes to government policy, legislation or regulation
  - » changes in fiscal, monetary and regulatory policies
  - » the nature of competition in the industries in which the Company operates.
- Investors should recognise that the Company's revenues, expenses and cash flows could be negatively affected by any of the above factors which, in turn, may affect the price or value of the Shares.
- In particular, the share prices for many companies have in recent times been subject to wide fluctuations which, in many cases, may reflect a diverse range of non-specific influences such as global hostilities and tensions, acts of terrorism and the general state of the economy. Such market fluctuations may materially adversely affect the market price of the Shares.
- No assurances can be made that the Company's performance will not be adversely affected by any such market fluctuations or factors. None of the Company, its Directors or any other person guarantees the performance of the Company or the market price at which the Shares trade.
- The value of the Shares will be determined by the share market and will be subject to a range of factors beyond the control of the Company and its Directors including the demand and availability of Shares. There can be no guarantee that the market price of the Shares will not decline.
- The payment of dividends by the Company is at the discretion of the Directors and will be a function of a number of factors, including the general business environment, the operating results and the financial condition of the Group, future funding requirements, capital management initiatives, potential strategic growth opportunities, taxation considerations, the level of retained earnings and available franking credits and any contractual, legal or regulatory restrictions on the payment of dividends by the Company.
- The Company's continued ability to effectively implement its business plan over time may depend in part on its ability to raise additional funds. There can be no assurance that any such equity or debt funding will be available to the Company on favourable terms or at all. If adequate funds are not available on acceptable terms, the Company may not be able to readily take advantage of opportunities and develop new competitive options.

Strategic Business Partnerships

- A. Stucki Company (USA) – world leader in the development of railcar dynamic control products and services with a portfolio of subsidiaries offering turnkey railway solutions.
- AxleTech International (USA) – a General Dynamics company and global manufacturer, and supplier of axles, axle components, planetary axles, brakes, and aftermarket parts for commercial specialty trucks, military vehicles, and off-highway machines used in the construction, material handling, forestry, mining, and agricultural markets.
- Cattron-Thiemeg (USA) – part of the world-wide Cattron-Group and a leading manufacturer of industrial radio remote control and data communications systems.
- Dana Holding Corporation (USA) – a world leader in the design, engineering, and manufacture of value-added products and systems for automotive, commercial, and off-highway vehicles.
- EMD Services International (USA) – OEM supplier of diesel engines for marine and power generation from Electro-Motive Diesel – the world's largest producer of heavy diesel engines.
- Feldbinder Spezialfahrzeugwerke (Germany) – world leader in aluminium tanker design and manufacture.
- Geismar (France) – provider of the most comprehensive range of dedicated equipment for track and OHL laying and maintenance world-wide.
- Globe Turbocharger Specialties (USA) – OEM manufacturer of ALCo, and aftermarket EMD / GE replacement large-frame turbochargers for rail, marine, power and pipeline industries.
- Guascor Power (Spain) – international manufacturer of high energy efficiency liquid, gas, dual fuel and bio fuel engines for power and marine applications – operating from 43 countries world-wide.
- NRP Jones (USA) – manufacturer of industrial hydraulic hoses and fittings.
- Penn Machine Company (USA) – major supplier of traction gearing to the world's railroads, including carburized and hardened gears and pinions, resilient transit wheels, axles, wheelsets and gearboxes.
- Progress Rail (USA) – rail division of the Caterpillar Inc – the world's largest manufacturer of construction and mining equipment, diesel and natural gas engines, and industrial gas turbines.
- Williams Controls (USA) - world leader in Electronic Throttle Controls for commercial vehicles.



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