

**AMMTEC DOWNGRADES GUIDANCE FOR FY09**

19 May 2009

Due to declining demand for certain services Ammtec has downgraded its FY09 guidance released in January.

Ammtec's core metallurgical and mineral testing business remains steady but demand for specialised engineering services from newly acquired subsidiary Marc Technologies has declined. Marc is expected to achieve revenues similar to FY08, but the global financial crisis has placed pressure on profit margins resulting in a decline in NPAT. Marc has also undergone some recent restructuring with the appointment of a new general manager and the move to larger, better equipped premises.

Marc has experienced an increase in enquiry levels and the order book is strong and growing but this will not impact until the second half of FY10.

Ammtec still remains profitable and is predicting NPAT of \$7million which is in line with the actual results for FY08, but lower than the \$8.7million forecast in January this year.

(\$'000)	FY08	FY09 (Updated)
Revenues	37,488	54,000
EBITDA	11,902	12,850
EBIT	10,835	11,258
PBT	10,157	10,336
NPAT (after minorities)	6,927	7,059
EPS (basic)	31.0cps	27.7cps
Dividend	25.0cps	

Managing Director, Rod Smith, commented that he was "pleased that the results for the core business have held up so well given the tough economic times and the future looks positive. The volume of gold and iron ore testwork has increased from last year and we are now conducting laboratory testwork on uranium."

"Also, recent expansion to automated mineralogy equipment at Balcatta has enabled Ammtec to diversify into oil and gas mineralogy which is also proving positive."

In April the Company paid a fully franked interim dividend of 6 cents per share and the Board will make a decision on the final dividend when the audited results are released.

**For further information please contact:**

Rod Smith, Managing Director  
Direct Phone (08) 9344 2416  
Email: [rod.smith@ammtec.com.au](mailto:rod.smith@ammtec.com.au)

Sharyn Long, Company Secretary/CFO  
Direct Phone (08) 9481 4420  
Email: [sharyn.long@ammtec.com.au](mailto:sharyn.long@ammtec.com.au)