

**ASX Announcement
Engin Limited (ENG)**

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Sydney, 25 February 2008:

\$8.4 Million Rights Issue

Engin Limited (ASX:ENG) advises it has issued a Prospectus for a non-renounceable rights issue, to raise approximately \$8.4 million for purposes including funding to complete the strategic restructure of the business and to provide for ongoing capital (including working capital) requirements.

The Prospectus for the rights issue was lodged with the Australian Securities & Investments Commission today, 25 February 2008.

Under the rights issue, each shareholder eligible to participate will be entitled to subscribe for four new ordinary shares in Engin for each five existing ordinary shares registered in their name at 5.00pm (Sydney time) on 4 March 2008. Shareholders will also have the opportunity to apply for additional shares.

Engin will issue approximately 281,022,213 new ordinary shares under the rights issue at an issue price of \$0.03 per share, which is a 37.5% discount to the last sale price on 22 February 2008 of \$0.048. The rights issue will include an additional share facility allowing shareholders to apply for additional shares not taken up by other shareholders.

The rights issue is fully underwritten by Network Investment Holdings Pty Limited (Network), a wholly-owned subsidiary of Seven Network Limited (ASX:SEV). Network is Engin's largest shareholder.

Attached is a letter regarding the rights issue that will be mailed to shareholders on 26 February 2008.

For further enquiries call:

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Company Secretary

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About Engin

Engin, listed on the ASX (ENG), is Australia's leading Broadband phone company, cutting the cost of calling for tens of thousands of homes and small businesses across Australia. By using Engin products, broadband users can keep their previous phone number to receive calls, whilst making great savings with their outbound calls. Engin's customers receive high quality calls using VoIP (Voice over Internet Protocol) technology. Engin is the primary distributor of TiVo which is expected to launch in Australia in early 2008.

Engin is headquartered in Sydney Australia and delivers a digital voice service across existing broadband connections. Winner of the ATUG Best Communications Solution – Small Business 2006 award and the 2005 iAwards AIIA communications category, Engin provides affordable telecommunication alternatives for all Australian consumers and businesses. For more information, please visit www.engin.com.au

For more information, please contact:

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