



**NEWS RELEASE
31 MARCH 2014**

**AUSTRALIAN MINISTER FOR IMMIGRATION AND BORDER PROTECTION
PARTICIPATES IN CAPE CLASS KEEL LAYING CEREMONY**

Austal Limited (**Austal**) (ASX:ASB) is pleased to announce Minister for Immigration and Border Protection, Scott Morrison MP, participated in a keel laying ceremony today for the sixth Cape Class Patrol Boat being manufactured at Austal's Henderson shipyard in Western Australia.

The vessel, *Cape Leveque*, is the sixth of eight Cape Class Patrol Boats being built by Austal for the Australian Customs and Border Protection Service under a design, construct and in-service support contract valued at approximately \$330 million.

The first-in-class Cape Class Patrol Boat, *Cape St George*, was delivered to the Australian Customs and Border Protection Service in April 2013. A second vessel, the Cape Byron, is undergoing sea trials and is expected to be delivered in the next two months. All eight vessels are on track to be delivered by August 2015, in line with the contract.

The keel laying ceremony is a time honoured shipbuilding tradition where three specially minted coins are placed under a keel block as a symbol of good fortune and to bless the ship. These coins will be removed just prior to the patrol boat's launch.

The three coins for the Cape Leveque keel laying ceremony were placed by Minister Morrison; Austal Chairman John Rothwell AO; and Customs and Border Protection Regional Commander WA Rod O'Donnell.

At the ceremony Minister Morrison commended Austal for achieving the project to date on time and on budget.

"The reason that we're doing this here is not through any act of generosity to Austal; we're doing it because they know how to do a good job," he said.

“They’re a competitive outfit that knows about product and knows about service, and they know about partnership in working together with government to deliver up these major programs.”

Austal Chief Executive Officer Andrew Bellamy said the Cape Class contract had cemented Austal’s position as global defence prime contractor and it was pleasing to be able to demonstrate the capability of both Austal and its aluminium vessels to Australia’s Minister for Immigration and Border Protection today and to Prime Minister Tony Abbott when he introduced the Cape St George into service in Darwin in October 2013.

“At present our shipbuilding yard at Henderson is at full Cape Class production levels,” Mr Bellamy said.

“Through superior design and skilled workmanship we are providing vessels on time and within budget, and, according to feedback from Customs and Border Protection, that class of vessel is exceeding their high operational expectations.

“In addition, the construction of the Cape Class vessels underpins both Austal’s domestic/export demand model for Australian shipbuilding and the 500 skilled employees at our Henderson operation.”

As part of the \$330 million contract, Austal will also perform ongoing in-service support for the Cape Class fleet over at least eight years, encompassing a full range of intermediate and depot level maintenance activities, valued at a minimum of \$50 million.

The Cape Class Patrol Boats have been designed and constructed to provide greater range, endurance and flexibility, as well as enhanced capability to operate in more severe sea conditions, than the current Customs and Border Protection Bay Class fleet and the Royal Australian Navy Armidale Class fleet.

Each of the vessels is named after a cape from each state and territory.

In addition to its role as a defence prime contractor in Australia, Austal is also prime contractor for two major US defence projects – the Littoral Combat Ship (LCS) and the Joint High Speed Vessel (JHSV) – for the United States Navy.

Austal has manufactured and delivered 69 defence vessels, including 41 boats for other Australian agencies.

-Ends-

Project Background

Austal was awarded the contract for the design, construction and through-life support of the Cape Class patrol boats for the Australian Customs and Border Protection Service in August 2011. The eight 58 metre aluminium monohulls are due to be delivered between March 2013 and August 2015.

The support contract extends for a minimum period of eight years and encompasses a full range of intermediate and depot level maintenance activities. Further options can be exercised by the Australian Customs and Border Protection Service for In-Service Support for the life of the Cape Class Patrol Boat Fleet.

The Cape Class Patrol Boats will have greater range, endurance and flexibility in responding to maritime security threats than the current fleet.

These vessels will also have enhanced capability to operate in higher sea states and survive in more severe conditions.

The Cape Class Patrol Boats will be able to:

- Undertake 28 day patrols;
- Sail 4,000 nautical miles before having to refuel;
- Combat the full range of maritime security threats;
- Carry a larger crew to more effectively and safely manage boarding operations;
- Identify, track and intercept an extended range of threats in the maritime domain and gather intelligence and store evidence for matters that may proceed to the courts; and
- Launch two Tender Response Vessels simultaneously.

Customs and Border Protection patrol boats may be deployed according to aerial surveillance, community reports and/or radar sightings.

They may be used to:

- Counter people, drug and weapons smuggling;
- Apprehend foreign fishing vessels;
- Gather information and intelligence;
- Monitor environmental pollution; and
- Assist management of offshore nature reserves and marine parks.

About Austal

Austal is a global defence prime contractor. The Company designs, constructs and maintains revolutionary platforms such as the Littoral Combat Ship (LCS) and the Joint High Speed Vessel (JHSV) for the United States Navy, as well as an extensive range of patrol and auxiliary vessels for defence forces and government agencies globally. Austal also designs, installs, integrates and maintains sophisticated communications, radar and command and control systems.

Austal benefits from its position as a world leader in the design, construction and support of customised, high performance aluminium vessels for the commercial high speed ferry market, an achievement gained over a period of more than 25 years.

Austal's primary facilities comprise a dedicated defence shipyard in Henderson, Western Australia; a dedicated defence shipyard in Mobile, Alabama; and a dedicated commercial shipyard in Balamban, Philippines. The Company also provides vessel support services from its facilities in Australia, the United States, Asia, Europe, the Caribbean, and the Middle East.

For further information contact:

Austal, Public Relations

Tel: +61 8 9410 1111

Fax: +61 8 9410 2564

Email: pubrel@ustal.com

Website: www.ustal.com