



**COMPANY ANNOUNCEMENT
5 MAY 2016**

AUSTAL USA AWARD HIGHLIGHTS EPF PROGRAM EXTENSION

Austal Limited (**Austal**) (ASX:ASB) is pleased to announce it has been awarded a US\$18.5 million contract to procure long-lead-time materials for the twelfth Expeditionary Fast Transport vessel (EPF 12), for the U.S. Navy.

The award covers materials including main propulsion engines, water jets, stern ramp and other long-lead-time items, to support the detail design and construction of EPF 12.

Chief Executive Officer David Singleton said the contract award was an important step on the critical path to a new shipbuilding contract.

“This award is a clear indication from the U.S. Navy that they value the platform and stand committed to the program. Our delivered EPFs have achieved operational success around the world and this announcement is a crucial step to growing the fleet to 12 ships and potentially beyond”, Mr Singleton said.

Costs incurred will be reimbursed but no profit will be recognised prior to execution of the shipbuilding contract.

Austal is constructing ten 103-metre Expeditionary Fast Transport (EPF) vessels under a \$1.6 billion contract from the U.S. Navy, with six already delivered and the remaining vessels under construction at Austal’s US shipyard. Austal is also procuring long-lead materials for EPF 11 under a previously awarded contract from the U.S. Navy.

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About Austal

Austal is a global defence prime contractor and a designer and manufacturer of defence and commercial ships. For more than 27 years Austal has been a leader in the design, construction and maintenance of revolutionary ships for governments, navies and ferry operators around the world. More than 255 vessels have been delivered in that time.

Ships

Defence vessels designed and built by Austal include multi-mission combatants, such as the Littoral Combat Ship (LCS) for the United States Navy and military high speed vessels for transport and humanitarian relief, such as the Expeditionary Fast Transport (EPF) for the United States Navy and High Speed Support Vessel (HSSV) for the Royal Navy of Oman. Austal also designs, constructs, integrates and maintains an extensive range of patrol and auxiliary vessels for government agencies globally, including the Cape Class Patrol Boat Program for Australian Border Force. Defence vessels are designed and constructed in Mobile, Alabama and in Henderson, Western Australia.

Austal has been at the forefront of the high speed ferry market since the early days of the industry. Our market leading designs of high performance aluminium vessels have long been at the heart of Austal's research and development. Today, commercial ship construction is centred on our shipyard in Balamban, Philippines.

Systems

Austal has expertise in integrating complex systems into its ships, including ride control, ship management, and communication, sensors and weapon systems.

Support

Austal provides a wide range of support services, including through life support, integrated logistics support, vessel sustainment and systems support. These services are delivered through our global support network in the USA, Australia, Asia, and the Middle East together with partner shipyards worldwide.

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