



**COMPANY ANNOUNCEMENT
24 JUNE 2016**

AUSTAL TO BUILD NEW 109 METRE HIGH SPEED CATAMARAN

Austal Limited (Austal) (ASX: ASB) is pleased to announce it has been awarded a contract to design and build a 109 metre vehicle passenger (RoPax) ferry for Mols Linien A/S (Mols) (OMX: MOLS) of Denmark, its fourth new commercial ferry contract in the past month.

The circa A\$100million contract will be the largest commercial ferry built by Austal since 2011, and is proposed to be built at Austal Australia's Henderson shipyard, commencing first quarter of 2017.

The 109 metre RoPax ferry is an enhanced design based on Austal's proven catamaran platform, with a new optimised hull shape and vessel weight minimisation solution that delivers better performance and greater fuel efficiency. Innovations such as these will enable Mol's new high speed ferry to achieve lower operating costs and deliver an enhanced passenger experience.

The first-in-class vessel will be the first built by Austal to feature two full vehicle decks for 425 cars, or 610 lane metres for trucks and up to 232 cars. With a capacity to carry up to 1,006 passengers safely and comfortably at speeds up to 40 knots, the all-aluminium catamaran delivers greater capability to Mols to achieve early, valuable returns on a strategic commercial investment.

Austal Chief Executive Officer David Singleton said: "Once again Austal has demonstrated that it is a world leader in ship design and construction with the sale of this newly optimised class of very large 109 metre ferry to a highly discerning customer. We are continuing to innovate by investing in our designs and our manufacturing capability, which has led to this reference customer sale.

"In the past two months Austal has secured more than AU\$400million in new orders for defence and commercial vessels which clearly demonstrates our success in developing technically superior and highly cost competitive solutions for domestic and export markets. Austal is proud to put Australian ship building on the world stage."

Based on previous commercial vessel construction programs of this magnitude, Austal's Australian shipbuilding operations are anticipated to engage more than 350 local design, production and project management employees in the delivery of the Mols contract, further enhancing Austal's and the greater Australian shipbuilding industry's sovereign capability.

A total of seven large (greater than 100 metres long) high speed RoPax ferries have been produced for international operators at Austal's Henderson shipyard since 2001.

"The number and variety of vessels delivered to export markets reflects Austal's ingenuity and commercial success in designing, constructing and supporting large RoPax ferry platforms, such as the Mols 109 metre catamaran," Mr Singleton said.

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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) ships for the U.S. 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.

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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