COMPANY ANNOUNCEMENT
24 NOVEMBER 2021

AUSTAL USA AWARDED US$72.5 MILLION CONTRACT TO MAINTAIN LCS DEPLOYED IN WESTERN PACIFIC, WITH OPTIONS TO INCREASE TO US$215.9 MILLION

Austal Limited (ASX:ASB) is pleased to announce Austal USA has been awarded a US$72.5 million (~A$100.4 million) contract by the US Navy to perform maintenance on Littoral Combat Ships (LCS) deployed to the Western Pacific, Indian Ocean, and the countries and ports therein. The contract value could increase to US$215.9 million (~A$298.9 million) if options for further periods contained in the contract are exercised by the US Navy.

Austal Limited Chief Executive Officer Patrick Gregg said building Austal's support business has been a key plank of the Company's growth strategy, and the deployed Littoral Combat Ship contract adds to Austal's recent inclusion in the Sustainment Execution Contract panels in both San Diego, California, (SEC West) and Mayport, Florida, (SEC East), as well as the Company's pending lease of a ship repair facility in San Diego.

"This award is an important milestone in growing Austal's vessel sustainment business, and positions Austal USA to be the prime contractor for all continuous and emergent maintenance on the LCS as they transit and operate in the region," Mr Gregg said.

The maintenance award is a firm-fixed-price, indefinite-delivery/indefinite-quantity contract for emergent repair and continuous maintenance, on the multiple Independence-class LCS deployed to the Western Pacific. Work for an initial 24-month base period will begin in January 2022 and will be completed by December 2026 if all further options are exercised.

In 2017, Austal USA established a service centre in Singapore, adjacent to the Changi Naval Base to support deployed LCS and Austal-built Expeditionary Fast Transport. Over the last four years, Austal USA's service and support business has grown in size and scope with continued investment from the company.

In 2018, the company expanded its presence in San Diego, California adding more engineering and technical expertise to support the continued delivery of the LCS homeported in San Diego.

In September 2020, Austal USA purchased additional waterfront, facilities and equipment along the Gulf Coast in Mobile, Alabama. The new Austal USA West Campus Ship Repair facility includes 15 acres of waterfront property, a pier front capable of mooring vessels up to 300 metres, a 20,000-ton Panamax-class floating dry dock, 28,000 square metre outdoor fabrication space, and 10,000 square metres of undercover repair facilities.

Austal's overall investment strategy includes its new construction business as the Company is on schedule to complete a new state-of-the-art steel production line in April to support future US Navy and US Coast Guard steel ships.

This ASX announcement has been approved and authorised for release by Patrick Gregg, Austal Limited's Chief Executive Officer.

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About Austal:

Austal is Australia's global shipbuilder and defence prime contractor designing, constructing and sustaining some of the world's most advanced commercial and defence vessels.

For more than 30 years Austal has contracted more than 340 vessels for over 121 commercial and defence operators in 59 countries, worldwide.

Austal is Australia's largest defence exporter and first ASX-listed shipbuilder. Austal has industry-leading shipyards in Australia, the United States of America, Philippines and Vietnam with service centres worldwide, including the Middle East.

Austal delivers iconic monohull, catamaran and trimaran commercial vessel platforms – including the world's largest trimaran ferry and multiple defence programs such as the Littoral Combat Ship (LCS) and Expeditionary Fast Transport (EPF) for the United States Navy.

Austal is the only foreign-owned prime contractor designing, constructing and sustaining ships for the US Navy.

Austal Limited

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