Austal (ASX:ASB) is pleased to advise that the Detailed Design Review (DDR) for the A$306 million Pacific Patrol Boat Replacement (PPB-R) Project has been successfully completed on time and in accordance with the contracted schedule.

A key element of the Commonwealth’s continuous naval shipbuilding strategy, the PPB-R Project is contributing to the growth of Australia’s sovereign shipbuilding capability in the lead up to the Offshore Patrol Vessel and Future Frigate programs for the Royal Australian Navy, due to commence in 2018 and 2020, respectively.

The completion of the DDR, on time, formally signifies the end of the design phase and the commencement of the production phase of the nineteen steel vessel program, awarded to Austal in May 2016. DDR is a key, mandated milestone in the Commonwealth’s ASDEFCON contracting process and the PPB-R detailed design confirmation, on 10th February 2017, which will enable the product baseline to be established.

Announcing the milestone, Austal’s PPB-R Project Manager Matthew Klingberg highlighted the effective working relationship between Austal and the Commonwealth on the PPB-R Project.

“Achieving DDR on a Commonwealth shipbuilding project is a significant milestone, particularly as this was achieved within 8 months from the Contract Effective Date. This was made possible by the dedicated efforts of both the Austal and Commonwealth teams, working together in an open and collaborative manner,” Klingberg said.

The PPB-R Project comprises the design, construction, delivery, training and sustainment of nineteen 40 metre patrol boats - to be gifted by the Commonwealth of Australia - to twelve Pacific Island nations as part of Australia’s new Pacific Maritime Security Program.
Construction of the Austal design will commence in Western Australia in April 2017, with deliveries scheduled from 2018 to 2023. Sustainment of the new fleet of vessels will be carried out by Austal from facilities in Cairns, Queensland.

Austral is positioned to play a key role in the delivery of the Commonwealth’s continuous naval shipbuilding strategy, as the only ASX-listed Australian shipbuilder and Defence prime contractor currently delivering multiple naval vessel programs for Australian and overseas customers, including the Royal Australian Navy and US Navy.

Austral’s Pacific Patrol Boat Replacement Project is on schedule, with Detailed Design Review (DDR) completed on time and in accordance with the contract. Construction of the 19 steel vessels is due to commence, on schedule, in April 2017. (Image: Austal)

- ENDS –

About Austral

Austral is a global defence prime contractor and a designer and manufacturer of defence and commercial ships. For more than 28 years Austral 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. 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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