

COMPANY ANNOUNCEMENT 5 OCTOBER 2018

AUSTAL AWARDED ADDITIONAL US\$16.4M CONTRACT FOR U.S. NAVY LCS SERVICE WORK

AUSTAL (ASX: ASB) today announced the United States Department of Defence has awarded Austal USA, US\$16,459,663 for a cost-plus-award fee against a previously awarded Basic Ordering Agreement.

The order provides engineering and management services in support of work specification development, prefabrication effort and material procurement for post shakedown availability for the Independence Class Littoral Combat Ship, *USS Charleston* (LCS 18).

Austal will provide program management, advanced planning, engineering, design, prefabrication and material kitting. The work will be conducted by Austal USA across the Mobile, Alabama and San Diego, California facilities and completed by August 2019.

"Austal's Independence Class, Littoral Combat Ship program supports industry throughout the United States. This program supports thousands of jobs, through the contributions of our supply chain, including with over 900 local suppliers in 41 states," Austal CEO, David Singleton said.

The Littoral Combat Ship is a 127m, frigate sized vessel. Originally designed in Austal's Centre for excellence in maritime design in Henderson, Western Australia, these vessel are built at Austal facilities in Mobile, Alabama. The program is in a full rate of production with several ships under construction simultaneously. With the additional two vessel order there will be 17 Independence Class vessels in service with the U.S. Navy by the end of 2023.

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Further Information:

Austal Media Contact:

Contact: Gemma Whiting - Government Relations

Mobile: +61 (0)408 982 727 Email: gemma.whiting@austal.com

Website: www.austal.com

About Austal

Austal is an Australian shipbuilder and global defence prime contractor which designs constructs and sustains some of the world's most advanced commercial and defence vessels.

Austal successfully balances commercial and defence projects and celebrates 30 years of success in 2018. Austal has designed, constructed and delivered more than 300 commercial and defence vessels for more than 100 operators in 54 countries worldwide.

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

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 has grown to become the world's largest aluminium shipbuilder.