

COMPANY ANNOUNCEMENT 6 JUNE 2016

AUSTAL'S EXPEDITIONARY FAST TRANSPORT 7 (EPF 7) COMPLETES ACCEPTANCE TRIALS

Austal Limited (Austal) (ASX:ASB) is pleased to announce that Expeditionary Fast Transport 7 (EPF 7), USNS *Carson City* has successfully completed U.S. Navy acceptance trials.

The trials, the last significant milestone before delivery, were undertaken in the Gulf of Mexico and involved comprehensive testing of the vessel's major systems and equipment by the U.S. Navy.

"This is further evidence of the level of maturity that the EPF program has reached," David Singleton, CEO of Austal, said. "The U.S. Navy's acceptance of our seventh EPF is a significant milestone for Austal, as the innovative platform continues to gain attention and praise from forward deployment around the world. The growing EPF fleet is adding great value to both U.S. Navy and U.S. Military Sealift Command (USMSC) operations and with the unique ability to transport troops, vehicles, equipment and cargo quickly and cost effectively, is truly redefining naval capability."

After delivery of EPF 7 later this year, Austal will deliver a further three expeditionary fast transport vessels from its shipyard in Mobile, Alabama, under a US\$1.6 billion, 10-ship block-buy contract with the U.S. Navy. Final assembly is well underway on *Yuma* (EPF 8) and modules for *City of Bismarck* (EPF 9) are under construction in Austal's module manufacturing facility.

-ENDS-

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. 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.

Further Information:

Austal, Public RelationsTel:+61 8 9410 1111Fax:+61 8 9410 2564Email:pubrel@austal.comWebsite:www.austal.com