



**COMPANY ANNOUNCEMENT
6 NOVEMBER 2017**

**COMMONWEALTH ANNOUNCES INTENT TO PURCHASE TWO
ADDITIONAL PACIFIC PATROL BOATS**

Austal (ASX:ASB) welcomes the announcement by the Australian Prime Minister, Malcolm Turnbull and Timor-Leste Prime Minister, Mari Alkatiri, that Timor Leste would take two of Austal's *Guardian Class* Pacific Patrol Boats (PPB). When contracted this will increase the total production quantity to 21 from the 19 already committed. The announcement was made at the Asia Pacific conference that was attended by both Prime Ministers.

Following on from a visit to Austal's dedicated patrol boat facility earlier that day, Prime Minister Alkatiri joined Prime Minister Turnbull to make the announcement heralding a step forward in regional cooperation.

"The PPB program is intended to aid regional security in the South Pacific by helping to secure the Timor Leste maritime border and represents an example of defence diplomacy fostering close relations between countries in the Asia-Pacific," Austal CEO David Singleton said.

"The first of the current order of *Guardian Class* patrol boats is already well into its construction phase and is running on time and on budget. Handover of the first vessel is projected to be in the third quarter of CY 2018," Mr Singleton said.

"The *Guardian Class* patrol boat project at Austal is supporting 200 direct jobs and a further 200 indirect jobs in the broader industry. This is in addition to several hundred more jobs supported by a large commercial export ship currently being built in the Henderson yard," he said.

"We are working on other export opportunities for the *Guardian Class* patrol boat thereby helping Australia sustain its sovereign naval shipbuilding industry which has already delivered over 40 Patrol Boats to international customers," Mr Singleton said.

The Pacific Patrol Boat contract was awarded to Austal in May, 2016 and is worth \$305m for the original 19 vessels and associated in service support.

Austal has separately partnered with Fassmer of Germany for the Commonwealth of Australia's \$3.5 Billion Offshore Patrol Vessel program and is in a teaming agreement with ASC to compete for the build of the \$35 Billion Future Frigate Program.

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Further Information:

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About Austal

Austal is the Australian shipbuilder, global defence prime contractor and maritime technology partner of choice, designing, constructing and sustaining the world's most advanced commercial and defence vessels.

As the only shipbuilder in the world that successfully balances commercial and defence projects, Austal celebrates 30 years of success in 2018, and has delivered and continues to construct more than 300 commercial and defence vessels for more than 100 operators in 54 countries worldwide.

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

Delivering 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.

With relentless determination, Austal continues to pursue and win commercial and defence projects throughout the world, playing a leadership role in developing Australia's sovereign shipbuilding capability.