



**COMPANY ANNOUNCEMENT
10 MARCH 2014**

**AUSTAL AWARDED CONTRACT FOR TWO 72M HIGH SPEED DEFENCE
SUPPORT VESSELS**

Austal Limited (**Austal**) (ASX:ASB) is pleased to announce it has been awarded a contract from a naval customer in the Middle East for the design, construction and integrated logistics support of two 72 metre High Speed Support Vessels (HSSVs).

The value of the contract is approximately US\$124.9 million.

Austal will construct the HSSVs at its shipyard in Henderson, Western Australia. Construction of the first vessel is expected to commence in CY2014, with the second vessel expected to be delivered in CY2016.

The HSSVs will be deployed with a similar mission to the Joint High Speed Vessels currently being constructed by Austal for the US Navy at the Company's shipyard in Mobile, Alabama.

The HSSVs will offer a range of capabilities to support naval operations, including helicopter operations, rapid deployment of military personnel and cargo, and search and rescue operations.

Austal Chief Executive Officer Andrew Bellamy said the contract reflected the Company's strategy of pursuing higher-value, defence vessel export opportunities in new markets.

"I am delighted that we have been awarded this contract, which is in line with our strategy of leveraging our revolutionary intellectual property and technology to new defence markets, particularly for underpinning the Henderson shipyard," Mr Bellamy said.

"This contract reinforces the significant progress we have made in positioning Austal as a prime defence contractor.

"At Henderson, for example, we have a proven ability in designing, constructing and supporting defence vessels, including our current eight-ship Cape Class Patrol Boat contract for the Australian

Customs and Border Protection Service. Meanwhile, our commercial ferry operations have been successfully transferred to our Philippines shipyard.

“The contract also illustrates the growing recognition by international naval forces of the utility of high speed support vessels, following on from our 10-ship Joint High Speed Vessel contract for the US Navy.”

Further details cannot be released at this time due to a customer confidentiality agreement.

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About Austal

Austal is a global defence prime contractor. The Company designs, constructs and maintains revolutionary platforms such as the Littoral Combat Ship (LCS) and the Joint High Speed Vessel (JHSV) for the United States Navy, as well as an extensive range of patrol and auxiliary vessels for defence forces and government agencies globally. Austal also designs, installs, integrates and maintains sophisticated communications, radar and command and control systems.

Austal benefits from its position as a world leader in the design, construction and support of customised, high performance aluminium vessels for the commercial high speed ferry market, an achievement gained over a period of more than 25 years.

Austal’s primary facilities comprise a dedicated defence shipyard in Henderson, Western Australia; a dedicated defence shipyard in Mobile, Alabama; and a dedicated commercial shipyard in Balamban, Philippines. The Company also provides vessel support services from its facilities in Australia, the United States, Asia, the Caribbean, and the Middle East. Systems development, sales and support are coordinated from Austal’s facility in Canberra, Australia.

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