



**COMPANY ANNOUNCEMENT
21 DECEMBER 2014**

AUSTAL USA AWARDED LCS CONTRACT FOR CLASS SERVICES SUPPORT

Austal Limited (**Austal**) (ASX:ASB) is to be awarded a US\$14,359,433 cost-plus-fixed-fee contract modification for class services in support of the Littoral Combat Ship (LCS) program.

Austal USA will provide engineering and design services, as well as affordability efforts to reduce LCS acquisition and lifecycle costs. Work will be performed in Mobile, Alabama (72 percent), and Pittsfield, Massachusetts (28 percent), and is expected to be completed by December 2015. Fiscal 2013 shipbuilding and conversion (Navy) funding in the amount of US\$4,000,000 will be obligated at the time of award and will not expire at the end of the current fiscal year. The Naval Sea Systems Command, Washington, District of Columbia, is the contracting activity.

In addition to the above service contract Austal is to be awarded a Basic Ordering Agreement (BOA) in support of the U.S. Navy's Littoral Combat Ship program.

The Naval Sea Systems Command intends to issue a Basic Ordering Agreement (BOA) to Austal USA, LLC (**Austal**), for support of Post Delivery Test and Trial (PDT&T) efforts including Post Shakedown Availability (PSA) planning, emergent work, Final Contract Trials and Test and Evaluation (T&E) events to be performed on Littoral Combat Ships (LCS) 6, 8, 10, 12, 14, 16, 18, and 20.

The scope will include planning, engineering, and material procurement beginning from BOA award through 30 September 2019. Austal was identified as the only source with the requisite knowledge of the Ship's delivered configuration, deferred work, and incomplete changes to provide timely PSA Planning, T&E, and PDT&T Support during the Post Delivery period for the INDEPENDENCE variant beginning with LCS 6.

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About Austal

Austal is a global defense prime contractor and a designer and manufacturer of defense and commercial ships. For more than 25 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 250 vessels have been delivered in that time.

Ships

Defense 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 Joint High Speed Vessel (JHSV) for the United States 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 Customs and Border Protection. Defense 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 aluminum vessels have long been at the heart of Austal's research and development. Today, commercial ship construction is centered 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, the Caribbean and the Middle East together with partner shipyards worldwide.

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