



COMPANY ANNOUNCEMENT / NEWS RELEASE
June 13, 2011

**AUSTAL ANNOUNCED AS PREFERRED TENDERER FOR
CAPE CLASS PATROL BOATS**

Austal is pleased to announce its selection as the preferred tenderer as prime contractor for the design, construction and through-life support of eight new vessels for the Australian Customs and Border Protection Service.

The Cape Class Patrol Boat project seeks to acquire a fleet of vessels, the associated logistics support, and the in-service support services that are necessary for the operational sustainment of each vessel.

The contract term is expected to be eight years from the effective date of the contract, with options to extend the term for various periods up until the expiration of the life of the vessels, which is anticipated to be 20 years.

Austal's Chief Executive Officer Andrew Bellamy said "Austal is very proud to have been selected as a the preferred tenderer for the Cape Class Patrol Boat project given the importance of this new class of vessel to the duties that the Australian Customs and Border Protection Service performs in helping to safeguard our national boundaries."

Mr Bellamy added "This contract is strategically important to Austal as it is a key first step in the repositioning of our Henderson facilities and our Australian business as a defence focused operation."

The potential value of the Customs order is not being released at this time as the contract has not been finalised. A further announcement will be made when the final terms of the award and the contract are known.

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About Austal

Austal is an emerging global defence prime contractor. The Group supplies revolutionary vessel platforms such as the Littoral Combat Ship and the Joint High Speed Vessel to the United States Navy, an extensive range of patrol and auxiliary vessels to defence forces around the world, and installs and maintains military communications, radar and command and control systems.

Austal's defence capabilities leverage its position as a world leader in the design and construction of customised, high performance aluminium vessels. Austal has a broad international presence with a dedicated defence shipyard in Mobile, Alabama, USA and a combined defence and commercial shipyard in Henderson, Western Australia. The Group provides defence vessel support services from its bases in Trinidad & Tobago, Oman and Darwin, Australia, and supports commercial vessels from its base in Spain. The Group's defence systems integration capability is based in Canberra. Austal further supports clients through sales offices in the United Kingdom and the United Arab Emirates.

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